

## Canara Bank

### Performance Highlights

Particulars (₹ cr)	2QFY16	1QFY16	% chg (qoq)	2QFY15	% chg (yoy)
NII	2,647	2,517	5.2	2,368	11.8
Pre-prov. profit	1,944	2,004	(3.0)	1,626	19.6
PAT	529	479	10.4	627	(15.6)

Source: Company, Angel Research

In its 2QFY2016 results, Canara Bank reported a decline in PAT by 15.6% yoy, mainly due to higher provisions and surge in operating expenses.

#### Loan book grows at a slow pace; NIM rises qoq

During 2QFY2016, the bank's loan book grew by 3.9% yoy with retail loan book growing at a faster pace at 14.3% yoy. The C-D ratio came down to 66.6% from 67.4% in 2QFY2015. Deposits growth was muted at 5.2% yoy with CASA deposits showing momentum, which grew by 11.5% yoy. As a result, the domestic CASA ratio for the bank rose by 178bp yoy to 25.5% as of 2QFY2016. The Reported Global NIM rose sequentially from 2.21% in 1QFY2016 to 2.24% in the current quarter which aided NII growth of 11.8% for the quarter. The Management expects to reach 2.35% NIM by the end of this fiscal year. During 2QFY2016, the non-interest income (excluding treasury) was subdued with a yoy growth of 4.4% yoy largely aided by recoveries from written off accounts. Treasury income, at ₹295cr, more than doubled for the quarter on a yoy basis (₹144cr in 2QFY2015).

On the asset quality front, slippages came at ₹2,202cr (annualized slippage rate of 2.7% as compared to 3.1% in 1QFY2016). Recoveries and upgrades were lower at ₹1,261cr as compared to ₹2,478cr in 1QFY2016. As a result, the Gross NPA ratio went up to 4.27% as compared to 3.98% in 1QFY2016, whereas the Net NPA increased to 2.90% from 2.74% in 1QFY2016. Additionally, the bank restructured advances worth ₹600cr during the quarter taking the book to ₹29,026cr as on 2QFY2016. The Provision coverage ratio improved to 59.81% from 58.68% in 2QFY2015.

**Outlook and valuation:** Canara Bank has been reporting subdued growth in its profitability over the past several quarters. It has a larger exposure to various stress sectors in the economy as compared to its peers. At the current market price, the stock trades at 0.4x FY2017E ABV. **We maintain our Neutral view on the stock.**

#### Key financials (Standalone)

Y/E March (₹ cr)	FY2014	FY2015	FY2016E	FY2017E
NII	8,944	9,664	10,645	11,893
% chg	13.5	8.0	10.2	11.7
Net profit	2,438	2,669	2,212	3,346
% chg	(15.1)	9.5	(17.1)	51.2
NIM (%)	2.1	1.9	2.0	2.1
EPS (₹)	52.9	56.2	46.6	70.4
P/E (x)	5.1	4.8	5.8	3.8
P/ABV (x)	0.6	0.5	0.5	0.4
RoA (%)	0.5	0.5	0.4	0.6
RoE (%)	10.4	10.5	8.0	11.2

Source: Company, Angel Research; Note: CMP as of November 18, 2015.

Please refer to important disclosures at the end of this report

## NEUTRAL

CMP	₹270
Target Price	-

Investment Period	-
-------------------	---

#### Stock Info

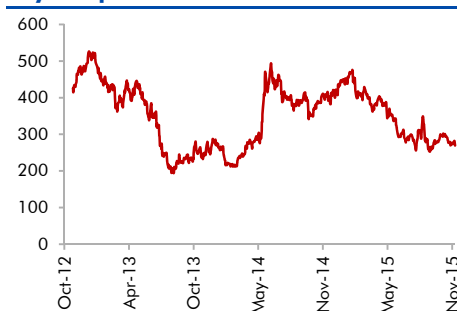
Sector	Banking
Market Cap (₹ cr)	14,634
Beta	1.5
52 Week High / Low	478/251
Avg. Daily Volume	5,47,261
Face Value (₹)	10
BSE Sensex	25,483
Nifty	7,732
Reuters Code	CNBK.NS
Bloomberg Code	CBK@IN

#### Shareholding Pattern (%)

Promoters	66.3
MF / Banks / Indian Fls	19.5
FII / NRIs / OCBs	7.5
Indian Public / Others	6.7

