

Press Release

BANK OF BARODA ANNOUNCES FINANCIAL RESULTS FOR Q2FY22

BOB quadruples Net profit in HY ended Sep'21 over HY ended Sep'20

Net profit for the quarter up by 24.39% YoY

Gross NPA ratio declined to 8.11% in Sep'21 from 9.14% in Sep'20

Domestic CASA up by 13.01% YoY, domestic CASA Ratio improved by 368 bps YoY

Cost to income ratio improved by 61 bps to 48.54% in H1FY22 as against 49.15% in H1FY21.

Healthy Capital base – CRAR improved to 15.55% in Sep'21 from 13.26% in Sep'20

Key Highlights

- ❖ The domestic CASA of the Bank marked a growth of 13.01% on a YoY basis.
- ❖ Operating profit grew by 5.76% on a YoY basis.
- ❖ Net profit of the Bank marked a YoY growth of 24.39%, increased to INR 2,088 crore in Q2FY22 against INR 1,679 crore in Q2FY21. Net profit increased to INR 3,296 crore in H1FY22 from INR 814 crore in H1FY21.
- ❖ Gross NPA of the Bank significantly improved to 8.11% in Sep'21 from 9.14% in Sep'20.
- ❖ Global Net Interest Margin (NIM) increased to 2.85% in Sep'21 from 2.78% in Sep'20.
- ❖ Global Advances of the Bank increased by 2.10% YoY to INR 7,34,033 crore.
- ❖ Domestic Advances of the Bank increased to INR 6,23,368 crore, up by 2.99% on a YoY basis.

Business Performance

- ❖ Global Deposits increased by 0.54% to INR 9,59,483 crore on a YoY basis. Domestic Deposits increased by 3.43% to INR 8,64,603 crore in Sep'21.
- ❖ Domestic Current Account Deposits stood at INR 60,098 crore, registering a YoY growth of 15.34% and Domestic Savings Bank Deposits grew by 12.58% to INR 3,15,668 crore. Overall Domestic CASA registered a growth of 13.01% on a YoY basis.
- ❖ Organic Retail loan portfolio of the Bank grew by 10.25% on a YoY basis, led by growth in Personal loan portfolio which stood at 33.12%, 23.17% growth in Auto loan and 11.09% in Education loan.
- ❖ Agriculture loan portfolio grew by 7.39% on a YoY basis and stood at INR 1,00,748 crore
- ❖ Organic MSME portfolio of the Bank increased by 4.12% and stood at INR 89,339 crore.

Profitability

- ❖ Net Interest Income (NII) increased to INR 7,566 crore in Q2FY22 as against INR 7,410 crore in Q2FY21, registering a growth 2.11% YoY.
- ❖ Non-Interest Income during Q2FY22 increased by 22.99% YoY to INR 3,579 crore
- ❖ Operating Income of the Bank increased by 8.00% YoY to INR 11,145 crore in Q2FY22. Operating Income for H1FY22 registered a growth of 12.71% and stood at INR 21,901 crore as against INR 19,432 crore in H1FY21.
- ❖ Cost of Deposits reduced to 3.52% in Sep'21 as against 3.99% in Sep'20. Yield on Advances stood at 6.55% in Sep'21 as compared with 7.08% in Sep'20.
- ❖ Operating Profit of the Bank increased to INR 5,670 crore in Q2FY22, up by 5.76% on a YoY basis.
- ❖ Bank reported a standalone Net Profit of INR 2,088 crore in Q2FY22 as against INR 1,679 crore in Q2FY21, registering a growth of 24.39% YoY.
- ❖ Global NIM increased to 2.85% in Q2FY22 from 2.78% in Q2FY21.
- ❖ Return on Assets (RoA) improved to 0.73% in Sep'21 from 0.59% in Sep'20.
- ❖ For the consolidated entity, Net Profit stood at INR 2,168 crore in Q2FY22 as against INR 1,771 crore in Q2FY21.

Asset Quality

- ❖ The Gross NPA of the Bank reduced to INR 59,504 crore in Q2FY22 from the level of INR 65,698 crore in Q2FY21. Subsequently the Gross NPA Ratio improved to 8.11% in Q2FY22 from 9.14% in Q2FY21.
- ❖ The Net NPA Ratio of the Bank stood at 2.83% in Q2FY22 as compared with 2.51% in Q2FY21.
- ❖ The Provision Coverage Ratio of the Bank stood at 83.42% including TWO and 67.06% excluding TWO in Q2FY22.

