



A Government of India Undertaking
Constituted under the Banking Companies (Acquisition and Transfer of Undertakings)
Act, 1970

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ISSUE OF UPTO 30000 UNSECURED, SUBORDINATED, NON-CONVERTIBLE, REDEEMABLE, FULLY PAID UP, TAXABLE, BASEL III COMPLIANT TIER 2 BONDS (HEREINAFTER REFERRED TO AS THE "SERIES I BONDS") FOR INCLUSION IN TIER 2 CAPITAL IN THE NATURE OF DEBENTURES OF FACE VALUE OF RS.10,00,000 (RUPEES TEN LAKHS ONLY) EACH ("BONDS") AT PAR AGGREGATING UP TO RS. 3000,00,00,000 (RUPEES THREE THOUSAND CRORES) WITH A BASE ISSUE SIZE OF RS 1000,00,00,000 (RUPEES ONE THOUSAND CRORES ONLY) AND A GREEN SHOE OPTION TO RETAIN OVERSUBSCRIPTION UP TO RS 2000,00,00,000 (RUPEES TWO THOUSAND CRORES ONLY), BY CANARA BANK ("ISSUER" OR "BANK")

DISCLOSURE DOCUMENT

Date: 06.03.2020

BACKGROUND

This Disclosure Document has been prepared in conformity with the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127/878 dated June 06, 2008, as amended pursuant to the Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012 and CIR/IMD/DF/18/2013 dated October 29, 2013 and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2014 issued vide circular no. LAD-NRO/GN/2013-14/43/207 dated January 31, 2014 as amended Securities and Exchange Board of India issue and listing of Debt Securities (Amendment) Regulations, 2015 issued vide circular no. LAD-NRO/GN/2014-15/25/539 dated March 24, 2015, as amended from time to time and the Reserve Bank of India ("RBI") Master circular on 'Basel III Capital Regulations' issued vide circular no. RBI/2015-16/58 DBR.NO.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 and Clarification issued by RBI vide Master Circular RBI/2015-16/285 DBR No.BP.BC.71/21.06.201/2015-16 dated January 14, 2016, RBI Circular RBI/2016-17/222 DBR.BP.BC.No.50/21.06.201/2016-17 Dated February 02, 2017, as amended from time to time (BASEL III Guidelines). This Disclosure Document is related to the Bonds to be issued by the Issuer on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Bonds. The Issue has been authorized through a resolution passed by the Board of Directors of the Issuer on February 24, 2020.

GENERAL RISK

As the Issue is being made on a private placement basis, this Disclosure Document has not been submitted to or cleared by the Securities and Exchange Board of India ("SEBI"). The Issue has not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Disclosure Document. Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in debt



instruments unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the Disclosure Document carefully before investing in the Bonds. For taking an investment decision, investors must rely on their examination of the Issue including the risks involved in it. The Bonds are capital instruments and not deposits of the Bank and they cannot be used as collateral for any loan made by the Bank or any of its Subsidiaries or Affiliates. The Bonds are different from fixed deposits and are not covered by deposit insurance. Unlike fixed deposits where deposits are repaid at the option of deposit holder, the Bonds are not redeemable at the option of the Bondholders or without the prior consent of RBI. The Bonds are subject to features (including Coupon Discretion, write-off at Pre-specified Trigger level or the Bank's PONV, as determined by RBI), which may impact the payment of interest and principal.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Disclosure Document contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Disclosure Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Disclosure Document as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING

The Bonds proposed to be issued by the Bank have been assigned the following rating:

- (i) India Ratings & Research assigned 'IND AAA/RWN' vide its letter dated February 28, 2020.
- (ii) "CARE AAA /Credit Watch with developing implications" by CARE Ratings vide its letter dated February 29, 2020.

Instruments with this rating are considered to have the high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The rating(s) are not a recommendation to buy, sell or hold securities and investors should take their own decisions. The rating may be subject to revision or withdrawal at any time by the assigning Rating Agency on the basis of new information. Each rating should be evaluated independent of any other rating. Please refer to the annexures with this disclosure document for the above ratings.

LISTING

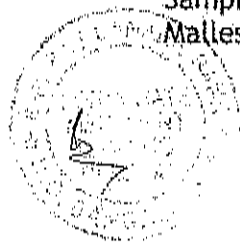
The Bonds are proposed to be listed on the Wholesale Debt Market ("WDM") segment of the National Stock Exchange of India Limited ("NSE"). The issuer shall make listing application to NSE/BSE within 15 days from the Deemed date of allotment of bonds and shall seek listing permission within 20 days from the deemed date of allotment of bonds.

Registrars to the Issue

Canbank Computer Services Limited
R & T Centre
218, J.P. Royale,
1st Floor, 2nd Main,
Sampige Road (Near 14th Cross)
Malleswaram,

Trustees to the Bondholders

SBICAP Trustee Company Ltd
Corporate Office,
Apeejay House
6th Floor, 3 Dinshaw Wachha Road,
Churchgate,
Mumbai - 400 020,



Bengaluru - 560 003
Tel. No: 080 2346 9661
E mail: canbankrta@ccsl.co.in

Tel No: 022-43025555
Fax : 022-22040465
Email: helpdesk@sbicaptrustee.com

This Disclosure Document, prepared pursuant to the SEBI Debt Regulations for the private placement of Bonds, is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Bonds to be issued by the Issuer. This is only an information brochure intended for private use.

ISSUE SCHEDULE

Issue Opening Date: 06/03/2020	Issue Closing Date: 06/03/2020	Deemed Date of Allotment: 11/03/2020
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The Issuer reserves the right to change the Issue Schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

DISCLAIMERS

GENERAL DISCLAIMER

THIS DISCLOSURE DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF A PROSPECTUS AND SHOULD NOT BE CONSTRUED TO BE A PROSPECTUS OR A STATEMENT IN LIEU OF PROSPECTUS UNDER THE COMPANIES ACT, 2013. THIS DISCLOSURE LETTER HAS BEEN PREPARED IN CONFORMITY WITH THE SEBI DEBT REGULATIONS AND THE BASEL III REGULATIONS. THE ISSUE IS BEING MADE STRICTLY ON A PRIVATE PLACEMENT BASIS. MULTIPLE COPIES HEREOF GIVEN TO THE SAME ENTITY SHALL BE DEEMED TO BE GIVEN TO THE SAME PERSON AND SHALL BE TREATED AS SUCH. THIS DISCLOSURE DOCUMENT DOES NOT CONSTITUTE AND SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER OR AN INVITATION TO SUBSCRIBE TO THE BONDS TO THE PUBLIC IN GENERAL. THIS DISCLOSURE DOCUMENT IS NOT INTENDED TO BE CIRCULATED TO MORE THAN 200 (TWO HUNDRED) INVESTORS ELIGIBLE UNDER THE LAWS OF INDIA TO INVEST IN THESE BONDS ("ELIGIBLE INVESTORS"). IT IS THE RESPONSIBILITY OF INVESTORS TO ENSURE THAT THEY WILL SELL THESE BONDS IN STRICT ACCORDANCE WITH THIS DISCLOSURE DOCUMENT AND OTHER APPLICABLE LAWS SO THAT THE SALE DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC. APART FROM THIS DISCLOSURE DOCUMENT NO OTHER OFFER DOCUMENT OR PROSPECTUS HAS BEEN PREPARED IN CONNECTION WITH THIS ISSUE NOR IS SUCH A PROSPECTUS REQUIRED TO BE REGISTERED UNDER THE APPLICABLE LAWS.

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THE BOND ISSUE WILL BE UNDER THE ELECTRONIC BOOK MECHANISM AS REQUIRED IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") CIRCULAR SEBI/HO/DDHS/CIR/P/2018/05 DATED JANUARY 05, 2018 AND ("SEBI") CIRCULAR SEBI/HO/DDHS/CIR/P/2018/122 DATED AUGUST 16, 2018 AND ANY AMENDMENTS THERETO ("SEBI EBP CIRCULAR") READ WITH "OPERATIONAL GUIDELINES FOR NSE ELECTRONIC BIDDING PLATFORM" ISSUED BY NSE VIDE THEIR NOTICE NO. NSE/DS/39017 DATED SEPTEMBER 28, 2018 ("NSE EBP OPERATING GUIDELINES") AND ANY AMENDMENTS



THERETO. (THE SEBI EBP CIRCULAR AND THE NSE EBP OPERATING GUIDELINES SHALL HEREINAFTER BE COLLECTIVELY REFERRED TO AS THE "OPERATIONAL GUIDELINES").

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FORWARD LOOKING STATEMENTS

The Bank has included statements in this Disclosure Document which contain words or phrases such as "will", "would", "aim", "aimed", "will likely result", "is likely", "are likely", "believe", "expect", "expected to", "will continue", "will achieve", "anticipate", "estimate", "estimating", "intend", "plan", "contemplate", "seek to", "seeking to", "trying to", "target", "propose to", "future", "objective", "goal", "project", "should", "can", "could", "may", "will pursue", "our judgment" and similar expressions or variations of such expressions, that are "forward-looking statements". Actual results may differ materially from those suggested by the forward looking statements due to certain risks or uncertainties associated with the Bank's expectations with respect to, but not limited to, the actual growth in demand for banking and other financial products and services, its ability to successfully implement its strategy, including its use of the Internet and other technology and its rural expansion, its ability to integrate future mergers or



acquisitions into its operations, its ability to manage the increased complexity of the risks the Bank faces following its rapid international growth, future levels of impaired loans, its growth and expansion in domestic and overseas markets, the adequacy of its allowance for credit and investment losses, technological changes, investment income, its ability to market new products, cash flow projections, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions the Bank is or will become a party to, the future impact or new accounting standards, its ability to implement its dividend policy, the impact of changes in banking regulations and other regulatory changes in India and other jurisdictions on the Bank, including on the assets and liabilities of Bank, a former financial institution not subject to Indian Banking regulations, its ability to roll over its short term funding sources and its exposure to credit, market and liquidity risks. By their nature certain of the market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated.

In addition, other factors that could cause actual results to differ materially from those estimated by the forward looking statements contained in this Disclosure Document include, but are not limited to, the monetary and interest rate policies of India and the other markets in which the Bank operates, natural calamities, general economic, financial or political conditions, instability or uncertainty in India, southeast Asia or any other country, caused by any factor including terrorist attacks in India or elsewhere, military armament or social unrest in any part of India, inflation, deflation, unanticipated turbulence in interest rates, changes or volatility in the value of the rupee, instability in the subprime credit market and liquidity levels in the foreign exchange rates, equity prices or other market rates or prices, the performance of the financial markets in general, changes in domestic and foreign laws, regulations and taxes, changes in the competitive and pricing environment in India, and general or regional changes in asset valuations.



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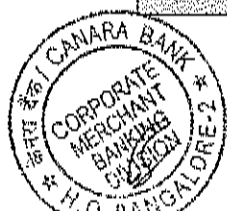
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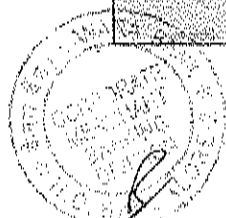
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DEFINITIONS AND ABBREVIATIONS

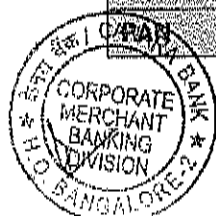
Allotment	The issue and allotment of the Bonds to the successful Applicants in the Issue.
Allottee	A successful Applicant to whom the Bonds are allotted pursuant to the Issue, either in full or in part.
Applicant/ Investor	A person who makes an offer to subscribe the Bonds pursuant to the terms of this Disclosure Document and the Application Form.
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the Bonds and which will be considered as the application for allotment of Bonds in the Issue.
Tier II Instrument	The Capital Instruments issued by the Bank forming part of its I Tier II Capital (as stipulated in the Basel III Regulations).
Basel III Regulations or RBI Guidelines	The term Basel III Regulations or RBI Guidelines in the Disclosure Document, the Term Sheet and the notes to the Term Sheet refers to the RBI Master Circular on 'Basel III Capital Regulations' issued vide circular no. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 and clarification issued by RBI vide Master Circular RBI/2015-16/285 DBR. No. DP.BC.71/21.06.201/2015-16 dated January 14, 2016, RBI Circular no.DB.R.No.BP.BC.83/21.06.201/2015-16 dated March 01, 2016 and RBI Circular RBI/2016-17/222 DBR.BP.BC.No.50/21.06.201/2016-17 Dated February 02, 2017, as amended from time to time (BASEL III Guidelines).
Bondholder(s)	Any person or entity holding the Bonds and whose name appears in the list of Beneficial Owners provided by the Depositories.
Beneficial Owner(s)	Bondholder(s) holding Bond(s) in dematerialized form (Beneficial Owner of the Bond(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996).
Board/ Board of Directors	The Board of Directors of Canara Bank or a committee constituted thereof, unless otherwise specified.



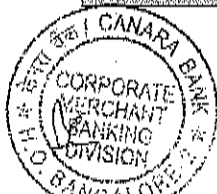
Bond(s)	Unsecured, Subordinated, Non-convertible, Redeemable, Fully Paid up, Taxable, Basel III compliant Tier II Bonds - Series I capital of the Bank, in the nature of debentures of face value of Rs 10,00,000 (Rupees Ten Lakhs only) each to be issued at par by the Issuer through private placement route under the terms of this Disclosure Document.
CAR	Capital Adequacy Ratio.
CAGR	Compounded Annual Growth Rate
CBSL	Canara Bank Securities Limited
CCSL	Canbank Computer Services Limited.
CDSL	Central Depository Services (India) Limited.
CFL	Canbank Factors Limited.
CFHL	Can Fin Homes Limited.
CIBL	Commercial Indo Bank LLC.
CRAMC	Canara Robeco Asset Management Company Limited.
CRAR	Capital to Risk weighted Assets Ratio.
CSR	Corporate Social Responsibility.
CVCFL	Canbank Venture Capital Fund Limited.
Canfina	Canbank Financial Services Limited.
Companies Act	The Companies Act, 1956 as amended (without reference to the sections thereof that have ceased to have effect upon notification of sections of the Companies Act, 2013) read with applicable provisions of the Companies Act, 2013, to the extent notified and in effect.
Debenture Trustee Regulations	Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time.
Deemed Date of Allotment	The cut-off date declared by the Bank from which all benefits under the Bonds including interest on the Bonds shall be available to the Bondholder(s). The actual allotment of Bonds (i.e. approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of Allotment.
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant	A depository participant as defined under Depositories Act.
Disclosure Document or Information Memorandum	Disclosure document dated 06.03.2020 in relation to the private placement of unsecured, Subordinated, non-convertible, Redeemable, Fully Paid up, Taxable, Basel III compliant Tier II Bonds for inclusion in Tier II Capital of the Bank, in the nature of debentures of face value Rs.10,00,000 each at par aggregating up to Rs.3000,00,00,000(Rupees Three Thousand Crores Only), with a base issue size of Rs 1000,00,00,000 (Rupees One Thousand Crores Only) and a green shoe option to retain oversubscription up to Rs



	2000,00,00,000 (Rupees Two Thousand Crores Only)
DP	Depository Participant as defined under the Depositories Act.
DRR	Bond/ Debenture Redemption Reserve.
ECGC	Export Credit & Guarantee Corporation of India.
ECS	Electronic Clearing Service
EGM	Extraordinary General Meeting
EPS	Earnings Per Share.
FIs	Financial Institutions.
Financial Year/ FY	Period of twelve months ending March 31, of that particular year.
GIR	General Index Registration Number
GOI	Government of India/ Central Government.
IPO	Initial Public Offering.
Issue	Private placement of Unsecured, Subordinated, non-convertible, Redeemable, Fully Paid up, Taxable, Basel III compliant Tier II Bonds for inclusion in Tier II Capital of the Bank, in the nature of debentures of face value Rs.10,00,000 each at par aggregating up to Rs.3000,00,00,000(Rupees Three Thousand Crores Only), with a base issue size of Rs 1000,00,00,000 (Rupees One Thousand Crores Only) and a green shoe option to retain oversubscription up to Rs 2000,00,00,000 (Rupees TwoThousand Crores Only)
Issuer/ Bank	Canara Bank, constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1969 and having its Head Office at 112, J. C. Road, Bengaluru - 560 002.
IT Act	The Income Tax Act, 1961, as amended from time to time.
Listing Agreement	Listing Agreement entered into/to be entered into by the Issuer with the BSE and/or the NSE, in relation to the listing of the Bonds, as per the format issued by Securities and Exchange Board of India in its circular dated October 13, 2015 (bearing reference CIR/CFD/CMD/6/2015) read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations (Listing Regulations), as amended from time to time.
MD & CEO	Managing Director and Chief Executive Officer of the Issuer.
MSME	Micro Small and Medium Enterprises
NECS	National Electronic Clearing Service.
NEFT	National Electronic Funds Transfer.
NRI	Non-Resident Indian.
NPA	Non-performing asset.
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited, being the stock exchange on which the Bonds are proposed to be listed.
	Permanent Account Number.



PONV	Point of Non-Viability.
PONV Trigger	<p>The PONV Trigger event shall be as defined in Basel III Regulations and the PONV Trigger event shall be the earlier of:</p> <ol style="list-style-type: none"> a decision that a full and permanent write off, without which the Bank would become non-viable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the relevant authority. <p>The write-off of any common equity Tier 1 capital shall not be required before the write-off of any Non-equity (Additional Tier 1 and Tier 2) regulatory capital instrument (including these Bonds). Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted.</p> <p>For this purpose, the Bank will be considered non-viable if:</p> <p>The Bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank of India unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by the Bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 Capital of the bank should be considered as the most appropriate way to prevent the bank from turning non-viable. Such measures would include permanent write-off in combination with or without other measures as considered appropriate by the Reserve Bank of India (RBI).</p> <p>The Bank facing financial difficulties and approaching a PONV shall be deemed to achieve viability if within a reasonable time in the opinion of RBI, it will be able to come out of the present difficulties if appropriate measures are taken to revive it. The measures including write-off/public sector injection of funds are likely to:</p> <ol style="list-style-type: none"> Restore confidence of the depositors/ investors; Improve rating/ creditworthiness of the bank and thereby improving its borrowing capacity and liquidity and reduce cost of funds; and Augment the resource base to fund balance sheet growth in the case of fresh injection of funds. <p>The amount to be written-off will be determined by RBI. The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level may trigger write-off.</p>
Record Date	Reference date for payment of interest/ repayment of principal.
Rs./INR/₹	Indian National Rupee
RBI	Reserve Bank of India
RRB	Regional Rural Bank



RTGS	Real Time Gross Settlement
Registrar	Registrar to the Issue, in this case being Canbank Computer Services Limited.
SEBI	The Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, as amended, Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012, as amended and Securities and Exchange Board of India (issue and listing of debt securities) (amendment) regulations, 2014 issued vide circular no. LAD-NRO/GN/2013-14/43/207 dated January 31, 2014, as amended and Securities and Exchange Board of India (issue and listing of debt securities) (amendment) regulations, 2015 issued vide circular no. LAD-NRO/GN/2014-15/25/539 dated March 24, 2015 as may be amended from time to time.
TDS	Tax Deducted at Source.
Trustee/ Bond Trustee/ Debenture Trustee	Trustee for the Bondholders in this case being SBICAP Trustee Company Ltd
USD/ US\$/ \$	United States Dollar
WDM	Wholesale Debt Market
y-o-y	Year over year

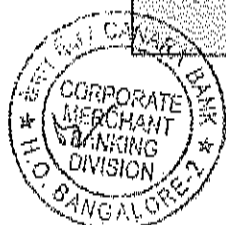
I. ISSUER INFORMATION

Name and Address of the Issuer

Name of the Issuer	Canara Bank
Head Office	No. 112, J C Road, Bengaluru - 560002 Tel No.: 080 2210 0250 Fax No.: 080 2224 8831 Website: www.canarabank.com <u>Treasury & Investments Division</u> Integrated Treasury Wing, Canara Bank Building, 6th Floor, Plot No. C-14, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051. Tel No.: 022 2672 5038 Fax No.: 022 2672 5250 E-mail: tidmum@canarabank.com
Compliance Officer for the Issue	Shri Vinay Mohta Company Secretary, Secretarial Department, MD & CEO's Secretariat Head Office, 112, J.C. Road, Bengaluru - 560 002 Phone : 080- 2210 0250 Fax 080- 2224 8831 E-Mail: hosecretarial@canarabank.com



Chief Financial Officer of the Issuer	Shri Ramachandra V General Manager & Chief Financial Officer Canara Bank Head Office, Bengaluru - 560 002 Tel: 080- 2224 9989 E Mail: fmwing@canarabank.com	
Trustees to the Bondholders	SBICAP Trustee Company Ltd Corporate Office: Apeejay House, 6 th Floor 3 Dinshaw Wachha Road, Churchgate, Mumbai- 400 020 Tel: 022-43025555 Fax: 022-22040465 Email: helpdesk@sbicaptrustee.com	
Registrar to the Issue	Canbank Computer Services Limited R&T Centre, #218, JP Royale, 1st Floor, 2nd Main, Sampige Road, (Near 14th Cross), Malleswaram, Bengaluru - 560 003 Tel: (080) 23469661, Fax: (080) 23469667 E mail: canbankrta@ccsl.co.in	
Credit Rating Agencies	CARE Ratings 4 th Floor, Godrej Coliseum, Somalaya Hospital road, Off Eastern Express Highway, Sion (E), Mumbai -400022 Tel No: 022 6754 3456 Fax No: 022 6754 3457	India Rating & Research Private Limited Wockhardt Tower, Level 4, West Wing, Bandra Kurla Complex, Bandra (E), Mumbai 400051 Tel No. 022 40001700 Fax No.022 40001701
Auditors of the Issuer	M/s. DAGLIYA & CO L BLOCK UNITY BUILDING, J C ROAD, NEAR TOWN HALL, BENGALURU - 560 002 PHONE: 080-22236783. M/s. KOMANDOOR & CO LLP I-504, 7-1-58, 5TH FLOOR, DIVYASHAKTHI COMPLEX DHARAM KARAN ROAD, AMEERPET, HYDERABAD -500016 PHONE: 040-23751300. M/s. D K CHHAJER & CO NILHAT HOUSE, GROUND FLOOR, 11 R.N. MUKHERJEE ROAD, KOLKATA 700001. PHONE: 033-22627280. M/s. S N K & CO SNK HOUSE 31-A, ADARSH SOCIETY, OPP SEVETHDAY ADVENTIST SCHOOL, ATHWALINES, SURAT 395001. PHONE: 0261-2656271.	
Legal Counsel for the present issue of Tier II Bonds	ALMT Legal 2 Lavelle Road Bengaluru - 560 001	
Name of Arrangers	1) SBI capital Markets Ltd 2) Trust Investment Advisors Pvt Ltd 3) ICICI Bank 4) ICICI Securities Primary Dealership 5) HDFC Bank 6) AK Capital Services Ltd	



II. NAMES AND ADDRESSES OF THE DIRECTORS OF THE ISSUER

Sl. No.	Name, Designation and DIN	Age (in Years)	Address	Director of the Bank since	Details of other Directorship/s
1.	Shri. T N Manoharan Non official Director as well as Non Executive Chairman DIN:01186248	63	Canara Bank, Head Office 112, J.C.Road Bengaluru-560 002	14.08.2015 to 13.08.2018 Reappointed w.e.f. 14.08.2018 To 13.08.2020	1. Tech Mahindra Limited Independent Director 2. Mahindra & Mahindra Limited - Independent Director 3. Tech Mahindra (Americas) Inc - Director
2.	Shri L V Prabhakar Managing Director & CEO DIN 08110715	57	Canara Bank, Head Office 112, J.C.Road Bengaluru-560 002	01.02.2020	1. Canbank Venture Capital Fund Limited. 2.. Canara Bank Securities Limited 3. Canbank Factors Limited 4. Canbank Computer Services Limited. 5. Canara Robeco Asset Management Company Limited 6. Canbank HSBC Oriental Bank of Commerce Life Insurance Company Limited.
3	Shri Matam Venkata Rao Executive Director DIN: 06930826	55	Canara Bank, Head Office 112, J.C.Road Bengaluru -560 002	09.10.2017	NIL
4	Shri Debashish Mukherjee Executive Director DIN: 08193978	54	Canara Bank, Head Office 112, J.C.Road Bengaluru -560 002	19.02.2018	1.Can Fin Homes Ltd. 2. Canbank Venture Capital Fund Limited. 3. Canara Robeco Asset Management Company Limited 4. Canara Bank Securities Limited. 5.Canara HSBC OBC Life Insurance Co. Ltd. 6.Higher Education Financing Agency

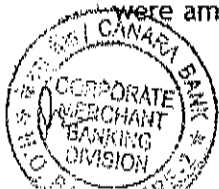


5	A Manimekhalai Executive Director DIN 08411575	53	Canara Bank, Head Office 112, J.C. Road Bengaluru -560 002	11.02.2019	1.Canbank Factors Limited 2.Canbank Computer Services Limited. 3. .Canara HSBC OBC Life Insurance Co. Ltd.
6	Shri Suchindra Misra Govt Nominee Director DIN: 01873568	51	Joint Secretary Dept of Financial Services, Ministry of Finance, Govt of India, New Delhi	14.06.2016	1.National Insurance Company Limited 2.Agriculture Insurance Company of India Limited
7	Shri R Kesavan RBI Nominee Director DIN	50	CGM/Principal, Reserve Bank Staff College. No 539, Anna Salai, Teynampet, Chennai 600018	26.04.2019	Nil
8	Shri. S Raghunath Part-time Non official Director DIN 00458251	62	IIM Bangalore Bannerghatta Road Bangalore 560076	21.10.2019	1.NVCF Finance Private Limited. 2.KTWO Technology Solutions Private Limited. 3.Spire Technologies and Solutions Private Limited
9	Shri Venkatachalam Ramakrishna Iyer DIN 02194830	65	Flat No.304, Sumeet Enclave, Plot No.103, B1, Sant Dnyaneshwar Road, Panchpakhadi, Thane (West) 400 602	27.07.2016 to 26.07.2019 Re-elected from 27.07.2019 to 26.07.2022	1.Usha Martin Limited
10	Shri. Bimal Prasad Sharma Shareholder Director DIN 06370282	63	47/A, Pristine Green, Pokhariput, Bhubaneswar- 751020	27.07.2019	NIL

III. BRIEF SUMMARY OF THE BUSINESS ACTIVITIES OF THE ISSUER AND ITS LINE OF BUSINESS

i. Overview and History:

We are one of the leading public sector commercial banks in India, offering banking products and services to corporate, small and medium-sized enterprises, retail and agricultural customers. The Bank was founded in July 1906 as a private entity and was nationalized in July 1969. According to data published by the Indian Banks' Association, we were among the top five Public Sector Banks in terms of assets as of March 31, 2019. The



Bank is also one of the largest nationalized banks in India in terms of total advances and deposits, which amounted to ₹10.43 lakh crore and we have over 873 lakh customers, as on March 2019. The Government of India owns 70.6% of shareholding of the Bank, as on March, 2019, and accordingly, exercises control over our management and operations.

We have been conferred with several awards and accolades in recognition of our various initiatives. Our recent awards and accolades for FY 19 include the Central Vigilance Commission has awarded Canara Bank with 'Vigilance Excellence Award-Outstanding' under Category 'Timely Completion of Disciplinary Proceedings' for the year 2018, Runner up award on theme Credit off-take in EASE Banking Reform Awards 2019, four awards from the Associated Chambers of Commerce and Industry of India (ASSOCHAM) under Agriculture, Priority sector lending, Social Banking and Technology, Eight Awards from Public Relations Council Of India (PRCI) including 3 Gold under Television Commercials, Advertising Corporate Campaign RADIO and Advertising Corporate Campaign Television, NPCI Special Award in recognition of excellent performance in NFS ATM Network, Rupay, CTS & UPI / IMPS, Bank's House magazine 'Shreyas' bagged Making of Developed India Award sponsored by ET Now for best in house magazine for the year 2018, Chamber of Indian Micro Small & Medium Enterprises (CIMSME) awards for best bank for promotional schemes (Large category), Received runner up CIMSME award for best MSME bank (Large category) and financially inclusive bank (Large category), Secured PFRDA's best performing PSB award in APY performance and the splendid seven awards for the APY campaign.

We are engaged in a wide variety of banking activities, such as Corporate, Small and Medium-Sized Enterprises and Retail Banking, and offer a wide range of financial products and services to Corporate, SME and Retail Customers, including both Resident and Non-Resident Indians. We also provide funding to sectors identified by the Government as Priority Sectors, such as Agricultural and Small Scale Industries. Our Corporate Banking Services cater to the banking needs of Large and Medium-Sized Corporations. We offer a variety of corporate banking services including medium to long term project financing, working capital financing, syndicated loans, short-term credit products linked to market benchmarks and others. Our SME banking services include providing project and corporate finance, working capital, short term credit, cash management and treasury products. Our retail banking services include consumer lending and deposit services. We offer a wide range of consumer credit products, including personal loans, home loans, vehicle loans, education loans, mortgage loans and credit card services. Our deposit products include savings accounts, time deposits and tailored deposit products for customers in various sectors, such as accounts for high net worth individuals, non-resident Rupee accounts, Recurring Deposits schemes and tax-saving deposit products.

The Bank's other businesses include bancassurance (marketing and distribution of life, non-life and health insurance products), marketing and distribution of mutual fund products, executor, trustee and taxation services, depository services, safe deposit box services, Government business, agricultural consultancy services and merchant banking.

We also undertake business in the areas of housing finance, priority sector lending in rural areas through our RRBs. Other activities like asset management, factoring, stock broking and equity trading, software development and consultancy, venture capital and life insurance are done through our Subsidiaries and Associates.

Our total standalone assets have increased from Rs.548001crore as of March 31, 2015 to Rs.694767crore as of March 31, 2019 at a CAGR of 6.11%. Our total deposits have grown from Rs.473840crore as of March 31, 2015 to Rs.599033crore as of March 31, 2019 at a CAGR of 6.04%. Our total advances have increased from Rs.334947crore as of March 31,



2015 to Rs.444216Crore as of March 31, 2019 at a CAGR of 7.31%. Our total income has increased from Rs.48300crore as of March 31, 2015 to Rs.53384crore as of March 31, 2019 at a CAGR of 2.53%. Our net profit was at Rs.347crore for the year ended March 31, 2019. Our total number of branches has increased from 5682 as of March 31, 2015 to 6315 as of March 31, 2019, including 6 overseas branches (London, Johannesburg, New York, Hong Kong, Shanghai and Dubai).

ii. Main Objects

Founded as "Canara Bank Hindu Permanent Fund" in 1906, by late Shri Ammembal Subba Rao Pai, a philanthropist, this small seed blossomed into a limited company as "Canara Bank Ltd." in 1910 and became Canara Bank in July 1969 after nationalization. The main objects of the Bank at the time of the nationalization, as laid down in the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970, are as under:

"To control the heights of economy and to meet progressively, and serve better, the needs of development of the economy in conformity with national policies and objectives and for matters connected with or incidental thereto."

The Bank carries on and transacts the business of banking i.e. "accepting for the purpose of lending or investment, of deposits of money from public, repayable on demand or otherwise, and withdrawal by cheque, draft, order or otherwise" as defined under Clause 1(b) of Section 5 of the Banking Regulation Act, 1949. The banking business is governed by Section 3 (7) and Section 3 (5) of Chapter II of the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970.

Canara Bank, in the course of its business as a commercial bank, accepts funds at the primary level, to be placed into various kinds of deposit accounts and to be lent to various categories of borrowers. It also extends banking services under various market segments, namely, personal banking, corporate banking, agricultural banking, international banking, merchant banking, depository participant services, investment banking, credit card business, bancassurance, leasing & hire purchase etc.

iii. Financial Performance

The operating profit of the Bank as on Dec 2019 stood at Rs. 7318.95 crore compared to Rs. 7617.41 crore last year. The provisions and contingencies as on 31.12.2018 and 31.12.2019 was Rs. 6718.86 crore and Rs. 6295.34 crore respectively. The Bank earned a net profit of Rs. 1023.61crore for 31.12.2019 compared to Rs. 898.55 crore last year. Return on average assets (RoAA) for the year (Dec 19) stood at 0.19%. Profit per employee worked out to Rs. 0.16crore for the 31.12.2019.

Key Financial Ratios (%)	March 2017	March 2018	March 2019	Sept 2019	Dec 2019
Cost of Funds	5.59%	5.17%	5.24%	5.25%	5.16
Yield on Funds	7.35%	7.34%	7.59%	7.08%	7.02%
Cost of Deposits	6.25%	5.60%	5.66%	5.72%	5.63%
Yield on Advances	8.99%	8.12%	8.39%	8.24%	8.22%
Yield on Investments	7.75%	7.63%	7.62%	7.49%	7.42%
Interest Spread	1.76%	2.17%	2.35%	1.84%	1.87%
Net Interest Margin (NIM)	2.23%	2.42%	2.63%	2.24%	2.26%
Operating Expenses to Average Working Funds	1.53%	1.70%	1.69%	1.52%	1.55%



Key Financial Ratios (%)	March 2017	March 2018	March 2019	Sept 2019	Dec 2019
Return on Avg. Assets (RoAA)	0.20	(0.75)	0.06	0.20	0.19
Return on Equity	4.21	(16.74)	1.40	5.13	4.44
Business per Employee (₹ in Crore)	14.43	14.81	17.07	16.99	17.07
Book Value (₹)	451	315	348	330	337
Earnings per Share (₹)	20.63	(70.47)	4.71	9.21	13.10

The net worth of the Bank, as at December 2019 increased to Rs. 34681.30 crore compared to Rs. 24004.65 crore as at December 2018. While total paid-up capital of the Bank was Rs. 1030.23 crore, reserves and surplus increased to Rs. 43030.97 crore. During the year Bank has allotted 27,69,88,576 fresh Equity shares were issued and allotted on preferential allotment basis to GOI at Rs237.23 per equity share.

iv. Income and Expenditure Analysis:

During the year, total income stood at Rs. 53385 crore, comprising Rs.34319 crore interest from loans and advances, Rs.10938 crore interest from investments, Rs.6575 crore from non-interest income and Rs.1554 crore from other income.

In line with the thrust areas for the Bank, non-interest income (Excl. Trading profit) registered a growth of 22.97% to Rs.6173 compared to Rs.5020 crore during last year. Apart from trading profit, other major sources of non-interest income, like, service charges (Rs.3141 crore), commission and exchange (Rs.1172 crore), recovery from written off accounts (Rs.1304 crore) and Profit from exchange transaction (Rs.402 crore) contributed to the non-interest income of the Bank. The share of non-interest income to total income stood at 12.32%.

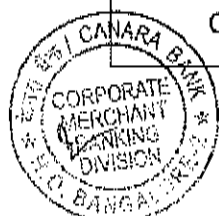
Total expenditure of the Bank came increased by 10.73% y.o.y to Rs.42795 crore from Rs.38647 crore incurred during last year. Interest expenses of the Bank increased by 11.15% to Rs.32332 crore. Operating expenses increased by 9.46% to Rs.10462 crore, comprising staff cost of Rs.5675 crore and other operating expenses of Rs.4787 crore. Due to increase in the interest rates, the Bank's cost of deposits increased by 6 bps to 5.66% from the last year's 5.60%. The net interest income, the difference between interest paid and interest earned by the Bank, increased by 19.03% to Rs.14478 crore compared to the last years Rs.12163 crore.

v. Capital and Reserves:

Net worth of the Bank, as at March 2019 stood at Rs. 26180 crore compared to Rs.23086 crore as at March 2018.

While the total paid-up capital of the Bank stood at Rs.753.24 crore, the reserves and surplus increased to Rs.35424 crore.

Composition of Capital (Rs Cr)	March 2018 Basel III	March 2019 Basel III
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Risk Weighted Asset	351698	352455
CET I	33455	29300
CET I (%)	9.51%	8.31%
AT I	2769	2551
AT I (%)	0.79%	0.72%
Tier I Capital	36224	31851
CRAR (%) (Tier I)	10.30%	9.04%
Tier II Capital	10280	10082
CRAR (%) (Tier II)	2.92%	2.86%
Total Capital	46504	41933
CRAR (%)	13.22%	11.90%

Capital Adequacy Ratio, under Basel III, was 11.90% as at March 2019 against the regulatory requirement of 10.875%, including capital conservation buffer of 1.875%. Within the capital adequacy ratio, CET I ratio was at 8.31% and Tier I capital ratio was at 9.04%. In FY 2019, Bank raised Rs.557.28 crore through CanBank-ESPS by issuing 2 crore new equity shares of face value Rs.10/- each and there by Government of India holding in the bank reached to 70.62%. Adequate headroom is available to raise capital in order to support the business growth momentum.

CANARA BANK EMPLOYEE SHARE PURCHASE SCHEME (CanBank-ESPS)

Govt Permission to all PSBs : vide DFS, Gol letter F.No.11/13/2011-BOA dated 12.06.2014
Govt Permission to Canara Bank : vide DFS, Gol letter F.No.11/21/2014-BO dated 24.10.2018
RBI permission : vide DBR.CO.BP.No.1991/21.01.002/2018-19 dated 05.09.2018
Shareholder Permission : In the 16th AGM held on 26.07.2018
Board approval : In the Board meeting held on 27.06.2018

Canara Bank-ESPS Tranche 1 :

No.of Shares Issued : 2 crore new equity shares of face value Rs.10/-each
Pricing Formula : The Offer price/Purchase price shall be at a discount of not more than 33.33% on the average of the weekly high and low of the volume weighted average prices of the equity shares quoted on NSE during the two weeks preceding the date on which the Board/Committee fixes Offer purchasing price.
Volume weighted average Price : Rs.278.64
Discount : Not more than 33.33%
Discount of 33.33% : Rs.92.87
Calculated issue price : Rs.185.77 Issue Price: Rs.186.00 (Rounded off to nearest Rupee)



Max No. of Shares per employee : 7500
Issue Opened Date : January 21, 2019 (Monday)
Issue Closed Date : January 25, 2019 (Friday)
Subscription : 134% (By No. of Shares)
: 83% (By No. of employees)
Amount debited date : February 05, 2019
Allotted date : 06.02.2019
Max No. of Shares allotted per employee : 5075
Lock in period : 1 year from 06.02.2019

vi. BUSINESS GROWTH

Deposits:

Total Deposits increased to Rs.599033 crore as at March 2019 compared to Rs.524772 crore a year ago, with a y.o.y growth of 14.15%. Current and Saving (CASA) deposits of the Bank increased by 4.65% y.o.y to Rs.174809 crore on March 2019. The Bank's CASA deposits share to domestic deposits stood at 30.86% from the last year's 34.28%. Savings deposits grew by 6.68% to Rs.151535 crore. Current deposits stood at Rs.23274 crore. The focus on premier CASA products, like, Canara Galaxy, Canara Privilege, SB Power plus and NRI accounts was given to improve the average balances under CASA. Pursuing a strategy of expanding deposit clientele, the Bank added 41 lakhs deposit clientele accounts during the year, taking the total number of deposit accounts to 7.80 crore.