Abs. (%)	3m	1yr	3yr
Sensex	(8.4)	(9.5)	39.0
CBK	(21.3)	(33.3)	(36.7)

#### 3-year price chart



Source: Company, Angel Research

#### Vaibhav Agrawal

022 – 3935 7800 Ext: 6808

vaibhav.agrawal@angelbroking.com

#### Chintan Shah

022 – 4000 3600 Ext: 6828

chintan.shah@angelbroking.com

**Exhibit 1: 2QFY2016 performance (Standalone)**

Particulars (₹ cr)	2QFY16	1QFY16	% chg (qoq)	2QFY15	% chg (yoy)	FY2015	FY2014	FY2013
<b>Interest earned</b>	<b>11,268</b>	<b>11,140</b>	<b>1.1</b>	<b>10,894</b>	<b>3.4</b>	<b>43,750</b>	<b>39,548</b>	<b>34,078</b>
- on Advances / Bills	8,126	8,101	0.3	8,005	1.5	32,066	28,457	24,380
- on investments	2,943	2,850	3.3	2,681	9.8	10,924	10,251	9,112
- on balance with RBI & others	199	189	5.1	208	(4.5)	760	731	585
<b>Interest Expended</b>	<b>8,621</b>	<b>8,623</b>	<b>(0.0)</b>	<b>8,526</b>	<b>1.1</b>	<b>34,086</b>	<b>30,603</b>	<b>26,199</b>
<b>Net Interest Income</b>	<b>2,647</b>	<b>2,517</b>	<b>5.2</b>	<b>2,368</b>	<b>11.8</b>	<b>9,663</b>	<b>8,944</b>	<b>7,879</b>
<b>Other income</b>	<b>1,210</b>	<b>1,113</b>	<b>8.8</b>	<b>1,021</b>	<b>18.5</b>	<b>4,550</b>	<b>3,933</b>	<b>3,153</b>
Other income excl. treasury	915	915	0.1	877	4.4	3,505	3,269	2,477
- Fee Income	222	214	3.7	224	(0.9)	928	940	797
- Treasury Income	295	198	49.0	144	104.4	1,045	664	676
- Recov. from written off a/cs	161	210	(23.3)	90	78.9	371	425	303
- Others	532	491	8.4	563	(5.4)	2,206	1,904	1,377
<b>Operating income</b>	<b>3,857</b>	<b>3,629</b>	<b>6.3</b>	<b>3,389</b>	<b>13.8</b>	<b>14,214</b>	<b>12,877</b>	<b>11,032</b>
<b>Operating expenses</b>	<b>1,913</b>	<b>1,626</b>	<b>17.6</b>	<b>1,764</b>	<b>8.5</b>	<b>7,264</b>	<b>6,081</b>	<b>5,142</b>
- Employee expenses	1,108	1,059	4.6	1,036	7.0	4,274	3,672	3,254
- Other Opex	805	567	41.9	728	10.6	2,989	2,409	1,888
<b>Pre-provision Profit</b>	<b>1,944</b>	<b>2,004</b>	<b>(3.0)</b>	<b>1,626</b>	<b>19.6</b>	<b>6,950</b>	<b>6,796</b>	<b>5,890</b>
<b>Provisions &amp; Contingencies</b>	<b>1,212</b>	<b>1,360</b>	<b>(10.8)</b>	<b>814</b>	<b>49.0</b>	<b>3,453</b>	<b>3,733</b>	<b>2,218</b>
- Provisions for NPAs	979	1,314	(25.5)	912	7.3	3,771	2,135	1,861
- Provisions for Investments	64	133	(51.9)	(22)	(390.9)	(658)	692	(370)
- Other Provisions	169	(87)	(294.0)	(76)	(321.9)	340	906	727
<b>PBT</b>	<b>732</b>	<b>644</b>	<b>13.7</b>	<b>812</b>	<b>(9.9)</b>	<b>3,497</b>	<b>3,063</b>	<b>3,672</b>
Provision for Tax	203	165	23.0	185	9.7	795	625	800
<b>PAT</b>	<b>529</b>	<b>479</b>	<b>10.4</b>	<b>627</b>	<b>(15.6)</b>	<b>2,702</b>	<b>2,438</b>	<b>2,872</b>
Effective Tax Rate (%)	27.7	25.6	210bp	22.8	494bp	22.7	20.4	21.8

