



## CANARA BANK'S INITIATIVES UNDER FINANCIAL INCLUSION

Financial Inclusion is the process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at affordable cost. Govt of India and RBI have come out with guidelines to cover the villages hitherto unbanked. It has been the endeavour of Canara Bank to take the task as one of self imposed than as a compulsion.



Shri. R K Dubey, C&MD at Nayakanahalli Village, Chitradurga Dist.

Bank has made a conscious efforts to supplement the supply side effort by a demand side effort- by reaching out to people left behind, inspiring their trust and confidence in the banking system through financial literacy efforts and supporting them in improving the quality of their lives by providing credit support for livelihood creation activities. We aim at both meaningful and holistic financial inclusion for the overall development of the allotted villages.



Shri. R K Dubey, C&MD dedicated water cooler system to Sri Guruthipperudraswamy Temple at Nayakanhatti, Chitradurga Dist.

### Pilot Scheme on LPG Subsidy in Mysore District

Shri. Nandan Nilekani, Chairman, UIDAI, visited our Mysore Nazarbada Branch, in connection with implementation of LPG Subsidy scheme in Mysore District, which is the pilot District for the project.

Sri Nilekani, viewed the linking process of Aadhaar card to the account and expressed his satisfaction over the process and the progress made.



Shri. Nandan Nilekani viewing the linking process of Aadhaar card

## Financial Inclusion Progress in Canara Bank

Canara Bank has successfully covered all the allotted 1624 villages (spread across 24 States) with population above 2000 for providing banking facilities.

Bank has been allotted 8425 villages & 150 Wards in urban centres, for providing Banking services during the next three years.

During 2012-13 we added 64 branches in FI villages taking our tally of FI Branches to 275 under Branch Model. In fact during the last 2 years 50% of the new branches opened are in FI villages. Bank has engaged 1426 Business Correspondents Agents (BCAs) under Business Correspondents (BC) model. Considering the need for close supervision and mentoring of BCAs and in order to ensure that a range of banking services are available to residents of villages, Bank has opened 542 Ultra Small Branches, one of which has already been upgraded as a regular branch.

After ensuring coverage of villages in the more than 2000 population category, Bank has covered 1255 villages in the less than 2000 population category by mapping the villages with the existing BCAs.



Shri. R K Dubey, C&MD and Shri. K L Belgrami, Director Inaugurating CB RSETI at Masauli Barabanki



BSBD A/c opening at USB Cherupatnam, Waynad Dist. Kerala for DBT implementation



Shri. S S Bhat, General Manager, PC FI Wing during the visit of FI Branch at Kurauli Barabanki

## Business Canvassed in the New FI Branches

Bank has opened 64 branches in Financial Inclusion villages forming 50% of the total branches opened by the Bank during 2012-13 (128 branches) as against RBI stipulation of 25% of new branches required to be opened in tier V and VI centres. During 2011-12, Bank had opened 171 branches in FI village comprising 50% of the 342 branches opened. 235 branches opened in the Financial Inclusion villages during 2011-12 & 2012-13 have shown good results with more than 9.20 lacs a/cs and ₹1522 Crs business as at end of May 2013, with an average of 3913 a/cs and ₹6.48 Crs business per branch.

**Position of Basic Savings Bank Deposit Accounts (BSBDA)**

Our bank has opened about 17.31 lac Basic Savings Bank Deposit accounts (BSBDA) during the year, of which 8.12 lac BSBDA were opened in FI villages. There was a accretion of ₹323 crores in BSBDA during 2012-13 taking the number of BSBDA in our Bank at the end of 2012-13 to 60.55 lacs with ₹1143 crs deposit. As at end of May 2013, the total number of BSBDA stood at 62.03 lacs.

Under “One Family One Account” scheme, out of 10883 service area villages, campaign completed in 9966 (92%) villages & certificates from village headman obtained in 80% of the villages



BSBD Account opening campaign organised by Mysore circle

**Information and Communication Technology (ICT) Model**

We have issued Smart Cards to 3.48 lac customers. During the year 3.40 lac transactions amounting to ₹35.15 crs were done through Smart Cards. During April - May 2013, 1.66 lacs transactions amounting to ₹42 crs was done.

**BC Convention at Chitradurga, Karnataka**

BC's convention was organised in our lead district of Chitradurga by RBI Regional office Bangalore, on 13.03.2013. The convention was organized with an objective of getting the feedback from the BCAs directly and take steps at operational level and policy level to make the Bank lead BC model as an effective instrument of Financial Inclusion.