Advances (net):

The Bank expanded its asset base to a well diversified one comprising of the productive segments of the economy, like, Agriculture and Micro, Small and Medium Enterprises (MSMEs) and other productive sectors in addition to Retail assets, including Housing, Education, and Vehicle loan segments. As against the 13.24% growth in advances of the Industry as a whole, advances (Gross) of the Bank grew by 10.82% to reach Rs.444216 crore as at March 2019 compared to Rs.400843 crore a year ago. The number of borrowal clientele accounts increased to 93 lakhs as at March 2019.

Total Business:

Total business of the Bank increased to Rs.1043249 crore, with a y-o-y growth of 12.71% compared to Rs.925615 crore in the previous year. During the year, the Bank's total clientele base increased by 46 lakhs to 8.73 crore from the last year's level of 8.27crore.

Retail Lending Operations:

In line with the thrust areas set for the year, the Bank's retail lending operations recorded good y-o-y growth.

Retail Segments	As at March		Y.O.Y Growth	
	2018	2019	Quantum	(%)

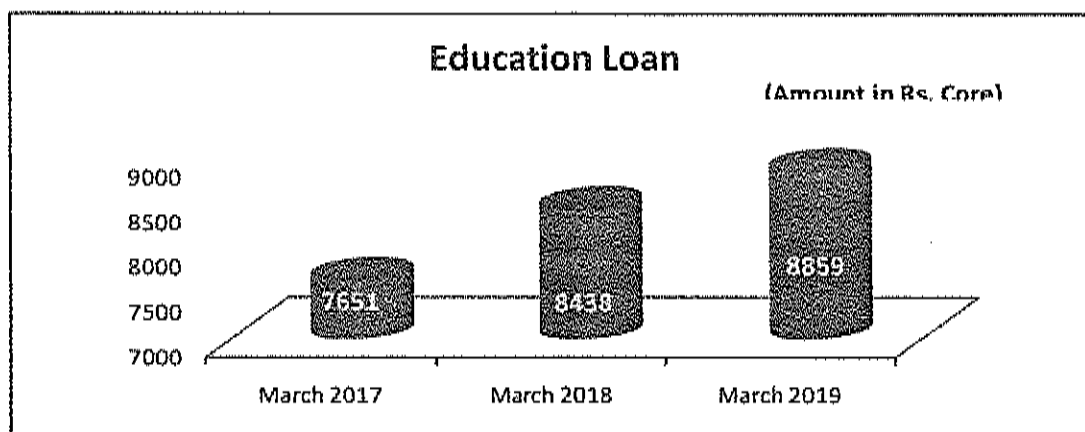


1. Housing	40075	52068	11993	29.93
1.1 Housing (Direct)	28308	34214	5906	20.86
1.2 Housing (Indirect)	11767	17854	6087	51.73
2. Vehicle	6739	9446	2707	40.17
3. Other Personal	21601	27012	5411	25.05
4. Education	8438	8859	421	4.99
Total Retail Loans (1+2+3+4)	76853	97385	20532	26.72

The outstanding retail loans portfolio grew by 26.72% y-o-y to Rs.97385 crore as at March 2019. The disbursements under various retail lending schemes amounted to Rs.76403 crore. The outstanding housing loan portfolio rose to Rs.52068 crore, with a y-o-y growth of 29.93% and accounted for 53.00% of the total retail lending portfolio. Vehicle loans and other personal loans increased by 40.17% and 25.05% y-o-y respectively.

Education Loans:

Over the years, the Bank has assisted substantial number of promising students to pursue higher education in India and abroad. The Bank's education loan portfolio increased to Rs.8859 crore. The Bank has financed around 2.86 lakh students as at March 2019. The Bank is performing consistently well with progressive growth in education loan segment. During 2018-19, the Bank has disbursed education loans amounting to Rs.1503 crores.



The Bank has introduced the Vidyasagar Education loan scheme in 1976. Recognizing our expertise in the field of education loans, the Bank was entrusted with the work of preparing a Model Scheme for Education Loans under the auspices of IBA and the same was launched in the year 2001. The scheme has under gone several revisions since then and now, the IBA's Revised Model Education Scheme is implemented. At present, our Bank is No.1 amongst the Nationalized Banks in extending education loans to the students. Similarly, considering the huge thrust on skill development in recent years, "IBA Skill Loan Scheme" has been implemented to support the national initiatives for skill development of Department of Financial Services (DFS), Ministry of Finance (MoF), GoI. In addition to the regular IBA model EL scheme and Skill loan Scheme; we have launched special education loan schemes namely "Vidya Turant", Collateral free Education loans for the meritorious students who are getting admission in premier institutes such as IITs, IIMs, ISB



etc up to a limit of Rs.36 Lacs with concessional rate of Interest, Bridge Loan Scheme namely "Vidya Sahay" to assist the needy and meritorious students who are in need of the down payment to be made to the CET/Counseling Authorities at the time of selection/counseling and "Vidya Shakthi", education loan scheme for the PWD category of students including expenses for specially designed equipments for differently abled persons with concessional interest rate.

Government of India has set-up a fully IT-based Student Financial Aid Authority to administer and monitor scholarships as well as Educational Loan Schemes, through Pradhan Mantri Vidya Lakshmi Karyakram to ensure that no student misses out on higher education for lack of funds. Vidya Lakshmi portal <www.vidyalakshmi.co.in> has been made live on 15.08.2015. Our bank has integrated the Vidyalakshmi Portal (VLP) (a single window mechanism for Students to access information and apply for Educational Loans to a maximum of three Banks using CELAF (Common Educational Loan Application Form) to our Loan processing system through Core Banking Solution (CBS) system and the education loan applications are routed through this portal only. Hence, students can view and track the status of submitted loan application at anytime, anywhere by accessing the portal. This facilitates to promote transparency and in turn has decreased the TAT (Turn Around Time) for sanctioning education loans to eligible students.

Our Bank has been designated as the Nodal Bank for administering interest subsidy schemes of Government of India implemented under the aegis of various Ministries which include Central Scheme of Interest Subsidy on Educational Loans (CSIS), Ministry of Human Resource Development (MoHRD), Gol, Padho Pardesh subsidy scheme to provide Interest Subsidy on Education Loans for overseas studies pursued by students belonging to notified minority communities, Ministry of Minority Affairs (MoMA), Gol and Dr.Ambedkar Central Sector Scheme Of Interest Subsidy On Educational Loan for Overseas Studies for Other Backward Classes (OBCs) & Economically Backward Classes (EBCs), Ministry of Social Justice and Empowerment (MoSJE), Gol. As a Nodal bank, our bank has so far handled total claim amount of Rs.12654 crores under the education loan interest subsidy Schemes and earned nodal bank commission of Rs.85.24 crores since inception of the Schemes.

INTEGRATED TREASURY

Aggregate investments (net) of the Bank stood at Rs.150626 crore as at March 2019. While modified duration of the investments portfolio stood at 4.50 as at March 2019, the modified duration of the Available for Sale (AFS) portfolio has decreased to 3.01 as at March 2019 from 4.44 as at March 2018. The yield on investments works out to 7.62% as at 31st March 2019 as compared to 7.63% as at 31st March 2018. The trading profit under domestic treasury operations during the year decreased to Rs.402 crore from Rs.1923 crore in March 2018 due to volatile market conditions and increased bond yield.

The Bank continues to be an active player in the Government Securities Market as a Primary Dealer (PD). The total amount of bids submitted for underwriting was Rs.46302 crore, of which, the underwriting commitment accepted by the RBI was Rs.22556 crore. With regard to Treasury Bills under PD business, as against the minimum success ratio of



40% to be achieved in each half year, the Bank has a success ratio of 42.47% for the first half year ended September 2018 and 42.94% for the second half year ended March 2019.

Foreign Business Turnover of the Bank aggregated to Rs.257078crore, comprising of Rs.123552crore under exports, Rs.70201crore under imports and Rs.63325 crore under remittances during the year ended March 2019.

INTERNATIONAL OPERATIONS

The Bank has 6 overseas branches, viz., London (U.K), Hong Kong, Shanghai (China), Johannesburg (South Africa), New York (U.S.A) and Dubai International Financial Centre (DIFC), Dubai (UAE). Besides the above 6 overseas branches, the Bank has a Representative Office at Sharjah (UAE), Canara Bank (Tanzania) Ltd., a wholly owned subsidiary at Dar es Salaam in Tanzania and Commercial Indo Bank LLC, a joint venture bank with State Bank of India in Moscow, Russia. Total business of the overseas branches aggregated to Rs.58,328 crore comprising of deposits of Rs.33,116 crore and advances of Rs.25,111 crore as at the end of the financial year March 2019. Overseas Business constituted 5.59 % of the Bank's total business.

As per the directives of the Department of Financial Services (DFS), Ministry of Finance, the Bank has drawn a plan for rationalization of overseas branches. The Bank has closed/merged two of its overseas branches i.e. Leicester with London and Manama (Bahrain) with DIFC Dubai. Shanghai (China), Johannesburg (South Africa) and Joint Venture at Moscow (Russia) are in the closure process.

The Bank's international operations are well supported by a wide network of 394 Correspondent Banks, spread across 79 countries including our Bank's overseas branches/offices. Rupee Drawing Arrangements have been made with 36 Exchange Houses and 25 overseas banks for channelizing the remittances of Non-Resident Indians (NRIs). The Bank is managing two Exchange Houses viz., M/s Al Razouki International Exchange Company, Dubai and M/s Eastern Exchange Est., Qatar under Management Agreements respectively.

'Remit Money', a web-based speed remittance product has been extended to 36 Exchange Houses and also to the Bank's 4 overseas branches, viz., London, Shanghai, Hong Kong and Canara Bank (Tanzania) Ltd. To facilitate instant and hassle free remittances to the beneficiaries of the Bank in India, 'Flash remit'/'Instant Remit money', an instant credit facility is being offered in association with M/s. UAE Exchange, Abu Dhabi, UAE, M/s. Al Razouki International Exchange Company, Dubai, M/s. Eastern Exchange Est., Qatar, M/s GCC Exchange, Dubai, M/s Al Ahalia Money Exchange, Abu Dhabi, UAE, M/s. Al Ansari Exchange LLC, UAE and M/s Index Exchange, UAE.

OTHER SERVICES

During the year the Bank's Merchant Banking Division has handled, as arrangers for private placements of Capital Gains Bond Issues of National Highways Authority of India (NHAI), Rural Electrification Corporation Ltd (REC) and Indian Railway Finance Corporation Ltd (IRFC). The amount mobilized in respect of these issues during the year was Rs.82.86



As a Collecting Banker, the Bank was involved in three Private Placement Issues, collecting an amount of Rs.983.25 crore. Further, the bank has handled 141 Public and Debt Issues under Application Supported by Blocked Amount (ASBA) and the amount blocked therein was Rs.621.90 crore. Four specialized assignments of 'Fair Valuation of Equity' were also handled by the Division during the year.

The Syndication Group handled projects, involving project cost of Rs.3939 Crore during the year, with a total debt size of Rs.3303 Crore. The Group generated a fee-based income of Rs.3.22 Crore during the year. The funds were arranged for projects in various segments like Infrastructure (Railway Freight Corridor, Educational Institution) and Commercial Real Estate.

The Bank has tie-up arrangements in both life and non-life insurance segments under its 'Bancassurance' arm. During the year, the Bank earned a commission income of Rs.94.23 crore from its joint venture, viz., M/s Canara HSBC OBC Life Insurance Company Ltd. Under the Mutual Fund business, the Bank earned a commission of Rs.35.41 crore from its joint venture, viz., M/s Canara Robeco Asset Management Company Ltd. A commission income of Rs.39.92 crore was earned under Non-Life (General) Insurance business from its tie-up arrangements with M/s Bajaj Allianz General Insurance Co Ltd, M/s TATA AIG General Insurance Co. Ltd, M/s The New India Assurance Co. Ltd and M/s United India Insurance Company Ltd. The Bank earned a commission income of Rs.26.08 crore from its tie-up agreement with M/s Apollo Munich Health Insurance Co. Ltd for marketing their health insurance products. Bank has also earned a commission income of Rs.7.04 crore under PMJJBY & PMSBY schemes.

Under Card Business, the bank took several initiatives to expand its card base. As at March 2019 the Debit Card base of the card stood at 2.82 crore and Credit card base rose to 3.69 lakh.

Executor, Trustee and Taxation Services outfit of the Bank provides services like Debenture/Security Trusteeship, Will and Executorships, Trusteeship, Personal Tax Assistance and Power of Attorney Services.

The Bank undertakes Government Business, comprising Direct and Indirect Tax collections, payment of Central Government and State Government Pensions, Handling of Postal Transactions and State Government Treasury Transactions, Public Provident Fund Scheme and Senior Citizens' Saving Scheme and distributing Inflation Indexed Bonds of RBI, issuing Sovereign Gold Bonds, Sukanya Samridhi Scheme. These products contributed to improvement of CASA and also earned a fee income of Rs.100.33 crore during FY19.

The Bank provides several online payment services, viz., e-payment of Sales Tax/ Commercial Tax in Maharashtra, Tamil Nadu, Karnataka, Andhra Pradesh, Bihar, Dadra & Nagar Haveli, Odisha, Punjab, West Bengal and Delhi, Virtual Treasury Package in Maharashtra, e-payment of Taxes to Transport Department in Tamil Nadu, Collection of Property Tax for the Corporation of Chennai in Tamil Nadu and Bengaluru in Karnataka, Online opening of PPF Accounts and e- Stamping project in Jharkhand, Uttar Pradesh, Tamil Nadu and Karnataka.

The Bank has been authorized as the accredited banker for Ministry of Human Resources Development (MHRD), Ministry of Culture, Ministry of Youth Affairs & Sports,



Archaeological Survey of India and Unique Identification Authority of India (UIDAI), New Delhi. The Bank was implementing the National Pension System for Unorganised Sectors under Swavalamban Scheme since 2012-13. The Government of India has launched Atal Pension Yojana (APY) in place of Swavalamban with a view to provide defined pension to unorganised sector. The Bank could mobilise 4,39,144 accounts under APY as at March 2019.

Goods & Services Tax (GST) (as an agency bank) has been successfully implemented in all of our bank branches since July 01st, 2017.

Agricultural Innovation Centre (AIC) outfit of the Bank handled 120 assignments. Out of 120, 114 assignments were cleared, which consists of 78 appraisals, 1 vetting, 3 formulation and 9 viability studies. The total outlay of the assignments worked out to a term loan component of Rs.853.40 crore and the Bank earned a fee income of Rs.4.45crore during the year.

ASSET QUALITY

The concerted efforts of the bank for improving the asset quality have yielded results with Gross NPA decreasing from 11.84% (Rs.47468 crore) as at March, 2018 to 8.83% (Rs.39224 crore) as at March 2019. Net NPA reduced from 7.48% (Rs.28542crore) in March 2018 to 5.37% (Rs.22955 crore) in March 2019. This marked improvement in asset quality was on the back of significant recoveries and upgradations. The cumulative Cash Recovery during FY19 was at Rs.10355 crore as against Rs.6458 crore last year. Upgradation for FY19 was at Rs.3074 crore compared to Rs.943 crore in FY18. Provision Coverage Ratio (PCR) was up from 58.06% to 68.13% (improved 9.5 bps) during the period. Recovery in written off accounts for FY19 was Rs.2422 Crore as against Rs.1625 crore in FY18. Slippage has been contained substantially during the year, taking it to Rs.15480crore as against Rs.24761 crore last year.

During the year, recoveries amounting to Rs.1581.91 Crore were made on account of initiating actions under the SARFAESI Act. The Bank conducted 8384 Recovery Meets which resulted in a recovery of Rs.688 crore. In FY19, 15653 cases were referred to Lok Adalat, out of which, 6372 cases were settled, covering an amount of Rs.96 crore. Besides, the Bank took several initiatives to contain slippages and speed up recovery from overdue loan accounts. These include, conduct of Can Adalats at branch level, cluster adalats at Regional level and mega adalats at Circle level for one time settlements (OTS), Lok Adalats at district level, regular follow-up of overdue in loan accounts through Call Centre, conduct of e-auctions for sale of seized assets and initiation of stringent recovery measures against Wilful Defaulters. As on March 2019, there were 579 wilful defaulters with an outstanding amount of Rs.4991.05 crore.

The Bank has initiated resolution process in respect of 237 Cases by referring to NCLT / filing our claim as at 31.03.2019 and is expecting substantial recovery through resolution during 2019-20.

The Bank also formulated a Special Scheme for settlement of Small NPAs (upto Rs.10 lakhs), with a special focus on Education / Agricultural / MSME Loans Sector. In Educational Loan Sector, two Special OTS schemes were launched with liberal terms and



additional concessions for accounts with sanctioned limits up to Rs.4 lakh. Special Schemes for small value agricultural loans with limit up to Rs.5 lakh and repeatedly restructured due to natural calamities and MSME loans up to Rs.1 crore were launched to provide relief to the affected borrowers.

As on March 2019, the outstanding stressed assets portfolio (including restructured standard accounts) of the Bank stood at Rs. 43990 crore, accounting for 9.90% of gross advances.

Risk Management

BASEL III Capital Adequacy Framework and Future Strategies

An independent Risk Management Wing at the Head Office is functioning as a nodal centre for overall implementation of various risk management initiatives across the Bank. Risk Management Sections are functioning at all 21 Circle Offices of the Bank as extended arms of the Risk Management Wing.

The Bank has in place risk management policies across geographies and across all risks encompassing the entire gamut of risk profile. These include policies on Credit Risk Management, Operational Risk Management, Market Risk Management, Asset Liability Management and Group Risk Management. The Bank has in place an Internal Capital Adequacy Assessment Process (ICAAP) under Pillar 2 of Basel III norms. The ICAAP exercise covers the domestic and overseas operations of the Bank, Subsidiaries, Joint Ventures, Sponsored Entities and Associates. Stress testing exercise is also performed by the Bank to ascertain the potential risks faced by the Bank. The ICAAP document is reviewed and approved by the Risk Management Committee of the Board and the Board of Directors.

The Bank has a Board Level Sub-Committee for Capital Planning Process. The Committee articulates macroeconomic scenarios vis-à-vis capital requirements of the Bank, in tune with business strategies. The Committee ensures maintenance of appropriate level of Capital to Risk Weighted Assets Ratio (CRAR) and evaluates various options for raising the capital.

Adoption of Advanced Approaches under Basel III:

In an endeavour to move towards Advanced Approaches under Basel III for computation of capital for Credit, Market and Operational Risks, the Bank has engaged the services of a Consultant for implementation of Enterprise-wide Integrated Risk Management solution for itself and the Group Entities, so as to build requisite risk management framework.

As a pre-requisite for the implementation of Enterprise wide Integrated Risk Management architecture, the Bank has procured a Risk Solution that would enable it to meet requirements of Advanced Measurement Approaches.

The Bank has submitted Letters of Intent to RBI for adoption of Internal Rating Based (IRB) Approach for calculation of capital charge for Credit Risk, Internal Models Approach for calculation of capital charge for Market Risk and Advanced Measurement Approach for calculation of capital charge for Operational Risk.

Preparedness for Basel III:

The final guidelines on Basel III Capital Regulations became effective from 1st April, 2013. As per RBI guidelines, the transitional period for full implementation of Basel III Capital regulations are extended up to 31.03.2020. The banks in India need to maintain a



minimum Common Equity Tier 1 (CET1) capital of 5.50%, Tier 1 capital of 7.00%, total capital of 9.00% and Capital Conservation Buffer (CCB) of 2.50% at the end of March 2020. The banks also have to maintain a minimum Tier 1 Leverage Ratio of 4.50% as a credible supplementary measure to the risk based capital requirements.

The Bank endeavours to remain adequately capitalized and has drawn plans to meet the capital requirements stipulated by the RBI in transitory phase. The Bank has adequate headroom to raise capital from the market, including recapitalization support from the Government of India. Going forward, the Bank's capital requirement shall be met by injecting fresh equity capital, retention of profits, optimization of business levels, proactive capital planning and management.

Credit Risk Management:

The Credit Risk management process outlines the principles, standards and approach for credit risk management at the Bank. Systems, procedures, controls and measures are in place to actively manage the credit risks, optimize resources and protect the Bank against adverse credit situations. In order to comprehensively address the issues and concerns of the Credit Risk, the Bank has put in place a comprehensive Credit Risk Management Policy.

A robust system for appraisal of loan/credit proposals, including seeking adequate information for appraising the viability of the proposal and creditworthiness of the applicant for sanctioning credit limits, well defined credit approval process and authorization matrix, standards for collateral management, credit monitoring, restructuring of advances, MSME and Off Balance Sheet Exposures, is followed.

Risk Acceptance, Risk Measurement, Prudential Exposure Norms, Organizational Structure, Strategies and Operational Process are in place. In order to address the credit risk at portfolio level and the issue of concentration risk, the Policy prescribes fixation of various exposure ceilings. Risk Based Pricing is in tune with the Risk profile of the borrower to generate returns to achieve targeted RoA and NIM

The Bank has a Loan Review Mechanism for constantly evaluating the overall performance of the borrowal accounts and for bringing about qualitative improvements in credit administration, monitoring and credit audit. The entire process of the Loan review and monitoring is duly administered by the Credit Administration & Monitoring Wing.

Market Risk Management:

The Market Risk framework of the Bank aims at restricting loss from all types of market risk loss events and also to establish limit structure and triggers for various market risk factors.

Exposure limits, such as, Stop Loss Limits on Trading Book, Intraday and Overnight Limit for various Currency Positions, Dealer-wise Limits, Aggregate Gap Limit, Limits on Money Market Operations, Modified Duration Limits for investment portfolio and VaR Limits are fixed to act as risk mitigants/triggers. Mid Office of Risk Management Wing monitors these limits, along with other triggers, on a daily basis. A reporting framework has been put in place for effective and timely monitoring of market risk limits and triggers.

Operational Risk Management:



Operational Risk Management framework in the Bank is based on ethics, organization culture and strong operating procedures, involving corporate values, internal control culture, effective internal reporting and contingency planning.

The Bank has adopted policies for management of Operational Risk, which covers various aspects, such as, Operational Risk Management Structure, Outsourcing Activities and Business Continuity Plan.

At present, the Bank is in the process of migration to Advanced Approach of Basel III framework from the Basic Indicator Approach (BIA). The Bank has already put in place Incident Management module for timely reporting of incidents, Review of Key Risk Indicators (KRI), Conducting of Risk Control & Self Assessment (RCSA) workshops and Scenario Analysis workshops to compute capital charge for Operational Risk.

Asset Liability Management:

The ALM Policy of the Bank seeks to strike appropriate balance in the maturity and re-pricing profile of assets and liabilities, so as to reduce liquidity risk and manage interest rate risk. Within the policy framework, the Board of the Bank has set up Asset Liability Management Committee (ALCO), which is entrusted, inter alia, with the role of management of assets and liabilities including the funding strategies and its composition, product pricing, stress test and contingency action plan among others.

A balanced ALM structure helps to sustain the spreads, profitability and long-term viability of the Bank.

The Bank has implemented the RBI guidelines with respect to Liquidity Coverage Ratio (LCR) with effect from 01.01.2015. Bank has been computing LCR on a daily basis w.e.f 01.01.2017. As on 31.03.2019, LCR of the Bank is above the stipulated regulatory minimum of 100%.

Group Risk:

The Bank has various Subsidiaries, Joint Ventures and Sponsored Entities, which are engaged in diversified activities. As the Bank has considerable stake in these Group Entities, Bank has put in place a Group Risk Management Policy to identify and manage risk in intra Group transactions and exposures to raise the standard of Corporate Governance by reducing and avoiding conflicts of interest between the Group Entities and also to ensure 'Arms Length Principle' among Entities, with regard to business parameters. The Group Chief Risk Officer (GCRO) of the Bank is supervising the risk management activities of the Group Entities.

NATIONAL PRIORITIES

Priority Sector Advances:

The Bank continues to accord importance to varied goals under national priorities, including agriculture, micro, small and medium enterprises, education, housing, social infrastructure, renewable energy, microcredit, credit to weaker sections and specified priority communities.



Priority Sector Advances of the Bank as at March 2019 reached Rs.195126 crore, recording a y-o-y growth of 6.44% and achieved 48% to Adjusted Net Bank Credit (ANBC) against 40% mandated norm.

(Amt. in Rs. Crore)

Priority Sector Advances	As at March 2019		Y.O.Y Growth	
	2018	2019	Quantum	(%)
Total Priority Sector	183313	195126	11813	6.44
Agriculture	82456	90543	8087	9.81

With a focus on credit delivery to Agriculture, the Bank's advances under agriculture portfolio increased by 9.44% to Rs.90543 crore, covering over 69 lakh farmers. Under agriculture lending, the Bank achieved 19% to ANBC against 18% mandated norm. During 2018-19, the Bank's agriculture credit disbursement increased to Rs.76384 crore compared to Rs.67902 crore in the previous year.

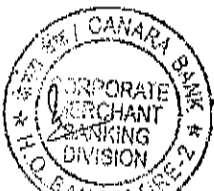
The Bank undertook special campaigns for extending Crop Loans facility to all farmers. During the year, the Bank issued 7.13 lakh Kisan Credit Cards (KCCs), amounting to Rs.12217 crore. The credit outstanding under KCCs was at Rs.17784 crore as at March 2019. 7.68 lakh KisanRuPay Cards were issued against eligible accounts of 7.87 lakh, with an achievement of 97.58%. The Bank actively participated in various Government Sponsored Schemes, such as, Prime Minister's Employment Generation Programme (PMEGP), National Rural Livelihood Mission (NRLM), National Urban Livelihood Mission (NULM), SwarnaJayanti Shahari Rozgar Yojana (SJSRY), Differential Rate of Interest (DRI) Scheme, Stand Up India, Pradhan Mantri Mudra Yojana (PMMY).

As at March 2019, the outstanding advances under the following Government Schemes, aggregated to Rs.12673 crore, involving around 7.91 lakh beneficiaries.

Performance under various Government Sponsored Schemes:

(Amt. in Rs. Crore)

Scheme	March 2019	
	Accounts	Amount
Prime Minister Employment Generation Programme(PMEGP)	3134	111
Deendayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM)	70540	1625
Deendayal Antyodaya Yojana-National Urban Livelihoods Mission (DAY-NULM)	1498	19
Differential Rate of Interest	110369	101
Swarna Jayanti Shahari Rozgar Yojana	4017	38
Stand Up India	1893	482
Pradhan Mantri Mudra Yojana (PMMY)	599195	10297
Total	790646	12673



Advances to DRI stood at Rs.101 crore, consisting of 1.10 lakh beneficiaries, of which, advances by rural and semi-urban branches amounted to Rs.79 crore. In support of the underprivileged sections of the society, the Bank's advances to SCs/STs beneficiaries amounted to Rs.8190 crore as at March 2019, covering 5.17 lakh borrowers. The advances to SCs/STs comprised 4.15% of total priority sector advances.

Advances to weaker sections reached Rs.70237 crore, constituting 17% to ANBC against mandated norm of 10%.

Various components of advances to Weaker Sections as at March 2019:

(Amt. In Rs. Crore)

Sector	Outstanding	
	Accounts	Amount
Small & Marginal Farmers, Landless Labourers, Tenant Farmers and Share Croppers	6158413	64729
Artisans, Village and Cottage Industries	35467	685
SC/ST Beneficiaries	516918	8190
DRI Loan	110369	101
SJSRY Beneficiaries	4017	38
Self Help Group	149119	3796
Joint Liability Group	45846	918

As at March 2019, advances to specified minority communities aggregated to Rs.34169 crore, accounting for 20% of the actual priority sector advances against the stipulated 15% norm.

Deendayal Antyodaya Yojana (DAY) - National Rural Livelihoods Mission (DAY-NRLM/ Aajeevika):

NRLM is a flagship programme of Government of India to promote poverty alleviation through building strong institutions of the poor, particularly women. NRLM supports capacity building of SHGs (especially WSHGs). NRLM was renamed as DAY-NRLM (Deendayal Antyodaya Yojana - National Rural Livelihoods Mission) w.e.f. March 29, 2016. Reserve Bank of India Vide Circular RBI/2013-14/373 RPCD. GSSD. CO. BC.No.57/09.01/03/2013-14 dated 19.11.2013 has issued guidelines on Interest Subvention Scheme under Aajeevika in identified 150 Districts for operationalizing the Scheme.

RBI vide circular FIDD.GSSD.CO.BC.No. 13/ 09.01.03/ 2016-17 dated 25.08.2016 has added 100 more districts in the said scheme as per the instructions of MoRD, GoI. The main objectives of the Scheme is providing interest subvention to Women SHGs (WSHGs) from rural areas who avail loans up to Rs.3 lakhs at 7% per annum and to provide an additional subvention of 3% for prompt repayment, thereby reducing the effective rate of interest to 4%.



Ministry of Rural Development, Government has designated our Bank as Nodal Bank for administering the DAY NRLM Scheme in the identified Districts since inception. We have developed a dedicated web portal for handling NRLM claims of all banks & MIS generation as per the specifications of MoRD, GoI. So far, our bank has handled 3374000 claims amounting to Rs. 2119.76 crores and earned Nodal bank commission of Rs.10.85 crores. Since the inception of the scheme, the bank handled various claims, as a nodal Bank.

(Amt. In Rs.Crore)

Interest Subvention Claims made by all Member Banks		
Financial Year	No of Account	Amount
2013-14	619933	268
2014-15	500829	304
2015-16	568304	365
2016-17	842118	579
2017-18	843248	603

Micro Small & Medium Enterprises (MSMEs) Lending:

Advances to MSMEs increased to Rs.85168 crore as at March 2019, with a y-o-y growth of 3.74%. Credit to M&SE segments rose to Rs.66657 crore, with a 1.36% YOY growth. Micro Enterprises amount recorded a growth of 8.20%.

Under Pradhan Mantri Mudra Yojana (PMMY), the Bank sanctioned an amount of Rs.10297 crores against the target of Rs.8100crore during 2018-19. Sanctions and disbursements under different schemes of Mudra Yojana are as under:

Category	As on 31.03.2019 (Amt. In Rs. Crore)			
	No. of Accounts	Sanction Amount	Disbursement Amount	Outstanding Amount
Shishu (<50,000)	354483	729	724	684
Kishore (Above 50,000- 5 Lakhs)	183552	4439	4217	3945
Tarun (Above 5 Lakh to 10 Lakhs)	61160	5129	4828	4694
Total	599195	10297	9769	9323

During the year, the Bank has taken following initiatives to increase flow of credit to MSME sector and also to bring about continued awareness about the steps taken.

- 166 SME Specialized Branches are functioning throughout India for faster processing of credit proposals. Besides 166 SME Specialized Branches, 52 SME Sulabhs (Specialised SME Loan Processing Centres) are also functioning across the country. To extend financial assistance to Micro and Small Enterprises without offering any collateral security and with relaxed lending terms, some segment specific schemes have been launched / continued, such as, MSME Sahay, Mudra Canara Atithi, Doctors' Choice, MSE SMART, MSME CAP (Improved Version), MSME Vahan, MSE Vijeta , Canara Contractors' Scheme, Canara CARAVAN, and MSME Expo..



- To increase the Bank's exposure to specific clusters and activities, new area/cluster specific schemes have been launched / continued, such as, Canara Textiles, catering to the Textile Sector, Special Scheme for lending to units engaged in Manufacturing of Ceramics and Vitrified Tiles, Area specific scheme to Jaipur, for financing Processors/Traders engaged in Marble & Granite, Scheme for Kakathiya Textile Park Warangal, Scheme for Dry Fruits and Nuts Traders for Chandni Chowk, Delhi etc.
- Bank has on boarded on the TReDS Platforms of M/s.RXIL, M/s.A.TReDS and M/s.Mynd Solutions to garner business of Bill Discounting of MSEs through online portal.
- Bank has been on boarded in the digital platform of M/s. Online PSB Loans Ltd., a Fin-Tech Company acquired by SIDBI led consortium of Bankers for Contactless MSME loans through the digital portal PSB Loans in 59 minutes.
- Mega Credit camps are conducted to create awareness and pool sources for increased credit flow to MSME sector.
- MSME Knowledge Series were organised at various centers across the Country for MSME Entrepreneurs for providing necessary inputs and guidance for successful entrepreneurship.
- Micro Enterprises Business Centers are functioning at some Circle Offices for handholding Micro Enterprises.
- The Bank has an exclusive website www.canaramsme.com for easy access and understanding of MSME initiatives.
- The online submission of MSME applications and tracking thereof by the customers are facilitated and used extensively by the MSME clientele.
- An exclusive set up established at Head office has been looking into the aspects of monitoring, slippage management and handholding in times of stress by way of rehabilitation and restructuring of MSME units as per Government guidelines.
- Single Point Contact MSME Relationship officers are named in all the 166 SME Specialised Branches to closely liaise with the Top 20 borrower accounts of the Branch and cater to all their requirements on a real time basis.
- Bank is having Branches at all the 388 UNIDO clusters and has conducted Special lending camps in the clusters for sourcing new Proposals and to ensure increased lending to MSME sector.

Empowering Women:

Women Empowerment Section at Head office and Centre for Entrepreneurship Development for Women (CEDW) at 21 Circle Offices and 117 Regional offices across the country are working relentlessly towards economic empowerment of women. These CEDWs have reached potential entrepreneurs, undertaken counselling, supported their training needs, provided finance and arranged marketing facilities. A total of 241 Programmes were organized by the CEDWs during 2018-19.

These centres have also assisted in the formation of Self Help Groups (SHGs) & Credit Linkages. Rural Self Employment Training Institute set up at Harohalli, Karnataka to provide EDP/skill training to women in various vocations has trained 21,283 women since



inception, out of which 648 women have been trained during 2018-19. Through 62 Training Institutes supported by the Bank, 4.53 lakh women have been trained in Self Employment ventures since inception, of which 28,058 have been trained during 2018-19. Apart from establishing two exclusive Mahila Banking Branches, the Bank has equipped over 72 branches with all women employees to give focused attention to women clientele. 17 Micro finance branches are also engaged in supporting the financial needs of Micro & Small Women entrepreneurs & SHG members. 32.04 lakh women have been assisted with a credit outstanding to the tune of Rs.55966 crore as at March 2019 and achieved 16.39% to ANBC as against RBI's requirement of 5%.

Several concessions have been provided to women borrowers that include relaxation in eligibility norms and 0.50% interest concession on educational loans to girl students. 0.05% interest concession on the Card Rates under Housing Loan to Woman and Vehicle Loan (Personal vehicle) to women. "MSE Vijeta", an exclusive loan scheme for women entrepreneurs for loans upto Rs.2 Crore under Micro & small Enterprises and Canara Mahila Savings Scheme, a special Savings Bank deposit product, with many concessions have been devised for women.

During the year, 3 successful "Women Entrepreneurs" were given cash awards on the occasion of International Women's Day under Canara Bank Best Woman Entrepreneur Awards (CBWEA) 2017-18. Under marketing support, the Bank has provided five unique custom built, high tech, solar powered mobile sales vans "Canara Vahini" with computerized billing and card swiping facility to enable women entrepreneurs and SHGs to exhibit or market their products at Bengaluru and Shivamogga (Karnataka), Aligarh (Uttar Pradesh), Coimbatore (Tamil Nadu), and Thrissur (Kerala).

Lead Bank Responsibility:

The Bank has Lead Bank Responsibility in 31 Districts in the country, viz., 8 in Karnataka, 7 in Tamil Nadu, 5 in Kerala, 5 in Uttar Pradesh, 3 in Delhi, 2 in Telangana and 1 in Bihar. The Bank is the Convenor of the State Level Bankers' Committee (SLBC) in Kerala.

Financial Inclusion:

Holistic Approach to Financial Inclusion

With the basic objective of bringing the large unserved population under the banking mainstream, the Bank is striving towards a more inclusive growth by making financial products and services available to financially excluded and marginalized sections of the society in particular. As per the Government of India and the Reserve Bank of India directions, the Bank has been actively pursuing the agenda of Financial Inclusion (FI), with the key interventions, viz., expanding banking infrastructure, offering appropriate financial products, making extensive & intensive use of technology and through advocacy of financial literacy.

The Bank has 903 Financial Inclusion (FI) Branches under branch model and also engaged 2459 Business Correspondent Agents (BCAs) under Business Correspondents (BC) model. In addition, 471 Ultra Small Branches (USBs) are also operational in the Bank.



Pradhan Mantri Jan Dhan Yojana (PMJDY):

PMJDY is the initiative from Government of India for comprehensive financial inclusion of the population of India, particularly aiming at covering the households hitherto excluded from the purview of banking and empowering them with benefits and facilities provided by the banking industry. Accounts opened under PMJDY are issued with Rupay Debit card, accidental Insurance coverage to the extent of Rs 2 lakh, life insurance cover of Rs.30,000/- (for accounts opened upto 31.01.2015) and overdraft upto Rs.10000/- after six months of satisfactory dealing. The Bank was allotted 3962 Sub Service Area (SSAs) and 3371 Urban Wards for implementation of PMJDY.

Performance highlights under PMJDY:

- Opened 72.80 lakh accounts under PMJDY and mobilized a CASA deposit of Rs 2450.68 crore.
- Covered all allotted 10049 villages comprising of 3962 allotted SSAs and 3371 Urban wards by opening of 903 brick & mortar branches and engaging 2459 Business Correspondent Agents (Bank Mitras) at remaining locations. Hand-held devices are provided to Bank Mitras for facilitating payments, which are enabled for accepting Rupay Cards. The Bank has issued 42.89 lakh Rupay Debit Cards to all eligible account holders. Bank Mitras have done 141.87 lakh transactions, amounting to Rs.3132 crore during the year.
- Zero balance accounts under PMJDY have been brought down to 11.67%.
- Provided overdraft facilities upto Rs10,000/- to all eligible PMJDY account holders. 1.10 lakh PMJDY accounts holders have been provided with overdraft facility, amounting to Rs 13.51 crore during the year. So far the Bank has provided PMJDY overdraft facilities to 7.32 lakh account holders to the extent of Rs. 111.49 crore.

Social Security Schemes:

Under various social security schemes launched by the Government of India during the year, following enrolments have been made.

Scheme Enrolments As at March 2019

Scheme Enrolments	As at March 2019
Pradhan Mantri Jeevan Jyoti Bima Yojana(PMJJB)	26.69 lakh
Pradhan Mantri Suraksha Bima Yojana(PMSBY)	75.28 lakh
Atal Pension Yojana (APY)	4.39 lakh

Under Sukanya Samriddhi Yojana, the Bank has mobilized 17383 accounts Apart from the above, the bank has also made significant progress in the Financial Inclusion related activities during the year as under:

Business canvassed in the FI Branches:

FI branches have garnered business of Rs.21410crore, which includes CASA deposits of 5627 crore, constituting 26.28% of total deposits. Average business per FI branch stood at Rs.23.74 crore.



Position of Basic Savings Bank Deposit (BSBD) Accounts:

The Bank has opened 8.83 lakh BSBD accounts during the year 2018-19, taking the tally of BSBD accounts as at March 2019 to 175.32 lakh, with an outstanding deposit of 5427 crore.