Source: Company, Angel Research

**Exhibit 2: 2QFY2016 performance analysis (Standalone)**

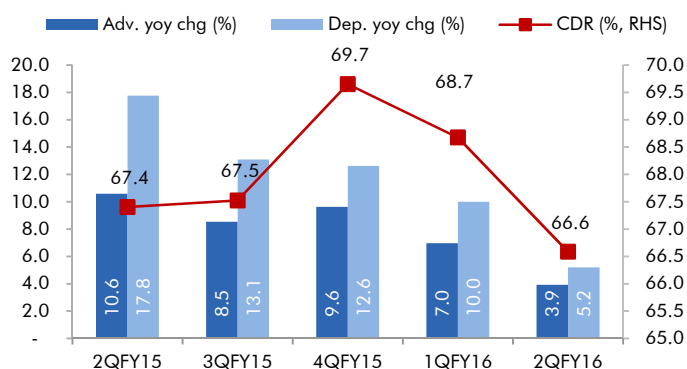
Particulars	2QFY16	1QFY16	% chg (qoq)	2QFY15	% chg (yoy)
<b>Balance sheet</b>					
Advances (₹ cr)	3,23,077	3,24,063	(0.3)	3,10,860	3.9
Deposits (₹ cr)	4,85,206	4,71,877	2.8	4,61,193	5.2
Credit-to-Deposit Ratio (%)	66.6	68.7	(209)bp	67.4	(82)bp
Current deposits (₹ cr)	19,257	17,534	9.8	17,743	8.5
Saving deposits (₹ cr)	96,745	92,149	5.0	86,287	12.1
CASA deposits (₹ cr)	1,16,002	1,09,683	5.8	1,04,030	11.5
Calculated CASA ratio (%)	23.91	23.2	66bp	22.56	135bp
CAR (%)	11.04	10.8	29bp	10.19	85bp
Tier 1 CAR (%)	8.63	8.3	35bp	7.41	122bp
<b>Profitability Ratios (%)</b>					
Cost of deposits	7.07	7.12	(5)bp	7.40	(33)bp
Yield on advances	10.18	10.22	(4)bp	10.69	(51)bp
Yield on investments	7.95	7.97	(2)bp	8.04	(9)bp
Yield on funds	8.30	8.28	2bp	8.77	(47)bp
Cost of funds	6.39	6.41	(2)bp	6.82	(43)bp
Reported NIMs	2.24	2.21	3bp	2.24	0bp
Cost-to-income ratio	49.59	44.80	480bp	52.04	(244)bp
<b>Asset quality</b>					
Gross NPAs (₹ cr)	14,021	13,081	7.2	9,164	53.0
Gross NPAs (%)	4.27	3.98	29bp	2.92	135bp
Net NPAs (₹ cr)	9,383	8,888	5.6	7,170	30.9
Net NPAs (%)	2.90	2.74	16bp	2.31	59bp
PCR incl. tech. w/offers (%)	59.81	59.02	79bp	58.68	113bp
Slippage ratio (%)	2.67	3.05	(39)bp	4.22	(155)bp
NPA to avg. assets (%)	0.72	0.99	(27)bp	0.79	(7)bp

Source: Company, Angel Research

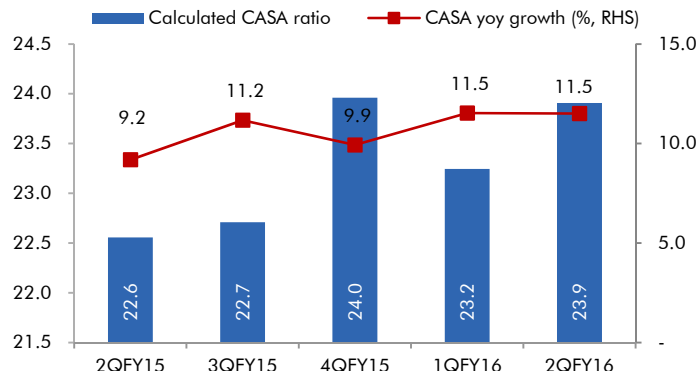
**Loan book grows at a slow pace; NIM rises qoq**

During 2QFY2015, the bank's loan book grew by 3.9% yoy with retail loan book growing at a faster pace at 14.3% yoy. The C-D ratio came down to 66.6% from 67.4% in 2QFY2015. Deposits growth was muted at 5.2% yoy with CASA deposits showing momentum (which grew by 11.5% yoy). As a result, the domestic CASA ratio for the bank rose by 178bp yoy to 25.5% as of 2QFY2016.