Capital Adequacy

- ❖ CRAR of the Bank improved to 15.55% in Sep'21 from 13.26% in Sep'20. Tier-I stood at 13.21% (CET-1 at 11.39%, AT1 at 1.82%) and Tier-II stood at 2.34% as of Sep'21.
- ❖ The CRAR and CET-1 of consolidated entity is at 16.06% and 12.02% respectively

Income & Expenditure

| Particulars (INR crore) | Q2FY21 | Q1FY22 | Q2FY22 | YoY (%) |
|--|--------|--------|--------|---------|
| Interest Income | 17,820 | 17,053 | 16,692 | -6.33 |
| Interest Expenses | 10,410 | 9,161 | 9,126 | -12.34 |
| Net Interest Income (NII) | 7,410 | 7,892 | 7,566 | 2.11 |
| Non- Interest Income | 2,910 | 2,863 | 3,579 | 22.99 |
| Operating Income | 10,320 | 10,755 | 11,145 | 8.00 |
| Operating Expenses | 4,958 | 5,154 | 5,476 | 10.45 |
| Operating Profit | 5,361 | 5,601 | 5,670 | 5.76 |
| Total Provisions (other than tax) and contingencies | 2,811 | 4,006 | 2,754 | -2.04 |
| of which, Provision for NPA Bad Debts Written-off | 2,277 | 2,557 | 2,600 | 14.20 |
| Profit before Tax | 2,550 | 1,596 | 2,916 | 14.37 |
| Provision for Tax | 872 | 387 | 828 | -5.05 |
| Net Profit | 1,679 | 1,209 | 2,088 | 24.39 |

Business details

| Particulars (INR crore) | Sep 30, 2020 | Jun 30, 2021 | Sep 30, 2021 | YoY (%) |
|---|--------------|--------------|--------------|---------|
| Domestic deposits | 8,35,894 | 8,37,803 | 8,64,603 | 3.43 |
| Domestic CASA | 3,32,493 | 3,62,044 | 3,75,766 | 13.01 |
| Global deposits | 9,54,340 | 9,31,317 | 9,59,483 | 0.54 |
| Domestic advances | 6,05,245 | 6,00,970 | 6,23,368 | 2.99 |
| Of which, retail loan portfolio (Organic) | 1,11,944 | 1,19,729 | 1,23,424 | 10.25 |
| Global advances | 7,18,957 | 7,11,487 | 7,34,033 | 2.10 |
| Cost of Deposit % | 3.99 | 3.55 | 3.52 | |
| Yield on Advances % | 7.08 | 6.85 | 6.55 | |
| Cost Income Ratio % | 48.05 | 47.92 | 49.13 | |
| NIM Global % | 2.78 | 3.04 | 2.85 | |
| RoA % | 0.59 | 0.42 | 0.73 | |

| Particulars | Sep 30, 2020 | Jun 30, 2021 | Sep 30, 2021 |
|--------------------|--------------|--------------|--------------|
| CRAR (%) | 13.26 | 15.40 | 15.55 |
| Tier-1 (%) | 10.75 | 13.06 | 13.21 |
| CET-1 (%) | 9.21 | 11.25 | 11.39 |
| Gross NPA (%) | 9.14 | 8.86 | 8.11 |
| Net NPA (%) | 2.51 | 3.03 | 2.83 |
| PCR (with TWO) (%) | 85.35 | 83.14 | 83.42 |

| Particulars | Q2FY21 | Q4FY21 | Q1FY22 |
|-----------------|--------|--------|--------|
| Credit Cost (%) | 1.24 | 1.36 | 1.46 |

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Mumbai

About Bank of Baroda

Bank of Baroda (“The Bank”) established on July 20, 1908 is an Indian state-owned banking and financial services organization, headquartered in Vadodara (earlier known as Baroda), in Gujarat, India. Under the ‘Alternative Mechanism’ scheme, the Government announced the amalgamation of Vijaya Bank and Dena Bank with Bank of Baroda which came into effect on April 1, 2019.

Bank of Baroda is one of India’s largest banks with a strong domestic presence spanning 8,182 branches and 11,631 ATMs and Cash Recyclers supported by self-service channels. The Bank has a significant international presence with a network of 95 overseas offices spanning 18 countries.

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