



**बैंक ऑफ़ बड़ौदा**  
**Bank of Baroda**

**Bank of Baroda:**  
*Consolidating and striding ahead*

Performance Analysis: Q1, 2015-16 (FY16)

V S Narang  
General Manager  
July 30, 2015

## BOB's Results At A Glance



| <i>Results for Q1, FY16</i>  |                 |                       |
|------------------------------|-----------------|-----------------------|
| <i>Performance Parameter</i> | <i>Rs crore</i> | <i>Growth (y-o-y)</i> |
| Net Profit                   | 1,052           | -22.74                |
| Operating Profit             | 2,202           | -11.20                |
| Total Business               | 10,01,475       | 7.29                  |
| Total Deposits               | 5,93,087        | 7.51                  |
| Total Advances               | 4,08,388        | 6.97                  |
| Total Assets                 | 6,95,698        | 7.61                  |
| Net Worth                    | 37,947          | 4.33                  |
| Total Capital (Basel III)    | 48,564          | 10.65                 |
| Tier 1 Capital (Basel III)   | 38,137          | 14.18                 |
| Business per Employee        | 18.32           | 6.95                  |

| <i>Ratios for Q1, FY16</i>                                |               |
|---|---------------|
| <i>Key Performance Ratio</i>                              | <i>(in %)</i> |
| Return on Average Assets                                  | 0.60          |
| Return on Equity  | 11.09         |
| Cost-Income Ratio   | 50.26         |
| Capital Adequacy Ratio (Basel II, Tier 1: <u>9.73%</u> )  | 12.74         |
| Capital Adequacy Ratio (Basel III, Tier 1: <u>9.41%</u> ) | 11.98         |
| Provision Coverage Ratio                                  | 64.94         |
| Gross NPA   | 4.13          |
| Net NPA   | 2.07          |

## BOB's Results At A Glance

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| Parameter                 | Q1, FY15 | Q4, FY15 | Q1, FY16 |
|---------------------------|----------|----------|----------|
| Net Interest Income       | 3,328    | 3,172    | 3,460    |
| Fresh Slippages           | 1,881    | 1,359    | 1,685    |
| Incremental Restructuring | 986      | 4,083    | 147      |

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## Bank's Key Strategic Initiatives in Q1, FY16



- During Q1, FY16, the Banks' Bulk and High-Cost Deposit at Preferential Rate (Rs 1 crore and above) were lowered by Rs 8,228 crore at end-June'15 in the Bank's domestic business.
- To give a boost to its Retail Business, Bank has waived off full processing charges for Home / Car loans and 50% for traders loan, opened one new Retail Loan Factory (taking the network to 61), streamlined the schemes for housing loans, loans to pensioners and strengthened its lending automation processing system (LAPS) for efficient processing of the proposals.
- To promote the growth of its MSME loan-book, it focused on micro/CGTMSE accounts and introduced area-specific schemes for MSME units in the sectors like marble processing and plastic products, etc.
- Strengthening of its Credit Monitoring process thru' online monitoring and improved system of "Early Detection of Stress Accounts" enabled the Bank to take timely follow-up actions and make strong gains in "Cash Recovery".
- It opened 17 new branches in its Domestic Operations and set up 261 new ATMs and 1,347 new POS machines (Point of Sale Machines) in Q1, FY16. It also opened 10 new e-Lobbies during this period to offer 24\*7 basic banking operations. It also installed 288 cash recyclers and 221 self service pass book printers during Q1, FY16. In its overseas operations, it opened a new branch at Diamond Plaza, Nairobi in its Subsidiary in Kenya.
- During Q1, FY16, it focused on adequate recruitment and talent acquisition to take care of the HR gap and further strengthened its systems of training & skill development for the existing as well as new employees.
- The Bank converted four more Metro and Urban branches into Baroda Next branches during Q1, FY16 taking the total number to 1,473 branches.
- As on 30<sup>th</sup> June 2015, A total of 22,031 villages were covered under the Bank's Financial Inclusion drive. To cover these villages, Bank has engaged more than 8,600 Business Correspondents.

## Bank of Baroda: Key Strengths



- Bank of Baroda is a 107 years old State-owned Bank with modern & contemporary personality, offering banking products and services to Large industrial, SME, retail & agricultural customers across the country.