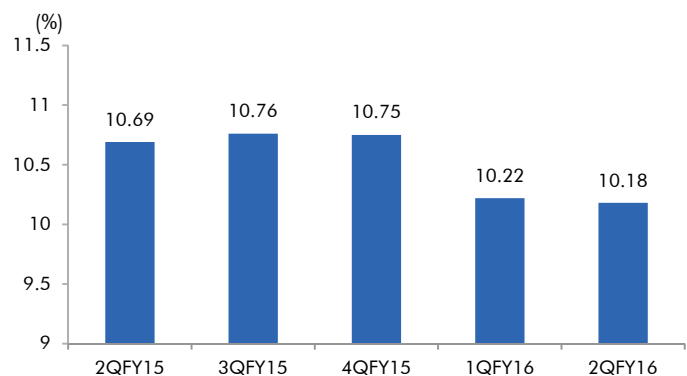
The Reported Global NIM rose sequentially from 2.21% in 1QFY2016 to 2.24% in the current quarter which aided NII growth of 11.8% for the quarter. The Management expects to reach 2.35% NIM by the end of this fiscal year.

**Exhibit 3: Loan book growth slows**


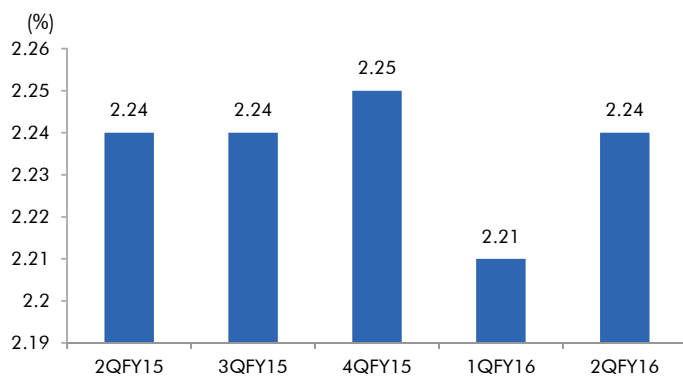
Source: Company, Angel Research

**Exhibit 4: Calculated CASA falls sequentially and yoy**


Source: Company, Angel Research

**Exhibit 5: YoA falls qoq and yoy**


Source: Company, Angel Research

**Exhibit 6: NIM rises 3bp qoq**


Source: Company, Angel Research

**Subdued growth in non-interest income**

During 2QFY2016, the non-interest income (excluding treasury) was subdued with a yoy growth of 4.4% largely aided by recoveries from written off accounts. Treasury income doubled for the quarter at ₹295cr as against ₹144cr for the corresponding quarter of the previous fiscal.

**Exhibit 7: 'Recoveries' aids strong growth in Oth. income excl. Treasury**

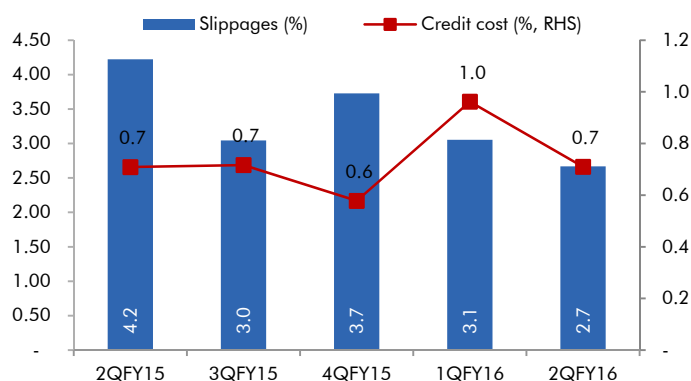
Particulars (₹ cr)	2QFY2016	1QFY2016	% chg (qoq)	2QFY2015	% chg (yoy)
Fee Income	222	214	3.7	224	(0.9)
Treasury	295	198	49.0	144	104.4
Recoveries	161	210	(23.3)	90	78.9
Others	532	491	8.4	563	(5.4)
<b>Other income</b>	<b>1,210</b>	<b>1,113</b>	<b>8.8</b>	<b>1,021</b>	<b>18.5</b>
Other income excl. treasury	915	915	0.1	877	4.4