Smt. Uma Shanker RD, RBI & Shri. R K Dubey, C&MD at BC Convention organised by RBI at Chitradurga

**Micro Insurance**

Bank provided life coverage to 31117 group members under Micro Insurance policy during the financial year 2012-13. During this year Bank as added 4926 members taking the total group members covered to 56111 cumulatively.

**Micro Finance Branches**

Bank is also catering to urban poor & Micro Finance Branches have been opened in urban Centres. Our 19 Micro Finance Branches contributed business of ₹211 Crs.



Micro insurance Campaign organised at Haramaghatta Village Shimoga Dist.



Shri. K H Muniyappa, Hon'ble Union Minister for MSME and Shri. R K Dubey, C&MD at Rural outreach programme Kolar Distributing GCC Card to beneficiaries

**IOD** - In built OD facility permitted to 74334 beneficiaries amounting to ₹25.56 crs.

**GCC** - Outstanding at the end of May 2013 was 2.95 lacs a/cs with balance of ₹624 Cr.

**KCC** - Outstanding at the end of May 2013 was 6.21 lacs a/cs with balance of ₹5872 Cr.

**DRIs** - Outstanding at the end of May 2013 was 0.26 lacs a/cs with balance of ₹38 Cr.

**SHGs** - Outstanding at the end of May 2013 was 0.87 lacs a/cs with balance of ₹1331 Cr.

## Credit Linkage

Bank has not limited its activity in financial inclusion to opening Basic Savings Bank accounts alone. Besides opening BSBDA Bank has endeavored to provide host of other facilities like In-Built Overdrafts (IODs), Kisan Credit Cards (KCCs), General Credit Cards (GCCs), Differential Rate of Interest scheme (DRI), Self Help Groups (SHGs), Micro Credit Groups (MCGs), Micro Insurance and Micro Pension under Canara Nayee Disha Scheme.



SHG Credit Linkage camp organised at Devanahalli Village, Bangalore Rural Dist.

## Financial Literacy Centres (FLCs)

Bank has set up FLCs in 26 Lead Districts and provided financial education to 38153 persons. Bank also conducted Financial Literacy programmes for children studying in government schools, using tablet PC. Bank organised a Trainers Training Programme for SHG leaders & NGOs to impart Financial Literacy among their members.

## Farmers' Club

During the year 2012-13 123 Farmers' club have been formed. Presently the Bank has more than 1500 farmers' club all over the country. These farmers' club disseminate information to the rural people about the banking products and advanced technology.



Shri. A K Gupta, ED releasing comic book "Money & Saving" in 6 Languages under Financial Literacy campaign

**Engaging Anchor NGOs for promoting Women SHGs (WSHGs) in Backward Districts**

Bank has the Lead Bank responsibility in Chitradurga Dist. in Karnataka state, Waynad and Palakkad dist. in Kerala state, which are classified as backward districts. As per the guidelines of the Ministry of Finance, Govt. of India, Bank has signed MOU with Shree Kshetra Dharmasthala Rural Development Programme (SKDRDP) in Chitradurga dist., Waynad Social Service Society Manantwadi in Waynad dist., & People Service Society and Hope Foundation in Palakkad dist. in Kerala state for implementation of the scheme.



Shri R K Dubey, C&MD, interacting at Halli Santhe (Marketing support for sale of products by SHGs), in Hassan Dist. Karnataka

**Position of Financial Inclusion in our sponsored Regional Rural Banks**

Our two sponsored RRBs are 100% CBS compliant and have implemented financial inclusion plan in all 368 allotted villages by opening 20 Brick and Mortar branches, 348 Ultra Small Branches and appointing 348 Business Correspondents.



Hon'ble Union Finance Minister Shri. P Chidambaram handing over Kissan Rupay Card to a beneficiary during inauguration of Siravayal Branch in Tamil Nadu. Shri R K Dubey, C&MD, Shri A K Gupta, ED and Shri. G V Manimaran, Director were also present on the occasion

Bank has also signed MOU with Mahalir Association for Literacy Awareness and Rights (MALAR) in Kanyakumari Dist. of Tamil Nadu state for implementation since the bank has major presence in the dist.

SKDRDP has formed about 6007 WSHGs in Chitradurga Dist. and credit linked 3689 WSHGs till 31.05.2013. 615 SHGs are formed and SB linked in Waynad Dist. and 210 WSHGs have been formed in Palakkad (Kerala state).