Uninterrupted Record  
in Profit-making and  
Dividend Payment

Overseas Business  
Operations extend across  
24 countries  
through 105 Offices

Modern & Contemporary  
Personality

Pioneer in many  
Customer-Centric  
Initiatives

Strong Domestic  
Presence through  
5,207 brs & 8,291 ATMs

First PSB to receive & maintain  
Corporate Governance  
Rating (CGR-2)



Capital Ratios  
in excess of  
Regulatory  
Requirements

A well-accepted &  
recognised Brand in  
Indian banking industry

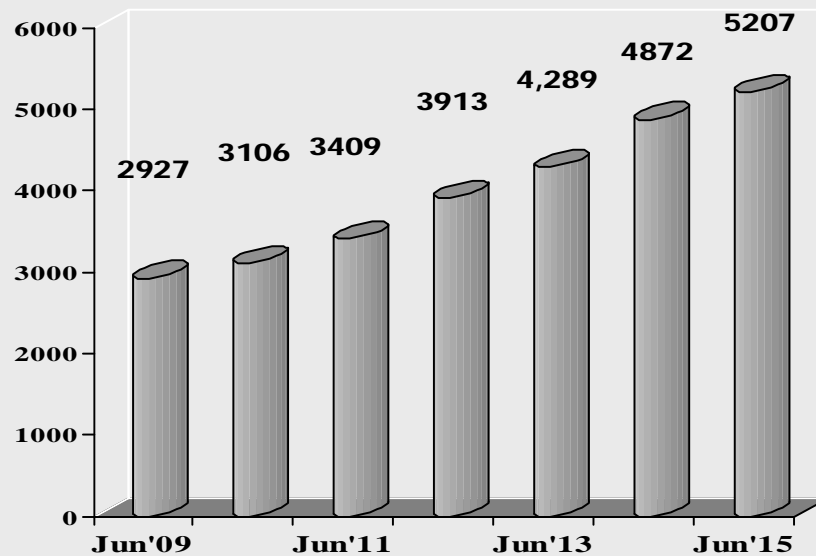
Relatively Strong Presence  
in Progressive States like  
Gujarat & Maharashtra

Globally Integrated  
Advanced Technology  
Platform

# Domestic Branch Network (as on 30<sup>th</sup> June, 2015)



No. of Domestic Branches

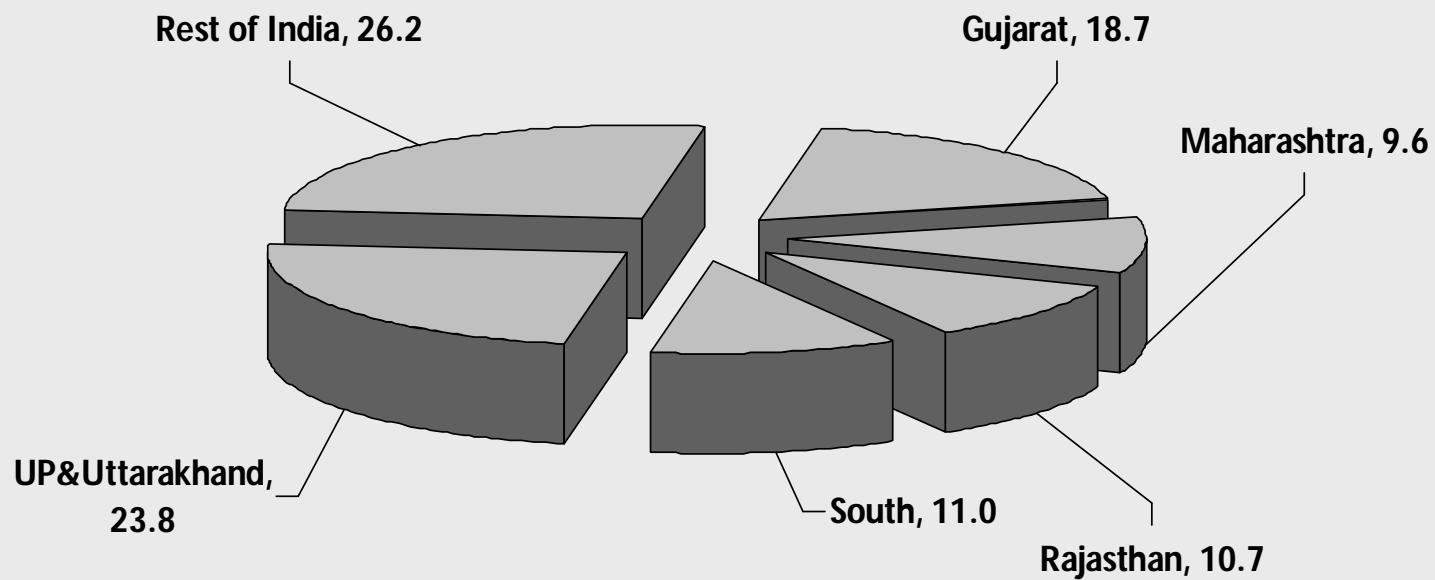


- During past **Six** years, the Bank added more than 2,200 branches to its domestic network.
- During Q1, FY16, the Bank opened 17 new branches in its domestic operations.
- During FY16, the Bank proposes to open 250 new branches under its Branch Expansion Plan.
- Out of the newly opened 17 brs during Q1, FY16, **7** belonged to 'metro & urban' areas and **5 each** to semi-urban areas & rural areas.
- Around 36.81% of the Bank's network at the end of June, 2015 was situated in rural areas.