Formation & Credit Linking SHGs:

Financing to Self Help Groups has played pivotal role for poverty alleviation and financial inclusion of the rural poor. The Bank has formed 11026 SHGs and credit linked to the extent to 2889 crores to 89237 SHGs during the year. The outstanding SHG accounts were more than 1.49 lakhs, with an outstanding amount at 3796 crores.

Farmers' Clubs:

The Bank has adopted a concept of forming Farmers' Clubs, which is an association of progressive farmers, who have volunteered to disseminate the principles of development through credit and also inculcate better repayment ethics and promote people's participation. During the year, the Bank has formed 737 farmers clubs.

Micro Finance Branches:

The Bank has opened 18 Micro Finance Branches in the urban centres. These branches mobilized a total business of Rs.679.38 crore as at March 2019.

Financial Literacy Centres:

Formed 'Canara Financial Advisory Trust' to take care of the affairs of the Financial Literacy Centres (FLCs) of the Bank as well as the FLCs promoted by the Regional Rural Banks (RRBs) sponsored by the Bank. Pan India, the Bank has 72 FLCs in 26 lead districts and 46 blocks across the country, managed by the Counsellors (retired bankers).

Financial Literacy Initiatives:

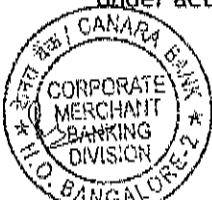
- Financial Literacy Centres have educated 21.05 lakh persons during the year and 84.68 Lakh persons since inception.
- Special training is being provided to Branch Managers for conducting financial literacy programmes at their branches and in their service area.
- Conducted 65 financial literacy camps under Financial Inclusion Fund Scheme from the NABARD.

AADHAAR Enrolments Updation Centres:

The Bank is a Registrar and Enrolment Agency for Aadhaar Enrolment. As per UIDAI guidelines, the Bank has to establish 740 centres inside 10% of the bank branch premises, comprising of 613 centres for the bank and 127 centres for the 2 sponsored RRBs (PKGB 65 & KGB 62). All 740 centres were established.

AADHAAR Seeding:

Present position in respect of Aadhaar Seeding in SB operative is 93%. As regards PMJDY accounts, the position is 88%. Close monitoring for ensuring 100% Aadhaar Seeding is under active follow up.



AADHAAR Authentication:

Demographic authentication of accounts with UIDAI has been done successfully for nearly 200 lakh accounts. For the remaining accounts e-KYC biometric and OTP utility has been enabled in the SAS package for branches. In web portal, the Bank has provided a link for the internet banking customer to authenticate on their own. In ATM, authentication status checking facility has been provided for the customers.

Corporate Social Responsibility

Setting Examples in CSR Activities

Following the founding principles and century old tradition, the Bank is engaged in varied Corporate Social Responsibility (CSR) activities. CSR initiatives of the Bank are multifarious, covering activities like training unemployed rural youth, scholarship to meritorious SC/ST Girl students, providing primary health care, drinking water, community development, empowerment of women and other social initiatives.

Rural Development

The Bank, through its Canara Bank Centenary Rural Development Trust (CBCRDT), has established 31 exclusive training institutes, including 23 Rural Self-Employment Training Institutes (RSETIs), 5 Institutes of Information Technology and 3 Artisan Training Institutes to promote entrepreneurship development among rural youth and encourage them to take up self employment activities. During 2018-19, these Institutes trained 20,728 candidates, taking the tally to 3.38 lakh unemployed youth since inception, with an impressive settlement rate of 75%.

The Bank has co-sponsored another 27 Rural Development and Self Employment Training Institutes (RUDSETIs) across 17 States, engaged in training of rural youth for taking up self-employment programmes. During 2018-19, these Institutes trained 22,068 candidates, taking the tally to 4.69 lakh unemployed youth, with a settlement rate of 73%. The Bank has also co-sponsored Bankers Institute for Rural and Entrepreneurship Development (BIRED) at Hyderabad, Telangana and Canara Bank Deshpande RSETI at Haliyal, Karnataka Farmers Resource Centre (KFRC) at Bagalkot and Bharat Ratna Shri M Visvesvaraya Training Institute at Bengaluru, Karnataka. Cumulatively, the Bank has sponsored/ co-sponsored 62 training institutes, which have trained more than 8 lakh unemployed youth so far, with a settlement rate of 74%. The Bank has donated 4 hi-tech, customs built, solar powered 'Retail Mobile Marketing Van' to assist women entrepreneurs, SHGs and artisans to market their products.

The major thrust areas are skill development for employment /self employment through Institutional set up, Health care initiatives in co-ordination with reputed Hospitals, promoting Education through direct and indirect support through smart classes, construction of toilets for girl students, providing computers and other infrastructural support, direct financial help to students with scholarship facilities, a helping hand to Persons with Disabilities etc.

Environment Protection

The Bank has undertaken an ambitious project of providing Solar Street Lights and Tree Guards at Dehra Village, Panipat, Haryana. Tree Plantation Project initiated through



National Institute of Oceanography, Chennai, Tamil Nadu. The Bank has also actively participated in Government of India, Swachh Bharat activities during the year 2018-19.

Health care for the Underprivileged

Hi-tech Ambulance was provided to M/s Sri Jayadeva Institute of Cardio Vascular Sciences & Research, Bengaluru for their unit at Mysuru under the CSR initiatives of the Bank. The Bank has provided Medical Equipment to Rural Development Trust, Ananthpur, Kurnool, AP; Ambulance Van to the District Administration, Wayanad, Kerala, mainly for the use of Scheduled Tribe & underprivileged Cancer patients of the District Cancer Centre, Nalloorad, Wayanad. M/s Rajiv Gandhi Centre for Biotechnology (RGCB), Trivandrum, Kerala, has been provided 2 ECCO Maruti Vans for transportation of patients in critical conditions & movement of laboratory technologists in exigency. Sanitary Napkin Vending Machines and Incinerators installed in eleven Govt. Schools at Siliguri, Sikkim, for the benefit of underprivileged girl students of the Govt. schools of Sikkim; Assisted M/s Swiss Emmaus Leprosy Relief Work India, Chennai, Tamil Nadu for reconstructive surgery of leprosy patients.

Direct and Indirect support to Education

Education being one of the prime sectors of CSR and a vital part of personality development, the Bank apart from its own initiatives, has assisted various educational institutions for better facilities and spreading the coverage of education.

Canara Vidya Jyothi Scholarship scheme to meritorious SC/ST Girl Students:

The scholarship was provided for meritorious girl students from 5th to 10th standard, studying in Government and Government aided schools for the sixth successive year and 9160 students have been benefitted utilizing a total amount of Rs.3.48 Crores during 2018-19. 46610 girl students have been benefitted amounting to Rs.17.86 Crores under the scheme since inception.

Under CSR initiative, the Bank has assisted St.Paul's Mission School, Kolkata, West Bengal for renovation of Class room to Library cum audio visual room; E-learning facility provided in three Government Schools in association with M/s Centenary Charitable Trust, Chennai Tamil Nadu. The Bank has provided infrastructural facilities like Class Rooms, Hall & Toilets to Shri Durgaparameswari Proudashala, Shakatapuram, Koppa, Karnataka. The Bank has provided Desks, Benches and other furniture to the Govt. Model Higher Primary School, Nagashetty Halli, Bengaluru; Govt. Primary School, Vidyaranyapura, Bengaluru, Karnataka; the Govt. School, Thevaram, Madurai, Tamil Nadu; Govt. School Kuttichal, Trivandrum; Utility items to Govt. High School Dehra Village, Hariyana; Assisted for promotion programme for Green Protocol initiatives for School Students in Varkala, Kerala.

Financial assistance to combat Poverty & Nutrition

The Bank has given financial assistance to M/s Adamya Chethana, for procuring Automatic Roti Making Machine at Jodhpur under "Rajasthan Kitchen for School Children" as a part of



mid day meal programme. The Bank has provided Food, Clothes and other essential items to relief camps in flood affected areas of Kerala through our CO/ROs. The Bank has provided essential items to M/s Sanmati Bal Niketan, Pune, Maharashtra.

For supporting persons with disability to lead a better life

A number of programmes in association with likeminded agencies were taken up. In connection with this, the Bank has provided essential items for imparting vocational training to visually impaired persons; Wheel chair to disabled students; Refrigerator to Pratibha Ashram Orphanage home on the eve of Independence Day Celebrations; Blankets to Old age home; School bags, Books to mentally challenged children; 4 braille watches to blind poor persons in Mumbai, Maharashtra. The Bank has provided Refrigerator to the Roman & Catherine Lobo School for Visually impaired, Mangaluru, Karnataka. The Bank assisted M/s Snehadeep Trust to sponsor of Bags to blind participants, Bengaluru, Karnataka; contributed to Asha Niketan High School for Deaf on Golden Jubilee Celebration of the School, Bhopal. The Bank has assisted Ekadasha, School for Mentally Retarded Children, Chennai, Tamil Nadu, and assisted M/s Umang Bal Vikash, Patna, to procure Audio Visual Instrument for the disabled students. The Bank has also provided financial assistance for Tour & Camp for Differently abled Children at Kollam, Kerala.

Visits by Parliamentary Committees

During the year 2018-19, Parliamentary Committees relating to Government Assurances, Subordinate Legislation, Standing Committee on Agriculture, Social Justice and Empowerment, Welfare of OBCs, SCs & STs visited the Bank.

ORGANISATION AND SUPPORT SERVICES

Branch Network

Expanding Pan India Presence

In a bid to expand the reach, the bank added 32 domestic branches and converted 84 Retail Asset Hubs as general branches during the year. As at March 2019 the Bank had 6316 branches, including Specialized Branches and 6 overseas branches.

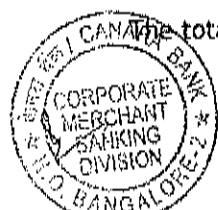
Composition of Branch Network

Category	No. of Branches		Opened during the year
	31.03.2018	31.03.2019	
Metropolitan	1242	1282	6
Urban	1162	1204	5
Semi-urban	1991	2003	9
Rural	1809	1821	12
Overseas	8	6	0
Total Branches	6212	6316	32

Note: 10 domestic branches were merged/closed during the year.
branches were merged/closed during the year.

2 Overseas

The total Specialized Branches of the Bank stood at 288 as at March 2019.



Specialized Branches	31.03.2019
AF (Hi-Tech) Branches (AFB)	8
Asset Recovery Management Brs (ARMB)	20
Br. For Physically Challenged Persons	1
Capital Market Branches (CMB)	1
Government Business Branch (GBB)	6
IF Branches (IFB)	3
Mahila Banking Branches (MBB)	2
Micro Finance Branch (MFB)	17
NRI Branches (NRIB)	9
Overseas Branches (OB)	11
Prime Corporate Branches (PCB)	12
Savings Branches (SSB)	0
SME Branches (SME)	167
Stock Exchange Branches (SEB)	2
Mid Corporate Branches (MCB)	24
Digital Banking Branches (DBB)	4
Aquaculture Finance Branches (ACF)	1
TOTAL	288

Progress in Digital Banking & Alternate Delivery Channels

The bank has 8851 number of ATMs as on March 2019. The Bank's EMV debit card base is at 2.82 crore. Besides the above, 182 hi-tech E-lounges were also operational in select branches, with facilities like ATM, Cash Deposit Kiosk with voice guided system, Cheque Deposit Kiosk, Self Printing Passbook Kiosk, Internet Banking Terminal, Online Trading Terminal and Corporate Website Access. Interactive Video Conference System was also configured at select e-Lounges.

As a result of such alternate delivery channels adopted by the Bank, the e-transaction ratio increased to 79.42% as at March 2019 compared to last year's 76.50%. The number of registered under new version of Mobile Banking is at 21.86 lakhs and Net Banking users increased to 61.87 lakhs as at March 2019. Digital Branch -CANDI, opened at Bangalore, Chennai, Delhi & Mumbai with fully automated facilities and robotic assistance for customers to open accounts and do transactions themselves.

New functionalities introduced in MOBILE BANKING during FY 2018-19:

- New version of Mobile Banking app with better User Interface is released with additional features like integration of Bharat Bill Payment system, UPI App etc.,

New functionalities introduced in INTERNET BANKING during FY 2018-19:

- Introduction of Debit card services such as
 - ❖ Request for New Debit card



- ❖ Enable/ disable - International Debit Card & set ATM Limit
- Creation, Modification & Cancellation of Standing Instructions
- OLTS integrated to apply for Housing/ Education/ Vehicle & MSME loans
- Aadhaar Seeding/Authentication
- Self-registration for CANDIGITAL app.
- Preprinted login password kit for Retail and corporate customers.
- Introduced option to set multiple transaction limits for retail users/corporate customers within the maximum limits.
- Single Beneficiary list introduced for NEFT/IMPS & RTGS transactions
- Re-Print/Download TD receipt
- Income Projection for Deposits
- Display of applicable interest, maturity details, ROI, liquidation details etc., at the time of premature closure.

New applications released apart from Mobile & Internet Banking functionalities during FY 2018-19:

- Canara DiYA (Digitally Your Account) -Instant savings account opening facility for the branches & customers through multiple channels such as SAS Package (Walk in customers), Website of the Bank, Mobile app (Android & iOS). All the services like Debit Card, Internet Banking, Mobile Banking, UPI, E-Pass sheet are activated instantly. Full KYC is to be ensured within one year.
- One Time Settlement (OTS) Package is introduced for customers to apply for OTS and branches to follow-up & monitoring of OTS accounts.
- Online Web portal for customers to request for replacement of Magnetic stripe card with EMV chip card.
- NPS All Citizen Model- National Pension System for All Citizen portal has been enabled for the public to apply for PRAN under New Pension Scheme.
- Canara Fee Collect - Online Fee collection portal for Institutions is introduced.

New functionalities introduced in ATM during FY 2018-19:

- First bank to introduce EMV compliance for Security and Risk Mitigation measures for card transactions implemented in our ATM SWITCH
- A Unique Option "Aadhaar Seeding/ Authentication" is introduced in our ATMs.
- Implemented Rupay EMV Dual Interface Issuer Application through National Common Mobility Card (NCMC).
- Credit Card Services at Switch level implemented for Canara Saathi app - for customers to Block/ Unblock, Hotlist and Green Pin generation.
- As a fraud prevention measure SMS is sent to cardholders when wrong pin is used in ATM/POS.

New functionalities introduced in Government Business & Financial Inclusion during FY 2018-19:



- New Packages for handling Government Business - Pension, Kisan Vikas Patra, Senior Citizen Savings Scheme, Gold Monetization Scheme, PPF, OLTAS & RBI - Relief Bond modules are released for branches/ offices.
- Sukanya Samrudhi account transfer functionality for inter-branch and interbank and post office enabled.
- Sukanya Samrudhi Application - Introduced facility for online payment of subscription using Internet Banking credentials.
- Online subscription of Sovereign Gold Bond in-house package released.
- E-payment of direct tax with maker-checker functionality for corporate customers through Internet banking enabled.
- Tax Payment using Debit Card - enables our customers to make Tax payment using Debit Card.
- AADHAAR Seeding /authentication - through ATM / Bank's Corporate Website & Branches with Virtual ID, Token ID and Limited KYC functionality and Mobile Banking/ Internet Banking enabled.
- Fixed Point BC solution - Aadhaar Enabled Payment System (AEPS), RuPay card and Third party deposit transactions along with Balance enquiry and Mini statement released.

Compliance to International Standards:

The Bank has fully implemented the recommendations of the RBI Working Group (Chairman, Shri G Gopalakrishna) on Information Security, Electronic Banking, Technology Risk Management and Cyber Frauds.

Manpower Profile:

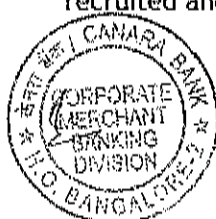
As at March 2019, the Bank had 58350 employees on its roll. The cadre-wise break-up of manpower is as follows:

Cadre	March 2018	March 2019
Officer	28739	29882
Clerk	21551	19951
Sub-staff*	8565	8517
Total	58855	58350

*includes Part Time Employees (PTEs)

Total staff strength of the Bank was comprised of 51% Officers, 34% Clerks and 15% Sub Staff. The Women staff strength of the Bank was 17,796, constituting 30% of the employees. The total number of ex-service men staff as at March 2019 stood at 4,547. There were 1483 Physically Challenged Employees on the rolls of the Bank.

During the year, the Bank recruited 2724 persons in various cadres, out of which 462 belonged to Scheduled Castes (SCs) and 214 to Scheduled Tribes (STs) categories. 419 ex-servicemen were recruited in various cadres during the year. 765 women employees were recruited and 977 women were promoted under various cadres during the year.



Reservation Policy in respect of Scheduled Castes and Scheduled Tribes

As at March 2019, the number of Scheduled Castes and Scheduled tribes together constituted 27% of the total staff strength of the Bank. The composition of SCs/STs employees as at March 2019 was as under:

Cadre	Scheduled Castes	Scheduled Tribes
Officer	5335	2322
Clerk	3736	1285
Sub Staff	2517	489
Total	11588	4096

The Bank has been strictly adhering to the Reservation Policy in respect of Scheduled Castes and Scheduled Tribes as per the Government of India guidelines.

- Reservation Policy is implemented through the mechanism of Post Based Rosters. In terms of the directives of the Ministry of Finance, Government of India, the Bank has switched over to Post Based Rosters for all cadres.
- The Bank has been extending Reservation/Relaxations/Concessions in Direct Recruitment as well as in promotions to candidates belonging to Scheduled Castes and Scheduled Tribes as per the Government guidelines.
- Pre-recruitment & Pre-promotion training is given to candidates belonging to Scheduled Castes and Scheduled Tribes. In the Advertisement inviting application from the eligible candidates for recruitment to Clerical Cadre, a specific reference is made with regard to imparting of pre-recruitment training to candidates belonging to SC / ST / PWD / Minority Communities / Ex-SM. Pre-recruitment training for Officer Cadre is provided to candidates belonging to SC / ST & Minority Communities. Such of those candidates who opt for pre-recruitment training are given training to prepare themselves for written test as well as interview. The duration of the training is for a week. Study materials, notebook, stationeries are provided free of cost to all the participants.
- The Bank has set up SC/ST Cells at the Head Office and also at Circle Offices to ensure maintenance of Rosters and proper implementation of other aspects of Reservation Policy.
- Chief Liaison Officer has been nominated at Head Office and Liaison Officers have been nominated at Circle Offices for ensuring implementation of Reservation Policy. Further, representations received from Scheduled Caste / Scheduled Tribe employees, either directly or through the SC/ST Associations, are being looked into by the Liaison Officer/Chief Liaison Officer. Wherever required, necessary enquiries are conducted & appropriate action is taken. A separate register is maintained for recording various representations received from Scheduled Caste/Scheduled Tribe employees and the action taken is also recorded in the register. In addition to the above, the representatives of majority Scheduled Caste / Scheduled Tribe Employees' Association are invited for Quarterly Meeting with the Chief Executive of the Bank to discuss on the implementation of guidelines on reservation policy. Quarterly Meetings are also held at Circle Offices, where Rosters are maintained and grievances, if any, are redressed by the Liaison Officer.



- f. The Board of Directors of the Bank also review the progress made in the implementation of Reservation Policy, half yearly and yearly.

Human Resource Development (HRD) activities:

The HR policies of the Bank have been revisited to suit the changing banking scenario. HR initiatives like 'Soft skill training programme for bringing attitudinal change among frontline staff and Executives grooming through reputed institutes and other significant HR tools, like, Study Circles, Staff Meetings and Brain Storming Sessions have been implemented for effective team building and fostering collective excellence. Various Corporate Communications were brought out to boost the morale of the employees and educate them in various facets of banking. The Bank has in place an exhaustive training process that cover Internal Training, External Training, In Company Training and Foreign Training. Internally, the Bank has STC at Bengaluru and 25 Regional Staff Training Colleges (RSTCs) across the country. During the year, the Bank has provided training to its employees, covering a wide range of functional areas, including Credit Orientation, Marketing Skills, and Induction Programme for Officers, Agriculture Extension Officers and Specialist Officers.

The Bank has designed and implemented several new training programmes, including credit management and decision making skills, credit appraisal programme for Branch Managers and workshop on recovery aspects for Executives. Under a novel programme, viz., Talent Bank Scheme, a talent pool was formulated, comprising Officers from Scale I to Scale IV, who are willing to take up challenging assignments in the identified critical or specialized areas. Intensive Credit Management Programme is being conducted in 2 phases. This is an in-depth and exhaustive programme on credit matters evolved by Staff Training College, for Officers in Scale I - III, to build specialization in credit. Intensive Training Programme on Credit over the years has built a talent pool of over 1000 Officers. Further, the Bank's quest to enhance the competencies of the workforce continued through focused and need based training at various institutes of repute, like, IIMs, XLRI-Jamshedpur, IDRBT-Hyderabad, JNIBF Hyderabad, NIBM-Pune, SIBSTC-Bangalore, CAFRAL and CAB (RBI)-Pune etc. Customized programmes are also organized to develop expertise in certain niche areas, like, Credit, Risk Management, Treasury Operations, HR, forex and IT. Specialized trainings to the Senior Management Level and Top Management Level Executives were conducted based on the requirement. The Bank has been able to add substantially to the skill level of its Officials through training intervention and motivating them to perform with renewed vigour and enthusiasm.

A governing body for the training setup, headed by the Managing Director & CEO has been established to monitor and streamline the training policies of the Bank. A scheme for Training as Incentive to Top Performers has been formulated, and was incorporated as a part of Banks Training Policy whereby, top performing officers are sent for training at External institutes of repute.

Changes brought about in the organizational set up during 2018-19:



The Bank follows four-tier structure with 21 Circle Offices and 118 Regional Offices as controlling and monitoring offices between the Head Office and Branches.

Earlier, the Bank had launched 'Project Shikhar' aimed at rejuvenating the Bank by focusing on various themes, like, better branch layout & customer service for customer delight, quality service delivery & reduction in service time, focus on digital banking by promoting transactions on self-service machines and alternate channels, inculcating sales culture and focus on business, particularly CASA and Non-Interest Income growth. In the journey of transformation of branches, number of 'Shikhar Branches' rose to 1547, with 240 branches under 5 Star and 122 under 4 Star categories as at March 2019.

Marketing and publicity;

The Marketing Vertical has played a significant role in improving the CASA share, retail business, fee income from the Associate Parties business, wallet maximization and propagating the multifarious technological products and services for the benefit of the customers.

The Bank further strengthened marketing vertical during the year by inducting specialized personnel into the setup, with the support of Marketing Sections in all Circle Offices, overseen by the dedicated Marketing Executives and lead management system. Marketing set up has taken initiatives in cross selling and up selling of Bank's products by launching several campaigns during the year. The Marketing Team actively organized and participated in various activities such as "Financial Expos", "CASA Campaigns", "Retail Expos", "Help Our Customer Day", "Health Camps", "Insurance Days", "NFO Campaigns" etc. throughout the year to improve visibility of the Bank, extend reach, serve customers and enhance business.

The Marketing Wing organized Marketing Conclaves to direct, encourage & motivate the Marketing Setup during the year 2018-19. In order to encourage and motivate all the Staff of the Bank to participate in sourcing & recording of business leads for the Bank, the Marketing Vertical launched a Lead Management System "iLead".

The Bank has a healthy following on Social Media platforms Twitter and Youtube. Canara Bank was the First PSU Bank to start an active Twitter Handle in India and the Bank's handle @canarabanktweet is currently ranked 4th amongst PSBs. It has evolved as a service delivery & grievance redressal channel for customers/non-customers. Canara Bank official YouTube channel/canarabank official was launched during FY 2017-18 and within a short span of 9 months became the No.1 amongst PSU Banks.

Customer Orientation:

Several initiatives were taken to remain customer focused through providing fast service, bringing in diversified products & services, responding to customers' queries and redressal of customer complaints. The 'Code of Commitment to Customers' issued by Banking Codes and Standards Board of India (BCSBI) and 'Revised Citizen's Charter' of Indian Banks Association (IBA) are made available in the Bank's homepage of the website <www.canarabank.com>. As per the instructions of IBA and RBI, the Bank has adopted Customer Rights Policy as advised by the RBI since July 2015, which spells out the Rights of



the Customers and also responsibilities of the Banker. To assess the quality of customer service rendered by the branches and to get the feedback, an online and offline Customer satisfaction Survey was conducted. As per regulatory requirements, the Bank has appointed an Internal Ombudsman for the Bank. Customers' Fortnight was conducted from 16.11.2018 to 30.11.2018, inviting suggestions from customers. In order to enhance customer focus, 'Project Shikhar - Branch Transformation' is being implemented since April 2014 wherein various customer centric initiatives like Welcome Desk, Queue Management System (QMS), Single Window Operation and allocation of larger space for 'Customer Waiting Area' etc., along with self-service kiosks are put in place.

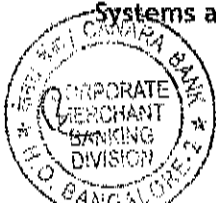
In order to enhance customer convenience / experience, Bank has popularized Missed Call Facility through Canara Swipe, BHIM-Empower, Internet and Mobile Banking, Canara e-info book, Canara mServe, Canara Geo locate and Canara Easy Cash facilities. Besides, the existing Call Center with single point contact Toll free number 18004250018 was converted into a fully outsourced model by name "Call Canara" and is functioning to cater to customers in 9 regional languages, viz., Kannada, Malayalam, Marathi, Tamil, Oriya, Telugu, Gujarati, Punjabi, and Bengali besides Hindi and English for redressal of grievances. Many interfaces were provided at the call center to enable the agents to resolve first handed simple and routine query without necessitating the need for escalating the branches and other offices.

The Bank has implemented online grievance redressal facility of customers in the website for lodging grievances online under the portal Canara Public Grievance Redressal System (CPGRS). The complaints received at the Call Centre of the Bank were also integrated with the CPGRS package. During the year, the Call Centre registered 11200 grievances in CPGRS and all grievances were redressed as per prescribed time norms. Centralized Pension Processing Centre has been established exclusively for handling pensions and resolving pension related grievances. 41 Central Processing Centers are established at selected places for account opening purposes.

The Bank has framed a policy on Customer Protection for limiting liability of customers in unauthorized Electronic Banking Transactions (EBT) in tune with the RBI guidelines. Recognizing the fact that customer protection and financial inclusion are the two crucial pillars of financial stability and considering the recent surge in customer grievances relating to unauthorized Electronic Banking Transactions (EBT) resulting in erroneous debits to customer accounts/cards, customers are required to report to Bank immediately on knowing the occurrence of the unauthorized EBT. Further, the branches have the obligation to educate the customers to protect themselves from electronic banking and payments related frauds through various channels.

Feedback / suggestion received from customer during quarterly standing committee meeting on customer services were diligently taken up by the Bank, thereby involving more amenities / products for the benefit of the customer.

Systems and Procedures:



Risk based Internal Audit (RBIA) was conducted in 5235 branches / service units programmed for onsite RBIA during the year. Information Security audit was conducted along with RBIA. Concurrent/continuous audit was conducted in 973 branches/ service units, of which 361 branches / service units were subjected to concurrent/continuous audit by Internal Auditors and 612 branches / service units were subjected to concurrent audit by External Auditors, covering 70% of Advances and 50% of Deposits of the total business of the Bank. 1473 branches were subjected to income/revenue audit on quarterly basis. As part of strengthening the audit process, branches/ service units were graded under Four scales - LOW / NORMAL / MODERATE & HIGH in RBIA. The Bank has already implemented computerized audit through Web Based Audit Package called, 'DARPAN', for RBIA of branches, and through other Web Based packages for Concurrent Audit, Income Audit, KYC & AML Audit, Snap audit (for Normal and Moderate Risk rated branches), RO Audit, Circle Audit, Wing Audit, Application Audit and Information System Audit.

Bank has taken a tough stand on frauds and as such, the Inspection / Audit policy of the bank has been revised to re-risk rate branches which were witness to fraud; serious irregularities; etc. as "High Risk".

Bank has taken various strategic measures for Improvement of audit framework of the Bank like Rationalization of Man days for audits; Stringent time norms for closure of audit reports; placing of relevant reports / Significant audit findings at periodical intervals before Audit Committee of Executives / Audit Committee of the Board / Board of Directors; introduction of new concepts like Daily Dash Board, interactive sessions with Inspectorates, Inspection Helpdesk; Release of Exhaustive Compendium of guidelines for audit, Handbook on functioning of Inspectorates; Due importance for Detection & recovery of Income Leakage, Reduction of Overdue Inspection reports, timely submission of reports / returns.

Risk Based Supervision:

The Bank is brought under Risk Based Supervision (RBS) regime by RBI, in lieu of Annual Financial Inspection (AFI) from FY 2014-15. Presently, the Bank has completed the 5th cycle of RBS. RBS framework is named as Supervisory Programme for Assessment of Risk and Capital (SPARC). Under SPARC, a detailed qualitative and quantitative assessment of the Bank's risks is made by the RBI on an on-going basis through a combination of offsite and onsite Risk Discovery Process (RDY).

Know Your Customers (KYC)/AML/CFT:

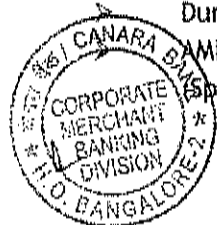
The Bank has undertaken various measures for the effective implementation of guidelines on Know Your Customer (KYC), Anti Money Laundering (AML) and Combating Financing of Terrorism (CFT).

Some of the major achievements and initiatives taken were as under:

- AML/CFT Centralized unit has filed 1404 Suspicious Transaction Reports (STRs)

During 2018-19.

AML/CFT centralized unit is exclusively processing and monitoring of AML/SDN (Specially Designated Nationals) alerts.



- New in-house-AML Package was inaugurated on 02.08.2018 with various efficiency features.
- System checks and enhancements implemented for Trade Based Money Laundering (TBML) alerts.
- Unit has attended SBN related queries from RBI SBN facility extended to NRIs/people out of India during demonetization period.
- As per FIU-India guidelines, all the RFI suggested by them are implemented.
- KYC Cell has functions as the custodian and one point contact for RBI and Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI) for all CKYC matters.
- Implemented CKYC project on 30.10.2017
- Our Bank has issued 58,19,736 CKYC IDs to our Customers, out of 85,56,842 accounts opened from 01.01.2017.

Vigilance Setup

Vigilance Wing of the Bank is headed by the Chief Vigilance Officer (CVO). The CVO is assisted by the Vigilance Officers stationed at all Circles, RRBs and the Bank's Subsidiaries. Vigilance Management in the Bank includes preventive, participative and punitive functions.

'Vigilance Awareness Week' was observed in our Bank from 29th October 2018 (Monday) to 3rd November 2018 (Saturday), with the theme "Eradicate Corruption - Build a New India" and all the Branches/Offices have actively participated in conducting various activities such as Seminars, Workshops, Customer Grievance Redress Meetings, Awareness Sabhas in Gram Panchayats, Panel Discussions, Competitions in Schools/Colleges (viz. Essay Writing, Debate & Quiz Competitions) & Walkathon/Marathons etc to bring awareness in the Society about the ill effects of Corruption.

Vigilance Awareness Week celebrations started by taking the Integrity Pledge by all the Executives & Employees of HO on 29.10.2018 at 11.00 am in Hindi, English & Kannada languages. Messages received from the Hon'ble President of India, Hon'ble Vice President of India and the Central Vigilance Commission was read out. During the function, Vigilance Wing in-house quarterly Magazine 'Canara Vigil' was released by the dignitaries.

During the year 2018, Vigilance Officers Conference was conducted on 23.07.2018 at Head Office, Bangalore. Vigilance Officers from 21 Circle Offices, Inspection Wing, RRBs & FMS Wing were present. CVO of the Bank & GM-HR addressed the participants. Ms. Roopa, SP, CBI/ACB, Bangalore and Mr. Vivekananda swamy, IOP, CBI/ACB, Bangalore were guest speakers to the programme.

Further, Vigilance Wing has conducted Workshops on 'Vigilance Administration' for Investigating Officers, Presenting Officers, Inquiring Authorities & Disciplinary Authorities on 07.09.2018, 16.10.2018 & 22.10.2018 at Kolkata, Head Office & Chennai respectively. Officials from Central Vigilance Commission have participated in the Workshop and addressed the participants.



Security Arrangements:

Out of 6310 branches, and 106 currency chests in 21 Circles / 118 regional offices, the Branch security profile is as follows: High Risk Branches - 44, Normal Risk Branches -1678 and Low Risk Branches: 4588. These Branches & Currency Chests were periodically visited by Security Officers as per statutory guidelines. All the sensitive currency chests were visited by the Chief Security Officer during the year. The following measures were initiated based on the Instruction from RBI, IBA & State Police Authorities:

- a) All branches, Currency Chests & ATMs have been provided with CCTV cameras & DVR.
- b) 873 ATMs (Pan India) and 9 mobile ATMs have been provided with private security guards based on the threat perception and directions from police authority.
- c) Notwithstanding that security personnel are "constantly committed" to security duties, the bank is geared up to meet all the challenges.

The security set up is regularly upgrading the security apparatus and issuing suitable instructions, advisories and guidelines to all branches from time to time, including focusing on fire safety measures and minimizing damages. 36 Security Officer have undergone basic training on Disaster Management at NIDM New Delhi during 2018-19.

Right to Information;

Under the Right to Information Act, 2005, an exclusive Right to Information Act outfit is functioning to provide information and bring transparency. During June 2016, Department of Personnel Training, Ministry of Finance, Government of India has come out with a web based online RTI portal to enable the citizens to make online applications/appeals. This web based package has been given to the Public Sector Banks with effect from 20th July 2016. To comply with the RTI guidelines and to cater to the needs, the Bank has nominated a Nodal Officer at Head Office and a Central Public Information Officer (CPIO) and a First Appellate Authority (FAA) for all Regional Offices, Circle Offices and Head Office. Apart from this, the Bank has designated all the branch / unit heads as Assistant Public Information Officer (APIOs) to receive and forward the RTI applications, 1st appeal and to forward the same to the concerned CPIOs and also to assist the CPIOs whenever requested. Presently, there are 140 PIOs and 140 Appellate Authorities.

During the year 2018-19, the Bank received 7519 RTI applications, 936 Appeals & 100 Second appeals as against 3634 RTI applications, 871 Appeals & 9 Second appeals during the previous year, 2017-18, as per the provisions of RTI Act, 2005.

Implementation of Indian Accounting Standards:

As per RBI guidelines, the Bank is in the process of implementing the Indian Accounting Standards (Ind AS). A Project Steering Committee headed by Executive Director has been formed to take the required steps on a continuous basis for smooth convergence. RBI, vide its communication ref : DBR.BP.BC.No.29/21.07.001/2018-19 dated 22nd March,2019 has deferred implementation of IND AS for all Schedule Commercial Banks excluding Regional Rural Banks till further notice. Bank is submitting Pro-Forma Financial Statements to RBI for every quarter as per the guidelines of RBI.



Implementation of Official Language:

The Bank made noteworthy progress under the implementation of official language and won many prizes at various levels during the year under review.

As at March 2019, around 86% of employees have obtained working knowledge in Hindi and the Bank has notified 4767 Branches under Rule 10(4) of OL Rules 1976. All the employees of the Bank possessing working knowledge of Hindi have been trained in functional Hindi through Hindi workshops. During the year under review, Bank has conducted 336 refresher training programmes for such employees.

In the sphere of using Information Technology in the Official Language, the Bank has furthered the use of Unicode package for word processing and also made provision in ATM screens of the Bank for carrying transaction in 10 Indian languages. Apart from Hindi and English, transaction slips can be obtained in Malayalam, Tamil, Telugu, Kannada, Punjabi and Marathi from our ATMs (Transactions done in concerned language). Tele banking facility has also been provided in Hindi and English and other 6 major regional languages. The Bank's corporate website is bilingual. The Bank is also giving SMSs in Hindi to all its customers on special occasions.

The Bank's bilingual address booklet CANPATHA is made available to all our branches and offices in electronic form. Hindi option is provided in Mobile Banking, E-Infobook and the Bank's internet Banking portal. To encourage effective implementation of Official Language in the Bank, 381 prizes were given to Circles, Regional offices, Branches, RSTCs and Sections of Head Office & Circle Offices under the award Scheme formulated by the Bank, viz., Canara Bank Rajbhasha Akshay Yojana and 80 employees were awarded under Rajbhasha Puraskar Yojana. Bank has also conducted Annual "All India Hindi Essay Competition" for its employees and cash prizes were given to prize winners. Half Yearly Hindi journal "Canarajyoti" - 21st & 22nd issues were brought out during the year. Canarajyoti was brought out to encourage original writing in Hindi. This publication contains articles on banking related subjects as well as Poetry, Short Stories, Travelogues written in Hindi by employees of our Bank. During the year, Canarajyoti awarded gold and Bronze Prize by ABCI under Indian Language category. The 36th All India Conference of OL Officers of the Bank was held at Head Office, Bengaluru on 21st and 22nd February, 2019. During the year, the Third Sub Committee of Parliamentary Committee on Official Languages had inspected our Joshimath Branch (Delhi CO), Ooty Branch (Chennai CO), Guwahati Circle Office and Tuttukudi Regional Office. The committee lauded the efforts put in by the Bank in the field of Official Language implementation. The Bank is convening the Town Official Language Implementation Committees of Etah, Agra, Hatharas, Coimbatore, Ramnagaram, Bengaluru (Rural), Chitradurga, Chikkaballapur and Thiruvananthapuram. Official Language Implementation Committees are constituted in all the branches of the Bank as per the Govt. guidelines to propagate the progressive use of Hindi.

Promotion of Sports:

Canara Bank has always been encouraging and supporting sports and has contributed generously to sporting activities all over the country by sponsoring tournaments, providing



scholarships to talented sports personalities. A Sports Council at Head Office was setup in the year 1982 to monitor and encourage sports activities in the Bank.

The Bank is presently having teams in 6 disciplines.

Category	Gender	Members
Athletics	Women	5
Ball badminton	Men	3
Cricket	Men	14
Hockey	Men	17
Shuttle badminton	Men	1
Table Tennis	Men & Women	2

International Sportspersons in the Bank fold are Shri B K Venkatesh Prasad & Shri Sunil B Joshi (Cricket), Smt M K Asha, Smt Suma Gopalakrishna (Athletics), & Smt H M Jyothi (Present International Athlete), Shri P Shanmugam, Shri Bharath Kumar Chhetri (Captain Indian Hockey Team, London Olympics-2012) & Shri K M Somanna (Senior-Hockey), Shri K P Dinesh (Junior-Hockey), Shri D Guruprasad, Shri Vineet Manual (Shuttle Badminton). Some of the above sportspersons still don the Bank colours while representing the Bank in tournaments/competitions at the State/National level.

