

Press Release

BANK OF BARODA ANNOUNCES FINANCIAL RESULTS FOR Q2FY 2021

Organic Retail and Agriculture loans grew at 16.8% and 16.5% respectively. Retail sanctions and disbursements in Q2 are at 119% of last year's level compared with 37% in Q1 indicating normalization of activity. Fee income is also higher YoY and QoQ. Domestic CASA momentum continues with CASA ratio up by 190 bps YoY to 39.78%. Bank continues to prudently increase provisions with PCR now at 85.35% from 77.88% as of Sep'19.

Highlights

- Operating Profit for Q2FY'21 is INR 5,552 crore registering an increase of 4% YoY and 28% QoQ. NII stood at Rs 7,508 crore, an increase of 6.8% YoY and 10.2% QoQ.
- Global advances increased by 5.3% led by domestic organic retail and agriculture loans which grew by 16.81% and 16.52% respectively. Auto loans increased by 34.8% YoY.
- Retail sanctions and disbursements in Q2FY21 are at 119% of last year's level compared with 37% in Q1FY21 indicating a broad normalization of economic activity.
- Fee Income increased by 3.9% YoY and 22.2% QoQ. Trading gains up by 6.8% YoY and 85.9% QoQ. Trading gains were at INR 1,006 crore in Q2. Recovery from TWO stood at Rs 341 crore in Q2FY21 as against Rs 94 crore in Q1FY21.
- Domestic CASA ratio increased to 39.78%, up by 190 bps YoY. Domestic cost of deposits in Q2FY'21 is lower at 4.42%, a decline of 53bps QoQ.
- Domestic margins (NIM) increased to 2.96% in Q2FY'21 compared with 2.63% in Q1FY21. Global NIM at 2.86% compared with 2.55% in Q1.
- Gross NPA ratio stood at 9.14% as on Sep 30, 2020 against 10.25% as on Sep 30, 2019. Net NPA ratio to 2.51% as against 3.91% as on Sep 30, 2019.
- PCR has increased to 85.35 % as on Sep 30, 2020 compared with 77.88 % as on Sep 30, 2019 (83.3 % as on Jun 30, 2020). Covid-19 related provision stood at Rs 1,748 crore.
- Bank reported a Net Profit of Rs 1,679 crore as on Sep 30, 2020 on a standalone basis and consolidated Net Profit is at Rs 1,771 crore.
- Capital adequacy (CRAR) stands at 13.26% with CET-1 at 9.21% on a standalone basis and for the consolidated entity it stands at 14.00% and 10.05% respectively.
- IT Integration of eVB for all 2,128 branches and 3 pilot eDB branches completed successfully; 1,100 Branches and 503 ATM rationalised.

Bank of Baroda announced its results for the Quarter ended September 30, 2020, following the approval of its Board of Directors on October 29, 2020

Particulars (INR crore)	Q2 FY 20	Q1 FY 21	Q2 FY 21	YOY (%)
Interest Income	19,274	18,494	17,918	-7.04
Interest Expenses	12,246	11,678	10,410	-14.99
Net Interest Income (NII)	7,028	6,816	7,508	6.83
Non- Interest Income	2,824	1,818	2,802	-0.77
Operating Income (NII+ Other Income)	9,852	8,634	10,310	4.65
Operating Expenses	4,516	4,314	4,758	5.36
Operating Profit	5,336	4,320	5,552	4.05
Total Provisions (other than tax) and contingencies	4,209	5,628	3002	-28.69
of which, Provision for NPA	3,425	3,458	2277	-33.52
Profit before Tax	1,127	-1,308	2,550	126.33
Provision for Tax	390	-444	872	123.49
Net Profit	737	-864	1679	127.82
NIM % (Domestic)	2.95	2.63	2.96	

Particulars (INR crore)	Q2 FY 20	Q1 FY 21	Q2 FY 21	YOY (%)
Domestic deposits	7,83,492	8,13,530	8,35,894	6.69
Domestic CASA	2,96,792	3,21,229	3,32,493	12.03
Global deposits	8,94,130	9,34,461	9,54,340	6.73
Domestic advances	5,71,991	6,15,038	6,05,245	5.81
Of which, retail loan portfolio (ex-portfolio purchase)	95,832	107,084	1,11,944	16.81
Global advances	6,82,669	7,36,547	7,18,957	5.32

Particulars	Q2 FY 20	Q1 FY 21	Q2 FY 21
CRAR (%)	12.98	12.84	13.26
Tier-1 (%)	10.91	10.33	10.75
CET-1 (%)	9.84	9.08	9.21

Particulars	Q2 FY 20	Q1 FY 21	Q2 FY 21
Gross NPA (%)	10.25	9.39	9.14
Net NPA (%)	3.91	2.83	2.51
PCR (with TWO) (%)	77.88	83.30	85.35
Slippage Ratio (%)	3.95	1.64	0.54
Credit Cost (%)	2.02	1.87	1.24



In its Interim Order dated September 3, 2020, the Honourable Supreme Court of India has directed that accounts which were not declared as NPA till August 31, 2020 shall not be declared as NPA till further orders.

Pending disposal of the case in Hon'ble SC, the Bank as a matter of prudence has made a contingent provision of Rs.19520 Lakh in respect of such accounts that were not classified as NPA. Further, In respect of above accounts, interest income aggregating Rs. 9792 Lakh has been reckoned in operating profit and as prudent measure an equal amount has been made as additional provision against those Assets. Total additional provision as on 30.09.2020 is Rs. 29312 lakh. If the Bank would have classified the said borrower accounts as NPA, the Gross and Net NPA ratio would have been 9.33% and 2.67% respectively.

October 29, 2020

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 8,965 branches and 12,087 ATMs and Cash Recyclers supported by self-service channels. The Bank has a significant international presence with a network of 99 overseas offices spanning 20 countries.

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