**Regional Break-up of  
Domestic Branches as on 30<sup>th</sup> June 2015**

| Metro | Urban | Semi-Urban | Rural |
|-------|-------|------------|-------|
| 991   | 908   | 1,391      | 1,917 |

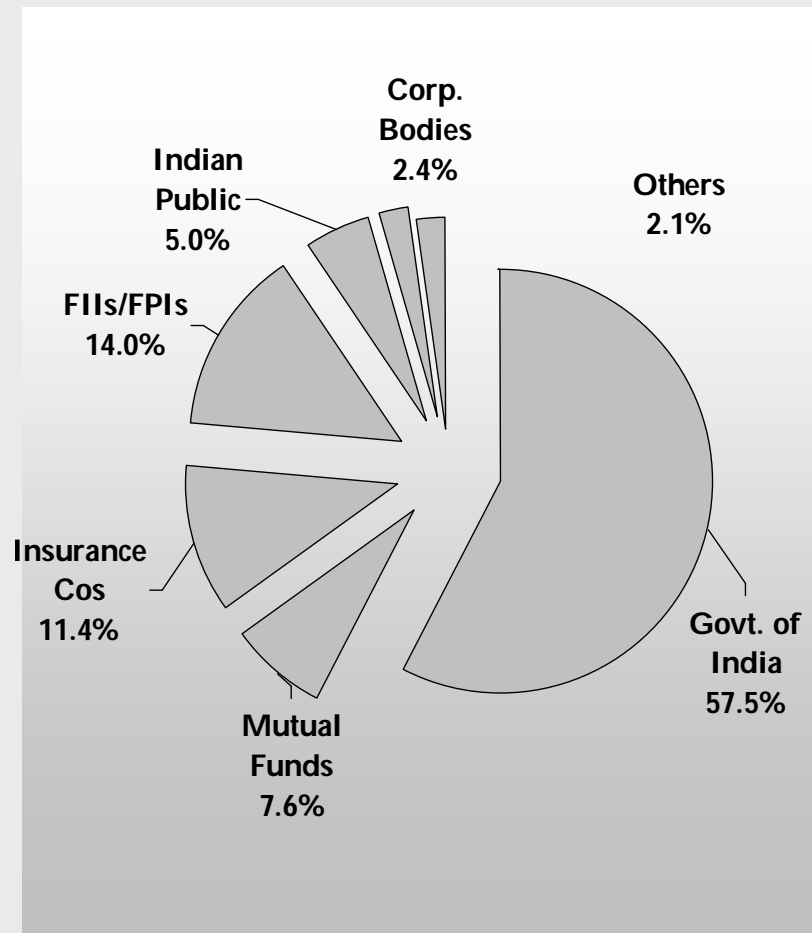
## Concentration (%): Domestic Branch Network (As on 30<sup>th</sup> June, 2015)



# Pattern of Shareholding: 30<sup>th</sup> June, 2015



As on 30<sup>th</sup> June, 2015



- Share Capital: Rs 443.56 crore
- Net worth: Rs 37,947.40 crore (up 4.33%, y-o-y)
- B. V. per share (F. V. per share of Rs 2): Rs 171.59
- Return on Equity: 11.09% in Q1, FY16

- BOB is a Part of the following Indices  
BSE 100, BSE 200, BSE 500 & Bankex  
Nifty, BankNifty, CNX 100, CNX 200, CNX 500
- *BOB's Share is also listed on BSE and NSE in the 'Future and Options' segment.*



## Macro Environment: Q1, FY16



*Though there are some signs of improvement in the economy the underlying economic currents remained weak in Q1, FY16.*