The Bank's Hockey Team was Runners up in the 8th Hockey India Senior National B Division Championships at Imphal, Manipur during 2018, and also in the Field Marshal Cariappa Memorial Hockey Tournament at Bangalore. The Cricket Team of the Bank was the Winners in the following championships: (1) The Karnataka State Group II Division, (2) I League Championships, and (3) 25th International Pradip Memorial Tournament at Odisha. Further the team was runners up in the All India Pooja Cricket Tournament at Cochin. Apart from the teams at the Head Office, the Bank is also encouraging sports at the Circle levels by allotting annual budget for sports activities and also by organizing sports competition for employees which are duly monitored by the Circle Sports Councils.

Financial Supermarket:

Canara Bank, with an objective of offering 'One Stop Banking' facilities for the customers, forayed into diversified business activities by opening subsidiaries during late 1980s. Today, the Bank functions as a 'Financial Supermarket', with ten Subsidiaries/Sponsored entities/Joint Ventures in diversified fields. All the Subsidiaries/Sponsored entities/ Joint Ventures of the Bank recorded satisfactory performance during the year 2018-19.

CANFIN HOMES LIMITED (CFHL):

M/s Canfin Homes Limited, a sponsored entity of Canara Bank is one of the premier housing finance entities in the country. The bank holds 30% stake with the company. The loans outstanding of the Company as at March 2019 were Rs.18396 crore. The Company earned a profit after tax of Rs.296.74 crore as against Rs.286.19 crore in the previous year, with y.o.y growth of 3.69%. Gross NPAs of the Company was Rs.113.51crore and Net NPA was Rs.79.47crore as on 31.03.2019. 100% dividend for the year 2018-19 has been proposed by the Company.



CANARA BANK SECURITIES LIMITED (CBSL):

M/s Canara Bank Securities Limited is a wholly owned subsidiary of the Bank. The Company offers stock broking services to both institutional and retail clients. Online Trading Counter for retail customers is its flagship product and has diversified into Currency Derivatives and has a clientele base of 55503. The Company has posted a profit after tax of Rs.9.71crore and declared a dividend of 15% for the year 2018-19. CBSL has taken over the Depository Participant operations from Canara Bank with effect from 01.04.2017.

CANARA ROBECO ASSET MANAGEMENT CO LIMITED (CRAMC):

M/s Canara Robeco Asset Management Company Limited is a joint venture (JV) with M/s Robeco Group N V with the bank holding 51% Stake. This JV was formed in 2007 divesting 49% Stake held by the bank in M/s Can Bank Mutual Fund in favour of M/s Robeco Group N V. Total Assets under Management (AUM) was at Rs 15516 crore with investor base of 9.92 lakhs as at March 2019. The Company is currently managing 29 Mutual Fund Schemes, including Gold Exchange Traded Fund. The Company has posted a net profit of Rs.24.61 crore and declared a dividend of 11% for the year 2018-19.

CANBANK FACTORS LIMITED (CFL):

M/s Canbank Factors Limited is a factoring Subsidiary of the Bank with 70% stake held by the Bank. During 2018-19, the Company had a total business turnover of Rs.1702crore. The Company incurred a profit of Rs.2.72crore due to making provisions amounting to Rs.11.39crore for the doubtful debts for the year 2018-2019.

CANARA HSBC ORIENTAL BANK OF COMMERCE LIFE INSURANCE COMPANY LIMITED (CHIOCe):

M/s Canara HSBC Oriental Bank Of Commerce Life Insurance Company Ltd (CHIOCe) is a Life Insurance Joint Venture floated by the Bank in association with HSBC Insurance (Asia Pacific) Holding Limited and Oriental Bank of Commerce in the year 2007. The JV commenced its business operations with effect from 16.06.2008, with majority shareholding of 51% by Canara Bank, followed by HSBC (26%) and Oriental Bank of Commerce (23%). The Company recorded new business premium of Rs.1367 crore and gross premium of Rs.3491 crore during the year. The Company has 4,62,403 in-force policies as on 31.03.2019. The Company achieved a statutory profit of Rs.165 crore for 2018-19.

CANBANK VENTURE CAPITAL FUND LIMITED (CVCFL):

M/s Canbank Venture Capital Fund Limited is the Trustee and Manager of Canbank Venture Capital Fund and a wholly Owned Subsidiary of the Bank. The company has managed 5 funds so far with total Asset under Management of Rs.552.78crore. The latest fund is the Emerging India Growth Fund with a corpus of Rs.435.86 crore. CVCFL has been appointed by the Department of Electronics and Information Technology (DeitY) to manage the Electronic Development Fund (EDF) with a corpus of Rs.2206 crore, with Rs.2200 crore from Government of India, Rs.5 crore from Canara Bank and Rs.1 crore from CVCFL. Another new fund named as "Empower India Fund" is being setup with a target corpus of



Rs.650 crore. The Company recorded a profit after tax of Rs.4.50 crore and has proposed to pay a dividend of 1000% for the year 2017-18.

CANBANK COMPUTER SERVICES LIMITED (CCSL):

M/s Canbank Computer Services Limited is the only Software Company promoted by a Public Sector Bank in the country, with a 69.14% shareholding by the Bank. CCSL is primarily engaged in IT and Software development services, BPO services, ATM / Any Time Payment services, Training, Consultancy and R&T agent. The Company has posted a profit after tax of Rs.3.01crore and proposed a 30% dividend for 2018-19.

CANBANK FINANCIAL SERVICES LIMITED (CANFINA):

M/s Canbank Financial Services Limited is confining its activities to legal matter arising out of past transactions in securities and recovery of dues under decreed accounts. The Company received extension of time limit from the RBI for further period of three more years up to 31.01.2020 for disposing off its assets.

COMMERCIAL INDO BANK LLC (CIBL):

M/s Commercial Indo Bank LLC, a joint venture of Canara Bank and State Bank of India has been operational since April 2014 in Moscow, Russia. The company incurred net loss after tax of US\$ -1.82 million during the year.

CANARA BANK (TANZANIA) LIMITED:

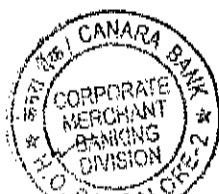
M/s Canara Bank (Tanzania) Limited is wholly owned Subsidiary of the Bank at Dar es Salaam in Tanzania, registered in Tanzania on 02.11.2015 and obtained a banking license from the Bank of Tanzania on 05.05.2016. The subsidiary commenced its business operations from 09.05.2016. The company earned a profit after tax of \$0.43 million.

REGIONAL RURAL BANKS (RRBS)

As at March 2019, the Bank had two sponsored RRBs, viz., Kerala Gramin Bank (KGB) in Kerala and Pragathi Krishna Gramin Bank (PKGB) in Karnataka.

Kerala Gramin Bank (KGB) operates in all the 14 districts of Kerala State with 633 branches and 320 ATMs. The total business of the KGB was Rs.34778crores as at March 2019, comprising a total Deposits of Rs.16881crore and Advances of Rs.17897crores. Pragathi Krishna Gramin Bank (PKGB) operates in 11 districts of Eastern Karnataka with 661 branches & 279 ATMs. The total business of the PKGB was Rs.30745 crores as at March 2019 with total Deposits of Rs.15917 crores and Advances of Rs.14828 crores.

Aggregate business of both the RRBs increased to Rs.65523crores as at March 2019 with a y.o.y growth of 11.28% comprising Deposits of Rs.32798crores and Advances Rs.32725crores. Through the Bank's infrastructure support, the RRBs are extending facilities, like, ATM cum Debit Card services and installed 599 ATMs/Cash Dispensers (320 by KGB, 279 by PKGB) as at March 2019. The sponsored RRBs are 100% CBS compliant and are ahead of their peer RRBs under technology front by extending IT based products, like Internet Banking, Mobile Banking, RuPay Debit Card services and also Aadhaar enabled



services and remittance facilities through NEFT/RTGS to their customers. The RRBs have put in place Cheque truncation system and e-KYC technology.

Kerala Gramin Bank had received IBA award 2018 for best inclusion initiatives. KGB has been awarded 6th ASSOCHAM SMEs excellence award 2018 under Micro lending category. KGB has also bagged Leadership capital award instituted by PFRDA for best performance in enrolling members under APY. KGB has been awarded the Best Bank Award for "Rural Development" by State Bankers Forum. For excellent performance under CTS KGB has been awarded National Payments Excellence Award. For best performance under CTS KGB bagged National Payments Excellence Award. In addition to this KGB also bagged IBA Banking technology award 2019, SKOCH award for DIGI KGB & FI@School.

Pragathi Krishna Gramin Bank (PKGB) has received National Award from Ministry of Rural Development (MoRD), Government of India under National Rural Livelihood Mission (NRLM) for Best performance in SHG Linkage for 2017-18 among RRBs (Southern Region). PKGB has received NPCI Special Jury Award for outstanding performance in Issuance of Rupay Debit Cards. PKGB has also received National Award from PFRDA as Best Performing RRB in India under APY for the year 2017-18. Bank has also received many awards by PFRDA under various categories.

The Bank's sponsored RRBs were the first amongst RRBs to implement e-KYC technology and Aadhaar Enabled Payment System (AEPS). Together, these RRBs had done 13.22 lakh enrolments under the Social Security Schemes.

HIGHER EDUCATION FINANCING AGENCY (HEFA):

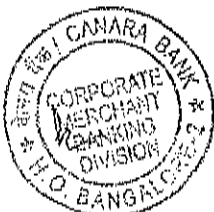
Higher Education Financing Agency (HEFA), a not-for profit organisation, is set up by the bank under a joint venture share holder agreement with the Ministry of Human Resource Development (MHRD), Government of India. This agency was set up to leverage funds from the market and supplement them with donations and CSR funds to finance improvement of infrastructure in India's Premier Higher education institutions viz., IIT, IIIT, IISER, etc to make them world class. HEFA is set up for developing the educational infrastructure, particularly R&D infrastructure thereby enabling the institutions to reach top rankings globally. This agency has an initial authorized capital of Rs.2000 Crore which is proposed to be contributed in the ratio of Rs1000 Crore by MHRD, Rs.100 Crore by Canara Bank and Rs.900 Cr. from other Corporates. The paid up equity of HEFA as on date is Rs.300 Crore of which Rs.250 Crore by MHRD and Rs.50 Crore by Canara bank.

HEFA has so far approved projects to the tune of Rs.2,015 Crore for 7 institutions of which Rs.85 Crore has been disbursed. HEFA also has proposals to the tune of Rs.9818 Crore from 16 institutions and the appraisal process is underway.

AWARDS/ACCOLADES & ACHIEVEMENTS:

In recognition of the varied initiatives, the Bank was conferred with the following awards during the year 2018-19.

- Secured Chamber of Indian Micro Small & Medium Enterprises (CIMSME) awards for best bank for promotional schemes (Large category).



- Received runner up CIMSME award for best MSME bank (Large category) and financially inclusive bank (Large category).
- Secured PFRDA's best performing PSB award in APY performance and the splendid seven awards for the APY campaign
- Secured 1st position in Digital Score Card among all PSBs published by Ministry of Electronics and Information Technology (MeitY) as on 31.12.2018.
- Achieved 106.04% of pro-rata target of 48 Crores Digital Transactions by MeitY . (Our Bank has been allocated 64 Crores Digital Transactions for FY 2018-19 by MeitY).
- Post introduction of BHIM QR in August 2018, its enrolment crossed 3,20,960 Merchants as of now.
- Enrolled 70,461 Merchants under BHIM Aadhaar PoS as of Dec'18 and aiming to complete the target of 1.02 lakh Merchants by 31.03.19.
- Number of Merchants enrolled has increased to 5,20,114 as of Dec'18 from 4,18,761 in Dec'17 registering a substantial increase under all seven Digital Payment Platforms.
- Secured eight awards in the Collateral Awards Category during 13th Global Communication Conclave; out of which 3 Gold for Television Commercials, Advertising Corporate Campaign RADIO and Advertising Corporate Campaign Television.
- Bagged four awards from the Associated Chambers of Commerce and Industry of India (ASSOCHAM) under its Social Banking Excellence Awards 2018.
- Bagged 1st Runner up award for Credit-off take under EASE Banking Reforms.
- Conferred Best Performing Bank for in house model in terms of Aadhaar Generation and Update through our ASKs among the Banks by UIDAI.

VARIOUS POLICIES OF THE BANK

There is a system of implementing well-defined policies and procedures in the Bank. During the year, concerted efforts were made to streamline the policies and procedures of the Bank in the light of regulatory requirements of the RBI, the directions of the Government of India and the emergent requirements of the Bank in the present day context. Accordingly, there has been a sharper focus on policies relating to, among others, Credit Risk Management, Market Risk Management, Operational Risk Management, Asset Liability Management, Liquidity Risk Management, Group Risk Management, Country Risk, Counterparty Bank Risk, Corporate Governance, Disclosures, Collateral Management, Stress Testing, Compliance Functions, Disaster Recovery and Business Continuity Planning, Business Lines, Outsourcing and ICAAP, KYC, AML, Recovery and Investments.

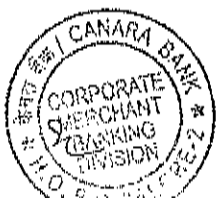
CHANGES IN THE BOARD OF DIRECTORS



Year 2018-19 saw the following changes in the composition of the Board of Directors of the Bank.

Changes in the Bank's Board of Directors during the year 2018-19

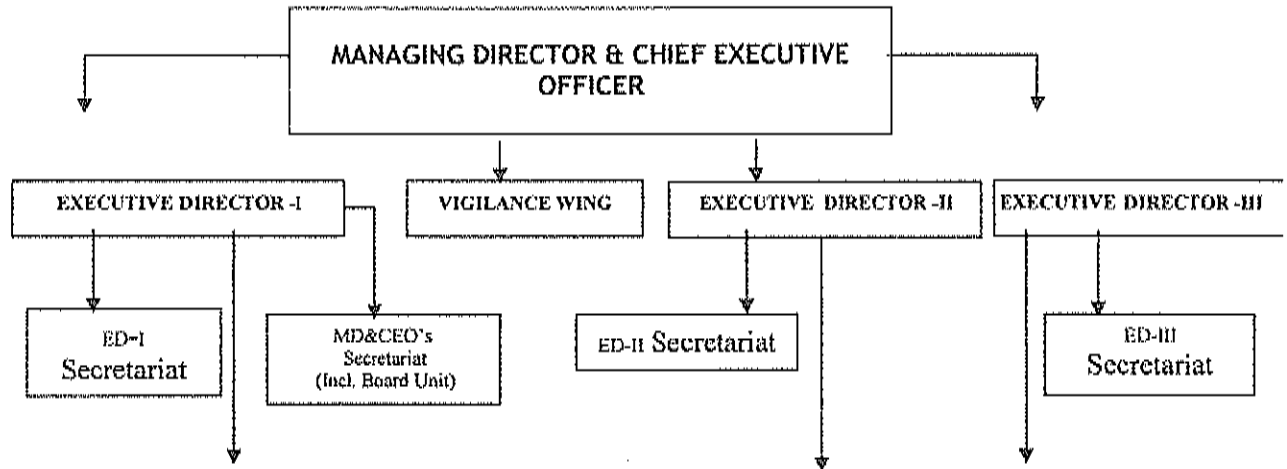
Sl.No.	Name Designation	Designation	Date of Appointment	Date of Cessation
1	Shri Rakesh Sharma	Managing Director & CEO	11.09.2015	31.07.2018
2	Smt. P.V. Bharathi	Executive Director	15.06.2016	31.01.2019
3	Ms A Manimekhalai	Executive Director	11.02.2019	10.02.2022



I. Corporate Structure

Organizational chart

HEAD OFFICE ORGANISATIONAL STRUCTURE



GM	Human Resources Wing, Training, Official Language
GM	Staff Training College
GM	Department of Information Technology Wing
GM	Technology Operations Wing
GM	Digital Banking Services Wing
GM	Integrated Treasury Wing
GM	Risk Based Supervision & MIS Wing
GM	Large Corporate Credit Wing
GM	International Operations and Corporate Credit Relations Wing
GM	Compliance Department
GM	General Administration Wing

GM	Risk Management Wing
GM	MSME Wing
GM	Financial Management and Subsidiaries Wing
GM	Stressed Assets Management Wing
GM	Recovery Legal & Fraud Prevention Wing
GM	Credit Administration and Monitoring Wing

GM	Strategic Planning & Development Wing
GM	Priority Credit Wing
GM	Financial Inclusion Wing
GM	Inspection Wing
GM	Mid Corporate Credit Wing
GM	Retail Assets Wing



I. **Key Operational And Financial Parameters for the last three audited years**

a. **Standalone**

(Rs in crores)

Parameters	FY 17	FY18	FY 19	30.09.2019	31.12.2019
Networth	26914.42	23085.66	26179.66	34025.82	34681.30
Total Debt : of which	534778.80	563580.37	640025.56	645060.92	658961.98
Non-Current Maturities of Long Term Borrowings	16557.19	20484.06	19664.88	19236.79	19287.77
Short Term Borrowing	22246.37	18324.45	21327.41	16387.64	14433.81
Current Maturities of Long Term Borrowings	700.00	325.00	240.30	600.00	
Net Fixed Assets	7168.32	8318.64	8410.23	8291.33	8324.83
Non Current Assets	371737.91	385859.52	405886.94		
Cash and Cash Equivalents	58825.46	49912.33	66152.69	70770.04	83978.96
Current Investments	11645.16	11394.50	22113.60		
Current Assets	211781.54	231026.58	288879.75		
Current Liabilities	263408.83	283340.04	305877.27		
Assets Under Management	NA	NA	NA	NA	NA
Off Balance Sheet Assets	NIL	NIL	NIL	NIL	NIL
Interest Income	41387.64	41252.09	46810.34	24592.66	36887.55
Interest Expense	31515.87	29088.76	32332.22	18222.29	27082.16
Provisioning & Write-offs	7791.97	13770.48	10243.85	4290.63	6295.34
PAT	1121.92	(4222.24)	347.02	693.99	1023.61
Gross NPA (%)	9.63	11.84	8.83	8.68	8.36
Net NPA (%)	6.33	7.48	5.37	5.15	5.05
Tier 1 Capital Adequacy Ratio (%)	9.77	10.30	9.04	11.12	11.05
Tier 2 Capital Adequacy Ratio (%)	3.09	2.92	2.86	2.87	2.81

b. **Consolidated**

(Rs in crores)

Parameters	FY 17	FY 18	FY 19	30.09.2019	31.12.2019
Net Worth	27970.17	24369.41	27686.52	35774.06	
Total Debt : of which	534858.10	563756.48	640165.66	645158.80	659029.68
Non-Current Maturities of Long Term Borrowings	16557.19	20484.06	19664.88	19236.79	19287.77
Short Term Borrowing	22334.57	18100.44	21377.76	16387.64	14433.81
Current Maturities of Long Term Borrowings	700.00	325.00	240.30	600.00	
Net Fixed Assets	7185.00	8335.30	8432.78	8318.33	8357.23
Non Current Assets	372358.66	387533.27	422178.53		
Cash and Cash Equivalents	58967.38	50224.60	66531.24	71014.25	84263.28
Current Investments	11707.38	11444.92	22113.60		
Current Assets	223800.09	243902.20	289604.28		
Current Liabilities	263488.13	283516.15	305988.07		
Assets Under Management	NA	NA	NA	NA	NA
Off Balance Sheet Assets	NIL	NIL	NIL	NIL	NIL
Interest Income	41456.66	41345.32	46896.72	25015.97	37509.59
Interest Expense	31540.27	29112.90	32338.69	18285.09	27087.32
Provisioning & Write-offs	7922.85	13879.93	10276.89	4369.94	6390.68



Parameters	FY 17	FY 18	FY 19	30.09.2019	31.12.2019
PAT	1121.92	(3951.40)	601.85	825.89	1223.55
Gross NPA (%)	9.66	11.88	8.87%	8.87	8.40
Net NPA (%)	6.34	7.48	5.37%	5.15	5.05
Tier 1 Capital Adequacy Ratio (%)	9.88	10.40	9.16%	11.22	11.14
Tier 2 Capital Adequacy Ratio (%)	3.08	2.91	2.83%	2.85	2.80

c. Gross Debt Equity Ratio of the Issuer

(Rs in crores)

Particulars	Pre-Issue (as on Dec 31, 2019)	Post Issue of Bonds of Rs 3000.00 Crore
TOTAL LONG TERM DEBT *	19287.77	22287.77
Total Long Term Debt	19287.77	22287.77
SHAREHOLDERS' FUNDS **	34681.30	34681.30
Share Capital	1030.23	1030.23
Reserve & Surplus (excluding FCT Revaluation Reserve)	36457.72	36457.72
Net Worth	34681.30	34681.30
GROSS DEBT/ EQUITY RATIO	0.55	0.64

* Excludes Refinance (Domestic) and Borrowings from Banks (overseas)

** Includes Share Capital plus Reserve (Excluding Revaluation Reserve & FCT Reserve)
Minus Intangible Assets i.e. Deferred Tax Assets.

ii. Project Cost and Means of Financing, in case of funding of new projects

The funds being raised by the Bank through present issue of Bonds are not meant for financing any particular project. The Bank shall utilize the proceeds of the Issue for its regular business activities and other associated business objectives such as discharging existing debt obligations which were generally undertaken for business operations. The Bank has to shore up its Capital base to match the growth in Assets and maintain level of CAR higher than the minimum level prescribed by RBI.

IV BRIEF HISTORY SINCE INCORPORATION WITH DETAILS OF ACTIVITIES INCLUDING REORGANISATION, RECONSTRUCTION OR AMALGAMATION, CHANGES IN CAPITAL STRUCTURE, (AUTHORIZED, ISSUED AND SUBSCRIBED) AND BORROWINGS, IF ANY.

History of the Bank

Sri Ammembal Subba Rao Pai founded CANARA BANK (hereinafter referred to as "The Bank") in 1906 at Mangalore in the name of Canara Permanent Hindu Fund. It became a Public Ltd. Company in 1910 and the name was changed to Canara Bank Ltd.

In July 1969, Canara Bank Ltd, along with 13 other major banks, was nationalised and is now a Public Sector Bank constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970. Under the provisions of the Banking Regulations Act, 1949, in addition to the business of banking, the Bank can undertake the business as specified under Section 6 of the above Act.

Changes in the Organizational Setup



The Bank brought out further changes in its organizational/operational set-up to facilitate smooth functioning and effective results. The Organizational design and structure are continuously revisited and studied to make inroads for further functional excellence.

The Bank has completely moved towards a 4 tier structure comprising Head Office, Circle Offices and Branches. The Organizational Structure has been reworked to enable better execution of strategy and ensure smooth functioning. Our Bank has a network of 21 circle Offices, 117 Regional Offices and more than 6304 branches as at 31.10.2019, spread over all States & 5 Union Territories of the country. Bank has also its presence overseas.

CAPITAL STRUCTURE OF THE BANK

i. Details of Share Capital as on September 30, 2019

(Rs. in crore)

Particulars		Amount
1.	SHARE CAPITAL	
a.	Authorized Equity Share Capital	
	300,00,00,000 Equity Shares of Rs.10/- each	3,000.00
b.	Issued & Subscribed Equity Share Capital	
	1,03,02,33,351 Equity Shares of Rs.10/- each fully paid up	1030.23
c.	Paid-up Equity Share Capital	
	1,03,02,33,351 Equity Shares of Rs.10/- each fully paid up	1030.23
	Add: Amount of Equity Shares forfeited	--
	Total Paid-up Equity Share Capital	1030.23
2.	SHARE PREMIUM ACCOUNT	12008.55

The Issue will not have any impact on the paid-up capital.

ii. Changes in the capital structure as on last quarter end, for the last five years:

Particulars of change	Amount (Rs. in crore)	Date of change (AGM/ EGM)
Authorized Capital of the Bank increased from	3,000.00	By notification F. No. 11/4/2009-
Rs. 1,500 crore to Rs. 3,000 crore		BOA dated November 27, 2009 of Government of India
QIP Mode - During the month of March, 2011	33.00 (Issued and allotted 3.30 Crore Equity Shares through QIP Mode at an Issue price of Rs. 604/-)	Date of AGM - 19.07.2010 Allotment was made on : 15.03.2011
Preferential Allotment to	18.26	Date of EGM - 30.12.2013



Particulars of change	Amount (Rs. in crore)	Date of change (AGM/ EGM)
Government of India (Equity Shares)	(allotment of 1,82,58,837 equity shares of Rs. 10/- each)	Date of Allotment - 31.12.2013
Preferential Allotment to Government of India (Equity Shares)	13.94 (allotment of 1,39,38,134 equity shares of Rs. 10/- each)	Date of EGM - 27.03.2015 Date of Allotment - 31.03.2015
Preferential Allotment to Life Insurance Corporation of India	40.00 (allotment of 4,00,00,000 equity shares of Rs. 10/- each)	Date of EGM - 30.04.2015 Date of Allotment - 12.05.2015
Preferential Allotment to Government of India (Equity Shares)	27.79 (allotment of 2,77,94,083 equity shares of Rs. 10/- each)	Date of EGM - 29.09.2015 Date of Allotment - 30.09.2015
Rights Issue	54.29 (allotment of 5,42,99,105 equity shares of Rs.10/- each)	Date of AGM - 26.07.2016 Date of Allotment - 27.03.2017
Preferential Allotment to Government of India	135.95 (allotment of 13,59,54,616 equity shares of Rs. 10/- each)	Date of EGM - 01.03.2018 Date of Allotment - 27.03.2018
Canara Bank - Employee Share Purchase Scheme	20 (Allotment of 2 crore equity shares to eligible employees of Rs.10 each)	Date of AGM - 26.07.2018 Date of Allotment - 06.02.2019
Preferential Allotment to Government of India	276.98 (Allotment of 27,69,88,576 equity shares of Rs 10/- each)	Date of Allotment - 04.12.2019





Equity Share Capital History of the Company as on the last quarter end, for the last five years:

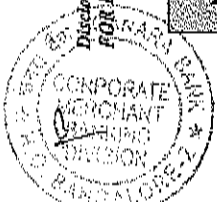
Sl No	Date/Year of allotment	No of equity share	Face value (Rs)	Issue price (Rs)	Consideration (Cash, Other than cash etc)	Nature of Allotment	Cumulative share capital		
							No of equity share	Equity share capital (Rs. in cr)	Equity share premium (Rs. in cr)
1	14.12.2002 along with IPO allotment in the year 2002-03	30,00,00,000	10.00	--	Held by Government of India	---	30,00,00,000	300.00	-----
2	14.12.2002(IPO 2002-03)	11,00,00,000 (to public)	10.00	35.00	Initial Public Officer (IPO) Placement of Equity Shares	IPO	41,00,00,000	410.00	275.00
3	15.03.2011(2 010-11)	3,30,00,000	10.00	604.00	Qualified Institutional Placement (QIP)	Allotment to QIBs	44,30,00,000	443.00	2235.20
4	2013-14	1,82,58,837	10.00	273.84	Preferential Allotment to Government of India	Preferential Allotment to GOI	46,12,58,837	461.26	2716.94
5	31.03.2015 (2014-15)	1,39,38,134	10.00	408.95	Preferential Allotment to Government of India	Preferential Allotment to GOI	47,51,96,971	475.20	3273.01



Enclosure Document
FOR PRIVATE CIRCULATION ONLY

Serial Number: [●]
Name of Investor: [●]

Sl No	Date/Year of allotment	No of equity share	Face value (Rs)	Issue price (Rs)	Consideration (Cash, Other than cash etc)	Nature of Allotment	Cumulative share capital		
							No of equity share	Equity share capital (Rs. in cr)	Equity share premium (Rs. in cr)
6	(June 2015) 2015-16	4,00,00,000	10.00	380.08	Preferential Allotment to LIC of India / Schemes of LIC	Preferential Allotment to LIC of India / Schemes of LIC	51,51,96,971	515.20	4753.33
7	30.09.2015 (2015-16)	2,77,94,083	10.00	340.72	Preferential Allotment to Government of India	Preferential Allotment to GOI	54,29,91,054	542.99	5672.54
8	27.03.2017 (2016-17)	5,42,99,105	10.00	207		Right Issue	59,72,90,159	597.29	6742.22
9	27.03.2018 (2017-18)	13,59,54,616	10.00	357.84	Preferential Allotment to Government of India	Preferential Allotment to GOI	73,32,44,775	733.24	11471.27
10	06.02.2019 (2018-19)	2,00,00,000	10	186 (Issued at discount of 33.33% = Rs.92.64/Share	Canara Bank - Employee Share Purchase Scheme (Tranche-i)	Allotment to Eligible Employees under Canara Bank Employee Share	75,32,44,775	753.24	12008.54



Disclosure Document
FOR PRIVATE CIRCULATION ONLY

Serial Number: [●]
Name of Investor: [●]

Sl No	Date/Year of allotment	No of equity share	Face value (Rs)	Issue price (Rs)	Consideration (Cash, Other than cash etc)	Nature of Allotment	Cumulative share capital		
							No of equity share	Equity share capital (Rs. in cr)	Equity share premium (Rs. in cr)
11	04.12.2019 (2019-2020)	27,69,88,576	10	237.23	Preferential Allotment to Government of India	Preferential Allotment to GOI	1,03,02,33,35 1	1030.23	18302.55

iv. Details of any acquisition or amalgamation in the last 1 year

NIL

v. Details of any Re Organization or Reconstruction in the last one year

Type of Event	Date of Announcement	Date of Completion	Details
Reorganization and updation in functions of Integrated Treasury Wing, HO	04.04.2019	04.04.2019	Reorganization (with 18 new Sections) and updation in functions of Integrated Treasury Wing, HO
Shifting of 'Doorstep Banking Scheme' function from GA Wing, HO (Cash Management Section) to SP&D Wing, HO	08.05.2019	08.05.2019	Shifting of 'Doorstep Banking Scheme' function from GA Wing, HO (Cash Management Section) to SP&D Wing, HO
Delinking Centralised NRI Hub from M&RR Wing, HO and realigning the same under IO&CCR Wing, HO	18.05.2019	18.05.2019	Delinking Centralised NRI Hub from M&RR Wing, HO and realigning the same under IO&CCR Wing, HO
Aligning Corporate Communications Department under SP & D Wing, H.O and renaming the same as Corporate Communications and Investors' Relations (CC & IR) Department	21.05.2019	21.05.2019	Aligning Corporate Communications Department (reporting directly to MDCEO) under SP&D Wing, HO and renaming the same as Corporate Communications and Investors' Relations (CC & IR) Department
Delinking Financial Inclusion set up from PC&FI Wing, HO and forming a separate Financial Inclusion Wing at HO	22.05.2019	22.05.2019	Delinking Financial Inclusion set up from PC&FI Wing, HO and forming a separate Financial Inclusion Wing at HO
Merger of Call Centre Monitoring Section with M&CRM Section under M&RR Wing, HO	30.05.2019	30.05.2019	Merger of Call Centre Monitoring Section with M&CRM Section under M&RR Wing, HO
Merger of M&RR Wing with SP&D Wing. Thereby M&RR Wing ceases to exist. Functions related to Capital Planning moved from SP&D Wing to FM&S Wing	29.06.2019	29.06.2019	Merger of M&RR Wing with SP&D Wing. Thereby M&RR Wing ceases to exist. Functions related to Capital Planning moved from SP&D Wing to FM&S Wing
Reorganisation/Renaming of Sections under DBS Wing, HO	01.06.2019	01.06.2019	Reorganisation/Renaming of Sections under DBS Wing, HO
Reorganisation of DIT Wing, HO	07.06.2019	07.06.2019	Reorganisation of DIT Wing, HO



DIT Wing bifurcated into DIT Wing and Technology Operations Wing Data Warehouse and MIS Groups delinked from DIT and realigned under RBS & MIS Wing.			HO 1. DIT Wing bifurcated into a) DIT Wing b) Technology Operations Wing 2. Data Warehouse and MIS Groups delinked from DIT and realigned under RBS & MIS Wing.
Reorganization of Prime Corporate Credit Wing and Corporate Credit Wing. PCCW renamed as Large Corporate Credit Wing - Processing and follow up of large corporate credit proposals of value Rs.100 crores & above CCW renamed as Mid Corporate Credit Wing - Processing and follow up of other corporate credit proposals with limits below Rs. 100 cr.	10.06.2019	10.06.2019	Reorganization of Prime Corporate Credit Wing and Corporate Credit Wing. PCCW renamed as Large Corporate Credit Wing - Processing and follow up of large corporate credit proposals of value Rs.100 crores & above CCW renamed as Mid Corporate Credit Wing - Processing and follow up of other corporate credit proposals with limits below Rs. 100 cr.
Updation in functions of FM&S Wing Functions related to Power of Attorney (ETT Sec) Service Tax matters replaced with GST (ETT Sec)	22.07.2019	22.07.2019	Updation in functions of FM&S Wing Functions related to Power of Attorney (ETT Sec) Service Tax matters replaced with GST (ETT Sec)
Rationalization of Sections within SP&D Wing, HO consequent upon merger of M&RR Wing Office Note of SP&D Wing (SPDW BPR ON 57 2019 dt. 05.09.2019) to MD&CEO	09.09.2019	09.09.2019	Rationalization of Sections within SP&D Wing, HO consequent upon merger of M&RR Wing Office Note of SP&D Wing (SPDW BPR ON 57 2019 dt. 05.09.2019) to MD&CEO
Updation of functions of CPC-FT under Integrated Treasury Wing Mumbai	10.10.2019	10.10.2019	Updation of functions of CPC-FT under Integrated Treasury Wing Mumbai
"SC/ST Cell" under PM Section renamed as "Reservation Cell"	06.12.2019	06.12.2019	"SC/ST Cell" under PM Section renamed as "Reservation Cell"



C. Details of shareholding of the Bank as on the latest quarter end

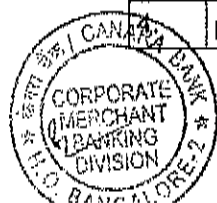
i. Shareholding pattern of the Bank as on December 31, 2019

Sr. No.	Particulars	Total No. of Equity Shares	No. of Shares in demat form	Total Shareholding as % of total no of equity shares
1	PRESIDENT OF INDIA	1	808,933,351	78.519430
2	INSURANCE COMPANIES	21	70,210,191	6.814979
3	MUTUAL FUNDS	30	54,512,105	5.291239
4	FOREIGN PORTFOLIO - CORP	99	30,674,425	2.977425
5	RESIDENT INDIVIDUALS	147,601	28,146,839	2.732084
6	EMPLOYEES	50,954	21,167,832	2.054664
7	Qualified Institutional Buyer	7	4,890,148	0.474664
8	BODIES CORPORATES	906	4,322,053	0.419522
9	BANKS	14	2,665,368	0.258715
10	TRUSTS	14	2,236,841	0.217120
11	CLEARING MEMBERS	273	1,067,171	0.103585
12	NON RESIDENT INDIANS	1,212	584,557	0.056740
13	H U F	1,640	571,648	0.055487
14	NON RESIDENT INDIAN NON REPATRIABLE	634	173,889	0.016879
15	FOREIGN INSTITUTIONAL INVESTORS	1	43,400	0.004213
16	NBFC	7	33,533	0.003255
	TOTAL	2,03,414	1,03,02,33,351	100

Notes: The promoters have not pledged or encumbered their shareholding in the Bank

ii. List of top 10 holders of equity shares of the Bank as on December 31, 2019

Sl. No.	Name of Share holder	Total number of Equity Shares held	Number of Equity Shares held in demat form	Total shareholding as a percentage of total number of Equity Shares
1.	PRESIDENT OF INDIA	808933351	808933351	78.5194
2.	LIFE INSURANCE CORPORATION OF INDIA	69421501	69421501	6.7384
3.	HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED ADVANTAGE FUND	28041621	28041621	2.7219
	RELIANCE CAPITAL TRUSTEE	20881890	20881890	2.0269



Sl. No.	Name of Share holder	Total number of Equity Shares held	Number of Equity Shares held in demat form	Total shareholding as a percentage of total number of Equity Shares
	CO LTD-A/C NIPPON INDIA TAX SAVER (ELSS) FUND			
5.	HDFC LIFE INSURANCE COMPANY LIMITED	4536139	4536139	0.4403
6.	JUPITER INDIA FUND	4368919	4368919	0.4241
7.	L AND T MUTUAL FUND TRUSTEE LTD-L AND T MID CAP FUND	3287900	3287900	0.3191
8.	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	2607460	2607460	0.2531
9.	THE HARTFORD INTERNATIONAL VALUE FUND	2351913	2351913	0.2283
10.	PACIFIC SELECT FUND - INTERNATIONAL VALUE PORTFOLI	2312643	2312643	0.2245
Total		94674334	94674334	91.90

F. Details of Promoters of the Bank

Details of promoter holding as on December 31, 2019

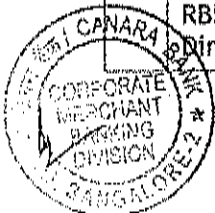
S. No.	Name of Shareholders	Total number of equity shares	Number of shares held in demat form	Total shareholding as % of total No of equity share	No of equity shares pledged	% of equity shares pledged with respect to shares owned
1.	President of India	808933351	808933351	78.52	Nil	Not Applicable

G. Details regarding the Directors of the Bank

i. Details of Current Directors of the Bank:

Sl. No.	Name, Designation and DIN	Age (in Years)	Address	Director of the Bank since	Details of other Directorship/s
1.	Shri.T N Manoharan Non official Director as well as Non Executive	63	Canara Bank, Head Office 112, J.C.Road Bengaluru-560 002	14.08.2015 to 13.08.2018 Reappointed w.e.f. 14.08.2018	1.Tech Mahindra Limited - Independent Director 2.Mahindra & Mahindra Limited -Independent Director

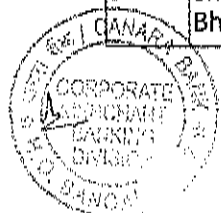
	Chairman DIN:01186248			To 13.08.2020	3.Tech Mahindra (Americas) Inc Director
2.	Shri L V Prabhakar Managing Director & CEO DIN 08110715	57	Canara Bank, Head Office 112, J.C.Road Bengaluru-560 002	01.02.2020	1. Canbank Venture Capital Fund Limited. 2..Canara Bank Securities Limited 3. Canbank Factors Limited 4. Canbank Computer Services Limited. 5. Canara Robeco Asset Management Company Limited 6. Canbank HSBC Oriental Bank of Commerce Life Insurance Company Limited.
3	Shri Matam Venkata Rao Executive Director DIN: 06930826	55	Canara Bank, Head Office 112,J.C.Road Bengaluru -560 002	09.10.2017	NIL
4	Shri Debashish Mukherjee Executive Director DIN: 08193978	54	Canara Bank, Head Office 112,J.C.Road Bengaluru -560 002	19.02.2018	1.Can Fin Homes Ltd. 2. Canbank Venture Capital Fund Limited. 3. Canara Robeco Asset Management Company Limited 4. Canara Bank Securities Limited. 5.Canara HSBC OBC Life Insurance Co. Ltd. 6.Higher Education Financing Agency
5	A Manimekhalai Executive Director DIN 08411575	53	Canara Bank, Head Office 112,J.C.Road Bengaluru -560 002	11.02.2019	1.Canbank Factors Limited 2.Canbank Computer Services Limited. 3. Canara HSBC OBC Life Insurance Co. Ltd.
6	Shri Suchindra Misra Govt Nominee Director DIN: 01873568	51	Joint Secretary Dept of Financial Services, Ministry of Finance, Govt of India, New Delhi	14.06.2016	1.National Insurance Company Limited 2.Agriculture Insurance Company of India Limited
7	Shri R Kesavan RBI Nominee Director	50	CGM/Principal, Reserve Bank Staff College.	26.04.2019	Nil



