

## Canara Bank profit plummets to ₹ 85 crore in third quarter

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*₹1,423-crore provisioning hits bottomline*

Rakesh Sharma, MD & CEO  
Bengaluru, February 12:

Canara Bank reported a massive drop in net profit to ₹ 85 crore in the third quarter of this fiscal mainly due to higher provisioning. For the same period last year, the bank's net profit was ₹ 655.97 crore.

Operating profit before provisions and contingencies declined 15.78 per cent to ₹ 1,552.44 crore (₹ 1,797 crore in the same period last year). Rakesh Sharma, Managing Director and CEO, attributed the lower profits to higher provisioning of ₹ 1,428.85 crore.

Total income in the quarter fell 1.44 per cent to ₹ 12,050.63 crore (₹ 12,227.86 crore). EPS stood at ₹ 1.56 as against ₹ 14.22 recorded last year.

Revenues from treasury operations came in at ₹ 3,167.90 crore (₹ 3,174.90 crore), retail banking ₹ 3,613 crore (₹ 3,173.45 crore), and wholesale banking ₹ 5,249.20 crore (₹ 5,713.79 crore).

### **Asset quality**

Asset quality weakened during the quarter and the bank's gross non-performing assets (NPA) rose to 19,813 crore (₹ 10,574 crore) and net NPAs to ₹ 12,940 crore (₹ 7,556 crore).

Net interest income (NII) decreased to ₹ 2,227 crore (₹ 2,380 crore), and domestic net interest margin (NIM) dropped to 2.29 per cent (2.36 per cent).

### **Deposits, advances**

CASA deposits fell to ₹ 1.05-lakh crore (₹ 1.18 lakh crore last year). The bank's total deposits stood at ₹ 4.90 lakh crore as against ₹ 4.62 lakh crore in the same period last year.

Advances (net) came in at ₹ 3.31 lakh crore (₹ 3.12 lakh crore in the year-ago quarter). Capital adequacy ratio according to Basel III norms improved to 11.54 per cent.

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