- **CMIE's project investment data and engineering companies'** order inflows are continuing to show improvement.
- The **non-oil non gold import** growth also shows slight improvement. Moreover, **Capital goods import growth** was in the positive territory in June, led by machinery and transport equipment.
- The **Foreign Exchange Reserves** position was robust **at US \$ 355.22 bln** as at June 26, 2015.
- The Government has also been taking efforts to improve investment climate in the country.
- **However, the index of industrial production (IIP) slipped from 3.3% in April 2015 to 2.7% in May 2015.** The moderation in industrial production growth was driven by both capital and consumer goods. Capital goods grew at 1.8% after growing at 6.8% in April. Consumer goods also declined to 1.6% after 3% growth in April.
- The outlook on **Agriculture remains uncertain given the below normal progress of monsoon.** The rainfall up to 22<sup>nd</sup> July is 7% less than the long period average while during the month of July the deficit was of 26%. However, the Kharif sowing has increased by 62% over the previous year.
  - But the final assessment in terms of the quantum and the distribution (both temporal and spatial) of rainfall and its implications for agricultural production could be made only in late Aug – early Sept, 2015.
- **CPI inflation** rose to a nine month high of **5.4% in June 2015** from 5.0% in May 2015 in y-o-y terms, led primarily by an increase in food inflation.
- As on June 26, 2015, **the SCB credit** grew by **9.3% (y-o-y)** as against **12.8%** in corresponding period last year & **deposits by 11.4% (y-o-y) as against 11.7%.**

## Business Expansion



| Particular<br>(Rs crore)    | June'14         | Mar'15           | June'15          | Y-O-Y<br>(%) | Change<br>Over<br>Mar'15<br>(%) |
|-----------------------------|-----------------|------------------|------------------|--------------|---------------------------------|
| <b>Global Business</b>      | <b>9,33,421</b> | <b>10,45,625</b> | <b>10,01,475</b> | <b>7.29</b>  | <b>-4.22</b>                    |
| Domestic Business           | 6,24,894        | 7,06,148         | 6,81,033         | 8.98         | -3.56                           |
| Overseas Business           | 3,08,527        | 3,39,477         | 3,20,443         | 3.86         | -5.61                           |
| <b>Global Deposits</b>      | <b>5,51,649</b> | <b>6,17,560</b>  | <b>5,93,087</b>  | <b>7.51</b>  | <b>-3.96</b>                    |
| Domestic Deposits           | 3,65,413        | 4,14,278         | 4,05,211         | 10.89        | -2.19                           |
| Overseas Deposits           | 1,86,236        | 2,03,282         | 1,87,876         | 0.88         | -7.58                           |
| <b>Global CASA Deposits</b> | <b>1,38,632</b> | <b>1,62,969</b>  | <b>1,53,544</b>  | <b>10.76</b> | <b>-5.78</b>                    |
| Domestic CASA               | 1,14,478        | 1,36,752         | 1,29,223         | 12.88        | -5.51                           |
| Overseas CASA               | 24,154          | 26,217           | 24,321           | 0.69         | -7.23                           |

• Share of **Domestic CASA in Total Domestic Deposits increased to 31.89%** at end-June, 2015 as against **31.33%** as at June, 2014.

## Business Expansion



| Particular<br>(Rs crore)         | June'14         | Mar'15          | June'15         | Y-O-Y<br>(%) | Change<br>Over<br>Mar'14<br>(%) |
|----------------------------------|-----------------|-----------------|-----------------|--------------|---------------------------------|
| <b>Global advances (Net)</b>     | <b>3,81,772</b> | <b>4,28,065</b> | <b>4,08,388</b> | <b>6.97</b>  | <b>-4.60</b>                    |
| Domestic Advances                | 2,59,482        | 2,91,870        | 2,75,821        | 6.30         | -5.50                           |
| Overseas Advances                | 1,22,291        | 1,36,195        | 1,32,567        | 8.40         | -2.66                           |
| <b>Retail Credit</b>             | <b>44,545</b>   | <b>52,488</b>   | <b>51,735</b>   | <b>16.14</b> | <b>-1.43</b>                    |
| Of which:                        |                 |                 |                 |              |                                 |
| Home Loans                       | 20,168          | 22,542          | 22,807          | 13.09        | 1.18                            |
| <b>SME Credit</b>                | <b>57,433</b>   | <b>61,993</b>   | <b>61,542</b>   | <b>7.15</b>  | <b>-0.73</b>                    |
| <b>Farm Credit</b>               | <b>31,259</b>   | <b>37,403</b>   | <b>39,502</b>   | <b>26.37</b> | <b>5.61</b>                     |
| <b>Credit to Weaker Sections</b> | <b>20,610</b>   | <b>22,510</b>   | <b>22,587</b>   | <b>9.59</b>  | <b>0.34</b>                     |