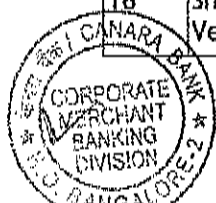
	DIN		No 539, Anna Salai, Teynampet, Chennai 600018		
8	Shri. S Raghunath Part-time Non official Director DIN 00458251	62	IIM Bangalore Bannerghatta Road Bangalore 560076	21.10.2019	1.NVCF Finance Private Limited. 2.KTWO Technology Solutions Private Limited. 3.Spire Technologies and Solutions Private Limited
9	Shri Venkatachalam Ramakrishna Iyer DIN 02194830	65	Flat No.304, Sumeet Enclave, Plot No.103, B1, Sant Dnyaneshwar Road, Panchpakhadi, Thane (West) 400 602	27.07.2016 to 26.07.2019 Re-elected from 27.07.2019 to 26.07.2022	1.Usha Martin Limited
10	Shri. Bimal Prasad Sharma Shareholder Director DIN 06370282	63	47/A, Pristine Green, Pokhariput, Bhubaneswar-751020	27.07.2019	NIL

ii. Details of change in directors in the last three years (01.04.2016 to 14.02.2020)

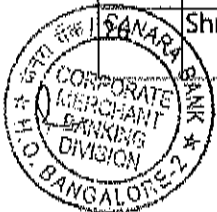
Sl. No	Name	Designation	Date of Appointment	Date of Cessation	Director of the Company Since (in case of resignation)	Remarks
1	Shri.Rajinder Kumar Goel DIN: 20363	Shareholder Director	27.07.2013	26.07.2016	Not Applicable	Nil
2	Shri.Sanjay Jain DIN:105860	Shareholder Director	27.07.2013	26.07.2016	Not Applicable	Nil
3	Shri Pradyuman Singh Rawat DIN:06701854	Executive Director	05.08.2013	31.05.2016	Not Applicable	Nil
4	Dr. Rajat Bhargava DIN:	GOI Nominee Director	26.07.2013	13.12.2015	Not Applicable	Nil
5	Shri. Sairam Bhaskar Mocherla	Non Official Director	05.12.2013	04.12.2016	Not Applicable	Nil



Sl. No	Name	Designation	Date of Appointment	Date of Cessation	Director of the Company Since (in case of resignation)	Remarks
	DIN: 01430951					
6	Shri. Sunil Hukumchand Kocheta DIN: 02951197	Non Official Director - CA Category	06.12.2013	05.12.2016	Not Applicable	Nil
7	Shri. G.V. Manimaran	Other than Workmen representative	03.01.2014	02.01.2017	Not Applicable	Nil
8	Shri. Harideesh Kumar DIN: 07167694	Executive Director	11.03.2015	31.05.2017	Not Applicable	Nil
9	Shri. T N Manoharan DIN:01186248	Chairman	14.08.2015	13.08.2018 Reappointed w.e.f. 14.08.2018 To 13.08.2020	Not Applicable	Tenure on the Board ending on 13.08.2020
10	Shri. Rakesh Sharma DIN-6846594	MD & CEO	11.09.2015	31.07.2018	Not Applicable	Nil
11	Shri Pankaj Jain Govt Nominee Director DIN:	GOI Nominee Director	14.12.2015	01.05.2016	Not Applicable	Nil
12	Shri Dinabandhu Mohapatra DIN:	Executive Director	22.01.2016	05.05.2017	Not Applicable	Elevated as MD & CEO of Bank of India
13	Shri Suchindra Misra DIN: 01873568	GOI Nominee Director	14.06.2016		Not Applicable	Nil
14	Shri Krishnamurthy H DIN 05329716	Shareholder Director	27.07.2016	26.07.2019	Not Applicable	Nil
15	Shri Mahadev Nagendra Rao DIN 01296161	Shareholder Director	27.07.2016	01.03.2018	27.07.2016	Resigned
16	Shri Venkatachalam	Shareholder Director	27.07.2016	26.07.2019 Re-elected	Not Applicable	Tenure on the Board



Sl. No	Name	Designation	Date of Appointment	Date of Cessation	Director of the Company Since (in case of resignation)	Remarks
	Ramakrishna Iyer DIN 02194830			from 27.07.2019 to 26.07.2022		ending on 26.07.2022
17	Smt. P.V. Bharathi DIN 06519925	Executive Director	15.09.2016	31.01.2019	Not Applicable	Elevated as MD & CEO of Corporation Bank
18	Shri Matam Venkata Rao DIN: 06930826	Executive Director	09.10.2017		Not Applicable	Tenure on the Board ending on 08.10.2020
19	Shri Debashish Mukherjee DIN:	Executive Director	19.02.2018		Not Applicable	Tenure on the Board ending on 18.02.2021
20	Ms A Manimekhalai DIN 08411575	Executive Director	11.02.2019			Tenure on the Board ending on 10.02.2022
21	Shri R A Sankara Narayanan DIN 05230407	Managing Director & CEO	15.04.2019	31.01.2020		Superannuation
22	Smt. Uma Shankar	RBI Nominee Director	23.02.2015	26.04.2019	Not Applicable	NIL
23	Shri R Kesavan	RBI Nominee Director	26.04.2019		Not Applicable	Nil
24	Shri. Bimal Prasad Sharma	Shareholder Director	27.07.2019			Tenure on the Board ending on 26.07.2022
25	Shri. S Raghunath	Part-time Non official Director	21.10.2019			Until amalgamation of the Bank i.e. 31.03.2020
	Shri L V Prabhakar	Managing Director &	01.02.2020			Tenure on the Board



Sl. No	Name	Designation	Date of Appointment	Date of Cessation	Director of the Company Since (in case of resignation)	Remarks
		CEO				till superannuation i.e. 31.12.2022

H. Details regarding the Auditors of the Issuer

i. Details of the auditors of the Issuer

Sl. No	Name of Statutory Auditors	Firm Registration No	Address & Contact Details	Auditor since
1	M/s Dagliya & Co, Bangalore	00671S	L-Block, Unity Buildings, JC Road, Near Town Hall, Bangalore -560 002 Mob: 9448114192 yaswantjain@gmail.com dagliya@gmail.com guptamanohar@gmail.com	December 2017
2	M/s Komandoor & Co. LLP	001420S	I-504, Divya Shakti Complex, 7-1-58, Dharamkaran Road, Ameerpet, Hyderabad- 16 Mob: 98490 11300 komandoorco@gmail.com tnn@komandoorco.com prd@komandoorco.com	December 2017
3	M/s D K Chhajer & Co	304138E	Nihat House, Ground Floor, 11 R N Mukherjee Road, Kolkata- 700 001 Mob : 94330 02481 dkchhajer@gmail.com 'kolkata@dkcindia.com'	December 2018
4	M/s S N K & Co	109176W	SNK House, 31-A, Adarsh Society, Athwalines, Surat - 395 001 snk@snkca.com ankit@snkca.com	December 2018

ii. Details of changes in statutory auditors of the Issuer in the last three years



S. No.	Name	Address	Date of Appointment	Date of Cessation	Auditor of the Issuer since	Remarks
1.	M/s J Singh & Associates	505/506/507 Hubtown Viva Shankarwadi, Western Express Highway, Jogeshwari(East),	15.12.2015	September 2018	December 2015	Nil
2.	M/s J L Sengupta & Co	70A, Lenin Sarani, 1 st Floor, Kolkata - 13	15.12.2015	September 2018	December 2015	Nil
3.	M/s Ram Raj & Co	65, 4 th Floor, 29 th A Cross, Geetha Colony, 4 th Block, Jayanagar, Bangalore -11	23.03.2015	September 2017	March 2015	Nil
4.	M/s V K Niranjan & Co	Kurubara Sangha Building, 202&204, Kanakadasa Circle, Gandhi Nagar, Bangalore	23.03.2015	September 2017	March 2015	Nil

I. ABRIDGED VERSION OF THE AUDITED STANDALONE & CONSOLIDATED FINANCIAL INFORMATION OF THE ISSUER FOR THE LAST THREE YEARS AND AUDITORS QUALIFICATION

i. Standalone Statement of Profit & Loss

Rs. in Crore

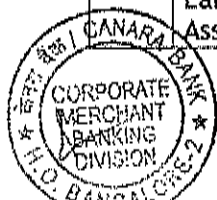
Sr No	Parameters	FY 2018-19	FY 2017-18	FY 2016-17	30.09.2019	31.12.2019
I	Income					
a.	Interest Earned	46810.34	41252.09	41387.64	24592.66	36887.55
b.	Other Income	6574.96	6942.85	7554.40	3931.46	5638.20
	Total Income	53385.30	48194.94	48942.04	28524.12	42525.75
II	EXPENDITURE					
a.	Interest Expended	32332.22	29088.76	31515.87	18222.29	27082.16
b.	Operating Expenses	10462.21	9557.94	8512.28	5317.21	8124.64
c.	Provisions and Contingencies	10243.86	13770.48	7791.97	4290.63	6295.34
	Total Expenditure	53038.28	52417.18	47820.12	27830.13	41502.14
III	PROFIT FOR THE YEAR	347.02	(4222.24)	1121.92	693.99	1023.61
	Profit brought forward					
IV	APPROPRIATIONS					
	Transfer to	86.76	-	281.00	-	-

Sr No	Parameters	FY	FY	FY	FY	
		2018-19	2017-18	2016-17	30.09.2019	31.12.2019
	Statutory Reserves					
	Transfer to Revenue & Other Reserves		-	-	-	-
	Transfer to Investment Reserve Account		-	-	-	-
	Transfer to Investment Fluctuation Reserve	27.26			-	-
	Transfer from/to Special Reserves- Currency Swap		-	-	-	-
	Transfer to Special reserve U/s 31(1) (viii) of Income tax Act, 1961		-	-	-	-
	Transfer to Capital Reserve	233.00	-	777.00	-	-
	Proposed Dividend	-	-	-	-	-
	Tax on Dividend	-	-	-	-	-
	Balance Carried over to Balance Sheet	347.02	(4222.24)	63.92	693.99	1023.61
	TOTAL	347.02	(4222.24)	1121.92	693.99	1023.61
	Earnings Per Share (Basic & Diluted) (in Rs.)	4.71	(70.47)	20.63	9.21	13.10

iii. Consolidated Statement of Profit & Loss

Rs. in Crore

Sr No	Parameters	31.12.2019	30.09.2019	FY	FY	FY
		9	9	2018-19	2017-18	2016-17
I	Income					
a.	Interest Earned	37509.59	25015.97	46896.72	41345.32	41456.66
b.	Other Income	8763.29	5725.11	7372.42	7398.00	7852.26
	Total Income	46272.88	30741.08	54269.13	48743.32	49308.92
II	EXPENDITURE					
a.	Interest Expended	27087.32	18285.09	32338.69	29112.90	31540.27
b.	Operating Expenses	11609.08	7306.69	11106.40	9837.81	8612.19
c.	Provisions and Contingencies	6390.68	4369.94	10276.89	13879.93	7922.85
	Total Expenditure	45087.08	29961.72	53721.98	52830.64	48075.31
	Share of Earnings/(Loss) in Associates	99.78	82.35	148.91	214.78	177.19



Disclosure Document

Sr No	Parameters	31.12.2019	30.09.2019	FY 2018-19	FY 2017-18	FY 2016-17
		9	9			
	Consolidated Net Profit/(Loss) for the Year before deducting Minorities Interest	1285.58	861.72	696.06	(3872.54)	1410.80
	Less: Minorities Interest	62.03	35.83	94.20	78.85	52.53
III	PROFIT FOR THE YEAR attributable to the Group	1223.55	825.89	601.85	(3951.40)	1358.27
	Profit brought forward	-	-	-	-	-
	TOTAL	1223.55	825.89		(3951.40)	1358.27
IV	APPROPRIATIONS					
	Transfer to Statutory Reserves	-	-	86.76	-	281.00
	Transfer to Revenue & Other Reserves	-	-	-	-	-
	Transfer to Investment Reserve Account	-	-	-	-	-
	Transfer to Investment Fluctuation Reserve	-	-	27.25	-	-
	Transfer from/to Special Reserves-Currency Swap	-	-	-	-	-
	Transfer to Special reserve U/s 31(1) (viii) of Income tax Act, 1961	-	-	-	-	-
	Transfer to Capital Reserve	-	-	233.00	-	777.00
	Proposed Dividend	-	-	-	-	-
	Tax on Dividend	-	-	-	-	-
	Balance Carried over to Balance Sheet	1223.55	825.89	601.85	(3951.40)	300.27
	TOTAL	1223.55	825.89	601.85	(3951.40)	1358.27
	Earnings Per Share (Basic & Diluted) (in Rs.)	15.66	10.97	8.18	(65.95)	24.98

iv. Standalone Balance Sheet

(Rs. in crore)

Sr no	Parameters	31.12.2019	30.09.2019	As on 31.03.2019	As on 31.03.2018	As on 31.03.2017
I	CAPITAL & LIABILITIES					
a.	Capital	1030.23	7324.24	753.24	733.24	597.29
b.	Reserves & Surplus	43030.97	36260.74	35423.99	34871.59	33088.25
c.	Deposits	625240.40	609436.48	599033.27	524771.86	495275.24
d.	Borrowings	33721.58	35624.43	40992.29	38808.51	39503.56
e.	Other Liabilities and Provisions	15069.63	18777.70	18563.89	17700.90	15055.10
	Total	718092.81	707423.59	694766.69	616886.10	583519.44

Sr no	Parameters	As on				
		31.12.2019	30.09.2019	31.03.2019	31.03.2018	31.03.2017
II	ASSETS					
a.	Cash & Balances with Reserve Bank of India	27234.31	32788.69	29919.02	22100.04	19922.50
b.	Balances with Banks and Money at Call & Short Notice	56744.65	37981.35	36233.67	27812.29	38902.96
c.	Investments	165050.84	161233.54	152985.30	144053.67	150265.89
d.	Advances	422608.02	429318.58	427727.27	381702.99	342008.76
e.	Fixed Assets	8324.83	8291.33	8410.23	8318.64	7168.32
f.	Other Assets	38130.16	37810.10	39491.20	32898.47	25251.02
	Total	718092.81	707423.59	694766.69	616886.10	583519.44

v. Consolidated Balance Sheet

(Rs. in crore)

Sr No	Parameters	As on				
		31.12.2019	30.09.2019	31.03.2019	31.03.2018	31.03.2017
I	CAPITAL & LIABILITIES					
a.	Capital	1030.23	7324.24	753.24	733.24	597.29
b.	Reserves & Surplus	44885.19	38022.48	36935.99	36164.45	34088.11
c.	Minority Interest	727.51	701.06	667.87	521.80	498.07
d.	Deposits	625308.10	609534.38	599123.02	524846.98	495266.34
e.	Borrowings	33721.58	35624.43	41042.64	38909.50	39591.76
f.	Other Liabilities and Provisions	31057.26	33999.63	33260.04	30259.50	26117.18
	Total	736729.87	725206.22	711782.81	631435.47	596158.75
II	ASSETS					
a.	Cash & Balances with R B of India	27236.42	32791.51	29921.43	22102.42	19924.49
b.	Balances with Banks and Money at Call & Short Notice	57026.86	38222.75	36609.81	28122.19	39042.89
c.	Investments	182649.03	178036.59	168678.05	157443.56	162072.92
d.	Advances	422822.06	429540.81	428114.77	382074.58	342320.14
e.	Fixed Assets	8357.23	8318.33	8432.78	8335.30	7184.99
f.	Other Assets	38638.27	38296.23	40025.97	33357.42	25613.32
	Total	736729.87	725206.22	711782.81	631435.47	596158.75

vi. Standalone Cash Flow Statement

(Rs. in crore)

Particulars	Year ended				
	31.12.2019	30.09.2019	31.03.2019	31.03.2018	31.03.2017
A. Cash Flow from Operating Activities:					
Net Profit after Taxes	-	693.99	347.02	(4222.24)	1121.92



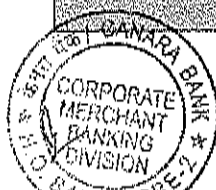
Particulars	31.12.2019	30.09.2019	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 31.03.2017
Adjustments for:					
Provision for income tax	-	353.53	(2674.42)	(2338.62)	520.00
Depreciation on Fixed Assets	-	205.00	416.83	445.05	327.54
Profit/ (Loss) on sale of Fixed Asset	-	0.45	2.87	4.53	(1.32)
Provision for Other Items	-	(174.68)	(60.97)	(146.54)	6.55
Interest on Tier 1 and Tier 2 Bonds	-	563.95	1176.57	1231.69	1368.52
Provision for NPA	-	4849.33	12566.66	14366.34	7077.77
Loss on revaluation of Investments	-	(1.74)	0.80	0.00	35.97
Provision for Standard Assets	-	86.59	403.04	(2.52)	25.26
Income from Investment in Subsidiaries	-	(32.70)	(50.17)	(53.32)	(62.71)
Income from Investment (Appreciation)/Depreciation	-	(608.14)	369.55	1891.81	162.39
Sub total	-	5241.59	11828.36	15398.42	9459.97
Adjustments for:					
Increase / (Decrease) in Deposits	-	10403.21	74261.41	29496.62	15483.68
Increase / (Decrease) in Borrowings	-	(4267.86)	2749.08	4.95	12261.60
Increase / (Decrease) in Other Liabilities and Provisions	-	(51.63)	3195.35	5133.48	(189.39)
(Increase) / Decrease in Investments	-	(7638.36)	(9301.97)	4320.41	(8111.72)
(Increase) / Decrease in Advances	-	(6224.65)	(58600.44)	(53992.54)	(24463.77)
(Increase) / Decrease in Other Assets	-	2057.86	(5392.73)	(6142.93)	(1546.13)
Direct Taxes (Paid) / Refund	-	450.00	1200	1500.00	1700.00
Sub total	-				
Net Cash Flow from Operating Activities (A)	-	(735.85)	17886.08	(11503.83)	2316.15
B. Cash Flow from Investing Activities :					
Net Inflow / Outflow from Sale /Purchase of Fixed Assets	-	(86.55)	(511.29)	(327.48)	(367.95)
Investment in Subsidiaries/ Joint	-	0.00	0.00	0.00	(43.23)

Particulars	31.12.2019	30.09.2019	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 31.03.2017
Ventures/					
Income from Investment in Subsidiaries	-	32.70	50.17	53.32	62.71
Net Cash Flow from Investing Activities (B)	-	(53.85)	(461.12)	(274.16)	(348.47)
C. Cash Flow from Financing Activities:					
Payment on redemption of Bonds / Sub. Debts	-	(600.00)	(565.30)	(700.00)	368.64
Dividend (Interim & Final) Paid	-	0.00	0.00	(68.44)	0.00
Interest Paid on IPDI, Sub. & Upper Tier 2 Bonds	-	(563.95)	(1176.58)	(1231.69)	(1368.52)
Increase in paid up capital	-	-	20.00	135.95	54.30
Share Premium recd. on new issue of share capital	-	-	537.28	4729.05	1069.69
Share Application Money pending for Allotment	-	6571.00	-	-	-
Proceeds from Issue of Upper Tier 2 bonds	-	-	-	-	-
Proceeds from Issue of Perpetual Bonds	-	-	-	-	-
Net Cash Flow from Financing Activities (C)	-	5407.05	(1184.60)	2864.87	124.11
Net Increase in Cash & Cash Equivalents (A)+(B)+(C)	-	4617.35	16,240.36	(8913.13)	2091.80
Cash /Equivalents as at the beginning of the year	-	66152.69	49912.33	58825.46	56733.66
Cash / Equivalents as at the end of the year	-	70770.04	66152.69	49912.33	58825.46

vii. Consolidated Cash Flow Statement

(Rs. in crore)

Particulars	31.12.2019	30.09.2019	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 31.03.2017
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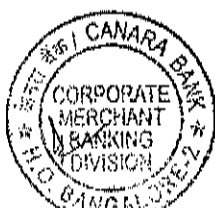


Particulars	31.12.2019	30.09.2019	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 31.03.2017
A. Cash Flow from Operating Activities:					
Net Profit after Taxes	-	825.90	601.85	(3951.39)	1358.28
Adjustments for:					
Provision for income tax	-	358.21	(2658.55)	(2320.62)	512.67
Depreciation on Fixed Assets	-	210.14	428.83	456.33	331.19
Profit/ (Loss) on sale of Fixed Asset	-	0.45	2.86	4.53	(1.33)
Provision for Other Items	-	67.29	(576.13)	(644.13)	(353.45)
Interest on Tier 1 and Tier 2 Bonds	-	563.95	1176.58	1231.69	1368.52
Provision for NPA	-	4580.13	12734.22	14948.28	7576.27
Less: Amount Drawn from the Other Reserves	-	216.00	(322.40)	-	-
Loss on revaluation of Investments	-	(1.74)	(0.80)	0.00	(35.97)
Provision for Standard Assets	-	71.22	407.80	4.59	26.32
Profit on sale of Investment	-	(404.53)	(424.41)	(1934.18)	(2990.74)
Provision for (Appreciation)/Depreciation on Investment	-	(706.91)	369.55	1891.81	161.04
Sub total	-	5780.11	11739.40	9686.91	7952.80
Adjustments for:					
Increase / (Decrease) in Deposits	-	10411.36	74276.04	29580.64	15517.40
Increase / (Decrease) in Borrowings	-	(4818.21)	2698.44	17.74	12259.70
Increase / (Decrease) in Other Liabilities and Provisions	-	(3630.34)	(7276.36)	(9669.17)	(5959.33)
(Increase) / Decrease in Investments	-	(8732.16)	(10638.14)	6738.52	(6616.22)
(Increase) / Decrease in Advances	-	(1426.04)	(46040.19)	(39754.44)	(17327.78)
(Increase) / Decrease in Other Assets	-	2221.94	(5453.82)	(6226.35)	(1593.14)
Increase / (Decrease) Minority Interest	-	(44.30)	146.07	23.73	48.84
Direct Taxes (Paid) / Refund	-	492.21	1214.72	1517.77	1706.91
Sub total	-	(729.84)	18236.72	(11120.19)	2575.36
Net Cash Flow from Operating Activities (A)	-	(729.84)	18236.72	(11120.19)	2575.36
B. Cash Flow from Investing Activities :					



Particulars	31.12.2019	30.09.2019	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 31.03.2017
Net Inflow / Outflow from Sale / Purchase of Fixed Assets	-	(133.94)	(605.72)	(459.58)	(380.61)
Investment in Subsidiaries/ Joint Ventures/	-	(220.11)	(171.14)	(174.98)	39.81
(Increase) / Decrease in other reserves	-	226.61	46.46	81.62	(60.46)
Net Cash Flow from Investing Activities (B)	-	(127.44)	(730.40)	(552.94)	(401.26)
C. Cash Flow from Financing Activities:					
Share Capital	-	0.00	20.00	135.95	54.30
Share Premium	-	0.00	537.29	4729.05	1069.69
Increase / (Decrease) of Bonds including subordinated Debts	-	(600.00)	(565.30)	(700.00)	368.64
Share Application Money Pending for Allotment	-	6571.00	0.00	0.00	0.00
Dividend (Interim & Final) Paid	-	0.00	0.00	(68.44)	0.00
Interest Paid on IPDI, Subordinated Bonds, Upper Tier 2 Bonds	-	(563.94)	(1176.58)	(1231.69)	(1368.52)
Net Cash Flow from Financing Activities (C)	-	5407.06	(1184.59)	2864.87	124.11
D. Cash flow on account of exchange fluctuation (D)					
Cash generated on account of exchange fluctuation	-	(66.74)	(15.09)	65.48	(74.57)
Net Increase in Cash & Cash Equivalents (A)+(B)+(C)+(D)	-	4483.02	16306.64	(8742.78)	2223.63
Cash and Cash Equivalents as at the beginning of the year	-	66531.24	50224.60	58967.38	56743.75
Cash and Cash Equivalents as at the end of the year	-	71014.26	66531.24	50224.60	58967.38

viii. Auditors' Qualifications



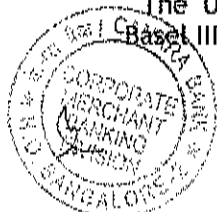
Financial Year	Auditors' Qualifications
2018-19	Nil
2017-18	Nil
2016-17	Nil

J. REVIEW OF STANDALONE FINANCIAL INFORMATION OF THE ISSUER AS OF DECEMBER 31, 2019

Sr. No.	Particulars	Year ended		
		31.03.2019 (Audited)	30.09.2019 (Audited)	31.12.2019 Review
1.	Interest Earned (a+b+c+d)	46810.34	24592.66	36887.55
a)	Interest/ discount on advances/ bills	34319.28	18284.06	27352.64
b)	Income from Investments	10937.51	5580.00	8446.50
c)	Interest on balances with Reserve Bank of India and other Inter Bank Funds	828.01	672.45	1007.10
d)	Others	725.54	56.15	81.31
2.	Other Income	6574.96	3931.46	5638.20
3.	Total Income (1+2)	53385.30	28524.12	42525.75
4.	Interest Expended	32332.22	18222.29	27082.16
5.	Operating Expenses (i)+(ii)+(iii)	10462.21	5317.21	8124.64
(i)	Employees Cost	5675.11	3080.45	4677.31
(ii)	Rent, Taxes and Lighting	986.96	498.65	752.40
(iii)	Other Operating Expenses	3800.15	1738.11	2694.93
6.	Total Expenditure (4)+(5) (excluding Provisions and Contingencies)	42794.43	23539.50	35206.80
7.	Operating Profit before provisions & contingencies (3-6)	10590.87	4984.62	7318.95
8.	Provisions (other than tax) and Contingencies	10243.85	3937.10	5740.01
9.	Exceptional Items			
10.	Profit (+)/ Loss (-) from Ordinary Activities before Tax (7-8-9)	(2327.41)	1047.52	1578.94
11.	Tax Expense- Current Year	(2674.43)	353.53	555.33
12.	Profit (+)/ Loss (-) from Ordinary Activities after Tax (10-11)	347.02	693.99	1023.60
13.	Extraordinary Items (net of tax expense)	-	-	-
14.	Net Profit (+)/ Loss (-) for the period (12-13)	347.02	693.99	1023.61
15.	Paid-up Equity Share Capital (Face Value of each share- Rs.10/-)	753.24	753.24	1030.23
16.	Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)	-	-	-

V. Securities to be issued and listed under current document

The Unsecured, Subordinated, non-convertible, Redeemable, Fully Paid up, Taxable, Basel III compliant Tier II Bonds for inclusion in Tier II Capital of the Bank, in the nature of



debentures of face value Rs.10,00,000 each at par aggregating up to Rs.3000,00,00,000(Rupees Three Thousand Crores Only), with a base issue size of Rs 1000,00,00,000 (Rupees One Thousand Crores Only) and a green shoe option to retain oversubscription up to Rs 2000,00,00,000 (Rupees Two Thousand Crores Only are proposed to be listed on the Wholesale Debt Market Segment of The National Stock Exchange of India Limited ('NSE').

Detailed term sheet of the bond issue is given in Section XXIII of this Document.

RATINGS

India Ratings & Research has assigned a 'IND AAA / RWN' rating to the captioned Debt programme of the Bank. This rating indicates highest degree of safety with regard to timely payment of Interest and principal on the instrument.

CARE Ratings has assigned 'CARE AAA (Credit Watch with developing implications)' rating to the captioned Debt issue programme of the Bank. Instruments carrying this rating are considered to offer the Best Credit Quality in terms of timely servicing of debt obligations.

The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future.

VI. Details of the issue size:

The Bank is intending to raise an aggregate amount of Rs 3000 Crore with a through the issue of UNSECURED REDEEMABLE SUBORDINATED NON CONVERTIBLE FULLY PAID UP TAXABLE TIER II BONDS SERIES I IN THE NATURE OF DEBENTURES (Bonds) of face value of Rs 10 lakhs each for cash at par (herein after referred to as 'the Bonds') by way of private placement. The bonds will constitute direct unsecured and subordinated obligations of the Bank, subordinated to the claims of other creditors and depositors of the Bank as regards repayment of principal and interest by the Bank out of its own funds.

Instrument at a Glance:

Issuer	Canara Bank
Instrument	Unsecured, Redeemable, Subordinated, Non-Convertible, Fully paid up, Taxable Tier II Bonds Series - I in the nature of Debentures ("Bonds").
Issue Objective	Augmenting overall capital of the Bank, Including Tier II Capital for strengthening the Capital Adequacy as per Basel-III Regulations, for future growth and for enhancing long term resources.
Issue Size	Aggregate total issue size not exceeding Rs 3000 crore, with a base issue size of Rs 1000 crore and a Green shoe option to retain oversubscription up to Rs 2000 crore.
Face Value	At par (Rs 10,00,000 per Bond)
Minimum Application	One Bond and in multiples of One bond thereafter
Issue Price	At Par
Security	Unsecured
Nature	Private Placement



Tenor	10 years from the deemed date of allotment
Redemption Date	11 th March 2030 subject to Issuer Call, Tax Call and Regulatory Call, if any and provided that the bonds have not been written off on account of PONV and /or any other event on account of RBI guidelines. In case of exercise of call option, redemption shall be made on call option date
Put Option	None
Call Date	11 th March 2025 On the 5 th anniversary date from the deemed date of allotment or any anniversary date thereafter with prior approval of RBI, subject to "Tax call"/ "Regulatory Call". In case of "Tax Call" or "Regulatory Call", the date may be as specified in the notice to debenture trustees.
Coupon	7.18% p.a. subject to "Loss Absorbency", "Permanent principal write-down on PONV Trigger Event" and "Other Events" as mentioned in this Term Sheet.
Coupon Payment date	On the anniversary of date of allotment every year till redemption of bonds
Step Up/Step Down Coupon Rate	None
Interest Application Money*	<p>This shall be paid at the coupon rate (subject to deduction of Income Tax as per the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in Issuer's Bank Account up to one day prior to the Deemed Date of Allotment.</p> <p>The interest on application money will be computed as per Actual/ Actual day count convention. Such interest would be paid on all valid applications, including the refunds. Where the entire subscription amount has been refunded, the interest on application money will be paid along with the Refund Orders. Where an applicant is allotted lesser number of Bonds than applied for, the excess amount paid on application will be refunded to the applicant along with the interest on refunded money.</p> <p>TDS will be deducted at the applicable rate on interest on application money.</p> <p>The Bank shall not be liable to pay any interest in case of invalid applications or applications liable to be rejected including applications made by a person who is not an eligible investor.</p> <p>The refund amounts together with interest thereon shall be paid by the Issuer to the relevant applicants within 15 days from the Deemed Date of Allotment.</p>
Issue Schedule	<p>Issue Opening Date: 06th March 2020</p> <p>Issue Closing Date: 06th March 2020</p> <p>Deemed Date of allotment: 11th March 2020</p>
Rating	By India Ratings & CARE Ratings
Registrars	Canbank Computer Services Ltd

Trustees	SBICAP Trustee Company Limited
Listing	Proposed to be listed on NSE
Depository	NSDL & CDSL
Pay in dates	11 th March 2020
Issue mode	Through demat at NSDL/CDSL - No physical certificates to be issued
Mode of Payment	Only through RTGS
Nature of Bonds	Unsecured, Subordinated, Non-Convertible, Redeemable, Fully-paid-up, Taxable, Basel III Compliant Tier II Bonds in the nature of Debentures of Rs 10 Lakh each

* Subject to deduction of tax as applicable

VII. Details of Utilization of Proceeds

Objects of the Placement

Augmenting overall capital of the Bank, including Tier II Capital, for strengthening its capital adequacy as per Basel-III Regulations, for future growth and for enhancing long-term resources.

The funds being raised by the Bank through this Issue are not meant for financing any particular project. The Bank shall utilize the proceeds of the issue for its regular business activities.

The Bank undertakes that the proceeds of the issue shall not be used for any purpose which may be in contravention of the regulations/guidelines/ norms issued by the RBI/SEBI Stock Exchange(s).

VIII. Material Contracts Involving Financial Obligation of the Bank

Material Documents

- Letter appointing Registrar and Transfer Agents.
- Letter appointing SBICAP Trustee Company Limited to the Bond holders

Documents

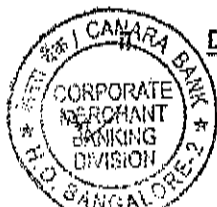
- Credit Rating Letters for the current placement.
- Board resolution approving the current private placement of bonds.
- Consent letters of the Registrar and the Trustee of the Bondholders.

IX. Details of other Borrowings including any other issue of debt securities in the Past

- Details of secured loan facilities as on March 31, 2019

Nil

Details of unsecured loan facilities / deposit as on March 31, 2019



Lender's Name	Type of Facility	Amount Sanctioned (Rs. In Crore)	Principal Amount Outstanding as on 31.03.2019 (Rs. In crore)	Repayment Date/Schedule
From Banks	Demand Deposits	Not Applicable	337.26	On Demand
	Term Deposits	N/A	30497.26	On Maturity
From Others	Demand Deposits	N/A	222936.67	On Demand
	Term Deposits	N/A	393727.22	On Maturity
Depositors	Saving Banks Deposits	N/A	151534.87	On Demand
Various bondholders	Lower Tier 2 Bonds	N/A	N/A	N/A
Various bondholders	Basel III Compliant Tier II Bonds	N/A	7900.00	The Bonds have a tenor of 10 years
Various bondholders	Upper Tier 2 Bonds	N/A	1000.00	The Bonds have a tenor up to 15 years with a call option after 10 years from the date of allotment with prior approval from RBI
Various bondholders	Perpetual Bonds	N/A	1349.30	Perpetual with a call option after 10 years from the date of allotment with prior approval from RBI.
Various bondholders	BASEL III Compliant Additional Tier I Bonds - Perpetual		2500.00	Perpetual with a call option from 5 to 10 years from the date of allotment with prior approval from RBI.
Reserve Bank of India	Borrowings	N/A	Nil	



Lender's Name	Type of Facility	Amount Sanctioned (Rs. In Crore)	Principal Amount Outstanding as on 31.03.2019 (Rs. In crore)	Repayment Date/Schedule
Others	Borrowings	N/A	Nil	
Other Institutions & Agencies	Borrowings	N/A	810.94	Upto 3 Years
Outside India	Borrowings	N/A	15465.56	2 Days to 10 Years
Banks/ Institutions	Bills Payable	N/A	#	

Total Bills Payable as on 30.09.2017 is Rs.1052.35 Crore

*Includes MTN Bonds of Rs 5875.48 Crores

iii. Details of outstanding non-convertible-debentures issued by the Bank As on December 31, 2019

Debenture Series	Tenor/ Period of Maturity (in months)	Coupon	Amount in Crores	Date of Allotment	Redemption Date/ Schedule	Credit Rating as on 31.12.2019	Secured/ Unsecured	Securitized
BASEL III TIER II SER I	120	9.73	1500.00	03/Jan/14	03/Jan/24	AAA/(Watch) Developing by CRISIL & ICRA (AA+)(HYB)/Rating watch with development implications	Unsecured	Not applicable
BASEL III TIER II SER II	120	9.70	1000.00	27/Mar/14	27/Mar/24	AAA/(Watch) Developing by CRISIL & ICRA (AA+)(HYB)/Rating watch with development implications.	Unsecured	Not applicable
BASEL III TIER II Bonds 2015-16(Series I)	120	8.40	1500.00	31/Dec/15	31/Dec/25	AAA/(Watch) Developing by CRISIL, ICRA (AA+)(HYB)/Rating watch with development implications & IND AAA /Rating watch Negative	Unsecured	Not applicable
BASEL III TIER II Bonds 2015-16(Series II)	120	8.40	900.00	07/Jan/16	07/Jan/26	AAA/(Watch) Developing by CRISIL, ICRA (AA+)(HYB)/Rating watch with development	Unsecured	Not applicable



						implications & IND AAA /Rating watch Negative		ble
BASEL III TIER II Bonds 2016- 17	120	8.40	3000.00	27/Apr/1 6	27/Apr/2 6	AAA/(Watch) Developing by CRISIL, ICRA (AA+ (HYB)/Rating watch with development implications & IND AAA /Rating watch Negative	Unsecur ed	No t ap pli ca ble
PERPETUAL - TIER1(SERIES III)	Perpet ual	9.05	749.30	03/Aug/1 0	PERPETU AL with Call option on 03.08.20 20	AAA/(Watch) Developing by CRISIL & BWR AAA /(Credit Watch with Developing Implications) by BRICKWORK	Unsecur ed	No t ap pli ca ble
BASEL III COMPLIANT ADDITIONAL TIER 1	Perpet ual	9.55	1500.00	05/Mar/1 5	PERPETU AL with Call option from 05.03.20 25	ICRA(AA- (HYB)/Rating watch with development implications & IND AA /Rating watch Negative	Unsecur ed	No t ap pli ca ble
BASEL III COMPLIANT ADDITIONAL TIER 1	Perpet ual	8.60	1000.00	13/Dec/1 6	PERPETU AL with Call option from 13.12.20 21	CRISIL AA/(Watch) Developing by CRISIL & IND AA /Rating watch Negative by India Ratings	Unsecur ed	No t ap pli ca ble
UPPER TIER II SERIES III	150	8.62	1000.00	29/Sep/1 0	29/Sep/2 5 and Call option on 29/Sep/2 0	AAA/(Watch) Developing by CRISIL & BWR AAA/(Credit Watch with Developing Implications) by BRICKWORK	Unsecur ed	No t ap pli ca ble

iv. LIST OF TOP-10 BONDHOLDERS - BENPOS AS ON DECEMBER 31,2019

SRL	DPID/FOLIO	NAME	HOLDINGS	Rs. IN CRORE
1	IN30152430047971	CBT-EPF-11-F-DM	58171	5817.10
2	IN30005410101768	COAL MINES PROVIDENT FUND ORGANISATION HDFC TRUSTEE COMPANY LTD. A/C HDFC HYBRID DEBT FUND	17674	1767.40
3	IN30012611229162	STATE BANK OF INDIA EMPLOYEES PENSION FUND NPS TRUST- A/C LIC PENSION FUND SCHEME C - TIER II	10250	1025.00
4	IN30378610006749	ARMY GROUP INSURANCE FUND	3160	316.00
5	IN30081210500041	SBI EMPLOYEE GRATUITY FUND	1660	166.00
6	1305060000002573	KENDRIYA VIDYALA SANGATHAN EMP. PROVIDENT	1500	150.00
7	IN30378610006669		1150	115.00
8	IN30378610007194		1130	113.00



		FUND		
9	IN30012611234066	SBI LIFE INSURANCE CO.LTD	1050	105.00
10	IN30081210501028	PUNJAB NATIONAL BANK	1000	100.00

v. Amount of Corporate guarantee issued by the Issuer

NIL

vi. Certificate of Deposits issued by the Issuer as on December 31, 2019

NIL

vii. Details of other borrowings (if any, including hybrid debt like FCCB, optionally convertible debentures/preference shares):

NIL

viii. Details of all defaults/ delays in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Issuer, in the past five years

- The main constituents of the Issuer's borrowings are generally in the form of deposits, loans from Reserve Bank of India, other banks and institutions, bonds, certificate of deposits etc.
- The Issuer has been servicing all its principal and interest liabilities on time and there has been no instance of delay or default since inception.
- The Issuer has neither defaulted in repayment/ redemption of any of its borrowings nor affected any kind of roll over against any of its borrowings in the past.
- The Issuer has not defaulted in any of its payment obligations arising out of any corporate guarantee issued by it to any counter party including its joint entities, group companies etc in the past.