Source: Company, Angel Research

### Asset quality pressures continue with surge in NPA ratios

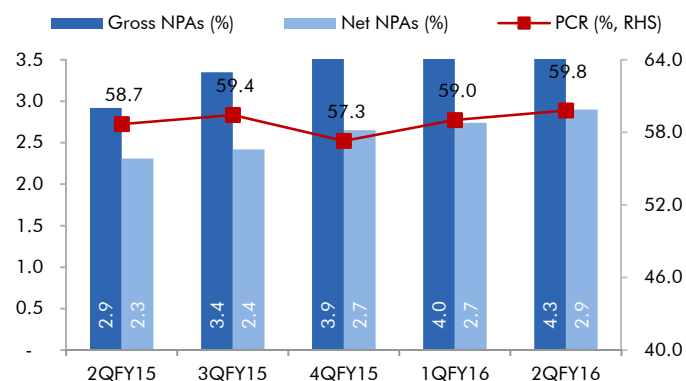
On the asset quality front, slippages came in at ₹2,202cr (annualized slippage rate of 2.7% as compared to 3.1% in 1QFY2016). Recoveries and upgrades were lower at ₹1,261cr as compared to ₹2,478cr in 1QFY2016. As a result, the Gross NPA ratio went up to 4.27% as compared to 3.98% in 1QFY2016, whereas the Net NPA increased to 2.90% from 2.74% in 1QFY2016. Additionally, the bank restructured advances worth ₹600cr during the quarter taking the book to ₹29,026cr as on 2QFY2016. The Provision Coverage Ratio improved to 59.81% from 58.68% in 2QFY2015

**Exhibit 8: Slippages remain moderate in 2QFY2016**



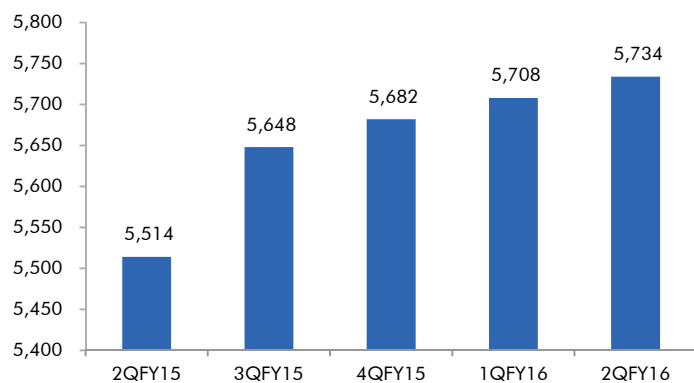
Source: Company, Angel Research

**Exhibit 9: NPA ratios increases sequentially**



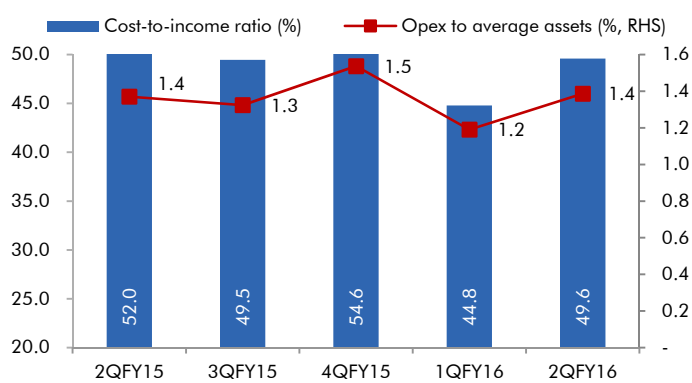
Source: Company, Angel Research; Note: PCR including tech. write-offs

**Exhibit 10: Branch expansion slows down qoq**



Source: Company, Angel Research

**Exhibit 11: Cost to income ratio declines qoq**



Source: Company, Angel Research

## Outlook and valuation

Canara Bank has been reporting subdued growth in its profitability over the past several quarters. Canara Bank has larger exposure to the various stress sectors in the economy as compared to its peers. At the current market price, the stock trades at 0.4x FY2017E ABV. **We maintain our Neutral view on the stock.**