## CASA Position



| Particular<br>(Rs crore)       | Jun'14        | Mar'15          | Jun'15          | Y-O-Y<br>(%) | Change<br>Over<br>Mar'15<br>(%) |
|--------------------------------|---------------|-----------------|-----------------|--------------|---------------------------------|
| <b>Global Saving Deposits</b>  | <b>95,985</b> | <b>1,10,172</b> | <b>1,07,881</b> | <b>12.39</b> | <b>-2.08</b>                    |
| Domestic Savings Deposits      | 92,831        | 1,06,736        | 1,04,401        | 12.46        | -2.19                           |
| Overseas Savings Deposits      | 3,154         | 3,436           | 3,480           | 10.32        | 1.28                            |
| <b>Global Current Deposits</b> | <b>42,647</b> | <b>52,797</b>   | <b>45,663</b>   | <b>7.07</b>  | <b>-13.51</b>                   |
| Domestic Current Deposits      | 21,647        | 30,016          | 24,822          | 14.67        | -17.30                          |
| Overseas Current Deposits      | 21,000        | 22,781          | 20,841          | -0.76        | -8.51                           |

## Bank's Profits & Its Key Components: Q1, FY15 & FY16



| Particular<br>(Rs crore)                       | Q1, FY15 | Q1, FY16 | YOY<br>(%) |
|--|----------|----------|------------|
| Interest Income                                | 10,658   | 11,276   | 5.80       |
| Interest Expenses                              | 7,330    | 7,817    | 6.65       |
| NII (Spread)                                   | 3,328    | 3,460    | 3.95       |
| Other Income                                   | 1,025    | 967      | -5.59      |
| Staff Expenses                                 | 1,106    | 1,345    | 21.67      |
| Total Expenses                                 | 9,203    | 10,042   | 9.12       |
| Operating Profit                               | 2,480    | 2,202    | -11.20     |
| Provisions (other than tax)<br>& Contingencies | 527      | 600      | 13.87      |
| Net Profit                                     | 1,362    | 1,052    | -22.74     |

## Deposit & Loan(Costs/Yields):Q1,FY15 to Q1,FY16



| Particular (in %)               | Q1,<br>FY15 | Q2,<br>FY15 | Q3,<br>FY15 | Q4,<br>FY15 | Q1,<br>FY16 |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|
|                                 |             |             |             |             |             |
| <b>Global Cost of Deposits</b>  | <b>5.19</b> | <b>5.18</b> | <b>5.18</b> | <b>5.18</b> | <b>5.06</b> |
| Domestic Cost of Deposits       | 7.13        | 7.23        | 7.12        | 7.10        | 6.93        |
| Overseas Cost of Deposits       | 1.10        | 1.06        | 1.02        | 0.97        | 0.88        |
|                                 |             |             |             |             |             |
| <b>Global Yield on Advances</b> | <b>8.31</b> | <b>8.36</b> | <b>8.09</b> | <b>7.68</b> | <b>7.89</b> |
| Domestic Yield on Advances      | 11.06       | 11.17       | 11.01       | 10.56       | 10.64       |
| Overseas Yield on Advances      | 2.63        | 2.53        | 2.35        | 2.16        | 2.25        |

## Investment Yields & NIMs: Q1,FY15 to Q1,FY16



| Particular (in %)                 | Q1,<br>FY15 | Q2,<br>FY15 | Q3,<br>FY15 | Q4,<br>FY15 | Q1,<br>FY16 |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|
|                                   |             |             |             |             |             |
| <b>Global Yield on Investment</b> | <b>7.91</b> | <b>8.00</b> | <b>7.94</b> | <b>7.89</b> | <b>7.83</b> |
| Domestic Yield on Investment      | 8.09        | 8.19        | 8.13        | 8.07        | 8.04        |
| Overseas Yield on Investment      | 4.12        | 4.26        | 4.22        | 4.37        | 3.73        |
|                                   |             |             |             |             |             |
| <b>Global NIM</b>                 | <b>2.35</b> | <b>2.40</b> | <b>2.20</b> | <b>2.17</b> | <b>2.26</b> |
| Domestic NIM                      | 2.94        | 3.02        | 2.92        | 2.76        | 2.89        |
| Overseas NIM                      | 1.18        | 1.16        | 0.93        | 0.96        | 0.92        |

## Non-Interest income: Q1 of FY15 & FY16



| (Rs crore)                       | Q1, FY15        | Q1, FY16      | % Change (Y-O-Y) |
|----------------------------------|-----------------|---------------|------------------|
| Commission, Exchange, Brokerage  | 347.26          | 346.37        | -0.26            |
| Incidental Charges               | 71.77           | 79.39         | 10.62            |
| Other Miscellaneous Income       | 64.26           | 93.60         | 45.66            |
| <b>Total Fee-Based Income</b>    | <b>483.29</b>   | <b>519.36</b> | <b>7.46</b>      |
| Trading Gains                    | 224.17          | 157.04        | -29.94           |
| FX Profits (Treasury)            | 256.07          | 277.78        | 8.48             |
| Recovery from PWO                | 61.01           | 13.05         | -78.61           |
| <b>Total Non-Interest Income</b> | <b>1,024.54</b> | <b>967.23</b> | <b>-5.59</b>     |