NIL-As our subsidiaries/associates do not deal with guarantees, so no default in payment obligations.

ix. Other issue of debt securities in the past

The Bank has so far raised Tier I/II Capital by way of Private Placement of unsecured, redeemable / perpetual bonds in the nature of Promissory Notes to augment capital adequacy as under:

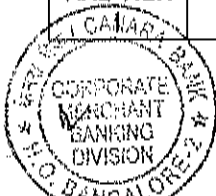
Issue/ Series	Date of Issue/Allotment	Size (Rs Crore)	Tenor (Months)	Credit Rating	Coupon (%) p.a)	Redemption Date
I	22.01.1999	183.90	OPT 1 - 63	NOT RATED	13.85	22.04.2004
	22.01.1999	316.10	OPT 2 - 87		14.20	22.04.2006
II	14.12.2000	300.00	76	NOT RATED	11.95	14.04.2007
III	12.09.2001	376.00	67	AA + by CRISIL	9.70	12.04.2007
IV	22.03.2003	84.55	OPT-I, 85	LAAA by ICRA	6.70	22.04.2010
IYA	22.03.2003	75.45	OPT-II 121		6.90	22.04.2013



	22.03.2003	340.00	OPT-II, 109		7.25	22.04.2012
V	31.12.2003	250.00	88	LAAA by ICRA	5.80	30.04.2011
VI	30.09.2004	263.50	116	LAAA by ICRA	6.75	31.05.2014
VII	18.02.2005	500.00	111	AAA BY CRISIL & LAAA (ICRA)	7.05	18.05.2014
VIII	29.09.2005	500.00	115	LAAA BY ICRA AAA/STABLE BY CRISIL	7.40	29.04.2015
IX	01.03.2006	425.00	110	LAAA BY ICRA AAA/STABLE BY CRISIL	8.15	01.05.2015
IXA	15.09.2006	575.00	120	LAAA BY ICRA AAA/STABLE BY CRISIL	8.82	15.09.2016
X	30.03.2007	400.00	120	LAAA BY ICRA AAA/STABLE BY CRISIL	9.90	30.03.2017
XI	09.01.2008	700.00	120	LAAA BY ICRA AAA/STABLE BY CRISIL	9.00	09.01.2018
XII	16.01.2009	325.00	120	"LAAA" by ICRA & "AAA/Negative" by CRISIL	8.08	16.01.2019
UPPER T-II Series - I	16.09.2006	500.00	180	AAA/STABLE BY CRISIL	9.00	16.09.2021*
UPPER T-II Series - II	23.03.2007	500.00	180	AAA/STABLE BY CRISIL	10.00	23.03.2022*
IPDI SERIES I	30.03.2009	240.30	Perpetual	'AAA/negative' by CRISIL & BWRAAA+ by Brickwork	9.00	Not applicable Perpetual *
IPDI SERIES II	18.08.2009	600.00	Perpetual	"AAA /Stable BY CRISIL & "BWRAAA+" by BRICKWORK	9.00	Not applicable Perpetual*
FC BONDS	27.11.2006	250 mn. US \$	120	BB by FITCH BAA2 by MOODY's	6.365	27.11.2016
IPDI SERIES III	03.08.2010	749.30	Perpetual	AAA/ (Watch) Developing by CRISIL & BWR AAA/ (Credit Watch with Developing Implications) by BRICKWORK.	9.05	Not applicable Perpetual*
BASEL III TIER II SERIES I	03.01.2014	1500.00	120	AAA/ (Watch) Developing by CRISIL & ICRA(AA+)(HYB)	9.73	03.01.2024



				/Rating watch with development implications		
BASEL III TIER II SERIES II	27.03.2014	1000.00	120	AAA/ (Watch) Developing by CRISIL & ICRA(AA+)(HYB) /Rating watch with development implications	9.70	27.03.2024
BASEL III TIER II Bond 2015-16 (Series I)	31.12.2015	1500.00	120	AAA/ (Watch) Developing by CRISIL & ICRA(AA+)(HYB) /Rating watch with development implications & IND AAA/ Rating Watch Negative	8.40	31.12.2025
BASEL III TIER II Bond 2015-16 (Series II)	07.01.2016	900.00	120	AAA/ (Watch) Developing by CRISIL & ICRA(AA+)(HYB) /Rating watch with development implications & IND AAA/ Rating Watch Negative	8.40	07.01.2026
BASEL III TIER II Bond 2016-17	27.04.2016	3000.00	120	AAA/ (Watch) Developing by CRISIL, ICRA(AA+)(HYB) /Rating watch with development implications & IND AAA/ Rating Watch Negative	8.40	27.04.2026
UPPER TIER 2 SERIES III	29.09.2010	1000.00	180	AAA/NEGATIVE BY CRISIL BWR AAA+ by BRICKWORK	8.62	29.09.2025
BASEL III COMPLIANT ADDITIONAL TIER	05.03.2015	1500.00	Perpetual	ICRA AA(HYD) by ICRA Ltd & IND AA by India Ratings	9.55	Not applicable Perpetual*



BASEL III COMPLIA NT ADDITIO NAL	13.12.2016	1000.00	Perpetual	CRISIL AA/ (Watch) Developing by CRISIL & IND AA/ Rating watch Negative by India Ratings	8.60	Perpetual with call option from 13.12.2021
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X. Material Development

In the opinion of the Directors of the Bank, there have been no material developments after the date of the last financial statements as disclosed in the Disclosure Document which would materially and adversely affect or are likely to affect the trading or profitability of the Bank or the value of its assets, or its ability to pay its liabilities within the next twelve months, other than what has been already set out elsewhere in this Disclosure Document.

XI. Debt Securities issued for consideration other than cash at premium or at discount in pursuance of an Option

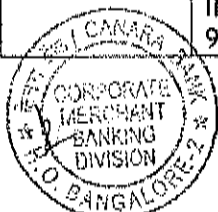
There were no debt securities for consideration other than cash.

XII. Top Ten holders of each class and kind of securities:

ISIN_NUMBE R	DPID_FOLIO	Name of The Holder and Address	UNITS HOLDIN GS	Percentage of Holding
INE476A080 35	IN3008121050102 8	PUNJAB NATIONAL BANK, TREASURY DIVISION, PNB PRAGATI TOWER, 6TH FLOOR, C-9, G-BLOCK, BANDRA KURLA COMPLEX, MUMBAI, 400051	1000	6.666666667
	IN3015491727053 8	TRUSTEES GEB'S C P FUND, SARDAR PATEL VIDYUT BHAVAN, RACE COURSE, BARODA, 390007	952	6.346666667
	IN3015491697281 2	BOARD OF TRUSTEES M .S. R.T.C. CPF, MAHARASHTRA STATE ROAD TRANSPORT, CORPORATION MAHARASHTRA, VAHATUK BHAVAN DR ANANDRAO NAIR RD, MUMBAI CENTRAL, MUMBAI, 400008	920	6.133333333
	IN3008121049596 4	NPS TRUST- A/C LIC PENSION FUND SCHEME - STATE GOVT, C/O LIC PENSION FUND LIMITED, 1ST FLOOR, PLOT NO. 194, VEER NARIMAN, ROAD, INDUSTRIAL ASSURANCE BUILDING, CHURCHGATE, MUMBAI, 400020	850	5.666666667
	IN3008121049475 3	NPS TRUST- A/C LIC PENSION FUND SCHEME - CENTRAL GOVT, C/O LIC PENSION FUND LIMITED, 1ST FLOOR, PLOT NO. 194, VEER NARIMAN, ROAD, INDUSTRIAL ASSURANCE BUILDING, CHURCHGATE, MUMBAI, 400020	800	5.333333333

	IN3001261118255 2	HDFC TRUSTEE COMPANY LTD. A/C HDFC HYBRID DEBT FUND, HDFC BANK LIMITED, CUSTODY OPERATION, SEMPIRE PLAZA TWR-1, 4TH FLOOR, CHANDAN NAGAR LBS MARG, VIKHROLI WEST, MUMBAI, 400083	500	3.333333333
	IN3015491888400 8	INDIAN AIRLINES EMPLOYEES PROVIDENT FUND, AIRLINES HOUSE, 113 GURU DWARA, RAKABGANJ ROAD, NEW DELHI, 110001	450	3
	IN3011512483913 9	CHHATTISGARH STATE ELECTRICITY BOARD GRATUITY AND PENSION FUND TRUST, O/F ED FINANCE SHED NO 7, CSEB DANGANIA, RAIPUR, CHHATTISGARH, 4 90001	307	2.046666667
	IN3032371025855 4	SSD FUND, OFFICE OF THE IG SFF BLOCK-V, EAST LEVEL-1V RKP ND, R K PURAM, NEW DELHI, 110066	300	2
	IN3013301929178 7	NAVODAYA VIDYALAYA SAMITI CONTRIBUTORY PROVIDENT FUND A/C, B 15 INSTITUTIONAL AREA, SECTOR 62, NOIDA, G B NAGAR, 201307	280	1.866666667

ISIN_NUMBE R	DPID_FOLIO	Name of The Holder and Address	UNITS HOLDIN GS	Percentage of Holding
INE476A080 50	IN3000541009405 9	COAL MINES PROVIDENT FUND ORGANISATION, CITIBANK N.A. CUSTODY SERVICES, FIFC- 11TH FLR, G BLOCK, PLOT C-54 AND C-55, BKC, BANDRA - EAST, MUMBAI, 400098	9067	30.22333333
	IN3000541009406 7	COAL MINES PROVIDENT FUND ORGANISATION, CITIBANK N.A. CUSTODY SERVICES, FIFC- 11TH FLR, G BLOCK, PLOT C-54 AND C-55, BKC, BANDRA - EAST, MUMBAI, 400098	8037	26.79
	IN3037861000674 9	STATE BANK OF INDIA EMPLOYEES PENSION FUND, SBI SG GLOBAL SECURITIES SERVICES PL, JEEVAN SEVA ANNEXE BUILDING, GR FLOOR, S V ROAD, SANTACRUZ WEST, MUMBAI, 400054	3160	10.53333333
	130506000000257 3	ARMY GROUP INSURANCE FUND, AGI BHAWAN RAO TULA RAM MARG, POST VASANT VIHAR NEW DELHI, NEW DELHI 110057, NEW DELHI, 110057	1500	5
	IN3037861000666 9	SBI EMPLOYEE GRATUITY FUND, SBI SG GLOBAL SECURITIES SERVICES	1150	3.833333333



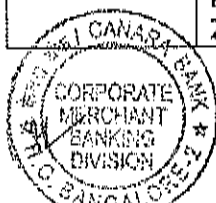
		PL,JEEVAN SEVA ANNEXE BUILDING,GR FLOOR, S V ROAD,SANTACRUZ WEST, MUMBAI,400054		
	IN30012611234066	SBI LIFE INSURANCE CO.LTD,HDFC BANK LIMITED, CUSTODY OPERATION,SEMPIRE PLAZA TWR-1, 4TH FLOOR, CHA,NDAN NAGARLBS MARG,VIKHROLI WEST,MUMBAI,400083	1050	3.5
	IN30154932633488	HINDUSTAN INSTRUMENTS LTD EMPLOYEES PROVIDENT FUND,3 UDYOG VIHAR, PHASE - I,,GURGAON, HARYANA,122016	632	2.106666667
	IN30378610006845	THE STATE BANK OF INDIA EMPLOYEES PROVIDENT FUND,SBI SG GLOBAL SECURITIES SERVICES PL,JEEVAN SEVA ANNEXE BUILDING,GR FLOOR, S V ROAD,SANTACRUZ WEST, MUMBAI,400054	540	1.8
	IN30125028750454	WEST BENGAL STATE ELECTRICITY BOARD EMPLOYEESCONTRIBUTORY PROVIDENT FUND,BIDYUT BHAWAN,6TH FLOOR BLOCK A, WEST BENGAL STATE ELECTRICITY BOARD,BIDHAN NAGAR KOLKATA,700091	450	1.5
	IN30125028410485	TRUSTEES UNITED BANK OF INDIA STAFF PROVIDENTFUND,UNITED BANK OF INDIA,16 OLD COURT HOUSE STREET,8TH FLOOR,KOLKATA,700001	395	1.316666667

ISIN_NUMBE R	DPID_FOLIO	Name of The Holder and Address	UNITS HOLDIN GS	Percentage of Holding
INE476A08068	IN30005410009134	HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED ADVANTAGE FUND,CITIBANK N.A. CUSTODY SERVICES,FIFC- 11TH FLR, G BLOCK,PLOT C-54 AND C-55, BKC,BANDRA - EAST, MUMBAI,400098	6750	67.5
	IN30012611181953	HDFC TRUSTEE COMPANY LTD A/C HDFC FLOATING RATE DEBT FUND,HDFC BANK LIMITED, CUSTODY OPERATION,SEMPIRE PLAZA TWR-1, 4TH FLOOR, CHA,NDAN NAGARLBS MARG,VIKHROLI WEST,MUMBAI,400083	1000	10



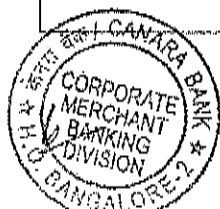
	IN3001261118356 2	HDFC TRUSTEE COMPANY LTD- HDFC EQUITY SAVING FUND,HDFC BANK LIMITED, CUSTODY OPERATION,SEMPIRE PLAZA TWR-1, 4TH FLOOR, CHA,NDAN NAGARLBS MARG,VIKHHOLI WEST,MUMBAI,400083	250	2.5
	IN3001261122916 2	HDFC TRUSTEE COMPANY LIMITED A/C HDFC LOW DURATION FUND,HDFC BANK LIMITED, CUSTODY OPERATION,SEMPIRE PLAZA TWR-1, 4TH FLOOR, CHA,NDAN NAGARLBS MARG,VIKHHOLI WEST,MUMBAI,400083	1750	17.5
	IN3004841097211 7	FOOD CORPORATION OF INDIA CPF TRUST,KHADYA SADAN 13TH FLOOR,16 20 BARAKHAMB LANE,,NEW DELHI,110001	250	2.5

ISIN_NUMBE R	DPID_FOLIO	Name of The Holder and Address	UNITS HOLDIN GS	Percentage of Holding
INE476A092 23	IN3037861000719 4	KENDRIYA VIDYALA SANGATHAN EMP. PROVIDENT FUND,SBI SG GLOBAL SECURITIES SERVICES PL,JEEVAN SEVA EXTENSION BUILDING,GR FLOOR, S V ROAD,SANTACRUZ WEST, MUMBAI,400054	1000	13.3457894
	IN3013562011165 5	CANARA BANK STAFF PROVIDENT FUND,NAVEEN COMPLEX (H O ANNEXE),14 M G ROAD,,BANGALORE,560001	450	6.005605232
	130259000000850 1	UNION BANK OF INDIA (EMPLOYEES') PENSION FUND,8 TH FLOOR, UNION BANK BHAVAN,,239,VIDHAN BHAVAN MARG,NARIMAN POINT,MUMBAI,400021	250	3.336447351
	IN3008703000679 4	BANK OF BARODA (EMPLOYEES) PENSION FUND,BANK OF BARODA, HEAD OFFICE,6TH FLOOR, BARODA BHAVAN,R C DUTT ROAD, ALKAPURI,VADODARA,390007	250	3.336447351
	IN3008703000771 8	BANK OF BARODA PROVIDENT FUND TRUST,BANK OF BARODA, HEAD OFFICE,6TH FLOOR, BARODA BHAVAN,R C DUTT ROAD, ALKAPURI,VADODARA,390007	250	3.336447351
	IN3001261123380 2	POSTAL LIFE INSURANCE FUND A/C UTI AMC,HDFC BANK LIMITED, CUSTODY OPERATION,SEMPIRE PLAZA TWR-1, 4TH FLOOR,	200	2.669157881



		CHA,NDAN NAGARLBS MARG,VIKHROLI WEST,MUMBAI,400083		
	IN3008121000056 0	THE ORIENTAL INSURANCE COMPANY LIMITED,THE ORIENTAL INSURANCE COMPANY LIMIT,ORIENTAL HOUSE, P B 7037,,A-25/27, ASAF ALI ROAD,,NEW DELHI,110002	200	2.669157881
	IN3026031000449 4	CORPORATION BANK (EMPLOYEES') PENSION FUND,CORPORATION BANK,HEAD OFFICE,PANDESHWAR,MANGALORE,5 75001	160	2.135326305
	IN3001261123386 9	RURAL POSTAL LIFE INSURANCE FUND A/C SBIFMPL,HDFC BANK LIMITED, CUSTODY OPERATION,SEMPIRE PLAZA TWR-1, 4TH FLOOR, CHA,NDAN NAGARLBS MARG,VIKHROLI WEST,MUMBAI,400083	150	2.001868411
	IN3007491028542 9	BANK OF INDIA PROVIDENT FUND,TERMINAL BENEFITS DIV.,H.R.DEPT.,3RD FLR,STAR HOUSE, C-5,'G',BLOCK H.O, B.K.C. BANDRA(E) MUMBAI,400051	150	2.001868411

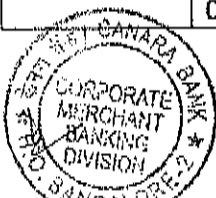
ISIN_NUMBE R	DPID_FOLIO	Name of The Holder and Address	UNITS HOLDIN GS	Percentage of Holding
INE476A092 31	IN3000541009405 9	COAL MINES PROVIDENT FUND ORGANISATION,CITIBANK N.A. CUSTODY SERVICES,FIFC- 11TH FLR, G BLOCK,PLOT C-54 AND C-55, BKC,BANDRA - EAST, MUMBAI,400098	140	1.4
	IN3000541009406 7	COAL MINES PROVIDENT FUND ORGANISATION,CITIBANK N.A. CUSTODY SERVICES,FIFC- 11TH FLR, G BLOCK,PLOT C-54 AND C-55, BKC,BANDRA - EAST, MUMBAI,400098	140	1.4
	IN3001261123380 2	POSTAL LIFE INSURANCE FUND A/C UTI AMC,HDFC BANK LIMITED, CUSTODY OPERATION,SEMPIRE PLAZA TWR-1, 4TH FLOOR, CHA,NDAN NAGARLBS MARG,VIKHROLI WEST,MUMBAI,400083	50	0.5
	IN3008121000001 2	LIFE INSURANCE CORPORATION OF INDIA,INVESTMENT DEPARTMENT,6TH FLOOR, WEST WING, CENTRAL OFFICE,YOGAKSHEMA, JEEVAN BIMA MARG,MUMBAI,400021	500	5



	IN3015243003039 5	CBT EPF-25-C-DM, STANDARD CHARTERED BANK, Securities Services, 3rd Floor, 23-25, MAHATMA GANDHI ROAD, FORT, MUMBAI, 400001	226	2.26
	IN3015243003041 8	CBT EPF-08-C-DM, STANDARD CHARTERED BANK, Securities Services, 3rd Floor, 23-25, MAHATMA GANDHI ROAD, FORT, MUMBAI, 400001	10	0.1
	IN3015243004018 3	CBT-EPF-11-E-DM, STANDARD CHARTERED BANK, Securities Services, 3rd Floor, 23-25, MAHATMA GANDHI ROAD, FORT, MUMBAI, 400001	3674	36.74
	IN3015243004019 1	CBT-EPF-05-E-DM, STANDARD CHARTERED BANK, Securities Services, 3rd Floor, 23-25, MAHATMA GANDHI ROAD, FORT, MUMBAI, 400001	2270	22.7
	IN3015243004797 1	CBT-EPF-05-F-DM, STANDARD CHARTERED BANK, Securities Services, 3rd Floor, 23-25, MAHATMA GANDHI ROAD, FORT, MUMBAI, 400001	2990	29.9

ISIN_NUMBE R	DPID_FOLIO	Name of The Holder and Address	UNITS HOLDING S	Percentage of Holding
INE476A092 49	IN3015243004019 1	CBT-EPF-05-E-DM, STANDARD CHARTERED BANK, Securities Services, 3rd Floor, 23-25, MAHATMA GANDHI ROAD, FORT, MUMBAI, 400001	8250	55
	IN3015243004797 1	CBT-EPF-05-F-DM, STANDARD CHARTERED BANK, Securities Services, 3rd Floor, 23-25, MAHATMA GANDHI ROAD, FORT, MUMBAI, 400001	6750	45

ISIN_NUMBE R	DPID_FOLIO	Name of The Holder and Address	UNITS HOLDING S	Percentage of Holding
INE476A092 56	IN3015243003039 5	CBT EPF-25-C-DM, STANDARD CHARTERED BANK, Securities Services, 3rd Floor, 23-25, MAHATMA GANDHI ROAD, FORT, MUMBAI, 400001	334	3.34
	IN3015243003040 0	CBT EPF-09-C-DM, STANDARD CHARTERED BANK, Securities Services, 3rd Floor, 23-25,	219	2.19



		MAHATMA GANDHI ROAD,FORT, MUMBAI,400001		
IN3015243003041 8		CBT EPF-08-C-DM,STANDARD CHARTERED BANK,Securities Services, 3rd Floor,23-25, MAHATMA GANDHI ROAD,FORT, MUMBAI,400001	25	0.25
IN3015243004018 3		CBT-EPF-11-E-DM,STANDARD CHARTERED BANK,Securities Services, 3rd Floor,23-25, MAHATMA GANDHI ROAD,FORT, MUMBAI,400001	777	7.77
IN3015243004019 1		CBT-EPF-05-E-DM,STANDARD CHARTERED BANK,Securities Services, 3rd Floor,23-25, MAHATMA GANDHI ROAD,FORT, MUMBAI,400001	1599	15.99
IN3015243004796 3		CBT-EPF-11-F-DM,STANDARD CHARTERED BANK,Securities Services, 3rd Floor,23-25, MAHATMA GANDHI ROAD,FORT, MUMBAI,400001	3246	32.46
IN3015243004797 1		CBT-EPF-05-F-DM,STANDARD CHARTERED BANK,Securities Services, 3rd Floor,23-25, MAHATMA GANDHI ROAD,FORT, MUMBAI,400001	3800	38

ISIN_NUMBE R	DPID_FOLIO	Name of The Holder and Address	UNITS HOLDING S	Percentage of Holding
INE476A092 64	IN3015243004018 3	CBT-EPF-11-E-DM,STANDARD CHARTERED BANK,Securities Services, 3rd Floor,23-25, MAHATMA GANDHI ROAD,FORT, MUMBAI,400001	500	3.333333333
	IN3015243004019 1	CBT-EPF-05-E-DM,STANDARD CHARTERED BANK,Securities Services, 3rd Floor,23-25, MAHATMA GANDHI ROAD,FORT, MUMBAI,400001	7850	52.333333333
	IN3015243004796 3	CBT-EPF-11-F-DM,STANDARD CHARTERED BANK,Securities Services, 3rd Floor,23-25, MAHATMA GANDHI ROAD,FORT, MUMBAI,400001	1150	7.666666667
	IN3015243004797 1	CBT-EPF-05-F-DM,STANDARD CHARTERED BANK,Securities Services, 3rd Floor,23-25, MAHATMA GANDHI ROAD,FORT, MUMBAI,400001	5500	36.66666667



XIII. Undertaking to use a Common form of Transfer

The transfer of bonds in dematerialized form would be in accordance with the rules / procedures as prescribed by NSDL / CDSL / Depository Participant

XIV. Redemption Amount, Period of Maturity, Yield on Redemption:

Tenor/Maturity	Redeemable after 120 months from the deemed date of allotment
Coupon Rate	7.18% p.a. subject to "Loss Absorbency", "Permanent principal write-down on PONV Trigger Event" and "Other Events" as mentioned in this Term Sheet.
Redemption	<p>11th March 2030 subject to Issuer Call, Tax Call and Regulatory Call, if any and provided that the bonds have not been written off on account of PONV and /or any other event on account of RBI guidelines.</p> <p>In case of exercise of call option, redemption shall be made on call option date At par along with interest accrued till one day prior to the Redemption Date subject to adjustments and write off on account of "Loss Absorbency" & "Other Events" mentioned in this term sheet, as per the terms of the Disclosure Document.</p> <p>In case of redemption due to exercise of call option or otherwise in accordance with RBI guidelines, the Bonds shall be redeemed at par along with interest accrued till one day prior to the Call option date subject to adjustments and/ or write off on account of "Loss absorbency", "Permanent principal write down on PONV Trigger" Event & "Other Events" as mentioned in this term sheet.</p>
Minimum Application	One Bonds and in multiples of One Bond there after
Trading	The bonds will be traded in dematerialized form
Depository	NSDL & CDSL
Security	Not Applicable. The bonds are unsecured in nature.
Settlement	Payment of interest and principal will be made by way of RTGS

XV. Terms of Offer/Purchase

1. Date of passing of board resolution authorizing the offer of securities

February 24, 2020.

2. Details of the bonds proposed to be issued and listed

Unsecured Subordinated Fully paid up Taxable Non-Convertible Redeemable Basel III compliant Tier 2 Bonds in nature of debentures for inclusion in Tier 2 Capital in dematerialized form made in compliance with the applicable regulations specified by SEBI, the RBI guidelines and other applicable laws.

3. Applicable Regulation

The present issue of Bonds is being made in pursuance of Master Circular No. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 as amended from time to time issued by the Reserve Bank of India on Basel III capital regulations covering terms and conditions for issue of debt capital instruments for inclusion as



Tier 2 capital and SEBI Debt Regulations. The bank can issue the bonds proposed by it in view of the present approvals and no further internal and external permission/approval(s) is/are required to undertake the proposed activity.

4. Objects of the Issue

The proposed Issue is being made for augmenting overall capital of the Bank including tier 2 capital, for strengthening its capital adequacy as per BASEL III, for future growth and for enhancing long-term resources.

5. Price at which the security is being offered including the premium, if any

Each of the Bonds have a face value of Rs. 10,00,000 (Rupees ten lakhs only), with no premium.

6. Name and address of the valuer who performed valuation of the security offered

Not applicable, as the Bonds being offered are unsecured and are being issued at par.

7. Amount intended to be raised

Aggregate total issue size not exceeding Rs 3000 crore (Rs Three Thousand Crore) with a base issue size of Rs 1000 crores (Rupees One Thousand Crores only) and a green shoe option to retail oversubscription up to Rs 2000 crore through private placement.

8. Authority for the Issue

The present issue of Bonds is being made pursuant to the resolution of the Board of Directors dated 24th February, 2020 authorizing issue of Bonds offered under terms of this Disclosure Document.

The present issue of Bonds is being made in pursuance of Master Circular No. RBI/2015-16/58 DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 issued by the Reserve Bank of India on Basel III Capital Regulations covering terms and conditions for issue of debt capital instruments for inclusion as Tier 2 Capital (Annex 5 of the Master Circular) and minimum requirement to ensure loss absorbency of non-equity regulatory capital instruments at the Point of Non Viability (PONV) (Annex 16 of the Master Circular).

The Bank can issue the Bonds proposed by it in view of the present approvals and no further internal or external permission/ approval(s) is/are required by it to undertake the proposed activity.

The Bonds offered are subject to provisions of the Companies Act, 2013 Securities Contract Regulation Act 1956, Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, terms of this Disclosure Document, instructions contained in the Application Form and other terms and conditions as may be incorporated in the Debenture Trustee Agreement. Over and above such terms and conditions, the Bonds shall also be subject to the applicable provisions of the Depositories Act 1996 and the laws as applicable, guidelines, notifications and regulations relating to the allotment & issue of capital and listing of securities issued from time to time by the Government of India (GOI), Reserve Bank of India (RBI), Securities & Exchange



Board of India (SEBI), concerned Stock Exchange or any other documents that may be executed in respect of the Bonds.

9. Terms of raising securities

Unsecured, subordinated, non-convertible, fully paid up, taxable, redeemable Basel III-compliant Tier 2 Bonds in dematerialized form for inclusion in Tier 2 capital.

10. Paid in status

Fully paid in

11. Maturity period

Ten years from the Deemed date of allotment.

12. Rate of Interest

The Bonds have been issued with a fixed rate of interest.

13. Put and Call Option

In pursuance of Master Circular No. RBI/2015-16/58 DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015, issued by the Reserve Bank of India on Basel III capital regulations covering terms and conditions for issue of debt capital instruments for inclusion as Tier 2 Capital, the Bonds shall not have any "Put Option".

The Bonds may have "Call Option" exercisable at the initiative of the Bank only after a minimum of five years, subject to compliance with the terms specified in the RBI Regulations.

Therefore, (i) the Bondholder(s) shall not have any right to exercise Put Option; and (ii) the Issuer shall not have right to exercise Call Option to redeem the Bonds, in whole or in part, prior to the Redemption Date subject to RBI regulations.

14. Minimum Subscription

One bond (i.e. a minimum application size of Rs. 10,00,000 (Rupees Ten lakhs only) and in multiples of 1 Bond thereafter.

15. Underwriting

The present Issue of Bonds is on a Private Placement basis and has not been underwritten.

16. Status of Bondholders/ Seniority of Claim

The claims of the Bondholders shall be:

- a) senior to the claims of Investors in Instruments eligible for inclusion in Tier 1 Capital;
- b) subordinate to the claims of all depositors and general creditors of the Bank;



- c) neither secured nor covered by a guarantee of the Bank or related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis creditors of the Bank.

17. Loss Absorption Features

The Bonds shall be subjected to loss absorbency features applicable for non-equity capital instruments vide RBI Master Circular No. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 on Basel III capital regulations covering criteria for inclusion of debt capital instruments as Tier 2 capital (Annex 5) and minimum requirements to ensure loss absorbency of additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the Point of Non-viability ("PONV") (Annex 16).

Accordingly, the Bonds at the option of RBI, shall be permanently written off on the occurrence of the trigger event called the Point of Non Viability (PONV).

18. PONV Trigger

The PONV Trigger event shall be the earlier of:

- a) a decision that the permanent write off, without which the Bank would become nonviable, is necessary, as determined by the Reserve Bank of India; and
- b) the decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the relevant authority. Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted.

For this purpose, the Bank will be considered non-viable if:

The Bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank of India unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by the Bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 Capital of the bank should be considered as the most appropriate way to prevent the bank from turning non-viable. Such measures would include permanent write-off in combination with or without other measures as considered appropriate by the Reserve Bank of India (RBI).

The Bank facing financial difficulties and approaching a PONV shall be deemed to achieve viability if within a reasonable time in the opinion of RBI, it will be able to come out of the present difficulties if appropriate measures are taken to revive it. The measures including write-off/public sector injection of funds are likely to:

- a) Restore confidence of the depositors/ investors;
- b) Improve rating/ creditworthiness of the bank and thereby improving its borrowing capacity and liquidity and reduce cost of funds; and
- c) Augment the resource base to fund balance sheet growth in the case of fresh injection of funds.



The amount to be written-off will be determined by RBI. The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level may trigger write-off.

18. Purchase/ funding of bonds by the Bank

Neither the Bank nor any related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor would the Bank directly or indirectly fund the purchase of the Bonds. The Bank shall also not grant advances against the security of the Bonds issued by it.

19. Terms of Payment

The full face value of the Bonds applied for is to be paid along with the Application Form. Applicant(s) need to send in the Application Form and the application amount through RTGS for the full value of Bonds applied for.

Face Value per Bond	Minimum Application Size	Amount Payable on Application per Bond
Rs.10 lakhs	1 Bond and in multiples of 1 Bond thereafter	Rs.10 lakhs

20. Deemed Date of Allotment

Interest on Bonds shall accrue to the Bondholders on the Deemed date of allotment. All benefits under the Bonds including payment of interest will accrue to the Bondholders from and including 11.03.2020, which shall be the Deemed Date of Allotment. All benefits relating to the Bonds will be available to the applicants from the Deemed Date of Allotment. The actual allotment of Bonds may take place on a date other than the Deemed Date of Allotment. The Bank reserves the right to keep multiple allotment date(s)/ date(s) of allotment at its sole and absolute discretion without any notice. If the issue closing date/pay in dates is/are changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-poned/ postponed) by the Bank at its sole and absolute discretion.

21. Trading of Bonds

The marketable lot for the purpose of trading of Bonds shall be 1 (one) Bond of face value of Rs.10 lakhs each. Trading of Bonds would be permitted in demat mode only in standard denomination of Rs.10 lakhs and such trades shall be cleared and settled in recognised stock exchange(s) subject to conditions specified by SEBI. In case of trading in Bonds which has been made over the counter, the trades shall be reported on a recognized stock exchange having a nation-wide trading terminal or such other platform as may be specified by SEBI.

22. Mode of Transfer of Bonds

The Bonds shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The transferee(s) should ensure that the



transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Bank.

Transfer of Bonds to and from NRIs/ OCBs, in case they seek to hold the Bonds and are eligible to do so, will be governed by the then prevailing guidelines of RBI.

23. Common Form of Transfer

The Bank undertakes that it shall use a common form/ procedure for transfer of Bonds issued under terms of this Disclosure Document.

24. Interest on the Bonds

The Bonds shall carry a fixed rate of interest at the Coupon Rate from, and including, the Deemed Date of Allotment up to, but excluding the Redemption Date, payable on the "Coupon Payment Dates", on the outstanding principal amount of Bonds till Redemption Date as specified in the Term sheet.

In pursuance of Master Circular No. RBI/2015-16/58 DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015, issued by the Reserve Bank of India on Basel III capital regulations covering criteria for inclusion of debt capital instruments as Tier 2 Capital, the Bonds shall not have any step-ups or any other incentives to redeem. Further, the Bonds shall not have a credit sensitive coupon feature, i.e. a coupon that is reset periodically based in whole or in part on Bank's credit standing.

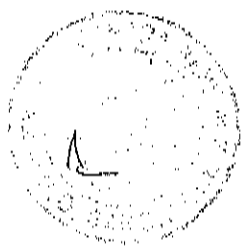
The interest will be paid to those bondholders whose name appears on the record of the Depositories as on the Record Date. Interest will be paid by RTGS/NEFT/ Pay Orders/ Demand Drafts.

25. Deduction of Tax at Source

Tax as applicable under the IT Act or any other statutory modification or re-enactment thereof will be deducted at source out of interest payable on Bonds. Tax exemption certificate/documents, under section 193 of the income tax act 1961 if any must be lodged at the registered office of the bank or at such other place as may be notified by the bank in writing, at least 30 calendar working days before the interest payment days.

The tax exemption certificate/declaration of non-deduction of tax at source on interest on application money should be submitted along with application form. Where any deduction of income tax is made at source, the bank shall send to the bond holders a certificate of tax deduction at source. Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective investors are advised to consult their own tax consultants.

Tax deducted at source will be paid to income tax authorities on accrual or payment whichever is earlier.



26. Redemption/Maturity:

Redemption date	11 th March 2030 subject to issuer call, tax call and regulatory call, if any and provided that the bonds have not been written off on account of PONV and/or any other event on account of RBI guidelines. In case of exercise of call option, the redemption shall be made on call option date.
Redemption amount	At par along with interest accrued till one day prior to the redemption date subject to adjustments and write off on account of "loss absorbency" and "other events" mentioned in this Term sheets

27. Settlement/ Payment on Redemption

Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/ redemption warrant(s)/ demand draft(s)/ credit through direct credit/ NECS/ RTGS/ NEFT mechanism in the name of the Bondholders whose name appear on the List of Beneficial Owners given by Depository to the Bank as on the Record Date.

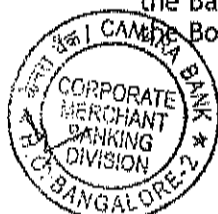
The Bonds shall be taken as discharged on payment of the redemption amount by the Bank on the Redemption Date to the list of Beneficial Owners as provided by NSDL/ CDSL/ Depository Participant as on Record Date. Such payment will be a legal discharge of the liability of the Bank towards the Bondholders. On such payment being made, the Bank shall inform NSDL/ CDSL/ Depository Participant and accordingly the account of the Bondholders with NSDL/ CDSL/ Depository Participant shall be adjusted.

The Bank's liability to the Bondholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due date of redemption in all events. Further the Bank will not be liable to pay any interest or compensation from the Redemption Date. On the Bank's dispatching/ crediting the amount to the Beneficiary(ies) as specified above in respect of the Bonds, the liability of the Bank shall stand extinguished.

28. Effect of Holidays

If any Coupon Payment Date falls on a day which is not a Business Day(Business day being a day on which the commercial banks are open for business in Mumbai), the payment of coupon shall be made by the Bank on the immediately succeeding Business Day. However the dates of future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. In other words, the subsequent coupon schedule will not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a holiday.

If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Bank on the immediately preceding Business Day along with interest accrued on Bonds until but excluding the date of such payment.



In the Event the Record Day falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.

29. List of Beneficial Owners

The Bank shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount on maturity, as the case may be. In case, the beneficial owner is not identified by the Depository on the Record Date due to any reason whatsoever, the Issuer shall keep in abeyance the payment of interest or other benefits, till such time the beneficial owner is identified by the depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the interest or other benefits to the beneficiaries identified, within a period of 15 days from the date of receiving such intimation.

30. Succession

In the event of the demise of the sole/first holder of the Bond(s) or the last survivor, in case of joint holders for the time being, the Bank shall recognize the executor or administrator of the deceased Bondholder, or the holder of succession certificate or other legal representative as having title to the Bond(s). The Bank shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Bank may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Bond(s) standing in the name of the deceased Bondholder on production of sufficient documentary proof or indemnity.

Where a non-resident Indian becomes entitled to the Bond by way of succession, the following steps have to be complied:

- a. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the Bond was acquired by the NRI as part of the legacy left by the deceased holder.
- b. Proof that the NRI is an Indian National or is of Indian origin.

Such holding by the NRI will be on a non-repatriation basis.