### Exhibit 12: Recommendation summary

Company	Reco.	CMP (₹)	Tgt. Price (₹)	Upside (%)	FY2017E P/ABV (x)	FY2017E Tgt. P/ABV (x)	FY2017E P/E (x)	FY15-17E EPS CAGR (%)	FY2017E RoA (%)	FY2017E RoE (%)
HDFCBk	Buy	1,048	1,262	20.4	3.2	3.8	17.2	22.4	1.9	19.7
ICICIBk*	Buy	260	354	36.1	1.8	2.0	10.7	13.4	1.6	14.7
YesBk	Buy	723	921	27.3	1.9	2.4	10.4	20.5	1.6	19.6
AxisBk	Buy	464	630	35.8	1.9	2.6	10.7	18.4	1.8	18.9
SBI*	Buy	241	283	17.4	1.2	1.2	9.9	17.8	0.7	12.7
FedBk	Neutral	55	-	-	1.0	1.0	8.9	3.1	1.0	11.9
SIB	Neutral	20	-	-	0.7	0.8	6.1	21.6	0.7	11.6
BOB	Neutral	168	-	-	0.9	0.9	8.0	17.5	0.6	10.6
PNB	Neutral	136	-	-	0.6	0.6	5.0	28.5	0.7	12.0
BOI	Neutral	129	-	-	0.3	0.8	3.9	14.0	0.3	7.6
IndBk	Neutral	126	-	-	0.4	0.3	4.2	19.4	0.6	8.6
Vijaya Bank	Neutral	34	-	-	0.5	0.5	5.1	14.1	0.4	8.8
OBC	Neutral	146	-	-	0.3	0.5	3.2	65.5	0.5	9.4
Allahabad Bank	Neutral	74	-	-	0.3	0.3	2.7	56.2	0.6	11.9
UnionBk	Neutral	160	-	-	0.5	0.4	4.1	18.1	0.6	11.4
<b>CanBk</b>	<b>Neutral</b>	<b>270</b>	-	-	<b>0.4</b>	<b>0.3</b>	<b>3.8</b>	<b>12.0</b>	<b>0.6</b>	<b>11.2</b>
AllBk	Neutral	74	-	-	0.3	0.4	2.7	56.2	0.6	11.9
IDBI#	Neutral	83	-	-	0.5	0.6	5.8	61.6	0.6	9.3
DenaBk	Neutral	41	-	-	0.3	0.4	4.1	45.6	0.4	7.9

Source: Company, Angel Research; Note: \*Target multiples=SOTP Target Price/ABV (including subsidiaries), #Without adjusting for SASF

## Company Background

Canara Bank is a south India based PSU bank (fifth largest bank in India), with a balance sheet size of around ₹5.3lakh cr. The bank has a reasonably large pan-India presence with a network of 5500+ branches. The bank also has over 7,095 ATMs across the country.

**Income statement (Standalone)**

Y/E March (₹ cr)	FY12	FY13	FY14	FY15	FY16E	FY17E
<b>Net Interest Income</b>	<b>7,689</b>	<b>7,879</b>	<b>8,944</b>	<b>9,664</b>	<b>10,645</b>	<b>11,893</b>
- YoY Growth (%)	(0.1)	2.5	13.5	8.0	10.2	11.7
<b>Other Income</b>	<b>2,928</b>	<b>3,153</b>	<b>3,933</b>	<b>4,550</b>	<b>4,796</b>	<b>5,052</b>
- YoY Growth (%)	4.1	7.7	24.7	15.7	5.4	5.3
<b>Operating Income</b>	<b>10,617</b>	<b>11,032</b>	<b>12,877</b>	<b>14,214</b>	<b>15,441</b>	<b>16,945</b>
- YoY Growth (%)	1.0	3.9	16.7	10.4	8.6	9.7
<b>Operating Expenses</b>	<b>4,674</b>	<b>5,142</b>	<b>6,081</b>	<b>7,264</b>	<b>7,627</b>	<b>8,042</b>
- YoY Growth (%)	5.8	10.0	18.3	19.4	5.0	5.4
<b>Pre - Provision Profit</b>	<b>5,943</b>	<b>5,890</b>	<b>6,796</b>	<b>6,950</b>	<b>7,814</b>	<b>8,903</b>
- YoY Growth (%)	(2.4)	(0.9)	15.4	2.3	12.4	13.9
<b>Prov. &amp; Cont.</b>	<b>1,860</b>	<b>2,218</b>	<b>3,733</b>	<b>3,497</b>	<b>4,721</b>	<b>4,055</b>
- YoY Growth (%)	74.6	19.2	68.3	(6.3)	35.0	(14.1)
<b>Profit Before Tax</b>	<b>4,083</b>	<b>3,672</b>	<b>3,063</b>	<b>3,454</b>	<b>3,094</b>	<b>4,849</b>
- YoY Growth (%)	(18.8)	(10.1)	(16.6)	12.8	(10.4)	56.7
<b>Prov. for Taxation</b>	<b>800</b>	<b>800</b>	<b>625</b>	<b>785</b>	<b>882</b>	<b>1,503</b>
- as a % of PBT	19.6	21.8	20.4	22.7	28.5	31.0
<b>PAT</b>	<b>3,283</b>	<b>2,872</b>	<b>2,438</b>	<b>2,669</b>	<b>2,212</b>	<b>3,346</b>
- YoY Growth (%)	(18.5)	(12.5)	(15.1)	9.5	(17.1)	51.2