## Provisions & Contingencies: Q1 of FY15 & FY16



| (Rs crore)  | Q1, FY15        | Q1, FY16       | % Change    |
|---|-----------------|----------------|-------------|
| <b>Provision for NPA &amp; Bad Debts Written-off</b>            | 771.80          | 567.82         | -26.43      |
| <b>Provision for Depreciation on Investment</b>                 | -318.89         | 18.91          | --          |
| <b>Provision for Standard Advances</b>                          | 79.90           | 12.08          | -84.89      |
| <b>Other Provisions (including Provision for staff welfare)</b> | -6.11           | 0.94           | --          |
| <b>Tax Provisions</b>   | 591.01          | 550.06         | -6.93       |
| <b>Total Provisions</b>   | <b>1,117.72</b> | <b>1149.80</b> | <b>2.87</b> |

## Bank's Domestic Treasury Highlights: Q1, FY16

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- **Treasury Income** stood at Rs 435 crore in Q1, FY16 and provided good support to Non-Interest Income generation.
  - As on 30<sup>th</sup> June , 2015, the share of **SLR Securities** in Total Investment was 81.75%.
  - The Bank had 65.96% of SLR Securities in **HTM** and 32.76% in **AFS** at end-June, 2015.
  - The Bank shifted **SLR securities** worth **Rs 12,785.70 crore** from **HTM** to **AFS** portfolio during the quarter.
  - The **per cent of SLR to NDTL** at end-June, 2015 was at 26.89%.
  - As on 30<sup>th</sup> June, 2015, the **modified duration** of **AFS** investments was 3.45 & that of **HTM** securities was 5.57
  - Total size of Bank's **Domestic Investment Book** as on 30<sup>th</sup> June, 2015 stood at **Rs 1,33,371.23 crore**.
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## Highlights of Overseas Business: Q1, FY16



- During Q1, FY16, the Bank's "**Overseas Business**" contributed **32.0%** to its **Total Business**, **23.48%** to **Gross Profit** and **27.60%** to **Core Fee-based income** (i.e., Commission, Exchanges, brokerage, etc.)
- Out of the Total Overseas Loan-book, 52.53% was **Buyers' Credit/BP/BD**; 22.98% was in **Syndicated Loans/ECBs** (mostly to Indian corporates) and 24.50% was in **Local Credit**. The Bank's exposure to **non-India related companies** is around 27.98% of its overseas loan-book as on 30<sup>th</sup> June, 2015.
- While the GNPA (%) in domestic operations was at 5.25%, it was 1.75% for overseas operations as on 30<sup>th</sup> June, 2015.
- The **Cost-Income Ratio** in Overseas operations was more favourable at 19.21% in Q1, FY16.
- In Q1, FY16, the **NIM** (as % of interest-earning assets) in Overseas operations stood at 0.92%; **Gross Profit to Avg. Working Funds** ratio at 0.87%.
- The Outstanding balance of restructured loans in overseas operations as on 30<sup>th</sup> June, 2015 was at **Rs 3,055.29 crore**, out of which the **Standard restructured loans** were at **Rs 2,360.98 crore**.
- During Q1, FY16, **the Bank opened one new branch in its Overseas Subsidiary – Bank of Baroda (Kenya) Ltd. at Diamond Plaza, Nairobi** in Kenya.

## NPA Movement (Gross): Q1, FY16



| Particular                            | (Rs crore) |
|---------------------------------------|------------|
| A. Opening Balance                    | 16,261.44  |
| B. Additions during Q1, FY16          | 1,907.86   |
| Out of which, Fresh Slippages         | 1,685.01   |
| C. Reduction during Q1, FY16          | 895.34     |
|                                       |            |
| Recovery                              | 300.21     |
| Upgradation                           | 526.50     |
| Write-Offs                            | 68.63      |
| Other Adjustments                     | 0.00       |
| NPA as on 30 <sup>th</sup> June, 2015 | 17,274     |
| Recovery in PWO in Q1, FY16           | 13.05      |

• Bank's PCR was at 64.94% in Q1, FY16 as against 64.99% in Q4, FY15 and 66.68% in Q1, FY15.