31. Who Can Apply

The following categories of applicants are eligible to apply for this Issue of Bonds:

- (a) Mutual Funds;
- (b) Public Financial Institutions as defined under Section 4A of the Companies Act.
- (c) Scheduled Commercial Banks;
- (d) Insurance Companies;



- (e) Provident Funds, Gratuity Funds, Superannuation Funds and Pension Funds;
- (f) Co-operative Banks;
- (g) Regional Rural Banks authorized to invest in bonds/ debentures;
- (h) Companies and Bodies Corporate authorized to invest in bonds/ debentures;
- (i) Trusts and Societies authorized to invest in bonds/ debentures; and
- (j) Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/ debentures, etc.

The issue is restricted to the above class of investors. Prospective subscribers must make their own independent evaluation and judgment regarding their eligibility to invest in the Issue.

All applicants are required to comply with the relevant regulations/ guidelines applicable to them for investing in the issue of Bonds as per the norms approved by Government of India, Reserve Bank of India or any other statutory body from time to time.

However, out of the aforesaid class of applicants eligible to invest, this Disclosure Document is intended solely for the use of the person to whom it has been sent by the Bank for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective applicant receiving this Disclosure Document from the Bank).

32. How to Apply

This being a private placement offer, investors who are established/ resident in India and who have been addressed through this communication directly only are eligible to apply.

All eligible investors should refer the operating guidelines for issuance of debt securities on private placement basis through an Electronic Book Mechanism as available on the website of NSE. Investors will also have to complete the mandatory know your customer verification process. Investors should refer to the operational guidelines in this respect. The application form will be filled in by each investor and uploaded in accordance with the SEBI regulatory and operational guidelines. Application for the bonds must be in the prescribed forms (enclosed) and completed in BLOCK letters in English as per the instructions contained therein.

- (a) The details of the issue shall be entered on the NSE - EBP platform by the Issuer at least 2 (two) business days prior to the issue opening date, in accordance with the operational guidelines,
- (b) The issue will be opened for the bidding for the duration of the bidding window that would be communicated through the issuers bidding announcement on the NSE- EBP platform at least 1 (One) business day before the start of the issue opening date.



Some of the key guidelines in the terms of current operational guidelines on issuance of securities on private placement basis through an EBP mechanism, are as follows:

(a) Modification of Bid:

Investors may note that modification of bid is allowed during the bidding period/ window. However, in the last 10 (ten) minutes of the bidding period/ window, revision of bid is allowed only for improvement of coupon/ yield and upward revision of the bid amount placed by the investor.

(b) Cancellation of Bid:

Investors may note that cancellation of bid is allowed during the bidding period/ window. However, in the last 10 minutes of the bidding period/ window, no cancellation of bids is permitted.

(c) Multiple Bids:

Investors are permitted to place multiple bids on the EBP platform in line with EBP guidelines vide SEBI EBP circular.

However, investors should refer to the operational guidelines prevailing as on the date of the bid.

Payment Mechanism:

Applicants shall make remittance of application money by way of electronic transfer of funds through RTGS/ electronic fund mechanism for credit by the pay-in time in the Bank account of the NSE Clearing Ltd appearing on the NSE EBP platform in accordance with the timelines set out in the EBP Guidelines and the relevant rules and regulations specified by SEBI in this regard. All payment must be made through RTGS as per the Bank details mentioned in the application form/ NSE EBP platform.

The Bank assumes no responsibility for any applications lost in mail. The entire amount of Rs 10 lakhs per bond is payable on application.

1. Funds payout on 11th March 2020 would be made by NSE clearing limited to the following Bank account of the issuer:

Name of the Banker	Canara Bank
Beneficiary Account Name	Canara Bank A/c -Tier II Bonds 2019-20 -Series 1
Beneficiary Account No.	1589201001274
IFSC Code	CNRB0001589
Address of the Branch	Canara Bank Overseas Branch, Ground Floor, Canara Bank Building; C-14, G -Block, BKC Bandra (E), Mumbai-400 051
Narration	Application Money for the Bond Issue



2. Cash, Money Orders, Demand Draft, and Postal Orders shall not be accepted. The issuer assumes no responsibility for any applications lost in mail. The entire amount of Rs 10 lakhs per bond is payable on application.
3. All application forms duly completed (along with all necessary documents as detailed in this disclosure document) must be delivered before the closing of the Issue to the Issuer. While forwarding the application form, applicants must ensure that the relevant UTR number/ any other evidence of having remitted the application money is obtained. Detailed instructions of filling up the application form are provided elsewhere in the Disclosure Document.
4. Applications for the bond must be in the prescribed form(enclosed) and completed in BLOCK LETTERS in English and as per the instructions contained therein. Applications should be for the number of bonds applied by the applicant. Applications not completed in the prescribed manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be filled in the application form. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/redemption warrants.
5. The applicant or in the case of an application in joint names, each of the applicant, should mention his/her PAN allotted under the income tax act, 1961 or where the same has not been allotted, the GIR number and the income tax circle/ward/district. As per the provisions of section 139 A(5A) of the income tax act, PAN/GIR number needs to be mentioned on the TDs certificates. Hence, the applicant should mention his PAN/GIR number if the investor does not submit Form 15 G/15AA/other evidence, as the case may be for non deduction of tax at source. IN case neither the PAN nor the GIR number has been allotted,. The applicant shall mention "applied for" and in case the applicant is not assessed to income tax, the applicant shall mention "not applicable"(stating reasons for non applicability) in the appropriate box provided for the purpose. Application form without this information will be considered incomplete and are liable to be rejected.
6. All applicants are requested to tick the relevant columns "category of investors" in the application form. Public/private/religious/charitable trusts, provident funds and other super annuation trusts and other investors requiring "approved security" status for making investments. No separate receipts shall be issued for the application money. However, the issuer receiving the duly completed application form(s) will acknowledge the receipt of the applications by stamping and returning the acknowledgment slip to the applicant. Applications shall be deemed to have been received by the issuer only when submitted to it or on receipt by the registrar as detailed above and not otherwise.
7. For further instructions about how to make an application for applying for the Bonds and procedure for remittance of application money, please refer to the



Term Sheet and the Application form carefully.

PROCESS FLOW OF SETTLEMENT:

Successful bidders shall make pay-in of funds towards the allocation made to them, in the Bank account of the NSE Clearing Ltd, on or before 10:30 A.M on the Deemed Date of Allotment. The fund pay-in by the successful bidders will be made only from the Bank accounts, which have been provided/ updated in electronic book mechanism system. Upon the transfer of funds into the aforesaid account and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Debenture Holder(s) to the NSE Clearing Ltd, the R&T Agent shall provide the corporate action file along with all requisite documents to the depositories by 12:00 hours and subsequently, the pay-in funds shall be released into the Issuer's Bank account.

33. Force Majeure

The Bank reserves the right to withdraw the issue prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and regulatory environment.

34. Applications Under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Bank or to the Registrars or to such other person(s) at such other address(es) as may be specified by the Bank from time to time through a suitable communication.

35. Application by Mutual Funds

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

36. PAN/GIR Number

All applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle/ Ward/ District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

37. Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/ Notary Public under his/her official seal.

38. Right of Bondholder(s)



Bondholder is not a shareholder. The Bondholders will not be entitled to any other rights and privilege of shareholders other than those available to them under statutory requirements. The Bond(s) shall not confer upon the holders the right to receive notice, or to attend and vote at the General Meeting of the Bank. The principal amount and interest on the Bonds will be paid to the registered Bondholders only, and in case of Joint holders, to the one whose name stands first.

Besides the above, the Bonds shall be subject to the provisions of the Banking Regulation Act, 1949, as amended, the terms of this Bond Issue and the other terms and conditions as may be incorporated in the Debenture Trusteeship Agreement and other documents that may be executed in respect of these Bonds.

39. Modification of Rights

The rights, privileges, terms and conditions attached to the Bonds may be varied, modified or abrogated with the consent, in writing, of those holders of the Bonds who hold at least three fourth of the outstanding amount of the Bonds or with the sanction accorded pursuant to a resolution passed at a meeting of the Bondholders, provided that nothing in such consent or resolution shall be operative against the Bank where such consent or resolution modifies or varies the terms and conditions of the Bonds, if the same are not acceptable to the Bank.

40. Future Borrowings

The Bank shall be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue Bonds/ Debentures/ Notes/ other securities in any manner with ranking as pari-passu basis or otherwise and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Bank may think appropriate, without the consent of, or intimation to, the Bondholder(s) or the Trustees in this connection.

41. Notices

All notices required to be given by the Bank or by the Trustees to the Bondholders shall be deemed to have been given if sent by ordinary post/ courier to the original sole/ first allottees of the Bonds and/ or if published in one All India English daily newspaper and one regional language newspaper.

All notices required to be given by the Bondholder(s), including notices referred to under "Payment of Interest" and "Payment on Redemption" shall be sent by registered post or by hand delivery to the Bank or to such persons at such address as may be notified by the Bank from time to time.

42. Joint-Holders

Where two or more persons are holders of any Bond(s), they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to provisions contained in the Companies Act, 1956 and the Companies Act, 2013.

43. Disputes & Governing Law

The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of Bengaluru.



44. Investor Relations And Grievance Redressal

Arrangements have been made to redress investor grievances expeditiously as far as possible, the issuer endeavors to resolve the investor's grievances within 30 days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of Bonds applied for, amount paid on application and details of collection centre where the Application was submitted, may be addressed to the Compliance Officer at registered office of the issuer. All investors are hereby informed that the Bank has appointed a Compliance Officer who may be contacted in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ bond certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Disclosure Document.

45. Credit Rating for the Bonds

CARE Ratings Limited (CARE) have vide their letter no. CARE/BRO/RL/2019-20/1607 dated February 29, 2020, has assigned a credit rating "CARE AAA/ Credit Watch with developing implications" by CARE Ratings. Pronounced as "CARE Triple A rating on Credit Watch with developing implications" for issue of Tier 2 Bonds aggregating upto Rs. 3000 crore. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. A copy of rating letter from CARE Ratings Limited is enclosed elsewhere in this Disclosure Document.

India Ratings and Research have vide their letter dated February 28, 2020, have assigned 'IND AAA/RWN'; "IND AAA/Rating Watch Negative" by India Ratings & Research. Pronounced as "IND Triple A on Rating Watch Negative" up to INR 30 billion Basel III compliant Tier 2 Bonds to be issued.

Other than the credit rating mentioned hereinabove, the Bank has not sought any other credit rating from any other credit rating agency(ies) for the Bonds offered for subscription under the terms of this Disclosure Document.

The above rating is not a recommendation to buy, sell or hold securities and applicants should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency. The rating obtained is subject to revision at any point of time in the future. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information etc.

46. Trustees for the Bondholders

In accordance with the provisions of (i) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, as amended, (ii) Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012, as amended, (iii) Section 117B of the Companies Act, 1956 (1 of 1956) and Section 71 of the Companies Act, 2013 to the extent in force and notified respectively and (iv) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Bank has appointed SBICAP Trustee Company Ltd to act as Trustees ("Trustee") for and on behalf of the holder(s) of the Bonds. The



address and contact details of the Trustees are as under:

**SBICAP Trustee Company Ltd ,
Corporate Office,
Apeejay House,
6th Floor, 3, Dinshaw Waccha Road,
Church Gate, Mumbai -400020**

A copy of letter from SBICAP Trustee Company Ltd conveying their consent to act as Trustees for the current issue of Bonds is enclosed elsewhere in this Disclosure Document.

The Bank hereby undertakes that a Debenture Trusteeship Agreement shall be executed by it in favour of the Trustees within three months permissible under applicable laws. The Debenture Trusteeship Agreement shall contain such clauses as may be prescribed under section 71 of the Companies Act, 2013 and those mentioned in Schedule IV of the Securities and Exchange Board of India (Debenture Trustees) Regulations. Further, the Debenture Trusteeship Agreement shall not contain a clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Trustees or the Bank in relation to any rights or interests of the holder(s) of the Bonds, (ii) limiting or restricting or waiving the provisions of the Securities and Exchange Board of India Act, 1992 (15 of 1992); Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 and circulars, regulations or guidelines issued by SEBI and (iii) indemnifying the Trustees or the Bank for loss or damage caused by their act of negligence or commission or omission.

The Bondholder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustees or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Bonds as the Trustees may in their absolute discretion deem necessary or require to be done in the interest of the Bondholders. Any payment made by the Bank to the Trustees on behalf of the Bondholder(s) shall discharge the Bank pro tanto to the Bondholder(s). The Trustees shall protect the interest of the Bondholders in the event of default by the Bank in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Bank. No Bondholder shall be entitled to proceed directly against the Bank unless the Trustees, having become so bound to proceed, fail to do so.

The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustee by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations(1993), the Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.

The Trustees shall be vested with the requisite powers for protecting the interest of holder(s) of the Bonds including but not limited to the right to appoint a nominee director on the Board of the Bank in consultation with institutional holder(s) of such Bonds, in accordance with applicable laws. The Trustees shall



ensure disclosures of all material events on an ongoing basis.

The Bank shall, till the redemption of Bonds, submit its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Trustees within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/ 11/05 dated May 11, 2009 as amended. Besides, the Bank shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustees and the Trustees shall be obliged to share the details so submitted with all "Qualified Institutional Buyers" (QIBs) and other existing Bondholder(s) within two working days of their specific request.

47. Stock Exchange Where Bonds Are Proposed to be Listed

The Bonds are proposed to be listed on the Wholesale Debt Market (WDM) segment of National Stock Exchange of India Limited ("NSE"). The Bank made an application to NSE for seeking its in-principle approval for listing of Bonds offered under the terms of this Disclosure Document and received an in-principle approval from the NSE vide letter bearing reference no. NSE/LIST/1942 dated March 04, 2020.

In pursuance of SEBI Debt Regulations, the Bank shall make listing application to NSE within 15 days from the Deemed Date of Allotment of Bonds and seek listing permission within 20 days from the Deemed Date of Allotment of Bonds. In the event of delay in listing of Bonds beyond 20 days from the Deemed Date of Allotment, the Bank shall pay penal interest of 1.00% p.a. over the Coupon Rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of Bonds to the Bondholder(s).

In connection with listing of Bonds with NSE, the Bank hereby undertakes that:

- (a) it shall comply with the conditions of listing as specified in the Listing Agreement for the Bonds with NSE;
- (b) the credit rating obtained for the Bonds shall be periodically reviewed by the credit rating agency and any revision in the rating shall be promptly disclosed by the Bank to NSE;
- (c) any change in credit rating shall be promptly disseminated to the Bondholder(s) in such manner as NSE may determine from time to time;
- (d) The Bank, the Trustees and NSE shall disseminate all information and reports on the Bonds including compliance reports filed by the Banks and the Trustees regarding the Bonds to the Bondholder(s) and the general public by placing them on their websites;
- (e) Trustees shall disclose the information to the Bondholder(s) and the general public by issuing a press release and placing on the websites of the Trustees, the Bank and NSE, in any of the following events:
 - (i) default by Bank to pay interest on the Bonds or redemption amount;
 - (ii) Revision of the credit rating assigned to the Bonds.

- (f) The Bank shall, till the redemption of Bonds, submit its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Trustees within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended. Besides, the Bank shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustees and the Trustees shall be obliged to share the details so submitted with all Qualified Institutional Buyers ("QIBs") and other existing Bondholder(s) within two working days of their specific request.

48. Material Contracts & Agreements Involving Financial Obligations Of The Issuer

By very nature of its business, the Bank is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Bank. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of the business carried on by the Bank) which are or may be deemed to be material have been entered into by the Bank. Copies of these contracts together with the copies of documents referred to in Para B may be inspected at the Head Office of the Bank between 10.00 a.m. and 2.00 p.m. on any working day until the issue closing date.

A. Material contracts

- a. Letter appointing Registrars and Agreement entered into between the Bank and the Registrars.
- b. Letter appointing Trustees to the Bondholders.

B. Documents

The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue:

- a. Board resolution dated February 24, 2020, authorizing issue of Bonds offered under terms of this Disclosure Document.
- b. Letter of consent from the Trustees for acting as trustees for and on behalf of the holder(s) of the Bonds.
- c. Letter of consent from the Registrars for acting as Registrars to the Issue.
- d. Application made to the NSE for grant of in-principle approval for listing of Bonds.
- e. Letter from CARE Ratings Limited conveying the credit rating for the Bonds.
- f. Letter from India Ratings & Research Pvt Limited conveying the credit rating for the Bonds.



- g. Tripartite Agreement between the Bank, NSDL and Registrars for issue of Bonds in dematerialised form.
- h. Tripartite Agreement between the Bank, CDSL and Registrars for issue of Bonds in dematerialised form.

49. **DRR CREATION:** In pursuance of Rule 18 (7) (B) (i) of the Companies' (Share Capital & Debentures) Rules, 2014, no Debenture Redemption Reserve is required for debentures issued by banking companies for both public as well as privately placed debentures. The bank has appointed a trustee to protect the interest of the bondholders.

XVI. Discount on the offer price
Bonds are being issued at the face value

XVII. Debt Equity Ratio
The Bank follows guidelines issued by RBI from time to time with regard to Capital Adequacy Ratio. Accordingly, the debt equity ratio shall not be applicable to the Bank.

XVIII. Servicing behavior of the existing debts

The Bank is discharging all its liabilities in time and would continue doing so in future as well. The Bank has been paying regular interest and Principal for all its existing bond issues on the respective due dates

XIX. Permission and consent from the Creditors
The Bank is not required to obtain any consent from its creditors.

XX. Name of the Trustee to the Issue
SBICAP Trustee Company Ltd
Corporate Office, Apeejay House, 6th Floor
3 Dinshaw Wachha Road, Churchgate,
Mumbai-400 020

Tel: 080 23469661
Fax: 080 23469667

XXI. Rating Rationale adopted by Rating Agencies

India Ratings & Research has assigned a 'IND AAA /RWN' rating to the captioned Debt programme of the Bank. This rating indicates highest degree of safety with regard to timely payment of Interest and principal on the instrument.

CARE Ratings has assigned 'CARE AAA/Credit Watch with developing implications' rating to the captioned Debt issue programme of the Bank. Instruments carrying this rating are considered to offer the Best Credit Quality in terms of timely servicing of debt obligations.

The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future.

The rating rationale issued by India Ratings & Care Ratings are annexed to the Disclosure Document.



XXII. Listing of Bonds

The Tier II (Series-I) Unsecured, Subordinated, Nonconvertible, Redeemable, Fully paid up, Taxable Bonds are proposed to be listed on the Wholesale Debt Market Segment of The National Stock Exchange of India Limited ('NSE').

XXIII. Term Sheet / Instrument at a Glance:

Security Name	7.18 % Canara Bank Tier II Bonds 2019-20 Series I
Issuer	Canara Bank ("CB"/ the "Bank"/ the "Issuer")
Type of Instrument	Unsecured, Subordinated, Non-Convertible, Redeemable, Fully-paid-up, Taxable, Basel III Compliant Tier II Bonds in the nature of Debentures of Rs 10 Lakh each
Nature of Instrument and Seniority of the Bonds	<p>Unsecured Basel III Tier II Bonds</p> <p>The claims of the Bondholders in the Bonds shall be -</p> <ul style="list-style-type: none"> (i) senior to the claims of investors in instruments eligible for inclusion in Tier I Capital of the Bank; (ii) subordinate to the claims of all depositors and general creditors of the Bank; (iii) neither secured nor covered by a guarantee of the Bank or related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis creditors of the Bank. <p>Tier I and Tier II shall have meaning ascribed to such terms under Basel III Guidelines.</p> <p>Notwithstanding anything contrary stipulated herein, the claims of the Bondholders shall be subject to the provisions of Loss Absorbency, Permanent principal write down on PONV Trigger Event and Other Events mentioned in the disclosure document and this Term Sheet.</p>
Mode of Issue	Private placement in demat form.
Type of Bidding	Closed Book Bidding
Manner of allotment	Uniform Coupon
Eligible Investors	<ul style="list-style-type: none"> a) Mutual Funds; b) Public Financial Institutions as defined under the Companies Act; c) Scheduled Commercial Banks; d) Insurance Companies; e) Provident Funds, Gratuity Funds, Superannuation Funds and Pension Funds; f) Co-operative Banks; g) Regional Rural Banks authorized to invest in bonds / debentures;

- h) Companies and Bodies Corporate authorized to invest in bonds / debentures;
- i) Trusts and Societies authorized to invest in bonds / debentures and
- j) Statutory Corporations / Undertakings established by Central / State legislature authorized to invest in bonds / debentures etc.

The issuance being a private placement through the Electronic Bidding Platform of NSE, the investors who have bid on its own account or through arrangers, if any appointed by issuer, in the issue through the said platform and in compliance with SEBI circulars on the above subject and NSE EBP operational guidelines are only eligible to apply. Any other application shall be at the sole discretion of the issuer.

Further, notwithstanding anything contained above, only eligible investors who have been addressed through the application form are eligible to apply.

This Issue is restricted only to the above class of investors. However, out of the aforesaid class of applicants eligible to invest, this Disclosure Document is intended solely for the use of the person to whom it has been sent by the Bank for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons.

Prospective subscribers must make their own independent evaluation and judgment regarding their eligibility to invest in the issue. Prior to making any investment in these Bonds, each investor should satisfy and assure herself/himself/itself that it is authorized and eligible to invest in these Bonds. The Bank shall be under no obligation to verify the eligibility/authority of the investor to invest in these Bonds. Further, mere receipt of this Disclosure Document (and/or any Transaction Document in relation thereto and/or any draft of the Transaction Documents) by a Person shall not be construed as any representation by the Bank that such Person is authorized to invest in these Bonds or eligible to subscribe to these Bonds. If after applying for subscription to these Bonds and/or allotment of Bonds to any Person, such Person becomes ineligible and/or is found to have been ineligible to invest in/hold these Bonds, the Bank shall not be responsible in any manner.

Notwithstanding any acceptance of bids by the Bank on and/or pursuant to the bidding process on the Electronic Bidding Platform, if a person, in the Bank's view, is not an Eligible Investor, the Bank shall have the right to refuse allotment of Bonds to such person and reject such person's application.

Listing (including name of stock

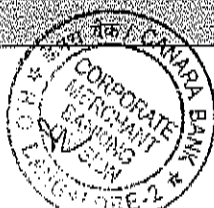
Proposed on the Wholesale Debt Market (WDM) segment of National Stock Exchange of India Limited ("NSE"). The issuer shall make listing application to



exchange(s) where it will be listed and timeline for listing)	NSE/BSE within 15 days from the Deemed date of allotment of bonds and shall seek listing permission within 20 days from the deemed date of allotment of bonds.
Rating of the Bonds	"CARE AAA/ Credit Watch with developing implications" by CARE Ratings. Pronounced as "CARE Triple A rating on Credit Watch with developing implications" and "IND AAA/Rating Watch Negative" by India Ratings & Research. Pronounced as "IND Triple A on Rating Watch Negative"
Issue Size	Aggregate total issue size not exceeding Rs 3000 crore, with a base issue size of Rs 1000 crore and a Green shoe option to retain oversubscription up to Rs 2000 crore.
Option to retain oversubscription (Amount)	Up to Rs.2,000 crores (Rupees Two Thousand crores only), at the sole discretion of the Issuer.
Objects of the Issue and Utilization of Issue Proceeds	<p>Augmenting overall capital of the Bank, including Tier II Capital, for strengthening its capital adequacy as per Basel-III Regulations, for future growth and for enhancing long-term resources.</p> <p>The funds being raised by the Bank through this Issue are not meant for financing any particular project. The Bank shall utilize the proceeds of the issue for its regular business activities.</p> <p>The Bank undertakes that the proceeds of the issue shall not be used for any purpose which may be in contravention of the regulations/guidelines/ norms issued by the RBI/SEBI Stock Exchange(s).</p>
Coupon Rate	7.18% p.a. subject to "Loss Absorbency", "Permanent principal write-down on PONV Trigger Event" and "Other Events" as mentioned in this Term Sheet.
Coupon Type	Fixed
Step Up/ Step Down Coupon Rate	None
Coupon Payment Frequency	Annual
Coupon Reset Process (including rates, spread, effective date, interest rate cap & floor etc)	Not Applicable
Coupon Payment Dates	On the anniversary of deemed date of allotment every year till redemption of bonds.
Day Count basis	The Coupon for each of the interest periods shall be computed as per Actual/ Actual day count convention on the face value/ principal outstanding at the coupon rate rounded-off to the nearest rupee. (As per SEBI circular Nos. CIR/IMT/DF-18/2013 dated 29.10.2013 and CIR/IMD/DF-1/122/2016 dated.11.11.2016) on the face value / Principal Outstanding after adjustments and write off on account of "Loss absorbency", Permanent Principal Write down on PONV trigger event and " Other events" mentioned in

	<p>the Summary Term Sheet , at the Coupon rate Rounded off to the Nearest Rupee</p> <p>The Interest period means each period beginning on (and including) the deemed date of allotment or any coupon payment date and ending on (but excluding) the next coupon payment date/ Call Option Date (as defined later) (if exercised).</p> <p>In case of a leap year, if February 29 falls during the tenor of the bonds then the number of days shall be reckoned as 366 days (actual/ actual day count convention) for a whole 1 year period as per SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11,2016.</p>
Interest on Application Money	<p>This shall be paid at the coupon rate (subject to deduction of Income Tax as per the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in Issuer's Bank Account up to one day prior to the Deemed Date of Allotment.</p> <p>The interest on application money will be computed as per Actual/ Actual day count convention. Such interest would be paid on all valid applications, including the refunds. Where the entire subscription amount has been refunded, the interest on application money will be paid along with the Refund Orders. Where an applicant is allotted lesser number of Bonds than applied for, the excess amount paid on application will be refunded to the applicant along with the interest on refunded money.</p> <p>TDS will be deducted at the applicable rate on interest on application money.</p> <p>The Bank shall not be liable to pay any interest in case of invalid applications or applications liable to be rejected including applications made by a person who is not an eligible investor.</p> <p>The refund amounts together with interest thereon shall be paid by the Issuer to the relevant applicants within 15 days from the Deemed Date of Allotment.</p>
Default Interest Rate	Not Applicable
Tenor	Redeemable after 120 months from the deemed date of allotment
Redemption Date	<p>11th March 2030 subject to Issuer Call, Tax Call and Regulatory Call, if any and provided that the bonds have not been written off on account of PONV and /or any other event on account of RBI guidelines.</p> <p>In case of exercise of call option, redemption shall be made on call option date</p>

Redemption Amount	<p>At par along with interest accrued till one day prior to the Redemption Date subject to adjustments and write off on account of "Loss Absorbency" & "Other Events" mentioned in this term sheet, as per the terms of the Disclosure Document.</p> <p>In case of redemption due to exercise of call option or otherwise in accordance with RBI guidelines, the Bonds shall be redeemed at par along with interest accrued till one day prior to the Call option date subject to adjustments and/ or write off on account of "Loss absorbency", "Permanent principal write down on PONV Trigger" Event & "Other Events" as mentioned in this term sheet.</p>
Premium / Discount on Redemption	Not Applicable
Issue Price/ Face Value	At par (Rs. 10,00,000 per Bond)
Premium / Discount on Issue	Not Applicable
Put Date	Not applicable
Put Option Price	Not applicable
Call Option Date	<p>11th March 2025 On the 5th anniversary date from the deemed date of allotment or any anniversary date thereafter with prior approval of RBI, subject to "Tax call"/ "Regulatory Call".</p> <p>In case of "Tax Call" or "Regulatory Call", the date may be as specified in the notice to debenture trustees.</p>
Conditions for exercise of Call Option	<p>i. Issuer Call:</p> <p>On or after the fifth anniversary date from the Deemed Date of Allotment, the Issuer may at its sole discretion, having notified the Trustee not less than 21 calendar days prior to the date of exercise of such Issuer Call (which notice shall specify the date fixed for exercise of the Issuer Call)</p> <p>The issuer call, which is discretionary, may or may not be exercised on the fifth Anniversary from the deemed date of allotment i.e. the fifth coupon payment date or any coupon payment date thereafter.</p> <p>The Issuer Call may be exercised only after a minimum of five years subject to the following conditions:</p> <p>(a) Prior approval of RBI (Department of Banking Regulation) will be required for exercising Issuer Call.</p> <p>(b) The called Bonds should be replaced with capital of the same or better quality and the replacement of this Bond shall be done at conditions which are sustainable for the income capacity of the Issuer. Here, replacement of the capital can be concurrent with but not after the bonds are called;</p> <p style="text-align: center;">OR</p> <p>The issuer demonstrates that its capital position is well above the minimum capital requirements after the issuer call is exercised.</p> <p>Here, minimum refers to Common Equity Tier 1 of 8% of RWAs</p>



	<p>(including capital conservation buffer of 2.5% RWAs) and Total Capital of 11.5% of RWAs including any additional capital requirement identified under Pillar 2.</p> <p>ii. <u>Tax Call:</u></p> <p>If a Tax Event (as described below) has occurred and continuing , then the Issuer may subject to paragraphs (a) and (b) of Issuer Call above , having notified the Trustee not less than 21 calendar days prior to the date of exercise of such call ("Tax Call") which notice shall specify the date fixed for exercise of the Tax Call "Tax Call Date"), exercise a call on the Bonds or substitute the bonds so that the bonds have better regulatory classification subject to adjustment on account of "Loss Absorbency", "Permanent principal write down on PONV Trigger" Event & "Other Events" as mentioned in this term sheet</p> <p>A Tax Event has occurred if, as a result of any change in, or amendment to , the laws affecting taxation (or regulations or rulings promulgated thereunder) of India or any change in the official application of such laws, regulations or rulings the Issuer will no longer be entitled to claim a deduction in respect of computing its taxation liabilities with respect to the Coupon on the Bonds.</p> <p>The exercise of Tax Call by the issuer is subject to the requirements set out in the Basel III Guidelines. RBI will permit the issuer to exercise the Tax Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Tax event at the time of issuance of the Bonds.</p> <p>iii. <u>Regulatory Call</u></p> <p>If a Regulatory Event (described below) has occurred and continuing, then the Issuer may be subject to paragraphs (a) and (b) of "Issuer Call" above, having notified the Trustee not less than 21 calendar days prior to the date of exercise of such call ("Regulatory Call") which notice shall specify the date fixed for exercise of the Regulatory Call (the "Regulatory Call Date"), exercise a call on the Bonds or substitute the Bonds so that the Bonds have better regulatory classification subject to adjustment on account of "Loss Absorbency", "Permanent principal write-down on PONV Trigger Event" and "Other Events" mentioned in this term sheet.</p> <p>A Regulatory Event is deemed to have occurred if there is a downgrade of the Bonds in regulatory classification i.e Bonds are excluded from the Tier II Capital of the issuer.</p> <p>The exercise of Regulatory Call by the Issuer is subject to requirements set out in the Basel III Guidelines. RBI will permit the issuer to exercise the Regulatory call only if the RBI is convinced that the issuer was not in a position to anticipate the Regulatory Event at the time of issuance of the Bonds and if the Bank demonstrates to the satisfaction of RBI that the Bank's capital position is well above the minimum capital requirements after the Call Option is exercised.</p>
Call Option Price	At par, i.e. Rs 10,00,000/- (Rupees Ten Lakhs per bond along with interest accrued till one day prior to the call option date subject to



	adjustments and/ or write off on account of loss absorbency and other events mentioned in the summary term sheet.
Call Notification Time	21 calendar days prior to the date of exercise of call option, i.e. Issuer Call, Tax Call or Regulatory Call.
Minimum Application	One Bond and in multiples of 1 Bond thereafter
Issue Opening Date	06.03.2020
Issue Closing Date	06.03.2020
Pay-in Date	11.03.2020
Deemed Date of Allotment	11.03.2020
Issuance mode of the Bond	Private Placement in demat form through NSE Electronic Bidding Platform (NSE EBP)
Trading mode of the Bond	In Dematerialized mode only
Settlement mode of the Bond	Payment of interest and repayment of principal amount shall be made by way of credit through direct credit/ NECS/ RTGS/ NEFT mechanism or any other permitted method at the discretion of the issuer.
Settlement Cycle	T+2 (Issuance)
Depository	NSDL and CDSL.
Business Day Convention	<p>Should any of the dates (other than the coupon payment date) including the deemed date of allotment, the Issuer call date, Tax Call date, Regulatory Call date as defined here fall on day which is not a business day, the immediately preceding business day shall be considered as the effective date.</p> <p>"Business Day" shall be all days (excluding Sundays and Public Holidays and Saturdays on which the Bank is not open) on which commercial banks are open for business in the city of Bengaluru, Karnataka and when the money market is functioning in Mumbai. If the date of payment of interest/ redemption of principal does not fall on a business day, the payment of interest/ principal shall be made in accordance with SEBI circular CIR/IMD/DF-1/ 122/2016 dated November 11, 2016.</p> <p>If any coupon payment date, other than the ones falling on the redemption date, falls on a day that is not a business day, the payment shall be made by the issuer on the immediately succeeding business day, which becomes the coupon payment date for that coupon. However, the future coupon payment dates would be as per the schedule originally stipulated at the time of issuing the debentures. In other words, the subsequent coupon payment dates would not be changed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a non business day.</p>



	If the redemption date of the bonds falls on a day that is not a Business Day, the redemption amount shall be paid by the issuer on the immediately preceding business day which becomes the new redemption date, along with interest accrued on the debentures until but excluding the date of such payment
Record Date	<p>Record date for payment of coupon or of principal which shall be the date falling 15 days prior to the relevant Coupon Payment Date, Issuer Call Date, Tax call date or regulatory call date (each as defined later) on which interest or principal repayment is due and payable.</p> <p>In the event the Record Date for coupon payment date falls on a day which is not a Business Day, the next business day will be considered as the Record Date.</p> <p>In the event the Record Date for principal repayment fall on day which is not a business day, the immediately preceding business day shall be considered as the record date.</p>
Security	Unsecured
Transaction Documents	<p>The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue:</p> <ol style="list-style-type: none"> Letter appointing Trustee to the Bondholders Debenture Trusteeship Agreement / Debenture Trust Deed; Letter appointing Registrar and Agreement entered into between the Issuer and the Registrar; Rating Agreement with CARE Ratings Limited and India Ratings & Research Private Limited; Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form; Tripartite Agreement between the Issuer; Registrar and CDSL for issue of Bonds in dematerialized form; Letter appointing Registrar and Transfer Agent; Listing Agreement with NSE. This Disclosure Document with application form.
Conditions precedent to subscription of Bonds	<p>The subscription from applicants shall be accepted for allocation and allotment by the Issuer subject to the following:</p> <ol style="list-style-type: none"> Rating letter from CARE Ratings Limited & India Rating & Research Private Limited not being more than one month old from the issue opening date; Consent letter from the Trustees to act as Trustee to the Bondholder(s); Letter from NSE conveying in-principle approval for listing & trading of Bonds Letter from R&T Agent conveying their consent to act as Registrars to the issue.
Conditions subsequent to subscription of Bonds	<p>The Issuer shall ensure that the following documents are executed/ activities are completed as per terms of this Disclosure Document:</p> <ol style="list-style-type: none"> Credit of demat account(s) of the Allottee(s) by the number of Bonds

	<p>allotted within 2 business days from the Deemed Date of Allotment;</p> <p>b) Making application to NSE within 15 days from the Deemed Date of Allotment to list the Bonds and seek listing permission within 20 days from the Deemed Date of Allotment of bonds in pursuant to SEBI Debt regulation; and:</p> <p>c) In the event of a delay in listing of bonds beyond 20 days of the deemed date of allotment, the issuer will pay to the investor penal interest of 1% p.a over the coupon rate commencing on the expiry of 30 days from the deemed date of allotment until the listing of the bonds.</p> <p>d) Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Disclosure Document.</p>
Events of Default and Treatment in Bankruptcy/ Liquidation	<p>In case of default of payment of coupon and/ or principal redemption on the due dates as per the terms set out under this disclosure document, additional interest of 2% over the coupon rate will be payable by the issuer for the defaulting period.</p> <p>If the trust deed in relation with the issue is not executed within 3 months from the closure of the issue, without prejudice to any liability arising out of violation of the provisions of the Securities and Exchange Board of India Act 1999 and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008, the issuer shall also pay interest of 2% pa to the bond holders, over and above the coupon rate, till the execution of the trust deed.</p> <p>However, it is clarified that any nonpayment of interest and/or principal on account of RBI guidelines on Basel III Capital regulations, Loss Absorbency and other events of this Summary Term Sheet, shall not be deemed to be an event of default and no such default interest shall be payable.</p> <p>The Bondholder shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.</p>
Recapitalization	Nothing contained in this Disclosure Document or any other Transaction documents shall hinder recapitalization by the issuer.
Discount	The Bonds shall be subjected to a progressive discount for capital adequacy purposes in accordance with Basel III guidelines.
Reporting of Non Payment of Coupon	All instances of nonpayment of coupon should be notified by the issuer to the Chief General Managers in charge of Department of Banking Regulation and Department of Banking Supervision of the Reserve Bank of India, Mumbai.
Provisions related to Cross Default	Not applicable.
Role and Responsibilities of Debenture Trustee	The Trustee shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the



	terms of SEBI Issue and Listing of Debt Securities Regulations, 2008, the Securities and Exchange Board of India (Debentures Trustees) Regulation, 1993, the Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of District Courts of Bengaluru, Karnataka.
Convertibility of Bonds	Non-Convertible
Condition to Redemption	The Bonds shall be redeemed at par along with interest accrued till one day prior to the Redemption Date, as per the terms of the Disclosure Document.
Loss Absorbency	<p>The Bonds (including all claims, demands on the bonds and interest thereon, whether accrued or contingent) are issued subject to Loss Absorbency features applicable for non-equity capital instruments issued in Terms of Basel III Guidelines including in compliance with the requirements of Annex 5 thereof and are subject to certain Loss Absorbency features as described herein and required of Tier 2 Instruments at the Point of Non Viability as provided for in Annex 16 of the aforesaid circular.</p> <p>Accordingly, the Bond and Bondholders claim, if any, against the Bank, wherever situated, may at the option of RBI be permanently written-off, in whole or in part, upon the occurrence of the trigger event called the Point of Non Viability ("PONV").</p> <p>PONV trigger event shall be defined in the aforesaid Basel III Guidelines and shall be determined by the RBI.</p> <p>RBI may in its imminence alter or modify the PONV trigger whether generally or in relation to the Bank or otherwise. In any case it should be noted that the following writing off of the Bonds and Claims and demands as noted above neither the Bank, nor any other person on the Banks behalf shall be required to compensate or provide any relief, whether absolutely or contingently, to the Bond holder or any other person claiming for or on behalf of or through such Bondholder and all claims and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocable extinguished and terminated.</p> <p>Unless otherwise specified in this Disclosure Document, the write off of any common equity or any other regulatory capital as understood in terms of the aforesaid circular or any replacement/ amendment thereof, whether senior or pari-passu or subordinated, and whether a Tier I capital or otherwise shall not be required before the write off of any of the Bonds and there is no right available to the Bondholder hereof or any other person claiming for or on behalf of or through such holder to demand or seek any other regulatory capital be subject to prior or simultaneous write off or that the treatment offered to holders of such other regulatory capital be also offered to the Bond holders.</p> <p>The write down will have the following effects:</p> <ul style="list-style-type: none"> (a) Reduce the claim of the Bonds in liquidation. (b) Reduce the amount repaid when a call is exercised and

(c) Partially or fully reduce coupon payments on the Bonds.