**Balance sheet (Standalone)**

Y/E March (₹ cr)	FY12	FY13	FY14	FY15	FY16E	FY17E
Share Capital	443	443	461	475	475	475
Reserve & Surplus	22,247	24,435	29,159	31,906	33,646	36,268
Deposits	3,27,054	3,55,856	4,20,723	4,73,840	5,02,271	5,42,452
- Growth (%)	11.5	8.8	18.2	12.6	6.0	8.0
Borrowings	6,558	11,573	15,955	14,678	15,516	16,700
Tier 2 Capital	8,967	8,711	11,276	10,994	10,719	10,451
Other Liab. & Prov.	8,891	11,325	14,348	16,108	16,693	17,161
<b>Total Liabilities</b>	<b>3,74,160</b>	<b>4,12,343</b>	<b>4,91,922</b>	<b>5,48,001</b>	<b>5,79,320</b>	<b>6,23,508</b>
Cash Balances	17,795	15,406	22,154	21,972	25,114	27,123
Bank Balances	10,384	19,309	22,675	26,669	26,069	24,940
Investments	1,02,057	1,21,133	1,26,828	1,45,346	1,49,871	1,52,648
Advances	2,32,490	2,42,177	3,01,067	3,30,036	3,53,138	3,91,983
- Growth (%)	10.0	4.2	24.3	9.6	7.0	11.0
Fixed Assets	2,858	2,863	6,642	6,950	7,126	7,440
Other Assets	8,576	11,456	12,556	17,028	18,002	19,375
<b>Total Assets</b>	<b>3,74,160</b>	<b>4,12,343</b>	<b>4,91,922</b>	<b>5,48,001</b>	<b>5,79,320</b>	<b>6,23,508</b>
- Growth (%)	11.4	10.2	19.3	11.4	5.7	7.6