## Sector-wise Gross NPA [Sequential Movement]



| Sector                       | GNPA (%)<br>Jun, 2014 | GNPA (%)<br>Sept, 2014 | GNPA (%)<br>Dec, 2014 | GNPA (%)<br>Mar, 2015 | GNPA (%)<br>Jun, 2015 |
|------------------------------|-----------------------|------------------------|-----------------------|-----------------------|-----------------------|
| Agriculture                  | 5.98                  | 5.72                   | 5.74                  | 5.30                  | 5.73                  |
| Large & Medium<br>Industries | 5.35                  | 6.13                   | 6.83                  | 7.02                  | 7.67                  |
| Retail                       | 2.29                  | 2.15                   | 2.24                  | 2.57                  | 2.95                  |
| Housing                      | 1.47                  | 1.43                   | 1.46                  | 1.43                  | 1.64                  |
| MSME                         | 5.87                  | 6.32                   | 7.11                  | 7.13                  | 8.42                  |
| Overseas<br>Operations       | 1.18                  | 1.25                   | 1.81                  | 1.70                  | 1.75                  |

## Restructured Accounts (Domestic)



|   | Outstanding as on 30.06.2015 |                 |              |                |              |                 |
|---|------------------------------|-----------------|--------------|----------------|--------------|-----------------|
| Year of Restructuring   | Standard                     |                 | NPA          |                | Total        |                 |
|   | No                           | Amount O/s      | No           | Amount O/s     | No           | Amount O/s      |
| Upto 31.03.2008   | 83                           | 593.46          | 94           | 6.79           | 177          | 600.25          |
| 2008-09   | 3514                         | 491.91          | 2730         | 208.11         | 6244         | 700.02          |
| 2009-10   | 1791                         | 1249.58         | 1191         | 432.91         | 2982         | 1682.49         |
| 2010-11   | 359                          | 1442.92         | 287          | 183.76         | 646          | 1626.68         |
| 2011-12   | 1043                         | 2773.56         | 466          | 677.43         | 1509         | 3450.99         |
| 2012-13   | 7589                         | 5850.51         | 2843         | 1809.20        | 10432        | 7659.71         |
| 2013-14   | 15302                        | 6579.78         | 4668         | 1277.36        | 19970        | 7857.14         |
| 2014-15   | 16274                        | 8179.37         | 1488         | 408.58         | 17762        | 8587.95         |
| Ist Quarter 2015-16   | 247                          | 129.77          | 250          | 17.27          | 497          | 147.04          |
|   | <b>46202</b>                 | <b>27290.86</b> | <b>14017</b> | <b>5021.41</b> | <b>60219</b> | <b>32312.27</b> |
| Less: Standard Restructured A/cs ceased to attract higher provision and/or additional risk weight at the end of June 15 quarter | 6273                         | 4110.71         |              |                | 6273         | 4110.71         |
| <b>TOTAL</b>  | <b>39929</b>                 | <b>23180.15</b> | <b>14017</b> | <b>5021.41</b> | <b>53946</b> | <b>28201.56</b> |

\* Since March 2013 reporting of outstanding Restructuring is done as per new disclosure norms.

## Restructured Accounts



- *Global Restructuring is as follows:*

| Quarter     | Domestic |         | International |        | Total |         |
|-------------|----------|---------|---------------|--------|-------|---------|
|             | A/cs     | Amount  | A/cs          | Amount | A/cs  | Amount  |
| Q1-2015-16  | 498      | 147.04  | 0             | 0      | 498   | 147.04  |
| FY2014-2015 | 16773    | 7420.42 | 15            | 422.7  | 16788 | 7843.12 |
| FY2013-2014 |          | 6397    |               | 356    |       | 6753    |

- The provision on account of diminution in fair value for Q1 FY16 is Rs 7.13 crore (as against Rs 200.35 crore in Q4, Rs 65.55 crore in Q3, Rs 44.37 crore in Q2 and Rs 25.74 crore in Q1).
- Globally Restructured Standard Advances stood at Rs. 25,541.13 crore is 6.37 % of total Standard Advances out of which Restructured Standard Advances of Domestic Operations is Rs. 23,180.15 crore (8.60% of Domestic Standard Advances).
- Globally Restructured assets of Rs.349.21 crore slipped to NPA during the Q1 of FY16. Out of the above, domestically restructured assets of Rs 348.86 crore slipped to NPA and international restructured assets slipped to NPA is Rs.0.35 crore during this quarter.
- Out of the domestic restructured assets slipped to NPA, CDR assets are of Rs 82.69 crore during the Q1 FY16 out of total slipped assets of Rs.348.86 crore.