The Bonds are issued subject to Basel III guidelines as amended from time to time (including all claims, demands on the Bonds and interest thereon, whether accrued or contingent), and at the option of the RBI, can permanently be written off upon the occurrence of the trigger event, called "Point of Non-Viability Trigger" (PONY Trigger).

If a PONY Trigger (as described below) occurs, the Issuer shall:

- (a) Notify the Trustee,
- (b) Cancel any Coupon which is accrued and unpaid on the bonds as on the write down date; and
- (c) Without the need for the consent of bondholders or the trustee, write down the outstanding principal of the bonds by such amount as may be prescribed by RBI ("PONY Write down Amount") and subject as is otherwise required by the RBI at the relevant time. The issuer will affect a write down within 30 days of the PONY write down amount being determined and agreed with the RBI.

The PONY Trigger in respect of the issuer or its group event shall be the earlier of:

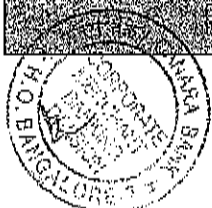
- a) a decision that the principal write-down, without which the Issuer or its group (as the case may be) would become non-viable, as determined by the Reserve Bank of India; and
- b) the decision to make a public sector injection of capital, or equivalent support, without which the Issuer or its group (as the case may be) would become non-viable, as determined by the relevant authority.

The PONY trigger will be evaluated both at consolidated and solo level and breach at either level will trigger write off.

For this purpose, the Bank may be considered non-viable if:

The Bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank of India unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by the Bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 Capital of the bank should be considered as the most appropriate way to prevent the bank from turning non-viable. Such measures would include permanent write-off in combination with or without other measures as considered appropriate by the Reserve Bank of India (RBI). RBI would follow a 2 stage approach to determine the non viability of the issuer. The stage 1 assessment would consist of purely objective and quantifiable criteria to indicate that there is a prima facie case of the issuer approaching Non viability and therefore a closer examination of the issuer's financial situation is warranted. The stage 2 assessment would consist of supplementary subjective criteria which, in conjunction with the stage 1 information, would help in determining whether the issuer is about to become non viable. These criteria would be evaluated together and not in isolation.

Permanent Principal
Write down on PONY
Trigger Event



Once the PONV is confirmed, the next step would be to decide whether rescue of the issuer would be through write off a loan or write off in conjunction with a public sector injection of funds.

The write off of any common equity Tier 1 Capital shall not be required before the write off of any non equity (Additional Tier I and Tier 2) regulatory capital instrument. The order of write off of the bonds shall be as specified in the order of seniority as per the Disclosure Document and any other regulatory norms as may be stipulated by the RBI from time to time.

A write down may occur on more than one occasion.

Once the principal of the Bonds have been written down pursuant to PONV trigger event, PONV write down, amount will not be restored in any circumstances, including where the PONV trigger event has ceased to continue.

A write down due to a PONV Trigger event shall occur prior to any Public Sector injection of capital so that the capital provided by the Public Sector is not diluted. However, any capital infusion by Government of India into the issuer as the promoter of the issuer in the normal course of business may not be construed as a PONV trigger.

The Bondholders shall not have any residual claims on the issuer which are senior to ordinary shares of the issuer, following a PONV trigger and when write off is undertaken.

Any compensation paid to the instrument holders as a result of the write-off must be paid immediately in the form of common shares.

If the Bank is amalgamated with any other bank after the Bonds have been written-off permanently, these cannot be written-up by the amalgamated entity.

If the RBI or any other relevant authorities decide to reconstitute the issuer or amalgamate the issuer with any other bank under the Section 45 of BR Act, 1949, the Issuer will be deemed as non-viable or approaching non-viability and the PONV Trigger and pre-specified trigger as per Basel III Guidelines will be activated. Accordingly, the Bonds will be permanently written- down in full prior to any reconstitution or amalgamation.

The Bank facing financial difficulties and approaching a PONV shall be deemed to achieve viability if within a reasonable time in the opinion of RBI, it will be able to come out of the present difficulties if appropriate measures are taken to revive it. The measures including augmentation of equity capital through a permanent write-off/public sector injection of funds are likely to:

- a) Restore confidence of the depositors/ investors;
- b) Improve rating/ creditworthiness of the bank and thereby improving its borrowing capacity and liquidity and reduce cost of funds; and
- c) Augment the resource base to fund balance sheet growth in the case of fresh injection of funds.

The amount to be written-off will be determined by RBI. The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level may trigger write-off.

The Bonds can be written down multiple times in case the bank hits the PONV trigger levels subsequent to the first write down. The Bonds



which has been written off shall not be written up.

In any case it should be noted that following writing off of the Bonds and claims and demands as noted above neither the Bank, nor any other person on the Bank's behalf shall be required to compensate or provide any relief, whether absolutely or contingently, to any Bondholder or any other person claiming for or on behalf of or through such holder and all claims and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocably extinguished and terminated. Unless otherwise specified in this Disclosure Document, the write-off of any common equity or any other regulatory capital (as understood in terms of the aforesaid circular or any replacement/ amendment thereof), whether senior or pari-passu or subordinate, and whether a Tier I capital or otherwise shall not be required before the write off of any of the Bonds and there is no right available to the Bondholder hereof or any other person claiming for or on behalf of or through such holder to demand or seek that any other regulatory capital be subject to prior or simultaneous write off or that the treatment offered to holders of such other regulatory capital be also offered to the Bondholders.

Other Events or Treatment in the event of Winding-Up, Amalgamation, Acquisition, Re Constitution etc. of the Bank

Treatment of Bonds in the event of Winding-Up

The Bonds cannot contribute to liabilities exceeding assets if such a Balance sheet test forms part of a requirement to prove insolvency under any law or otherwise.

- a. If the issuer goes into liquidation before the Bonds have been permanently written down, these Bonds will absorb losses in accordance with the order of Seniority indicated in the Information Memorandum and as per usual legal provisions governing priority of charges;
- b. If the issuer goes into liquidation after the Bonds have been permanently written down, the holders of these instruments will have no claim on the proceeds of liquidation.

Amalgamation of a banking company (section 44A of the Banking Regulations Act, 1949):

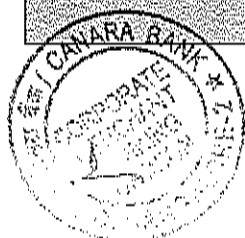
Subject to the Banking Regulation Act, 1949 as amended

- a. If the Bank is amalgamated with any other bank before the Bonds have been permanently written-off, the Bonds will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger.
- b. If the Bank is amalgamated with any other bank after the Bonds have been written-down permanently, these cannot be written-up by the amalgamated entity.

Scheme of reconstitution or amalgamation of a banking company

If the relevant authorities decide to reconstitute the Bank or

	<p>amalgamate the Bank with any other bank under the Section 45 of BR Act, 1949, the Bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger and the trigger at the point of non-viability for write-down of the Tier II instruments will be activated. Accordingly, the Bonds will be fully written-off permanently before amalgamation / reconstitution in accordance with these rules. The Order of write-off of the present Tier 2 Bonds vis-à-vis other capital instruments which the Bank has already issued or may issue in future, will be in accordance with the order of "Seniority of the Bonds" as mentioned earlier in the Information Memorandum and per usual legal provisions governing priority of charges.</p>
Order of claims of Basel III Compliant Tier II instruments	<p><i>The order of claims of various types of regulatory capital instruments issued by the Bank and that may be issued in futures shall be as under;</i> Tier II instruments shall be superior to the claims of investors in instruments eligible for inclusion in Tier I capital and subordinate to the claims of all depositors and general creditors of the Bank. Tier II debt instruments is neither secured nor covered by a guarantee of the issuer or related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors. Tier II debt instruments will rank pari-passu without preference amongst themselves and other debt instruments irrespective of the date of issue classifying as Tier II capital in terms of Basel III guidelines. Unless the terms of any subsequent issuance of Bonds/debentures by the Bank specifies that the claims of such subsequent Bondholders are senior or subordinate to the Bonds issued under this Disclosure Document or unless the RBI specifies otherwise in its guidelines, the claims of the Bondholders shall be pari-passu with claims of holders of such subsequent debentures/ bond issuances, and shall be on pari-passu ranking with holders of other Tier II instruments issued by the Bank. However, the claims of the Bondholders shall be subject to the provisions of loss absorbency, permanent principal write down on PONV trigger event and other events mentioned above.</p>
Registrars	Canbank Computer Services Limited
Compliance Officer	Company Secretary of the Bank, details provided in the Information Memorandum.
Additional Covenants	<p><u>Delay in Listing:</u> The Issuer shall complete all formalities and seek listing permission within 15 days from the Deemed Date of Allotment. In the event of delay in listing of Bonds beyond 20 days from the Deemed Date of Allotment, the Issuer shall pay penal interest of 1.00% per annum over the Coupon Rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of Bonds to the Bondholder(s).</p> <p><u>Refusal of Listing:</u> If listing permission is refused before the expiry of 20 days from the Deemed Date of Allotment, the Issuer shall forthwith repay all monies received from the applicants in pursuance of the Disclosure Document along with penal interest of 1.00% per annum over the Coupon Rate from the expiry of 20 days from the Deemed Date of Allotment.</p> <p><u>Modification of Issue schedule:</u> The Bank reserves its sole and absolute</p>



		right to modify (pre-pone/ postpone) the above issue schedule without giving any reasons or prior notice. The Bank also reserves its sole and absolute right to change the deemed date of allotment of the above issue without giving any reasons or prior notice. Consequent to change in Deemed Date of Allotment, the Coupon Payment Dates and/or Redemption Date may also be changed at the sole and absolute discretion of the Issuer. The Bank reserves the right to close the Issue earlier than the stipulated issue closing date and it is further clarified that the Bank need not wait for any minimum subscription amount to the Bonds before closing the Issue.
Applicable Guidelines	RBI	<p>The present issue of Bonds is being made in pursuance of Master Circular No. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 issued by the Reserve Bank of India on Basel III capital regulations covering criteria for inclusion of debt capital instruments as Tier 2 capital (Annex 5) and minimum requirements to ensure loss absorbency of Tier II instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the PONV (Annex 16) as amended from time to time.</p> <p>The issue of Bonds and terms and conditions of the Bond will be subject to the applicable guidelines issued by Reserve Bank of India and Securities and Exchange Board of India from time to time.</p>
Prohibition on Purchase / Funding of Instruments		Neither the issuer nor a related party over which the issuer exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor shall the issuer directly or indirectly fund the purchase of the Bonds. The issuer shall also not grant advances against the security of the Bonds issued by it.

DECLARATION

The Bank undertakes that this Disclosure Document contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, as amended and Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012, as amended and Securities and Exchange Board of India (Issue of Listing of Debt Securities) (Amendment) Regulations, 2014 issued vide circular no. LAD-NRO/GN/2013-14/43/207 dated January 31, 2014, as amended Securities and Exchange Board of India issue and listing of Debt Securities (Amendment) Regulations, 2015 issued vide circular no. LAD-NRO/GN/2014-15/25/539 dated March 24, 2015, as amended from time to time and the Reserve Bank of India ("RBI") Master circular on 'Basel III Capital Regulations' issued vide circular no. RBI/2015-16/58 DBR.NO.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 and Clarification issued by RBI vide Master Circular RBI/2015-16/285 DBR No.BP.BC.71/21.06.201/2015-16 dated January 14, 2016, RBI Circular RBI/2016-17/222 DBR.BP.BC.No.50/21.06.201/2016-17 Dated February 02, 2017, as amended from time to time (BASEL III Guidelines).

The Bank also confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances

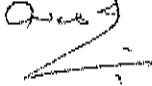


under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Bank accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the Bank and that any one placing reliance on any other source of information would be doing so at his own risk.

Signed pursuant to internal authority granted.

For Canara Bank



General Manager, Authorized Signatory

Place: Bengaluru, Karnataka

Date: 06.03.2020



Annexure – I
Application Form



Addressed to: Canara Bank
(A Government of India Undertaking)

T & I Division, Integrated Treasury Wing, Canara Bank Building, 6th Floor, C-14, G-Block, Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051.

Tel No: (022) 26725061 / 26725062; Fax No: (022) 26725250
E-mail: tidmum@canarabank.com ; Website: www.canarabank.com

Application Form Serial No :
DATE OF RECEIPT OF APPLICATION
(For office use only)

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((For Office Use Only))

APPLICATION FORM FOR UNSECURED, SUBORDINATED, NON-CONVERTIBLE, REDEEMABLE, FULLY PAID UP, TAXABLE, BASEL III COMPLIANT TIER II BONDS 2019-20-Series I IN THE NATURE OF DEBENTURES OF RS. 10,00,000 (RUPEES TEN LAC) EACH

To,

CANARA BANK

Dear Sir,

Having read, understood and agreed to the contents and terms and conditions of CANARA BANK's Disclosure Document dated 06 March 2020 I/we hereby apply for allotment to us, of the unsecured, non-convertible, subordinated, redeemable, fully paid up, taxable, Basel III compliant Tier II bonds 2019-20 Series I in the nature of debentures of Rs. 10,00,000 (Rupees Ten Lac) each (hereinafter referred to as "Bonds"), out of the Private Placement Issue. I/We irrevocably give my/ our authority and consent to SBICAP Trustee Company Limited to act as my/our Trustees and for doing such acts and signing such documents as are necessary to carry out their duties in such capacity. The amount payable on application as shown below is remitted herewith. On allotment please place our name on the register of bondholders. I/We bind ourselves to the terms and conditions as contained in the disclosure document for private placement. I/We note that the Bank is entitled in its absolute discretion to accept or reject this application in whole or in part without assigning any reason whatsoever.

(PLEASE READ CAREFULLY THE INSTRUCTION ON THE NEXT PAGE BEFORE FILLING UP THE FORM)

I/We confirm that I/we have not received and shall not receive any commission or brokerage or any other incentive in any form, directly or indirectly, for

Sub scribing to the Issue.

Investment Details

DP Details

Disclosure Document

Face Value/ Issue Price	Rs. 10,00,000/- (Rupees Ten Lacs Only) per Bond	Depository Name (Please tick)	NSDL / CDSL
Minimum Application	1 Bond and in multiples of 1 thereafter	Depository Participant Name	
Tenure	Redeemable after 120 months from the deemed date of allotment.	DP ID	
Coupon Rate	7.18%	Client ID	
Interest Payment	Annual, subject to "Coupon Discretion" and / or "Loss Absorbency" (as the case may be)	Beneficiary Account Number	
Amount payable per Bond (i)	10, 00, 000/-	Applicant category (Tick whichever is applicable)	
No. of Bonds Applied For (ii)		Scheduled commercial Bank	Mutual fund
Total Amount Payable (Rs.) (in fig) (i) x (ii)		Financial Institution	Company/ Body corporate
Total Amount Payable (Rs in words)		Insurance company	Provident/Gratuity/Superannuation/ Pension Fund
		Primary/State/district/central Cooperative bank	Others (Please Specify)
		Regional Rural Bank	

APPLICANT'S DETAILS (To be filled in BLOCK LETTERS)

Sole/First Applicant's Name in Full

Signature/Authorised signatory

Second Applicant's Name

Third Applicant's Name

Full Address (Do not repeat name)

Pincode

Telephone No

Fax No

E mail id

Applicant's Income Tax Details & Bank Details

Payment Details

	Applicant 1	Applicant 2	Applicant 3	RTGS dated	
PAN / GIR NO (Enclose Copy)				UTR Number	
I.T Circle/Ward/District no				Name of the Bank	
Bank Name, Branch, City & IFSC CODE				Branch Name & Address	
Type of account (SB/CA/OD)					
Bank Account Number					

Tax Deduction Status (Please Tick)

Fully exempt (Please furnish exemption certificate)

Tax to be deducted

Applicant signature (To be filled in only if applicant is institution)

Name of the authorized signatory(ies)	Designation	Signature

Date:-- / -- / 2019

(Tear here)

Acknowledgment Slip

<p>CANARA BANK T & I Division, Integrated Treasury Wing, Canara Bank Building, 6th Floor, C-14, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Tel No: (022) 26725061 / 26725062; Fax No: (022) 26725250 Email ID: tidmum@canarabank.com; Website: www.canarabank.com</p>	
<p>(To be filled in by the Applicant) Received from _____ Address _____ an application for _____ Bonds vide UTR No. _____ Drawn on _____ Dated _____ amounting to Rs. _____</p>	<p>All future communication in connection with this application should be addressed to the Registrars: M/s. Canbank Computer Services Ltd (Address: R & T Center, #218, JP Royale, 1st Floor, 2nd Main, Sampige Road, (near 14th Cross), Malleswaram, Bengaluru – 560 003; Tel: (080) 23469661/62 & 23469664/65; Fax: (080) 23469667; E-mail: canbankrta@ccsl.co.in quoting full name of Sole/ First Applicant, Application No., Number of Bonds applied for, Date, Bank and Branch where the application was submitted</p>

INSTRUCTIONS

1. Application forms must be completed in full in BLOCK LETTERS IN ENGLISH. A blank space must be left between two or more parts of the name.

A	B	C	D	E	F		L	T	D
---	---	---	---	---	---	--	---	---	---

Signature should be made in English or in any of the Indian languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate / Notary Public under his / her official seal.

2. Application forms duly completed in all respects must be submitted with the Bank.
3. Applicants shall make remittance of application money by way of Electronic transfer of funds through RTGS/ electronic fund transfer mechanism for credit by the pay-in time on the Virtual Bank Account of the NSE Clearing Ltd appearing on the NSE EBP platform in accordance with the timelines set out in the EBP guidelines and the relevant rules and regulations specified by SEBI in this regard.
4. Cheques, Demand Draft, Cash, Money Orders, Postal Orders shall not be accepted. The bank assumes no responsibility for any applications lost in mail. The entire of Rs.10 lakh per bond is payable on application.
5. Minimum application is for 1 bond and in multiples of 1 bond thereafter.
6. As a matter of precaution against possible fraudulent encashment of interest warrants due to loss / misplacement, applicants are requested to mention the full particulars of their bank account, as specified in the Application Form. Interest warrants will then be made out in favour of the bank for credit to the applicants account. In case the full particulars are not given, cheques will be issued in the name of the applicant at his/ her risk.
7. Receipt of applications shall be acknowledged by the Bank in the "Acknowledgment Slip", appearing below the Application Form. No separate receipt will be issued.
8. All applicants should mention their Permanent Account Number (PAN) or the GIR number allotted under Income-Tax Act, 1961 and the Income-Tax Circle/Ward/District and encloses a copy of the same.
9. The application would be accepted as per the terms outlined in the Disclosure Document dated March 06th 2020.
10. All communications will be addressed to the applicant whose name appears first in the Application form.
11. The investors desirous of claiming tax exemption on interest on Application Money are compulsorily required to submit a Certificate issued by the Income Tax Officer/ relevant declaration forms (As per Income Tax Act, 1961) along with the application form. In case the above documents are not enclosed with the application form, TDS will be deducted on interest on application money. For subsequent interest payments such certificates have to be submitted periodically.

12. Documents to be provided by applicants: Applicants need to submit the following documentation, along with the application form, as applicable:
- Memorandum and Article of Association / Constitutional Documents / Bye-laws / Trust Deed;
 - Board Resolution authorizing the investment and containing operating instructions;
 - Power of Attorney / relevant resolution / authority to make application;
 - Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;
 - Government Notification (in case of Primary Co-operative Bank and RRBs);
 - Copy of Permanent Account Number Card ("PAN Card") issued by the Income Tax Department; Copy of a cancelled cheque for ECS payments;
 - Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.

ANNEXURE II

DISCLOSURE OF CASH FLOWS:

As per SEBI Circular no CIR/IMD/DF-1/122/2016 dated November 11,2016, illustrative Cash Flow for the bonds is as under

Illustration

Name of the Issuer	Canara Bank
Face Value	Rs 10,00,000/-
Deemed Date of Allotment	11 th March 2020
Call option Date	11 th March 2025
Redemption Date	11 th March 2030
Coupon Rate	7.18% per annum
Frequency of Interest Payment	Annual
Day Count Convention	Actual/Actual

Scenario 1: Call Option not exercised

Cash Flows	Original Coupon Payment dates and Illustrative Call Option Due date	Modified Coupon Payment Dates and Illustrative Call Option Due Date	No of Days in Coupon Period	Amount Payable per Bond (in Rs)
1 st Coupon Payment	Thursday, March 11, 2021	Thursday, March 11, 2021	365	71,800
2 nd Coupon Payment	Friday, March 11, 2022	Friday, March 11, 2022	365	71,800
3 rd Coupon Payment	Saturday, March 11, 2023	Monday, March 13, 2023	365	71,800
4 th Coupon Payment	Monday, March 11, 2024	Monday, March 11, 2024	366	71,800
5 th Coupon Payment	Tuesday, March 11, 2025	Tuesday, March 11, 2025	365	71,800
6 th Coupon Payment	Wednesday, March 11, 2026	Wednesday, March 11, 2026	365	71,800
7 th Coupon Payment	Thursday, March 11, 2027	Thursday, March 11, 2027	365	71,800

8 th Coupon Payment	Saturday, March 11, 2028	Monday March 13, 2028	366	71,800
9 th Coupon Payment	Sunday, March 11, 2029	Monday March 12, 2029	365	71,800
10 th Coupon Payment	Monday, March 11, 2030	Monday, March 11, 2030	365	71,800
Principal	Monday, March 11, 2030	Monday, March 11, 2030	0	10,00,000

Scenario 2: Assuming Call Option is exercised at the end of the 5th anniversary of the Deemed Date of Allotment

Cash Flows	Original Coupon Payment dates and Illustrative Call Option Due date	Modified Coupon Payment Dates and Illustrative Call Option Due Date	No of Days in Coupon Period	Amount Payable per Bond (in Rs)
1 st Coupon Payment	Thursday, March 11, 2021	Thursday, March 11, 2021	365	71,800
2 nd Coupon Payment	Friday, March 11, 2022	Friday, March 11, 2022	365	71,800
3 rd Coupon Payment	Saturday, March 11, 2023	Monday, March 13, 2023	365	71,800
4 th Coupon Payment	Monday, March 11, 2024	Monday, March 11, 2024	366	71,800
5 th Coupon Payment	Tuesday, March 11, 2025	Tuesday, March 11, 2025	365	71,800
Principal Redemption of Principal on account of exercise of Call Option*.	Tuesday, March 11, 2025	Tuesday, March 11, 2025	0	10,00,000

Assumptions:

For the purpose of the above illustration only Second & Fourth Saturdays and Sundays have been considered as non Business days.

Notes:

- ❖ Only for the purpose of above illustration, it has been assumed that the Bank shall exercise the Call Option at the end of 5th year from the Deemed Date of Allotment.

THE AGGREGATE COUPON/ INTEREST PAYABLE TO EACH BONDHOLDER SHALL BE ROUNDED OFF TO THE NEAREST RUPEE AS PER THE FIXED INCOME MONEY MARKET AND DERIVATIVES ASSOCIATION HANDBOOK ON MARKET PRACTICES.

- ❖ *In case of interest payment falling in Leap year, the interest payment(s) will be calculated by taking the number of days as 366 days for a whole one year period.(Actual/Actual- as per SEBI Circular no CIR/IMD/DF/18/2013 dated 29th October 2013 read with SEBI Circular no CIR/IMD/DF-1/122/2016 dated November 11,2016).*
- ❖ *If the date of payment of interest happens to be a non Business Day, the interest payment will be made on the next Business Day.*
- ❖ *If the maturity payment date and interest payment date falls together on a non Business day, redemption and accrued interest payment will be made on the previous working day.*
- ❖ *The interest and / or principal payment will be made on the best available information on non- Business Days and could further undergo changes in case of scheduled and unscheduled holidays and / or changes in money market settlement day conventions by the Reserve Bank of India / SEBI.*
- ❖ *In case the Deemed date of allotment is revised (preponed/postponed) then the Coupon payment dates may also be revised (preponed/postponed) accordingly by the Bank at its sole and absolute discretion.*
- ❖ *Payment of interest and repayment of principal shall be made by way of RTGS/NEFT/other mechanisms permitted under the SEBI regulations.*

RATING BY INDIA RATINGS

**India Ratings
& Research**

Fitch Group

Mr. V Ramachandra
General Manager & CFO
Financial Management & Subsidiaries Wing,
Head Office, 112 J C Road
Bengaluru - 560002

February 28, 2020

Dear Sir,

Re: Rating of Canara Bank's Instruments

India Ratings (see definition below) assigns the following rating:
- INR30bn Basel III Tier 2 instrument: 'IND AAA/RWN'

India Ratings (see definition below) affirms the following rating:

- INR40bn Basel III AT1 bonds: 'IND AA/RWN'.
- INR54bn Basel III Tier 2 instrument: 'IND AAA/RWN'.

Out of the above, the Bank has issued INR25bn of Basel III AT1 bonds and INR54bn of Basel III Tier 2 bonds.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action

India Ratings & Research Private Limited A Fitch Group Company

Wockhardt Tower, Level 4, West Wing, Bandra Kurla Complex, Bandra (E), Mumbai 400 051

Tel: +91 22 4000 1700 | Fax: +91 22 4000 1701 | CIN/LLPIN: U67100MH1995FTC140049 | www.indiaratings.co.in

India Ratings
& Research

Fitch Group

is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings' ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating to investors.

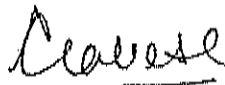
It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

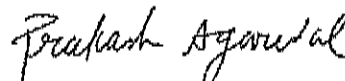
In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at +91 22 4000 1700.

Sincerely,
India Ratings



Rakesh Valecha
Senior Director



Prakash Agarwal
Director

RATING BY CARE RATINGS



No. CARE/BRO/RL/2019-20/1607

Mr. V Ramachandra
CFO,
Canara Bank,
Head Office, 112, JC Road,
Bengaluru-560002

February 29, 2020

Confidential

Dear Sir,

Credit rating for proposed Basel III compliant Tier-II bond issue

Please refer to your request for rating of proposed Basel III compliant Tier-II bond issue aggregating to Rs.3000 crore of your bank.

2. The following ratings have been assigned by our Rating Committee:

Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
Proposed Basel III Compliant Tier-II bonds	3000.0 (Rs. Three thousand crore only)	CARE AAA (Triple A) (Credit watch with developing implications)	Assigned; placed on credit watch with developing implications

- Our Rating Committee has placed the above ratings on 'credit watch with developing implications' on account of ongoing amalgamation of Syndicate Bank with Canara Bank and the possible impact of the same on the credit profile of your bank. CARE will take a view on the ratings once the exact Implications of the above event on the credit risk profile of the bank are clear.
- Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is February 28, 2020).
- In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

CARE Ratings Ltd.

CORPORATE OFFICE: 4th Floor, Godrej Colliseum, Somantra Hospital Road,
Off Eastern Express Highway, Sion (E), Mumbai - 400 022.
Tel: +91-22-6754 3456 • Fax: +91-22-6754 3457
Email: care@careratings.com • www.careratings.com

Unit No. 205 - 208, 2nd Floor,
Prestige Meridian 1, No. 29, M. G. Road,
Bengaluru, Karnataka 560001
Tel: +91-80-46625553

CIN-L67190MH1993PLC071691

6. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 Investors
-----------------	------	--------------------	-------------	----------------------	---------------------	-----------------	---	-----------------------------

7. Kindly arrange to submit to us a copy of each of the documents pertaining to the bond issue, including the offer document and the trust deed.
8. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as Annexure. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by March 02, 2020, we will proceed on the basis that you have no any comments to offer.
9. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
10. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

11. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
12. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
13. CARE ratings are not recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,



Tony Mathew
Deputy Manager
tony.mathew@careratings.com



Himanshu Jain
Manager
himanshu.jain@careratings.com

Encl: As above

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

Annexure-1
Details of Rated Facilities

Details of Rated Instruments

Instrument	ISIN No.	Amount (in Rs. Cr)	Maturity Date	Rate of Interest
Proposed-Basel III Tier II bonds	-	3000.0	Proposed	Proposed

Consent letter from Debenture Trustee



SBICAP Trustee Company Ltd.

No.0304/2019-2020/CL - 2787
Date : 02nd March, 2020.

To,

Name of the Borrower : Canara Bank

Correspondence Address :

T & I Division, Integrated Treasury Wing,
6th Floor, B-Wing, C-14, G-Block, BKC
MUMBAI - 400051

GST Billing Address :

T & I Division, Integrated Treasury Wing,
6th Floor, B-Wing, C-14, G-Block, BKC
MUMBAI - 400051

Email ID : tidsettmum@canarabank.com

Sub.: Offer to act as Debenture Trustee for issue of Tier II Bonds Aggregating upto Rs. 3000 Crores by Canara Bank

Dear Sir,

With reference to the issue of Tier II Bonds Aggregating upto Rs. 3000 Crores by Canara Bank.

we SBICAP Trustee Company Limited pleased to offer our services to act as the Debenture Trustee on the following terms and conditions as stated in this Letter (this letter shall hereinafter be referred to as the "Offer Letter"):

A. Fee Structure :

i) Base Charges :

Description of the Fees and Charges	Payable Amount	Remarks
Acceptance Fees	50,000.00	i. The Acceptance Charges is payable on one time basis immediately on the acceptance of this Offer Letter
Annual Charges	50,000.00	i. For the 1st year, the Annual Charges are payable in advance from the date of acceptance of offer ii. Annual Charges for subsequent years, shall be payable in advance immediately upon raising of invoice iii. These Annual Charges are payable by the Company till the satisfaction of charges or release of all security/ documents, which ever is later
Trust Settlement Amount	1,000.00	i. The Trust Settlement Fee is payable immediately on the acceptance of this Offer Letter

ii) Other Charges :

a) All Out of Pocket expenses including but not limited to documentation expenses, legal counsel expenses, audit expenses, expenses incurred for execution/ custody of documents, digitisation of documents, legal audit expenses etc. shall be borne by the Company and shall be payable and reimbursed to the Debenture Trustee within as period of 10 days from the date of the invoice.

b) All applicable charges and expenses with respect to the filing of security interest created in favour of Debenture Trustee with the CERSAI portal under the SARFAESI Act, 2002, are required to be reimbursed by the Company immediately upon the receipt of invoice from the Debenture Trustee.

B. Invoicing and Billing :

i. The Goods and Service Tax (GST) details as provided by the Company are as follows:

GST No.: 27AAACC6106G4ZY

GST Address: sbicaptrustee.com

T & I Division, Integrated Treasury Wing,

+91 22 4302 5555

+91 22 2204 0465

helpdesk@sbicaptrustee.com

Corporate Office :

Apeejay House, 6th Floor,
3, Dinshaw Wacha Road,
Churchgate, Mumbai,
Pin - 400 020.

Registered Office :

202, Maker Tower E,
Cuffe Parade, Mumbai - 400 005.
CIN : U65991MH2005PLC158386

A Group Company of SBI



6th Floor, B-Wing, C-14, G-Block, BKC
MUMBAI - 400051

All the Invoices and Bills raised on the Company will mention the above GST No.

ii. The Invoices and Bills Generated by the Debenture Trustee pursuant to this Offer letter shall be sent to the following address:

Address:

T & I Division, Integrated Treasury Wing,
6th Floor, B-Wing, C-14, G-Block, BKC
MUMBAI - 400051
Attention of : Mr.Dharani Hemant, Manager
Email id: tidsettmum@canarabank.com

In case of any change in the above details, the Company shall immediately inform the Debenture Trustee. Whilst making the payment of the above Base Charges and Other Charges, kindly mention the invoice No. against which the payment is being made.

C. Bank Details :

Given below are the Bank details into which payments of all fees and expenses are required to be made, under as stated in this Offer Letter:

RTGS Details:-

Beneficiary Name : SBICAP Trustee Company Limited;
Account No. 34075984557;
Beneficiary Bank & Code: State Bank of India (8586);
IFSC Code : SBIN008586
SWIFT Code : SBININBB521
Branch Address : Madame Cama Road Branch, Post Bag No. 11588, Madame Cama Road, Mumbai - 400021.

D. The above mentioned fees are exclusive of all applicable taxes viz. GST, education cesses and applicable taxes and other charges as may be applicable as per the law for the time being in force, which will be charged separately.

E. In case of declaration of an event of default by one or any of the Lenders/ Lead Bank/ Monitoring Institution/ Debenture Holder and the Debenture Trustee being instructed to take any action on behalf of any such Lenders/ Lead Bank/ Monitoring Institution/ Debenture Holder, the Debenture Trustee may charge, at our sole discretion, such additional fees, charges, expenses, costs etc. for providing such services.

It is further stated that the Debenture Trustee are not required, out of their own pocket, to incur/ expend any costs in providing such services, as referred above, including enforcement/ litigation/ recovery. In case of the Debenture Trustee is required to make any payment in the course of providing such services, the amount of such payments shall be deposited with the Debenture Trustee in advance.

F. The Acceptance Charges which are payable by the Company in advance and immediately upon the acceptance of this Offer Letter are non-refundable and shall not be dependent upon initiation/ completion of the transaction for which these fees are being charged.

Annual Charges being levied by the Debenture Trustee are non-refundable and exclusive of any other amount which may be payable/ reimbursed to the Debenture Trustee under the Finance/ Security Documents.

G. In case of failure to make payment of all the fees, charges and expenses payable under this Offer Letter within a period of 30 days from the date of Invoice, penal interest at the rate of 18% pa shall be charged from the date of the invoice till the date of actual payment.

H. The liability of SBICAP Trustee Company Limited shall be limited to the extent of the fees received by it under this Offer Letter.

I. The terms of this Offer Letter shall be applicable and be limited only to the captioned financial assistance/ debenture issue, financed by the present lenders/ debenture holders and any documentation



executed related to and with respect to it. Any enhancement in the above referred financial assistance, extension of security to any other lender/ debenture holder, further issuance of debentures/ schemes and any other additional documentation required to be executed in respect thereof, the security trustee/ debenture trustee/ safe keeper shall charge such additional fees as may be agreed upon.

J. This Offer Letter shall form and integral part of the finance and security / transaction documents and the terms & conditions hereunder shall be constructed to form a part and parcel of the transaction documents to be executed. In the event of any conflict or contradicting terms & conditions, the terms of this Offer Letter shall prevail.

K. This Offer Letter may be amended, revised, modified (and the provisions hereof may only be waived) only by a written agreement in writing between the parties.

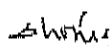
L. Also please arrange to provide the compliance documents as per the attached standard compliance check list prior to signing of documents. Upon examination of sanction letter/ term sheet/ information memorandum/ title investigation report additional compliance will be required to be submitted, if any.

In case any clarifications are required, please feel free to contact Ardhendu Mukhopadhyay at 8879150002 or email at ardhendu.mukhopadhyay@sbicaptrustee.com.

Please note that the terms and conditions as contained in this Offer Letter, unless accepted earlier, are valid for a period of 01 month from the date of issuance.

Assuring you of our best services, as always.

For SBICAP Trustee Company Limited


Authorised Signatory

Agree and Accepted by

For Canara Bank


FOR CANARA BANK

Authorised Signatory

Authorised Signatory
Treasury & Investments Divn.
Integrated Treasury Wing

In Principle Listing Approval from NSE



National Stock Exchange Of India Limited

Ref. No.:NSE/LIST/1942

March 04, 2020

The Company Secretary
Canara Bank
Head Office No 112,
Secretarial Dept., C & MD's Secretariat,
J C Road, Bangalore – 560002

Kind Attn.: Mr. Vinay Mohta

Dear Sir,

Sub.: In-principle approval for listing of Non-Convertible Bonds in the nature of Debentures

This is with reference to your application dated March 04, 2020 requesting for In-principle approval for listing of Unsecured, Redeemable, Non-cumulative, Taxable, Basel III Compliant Tier 2 Non-convertible Bonds in the nature of Debentures under series I of face value of Rs. 1000000 each aggregating to total issue size not exceeding Rs. 300000 lakhs, with a base issue size of Rs. 100000 lakhs and Green shoe option to retain oversubscription up to Rs. 200000 lakhs to be issued by Canara Bank on private placement basis. In this regard, the Exchange is pleased to grant in-principle approval for the said issue, subject to adequate disclosures to be made in the Offer Document in terms of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard and provided the Company prints the Disclaimer Clause as given below in the Offer Document after the SEBI disclaimer clause:

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). It is to be distinctly understood that the aforesaid submission or in-principle approval given by NSE vide its letter Ref.: NSE/LIST/1942 dated March 04, 2020 or hosting the same on the website of NSE in terms of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time, should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever”

This Document is Digitally Signed



Signer: Harshad P Choudhary
Date: Wed, Mar 4, 2020 17:33:47 IST
Location: NSE

National Stock Exchange of India Limited | Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 062,
India • 91 22 26598100 | www.nseindia.com | CIN U67120MH1992PLC069769



Continuation Sheet

Please note that the approval given by us should not in any way be deemed or construed that the draft Offer Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this draft offer document; nor does it warrant that the securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project.

Kindly also note that these debt instruments may be listed on the Exchange after the allotment process has been completed, provided the securities of the issuer are eligible for listing on the Exchange as per our listing criteria and the issuer fulfills the listing requirements of the Exchange. The issuer is responsible to ensure compliance with all the applicable guidelines issued by appropriate authorities from time to time including SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard.

Yours faithfully,

For National Stock Exchange of India Limited

Harshad Dharod
Manager

This Document is Digitally Signed



Signer: Harshad P Dharod
Date: Wed, Mar 4, 2020 17:29:47 IST
Location: NSE



CANBANK COMPUTER SERVICES LIMITED

(A Subsidiary of CANARA BANK)

R&T Center, # 218, JP ROYALE, 1st Floor, Sampige Road, (Near 14th Cross), 2nd Main, Malleswaram, Bengaluru-560003

Ph : 91-80-23469661/62 & 23469664/65 • Fax : 91-80-23469667 • E-mail: canbankrta@ccsl.co.in • www.canbankrta.com

CIN : U85110KA1994PLC016174

REF : CSSL/RnT/CB/TIER II -- BONDS/KR/5716/2019 --20

Date : 15th February, 2020

The Manager
Canara Bank
Treasury & Investment Wing
Integrated Treasury Wing,
6th Floor, B- Wing, C- 14, G Block,
BKC, Bandra (East)
Mumbai -- 400 051.

Kind attn : Shri. Jose Kurian
Manager

Dear Sir,

**SUB : ISSUE OF PRIVATE PLACEMENT BASEL -- III COMPLAINT
TIER II BONDS FOR Rs.3000 Crores**


REF : Your Email dated 13TH February, 2020.

We acknowledge with thanks your email communication referred above.

We are happy to accept the proposal and give our consent to act as Registrars & Transfer Agents to the subject Issue, as per the Existing Terms and Conditions.

Assuring our best attention and services always.

Yours faithfully,
for CANBANK COMPUTER SERVICES LTD


R Raghuvver
Vice President -- Projects