

ACCEPTANCE SPEECH BY MR. R.K. DUBEY, CHAIRMAN AND MANAGING DIRECTOR, CANARA BANK- ASIA PACIFIC ENTREPRENEURSHIP AWARDS 2014 INDIA-JW MARIOTT, NEW DELHI - MARCH 4, 2014

I thank the organizers for conferring this award on me.

In my 32 years association with Punjab National Bank, 2 years with Central Bank of India and now for over a year with Canara Bank, I have always achieved all my quantitative targets with precision and acclaim. But the complete transformation of Canara Bank within a year has been most gratifying.

Canara Bank, which used to be a leader in the industry, had slipped to a position, where the Bank's business needed to improve on many key areas. This was reflected in a decline in business growth and the operating environment was characterized by inadequate thrust on performance and achievement culture. Accordingly, we devised focused growth strategies to enhance the top line and bottom line.

Business growth y-o-y was negative. Priority sector advances to total advances stood at 31%. Hence, thrust was given on redressing grievance of existing corporate quickly. Focus on retail led to excellent growth in all retail segments, especially housing and vehicle loans. Lot of emphasis was placed on micro and small advances and on agriculture growth to ensure that we cross 40% ratio of priority sector advances to total advances by 31.12.2013.

Further, the Bank formulated strategies to increase CASA deposits, credit monitoring to minimize non performing loans, stepped up recovery thrust, fee

income and high-yielding low-risk credit growth. These factors together with proactive, strong, committed and enthusiastic support of the Team Canara led to a significant enhancement of our brand equity from 20th position to 14th position (The Economic Times – 18.12.2013). Thus, we brought about a complete transformation from a stagnant and reactive Bank to a dynamic and vibrant entity. Accordingly, the Bank's performance has been widely recognized and the Bank won several prizes/ awards at various fora.

On the basis of a close and careful analysis of the ills affecting the Bank, we undertook a set of well-planned measures to reposition the Bank so that the Bank rightly regained its rightful place in the banking industry. We identified the following measures to retrieve the situation and bounce back forcefully:

1. Sharper focus on emergence as a strong retail bank by driving CASA, savings deposits, and new current accounts from small and medium business concerns.
2. Generate new and stable revenue streams to boost fee-income.
3. Ensure high quality of assets by thrust on cash recovery, increased recovery from written-off accounts and tightened credit administration and monitoring mechanism to reduce slippages and contain NPAs.
4. Enhance and broad-base credit growth
5. Significantly increase use of alternative delivery channels (e-banking).
6. Deliver efficient customer service.
7. Become preferred bank for the young generation by stress on tech products.

8. Enhanced visibility and improved brand image.

We have been successful in some of our attempts and not so successful in other attempts. But there is absolutely no letting up in our attempt to respond quickly to opportunities and threats in terms of evolving customer needs and expectations, market dynamics, technological innovation and stakeholders' expectations.

The Bank's strategic thrust is founded on its ability to continuously renew itself by innovative, 'out of box' measures to exploit new business opportunities and customer segments. Going forward, effective work, excellent service and market leadership will significantly increase retail business and increase income and shore up the bottom line.

Where do we go from here? With focus on our pursuit of excellence, all of us have been working in unison to raise the bar and enhance performance. We inculcated the habit of facing challenges and working hard with passion to beat the targets with the precision of hitting the bull's eye.

It is gratifying that the mission of making the Bank more vibrant in the competitive milieu has largely succeeded. But we are focused on consolidating our position and meeting the emerging challenges resolutely. We have been working together with purpose, commitment and devotion to achieve the identified corporate goals. With constant faith of the shareholders, patronage of the valued customers and the full engagement of all Canarites, we are confident that we will grow from strength to strength in the future.

Thank you.