**Ratio analysis (Standalone)**

Y/E March	FY12	FY13	FY14	FY15	FY16E	FY17E
<b>Profitability ratios (%)</b>						
NIMs	2.2	2.1	2.1	1.9	2.0	2.1
Cost to Income Ratio	44.0	46.6	47.2	51.1	49.4	47.5
RoA	0.9	0.7	0.5	0.5	0.4	0.6
RoE	17.0	13.2	10.4	10.5	8.0	11.2
<b>B/S ratios (%)</b>						
CASA Ratio	24.3	24.2	24.5	24.0	25.3	26.7
Credit/Deposit Ratio	71.1	68.1	71.6	69.7	70.3	72.3
CAR	13.8	12.4	11.1	10.7	10.6	10.5
- Tier I	10.4	9.8	8.0	8.0	8.0	8.1
<b>Asset Quality (%)</b>						
Gross NPAs	1.7	2.6	2.5	3.9	5.3	5.5
Net NPAs	1.5	2.2	2.0	2.6	2.9	2.5
Slippages	2.2	2.5	3.5	3.6	3.5	3.0
Loan Loss Prov. /Avg. Assets	0.4	0.5	0.5	0.7	0.8	0.6
Provision Coverage	67.6	61.4	60.1	60.0	62.5	67.5
<b>Per Share Data (₹)</b>						
EPS	74.1	64.8	52.9	56.2	46.6	70.4
ABVPS (75% cover.)	448.1	473.6	474.3	496.7	530.7	610.7
DPS	11.0	13.0	11.0	8.6	8.5	13.0
<b>Valuation Ratios</b>						
PER (x)	3.6	4.2	5.1	4.8	5.8	3.8
P/ABVPS (x)	0.6	0.6	0.6	0.5	0.5	0.4
Dividend Yield	4.1	4.8	4.1	3.2	3.2	4.8
<b>DuPont Analysis</b>						
NII	2.2	2.0	2.0	1.9	1.9	2.0
(-) Prov. Exp.	0.5	0.6	0.8	0.7	0.8	0.7
Adj. NII	1.6	1.4	1.2	1.2	1.1	1.3
Treasury	0.1	0.2	0.1	0.2	0.2	0.2
Int. Sens. Inc.	1.7	1.6	1.3	1.4	1.2	1.5
Other Inc.	0.7	0.6	0.7	0.7	0.7	0.7
Op. Inc.	2.5	2.2	2.0	2.1	1.9	2.1
Opex	1.3	1.3	1.3	1.4	1.4	1.3
PBT	1.1	0.9	0.7	0.7	0.5	0.8
Taxes	0.2	0.2	0.1	0.2	0.2	0.2
<b>RoA</b>	<b>0.9</b>	<b>0.7</b>	<b>0.5</b>	<b>0.5</b>	<b>0.4</b>	<b>0.6</b>
Leverage	18.4	18.1	19.3	20.4	20.3	20.1
<b>RoE</b>	<b>17.0</b>	<b>13.2</b>	<b>10.4</b>	<b>10.5</b>	<b>8.0</b>	<b>11.2</b>



Research Team Tel: 022 - 39357800

 E-mail: [research@angelbroking.com](mailto:research@angelbroking.com)

 Website: [www.angelbroking.com](http://www.angelbroking.com)

## DISCLAIMER

Angel Broking Private Limited (hereinafter referred to as "Angel") is a registered Member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Metropolitan Stock Exchange of India Limited. It is also registered as a Depository Participant with CDSL and Portfolio Manager with SEBI. It also has registration with AMFI as a Mutual Fund Distributor. Angel Broking Private Limited is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide registration number INH000000164. Angel or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities Market. Angel or its associates including its relatives/analyst do not hold any financial interest/beneficial ownership of more than 1% in the company covered by Analyst. Angel or its associates/analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months. Angel/analyst has not served as an officer, director or employee of company covered by Analyst and has not been engaged in market making activity of the company covered by Analyst.

This document is solely for the personal information of the recipient, and must not be singularly used as the basis of any investment decision. Nothing in this document should be construed as investment or financial advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in the securities of the companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment.

Reports based on technical and derivative analysis center on studying charts of a stock's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamentals.

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true, but we do not represent that it is accurate or complete and it should not be relied on as such, as this document is for general guidance only. Angel Broking Pvt. Limited or any of its affiliates/ group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. Angel Broking Pvt. Limited has not independently verified all the information contained within this document. Accordingly, we cannot testify, nor make any representation or warranty, express or implied, to the accuracy, contents or data contained within this document. While Angel Broking Pvt. Limited endeavors to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This document is being supplied to you solely for your information, and its contents, information or data may not be reproduced, redistributed or passed on, directly or indirectly.

Neither Angel Broking Pvt. Limited, nor its directors, employees or affiliates shall be liable for any loss or damage that may arise from or in connection with the use of this information.

**Note: Please refer to the important 'Stock Holding Disclosure' report on the Angel website (Research Section). Also, please refer to the latest update on respective stocks for the disclosure status in respect of those stocks. Angel Broking Pvt. Limited and its affiliates may have investment positions in the stocks recommended in this report.**

### Disclosure of Interest Statement

### Canara Bank

1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	No
3. Angel and its Group companies' Directors ownership of the stock	No
4. Broking relationship with company covered	No

*Note: We have not considered any Exposure below ₹ 1 lakh for Angel, its Group companies and Directors*

**Ratings (Based on expected returns over 12 months investment period):**

Buy (> 15%)

Accumulate (5% to 15%)  
Reduce (-5% to -15%)

Neutral (-5 to 5%)  
Sell (< -15)