Shri. R K Dubey at a programme organised by South Malabar Gramin Bank, Kerala

Implementation of DBT Scheme in our Bank

Bank has already campaigned for 'One Family One Account' as a precursor to Direct benefit transfer implementation. Bank has already ensured that CBS can capture Aadhaar numbers. Bank has provided adequate number of access points i.e. branch, ATM, cash dispenser, BCA, etc, to enable the beneficiaries to withdraw the money as per their ease and convenience. Aadhaar lookup facility has been enabled. Bank is in readiness for roll out facility in 78 Districts in Phase II from 01.07.2013 and for roll out of LPG Subsidy w.e.f 01.10.2013 in all the Districts.



Shri. A K Gupta ED interacting with Smt. C A Latha, District Collector Kozhikode Dist. Kerala

The details of DBT implementation are given in table below:

| BANK AS A WHOLE                          | As on 31.03.2013 | As on 21.06.2013 |
|------------------------------------------|------------------|------------------|
| No of identified DISTRICTS               | 43               | 121              |
| No of Branches participating             | 483              | 1085             |
| No of Villages allocated                 | 864              | 1740             |
| No of Wards allocated                    | 596              | 1930             |
| No of New accounts opened                | 271396           | 1147636          |
| No of A/cs seeded with AADHAAR           | 362610           | 694886           |
| No of new ATMs installed                 | 109              | 279              |
| Total No of ATMs in identified Districts | 483              | 994              |

As on 21.06.2013 our Bank has done 73715 transactions under DBT amounting to ₹281.84 lakhs. Total Aadhaar seeded Bank A/cs are 8.12 lacs as on 21.06.2013

Of the 26 Lead Districts allotted to our Bank, Waynad, Kozhikode, Pallakad & Thrissur in Kerala & Sheikpura in Bihar figure in the list of 121 identified DBT Districts.



Shri. P M Francis, District Collector, Thrissur and Shri V S Krishnakumar, ED during Special DCC meeting for review of DBT implementation in Thrissur, Kerala



Shri. K Ganesan, Dist Collector (in charge), Palakkad Dist., Kerala & Sri A K Gupta, ED at a special DCC Meeting in Palakkad for review of DBT Implementation

The position in the Lead Districts identified in DBT Phase I & Phase II as on 21.06.2013 is furnished below:

| Sl. No. | Details                                           | Wayanad | Palakkad | Thrissur | Kozhikode | Sheikpura | Total  |
|---------|---------------------------------------------------|---------|----------|----------|-----------|-----------|--------|
|         | <b>Schemes covered under DBT</b>                  | 10      | 10       | 12       | 12        | 8         | 26     |
| 1       | No of beneficiaries of all schemes                | 17739   | 73040    | 64152    | 34740     | 6779      | 196450 |
| 2       | Out of 1, details received                        | 15577   | 32917    | 38963    | 23405     | 6779      | 117641 |
| 3       | Out of 2, no of A/cs opened                       | 15577   | 32917    | 37604    | 23405     | 6025      | 115528 |
| 4       | Out of 3, Debit Cards issued                      | 2405    | 590      | 18327    | 9518      | 704       | 31544  |
| 5       | Out of 3, Aadhaar seeded                          | 12006   | 3936     | 12897    | 7832      | 137       | 36808  |
| 6       | Beneficiary details yet to be recd from govt(1-2) | 2162    | 40123    | 25189    | 11335     | nil       | 78809  |



Mobile Biometric ATM at Bangalore

### Biometric ATMs

Bank has installed 29 Bio metric ATMs. These Bio Metric ATMs enable the rural illiterate customers to access their accounts using Biometric features like finger prints and withdraw the amount or get balance confirmation, using colour codes. All the new ATMs being installed in Rural / Semi urban areas can also be bio metric enabled based on need.

### Canara Gramin Vikas Vahini

Our Bank has provided Canara Gramin Vikas Vahini Vehicles in 37 districts across the country, with an objective of providing Financial Literacy and awareness about Bank's products and Banking facilities among the rural households.



Canara Gramin Vikas Vahini



### Awards and Accolades

- Bank has been awarded for Best performance under Technological Initiatives for Financial inclusion among large Banks by IDRBT. (Institute for Development & Research in Banking Technology)
- Bank has secured 1st Rank for Self Help Groups Linkage for the year 2011-12 in the State of Bihar.

Trophy of IDRBT Best Bank Award Among Large Banks for use of Technology for Financial Inclusion



Pictures taken on the occasion of Van Mahotsav Program at HO on World Environment Day June 5th, 2013. Shri V S Krishnakumar, ED and Dr. A N Yellappa Reddy, Retd. IFS Officer were present on the occasion

Financial Inclusion Division, PC & FI Wing

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