## Sectoral Deployment of Credit at end-June

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| Sector                | % share in Gross Domestic Credit in Q1,FY15 | % share in Gross Domestic Credit in Q1,FY16 |
|-----------------------|---|---|
| Agriculture           | 11.8  | 13.9  |
| Retail                | 16.8  | 18.2  |
| SME                   | 21.6  | 20.1  |
| Large & Medium        | 30.0  | 32.0  |
| Misc. including Trade | 19.8  | 15.8  |
| Total                 | 100.0%                                      | 100.0%                                      |

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## Technology Initiatives in Q1, FY16

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• Under various alternate delivery channels (like ATM, Internet Banking, Mobile Banking etc) the Bank had the following value additions during Q1, FY16.

### e-Banking

- *Automated password reset utility for Corporate e-Banking*
- *E-banking opening of online Short Term Deposit implemented.*
- *E-banking Gujarat Cyber Treasury portal made live.*
- *Implemented standardized e-Kuber Scroll format for UP VAT in ISO 20022 format.*
- *E-Banking enabled for Pradhan Mantri Bima Yojna scheme*

### ATM

- *Card to Card transfer launched.*
  - *Cheque Book request from ATM implemented.*
  - *Rupay debit cards will be accepted at Business Correspondent locations, Micro ATMs and Kiosks for Cash Withdrawal and Balance Inquiry.*
  - *Lead capture through ATM implemented.*
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# Technology Initiatives in Q1,FY16

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## Mobile Banking

- *Mobile Banking registration through Internet Banking launched.*

## SMS Banking

- *SMS to customer on registered mobile number whenever lien is noted on FD account for rupees One lakh and above.*
  - *Sending SMS to PPF account holders to inform about maturity of PPF account and subscription due.*
  - *SMS Banking facility has been customized to enabled for enrolment in PMSBY scheme.*
  - *SMS sent to Zero balance account holders under PMJDY scheme.*
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## Bank's BPR Project – New Initiatives in Q1, FY16

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- The Bank's BPR Project or Navnirmaan has altogether 18 initiatives covering both business process re-engineering and organizational re-structuring, aimed at transforming the Bank's branches into the "Sales and Service Centres" through centralization to make possible a sustained growth in sales, superior customer experience and alternate channel migration.
  
  - The important initiatives taken during Q1, FY 16 are as follows.
    - **Baroda-Next Branches:** So far 1,473 metro/urban branches have been rolled out as **Baroda Next** branches.
    - **City Back Office (CBO):** Clearing operations have been centralized for all branches (linked to the CBOs). At present, 85 CBOs are operational throughout the country.
    - **Regional Back Office (RBO):** **At present 13 RBOs are operational.** Altogether 5,157 branches are linked for CASA opening and 5,157 branches are linked for PCB (Personalized Cheque Book) issuance.
    - **e- Lobby:** The Bank has set up **161** independent **e-lobbies** in different zones of its operations so far.
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## New Recruitment in Q1, FY16



| Category  | Proposed | Joined from 01/04/2015<br>to<br>30/06/2015<br>(includes candidates who<br>were recruited against<br>non-joiners of Project<br>2014-15) |
|---|----------|--|
| <b>Total New Hiring for FY16</b>  | 6800     | 1498   |
| <i>Of which:</i>  |          |  |
| <b>A. Total No. of Officers</b>   |          |  |
| a) Probationary Officers  | 1200     | 554  |
| b) Specialist Officers  | 400      | 25   |
| c) Baroda Manipal Trainees  | 1200     | 257  |
| <b>B. Total No. of Clerks</b>   | 4000     | 662  |
| <b>*No. of Officers &amp; Clerks superannuating in FY16: 1859 { Officers: 950 &amp; Clerks: 909 }</b> |          |  |

## Bank's Forward Guidance

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- The IIP, exports & agriculture indicate subdued growth amidst gradual signs of improvement in economy as reflected in the CMIEs project investment data and capital goods imports .
  - Against the back drop of lower crude oil prices, the fuel price inflation is expected to be weak, however, the inflation trajectory of CPI is increasing on the back of rising food prices. Also, risks to inflation have grown on account of below normal monsoon in Jul, 2015.
  - However, the efforts of the government is underway to improve the investment climate through acceleration of project approvals, ease of doing business and striving to pass key legislations.
  - The Bank aspires for consistent growth with improvement in profitability & focusing on core areas like CASA, Retail lending, improving asset quality and non-interest income. By rebalancing the loan book, the Bank would improve its domestic NIM; increasing the ROAA by further improving the CASA share and improving the yield on advances on the back of improving investment climate .
  - On the qualitative side, the Bank's endeavours at BPR, Capacity Building, Technology Up-gradation, Talent Management & Training, Marketing, etc. would continue with full vigour.
  - The Bank is continuously evolving its Strategic Focus to cope with changing circumstances by consolidating its Core Competencies while striding ahead by adapting its business model in sync with the changing economic and banking environment.
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***Thank you.***

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