

May 25, 2018

Performance Analysis

Q4 & Full Year FY 2018



बैंक ऑफ़ बड़ौदा
Bank of Baroda

Safe Harbor

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projections, our exposure to market risks as well as other risks. Bank of Baroda undertakes no obligation to update the forward-looking statements to reflect events or circumstances after the date thereof.

Note: All financial numbers in the presentation are from Audited Financials or Limited Reviewed financials or based on Management estimates.

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Performance Highlights

Major Highlights: Q4 FY 18



1

Domestic credit registered YoY growth of 17.97% within which the retail loans growth was 42.44%. Domestic CASA ratio improves to 41.18% from 40.57% last quarter and 39.44% from last year.

2

Operating Profit for Q4 FY 18 was INR 2,665 crore; adjusted to the accounting policy change on depreciation, it was flat compared to corresponding period last year. Net Interest Income (NII) for Q4 FY 18 increased by 11.73% YOY. Operating Income increased by 2.50% YOY.

3

Bank posted net loss of INR 3,102 crore due to higher provisions on account of RBI guidelines on revised framework for stressed assets and large corporate slippages.

4

PCR including TWO continues to be high and stood at 67.21% as on March 31,2018. PCR excluding TWO stood at 58.42% as on March 31,2017.

5

Recovery in TWO accounts increased from INR 172 crore in Q4 FY 17 to INR 254 crore in Q4 FY 18 registering a growth of 47.67% YOY.

6

Capital Adequacy Ratio of the Bank at 12.13% and CET-1 at 9.23% continues to be above regulatory norms.

7

Bank's Transformation journey on track.

Business Performance

Business Performance (1/2)

Particulars (INR crore)	Mar '17	Dec'17	Mar'18	YOY (%)
Total Business	10,10,186	10,01,983	10,52,059	4.15
Domestic Business	7,37,847	7,58,445	8,18,243	10.90
Total Deposits	6,01,675	5,73,265	5,91,315	(1.72)
Domestic Deposits	4,40,092	4,43,469	4,66,974	6.11
CASA Deposits	1,93,496	1,98,487	2,11,779	9.45
Domestic CASA Deposits	1,73,594	1,79,911	1,92,323	10.79
Total Saving Deposits	1,50,977	1,55,946	1,65,717	9.76
Domestic Saving Deposits	1,46,832	1,51,540	1,61,130	9.74
Total Current Deposits	42,519	42,541	46,062	8.33
Domestic Current Deposits	26,762	28,371	31,193	16.56
Advances (Gross)	4,08,511	4,28,718	4,60,744	12.79
Domestic Advances (Gross)	2,97,755	3,14,976	3,51,269	17.97
Domestic CASA(%)	39.44%	40.57%	41.18%	-
Global CASA (%)	32.16%	34.62%	35.81%	-

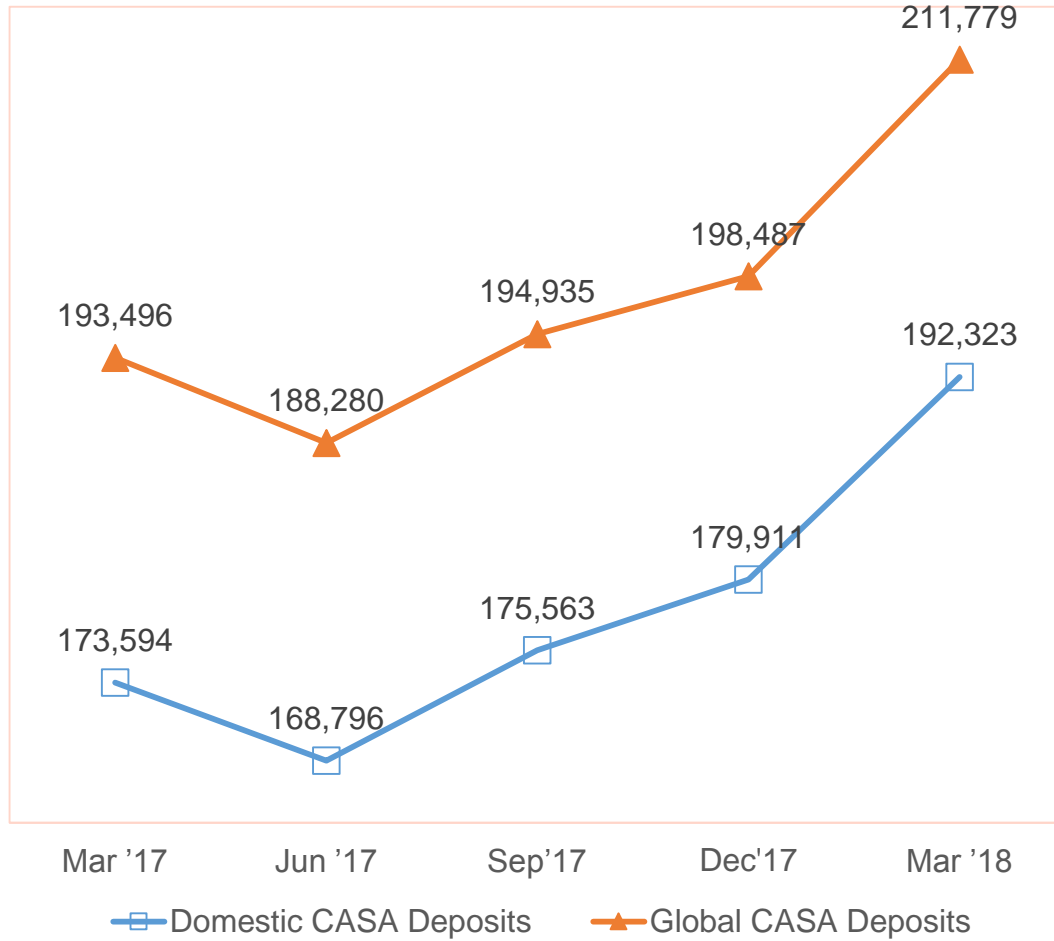
Business Performance (2/2)

Particulars (INR crore)	Mar'17	Dec'17	Mar'18	YOY (%)
Total Business	9,56,304	9,90,561	10,01,778	4.76
Domestic Business	7,09,286	7,49,189	7,54,043	6.31
Total Deposits	5,75,645	5,72,759	5,75,114	(0.09)
Domestic Deposits	4,34,022	4,43,840	4,44,428	2.40
CASA Deposits	1,85,673	1,89,054	1,94,914	4.98
Domestic CASA Deposits	1,68,347	1,71,490	1,75,500	4.25
Total Saving Deposits	1,50,155	1,52,421	1,56,757	4.40
Domestic Saving Deposits	1,46,189	1,48,093	1,52,266	4.16
Total Current Deposits	35,518	36,633	38,157	7.43
Domestic Current Deposits	22,158	23,397	23,234	4.86
Advances (Gross)	3,80,659	4,17,802	4,26,664	12.09
Domestic Advances (Gross)	2,75,264	3,05,349	3,09,615	12.48
Domestic CASA(%)	38.79%	38.64%	39.49%	-
Global CASA (%)	32.25%	33.01%	33.89%	-

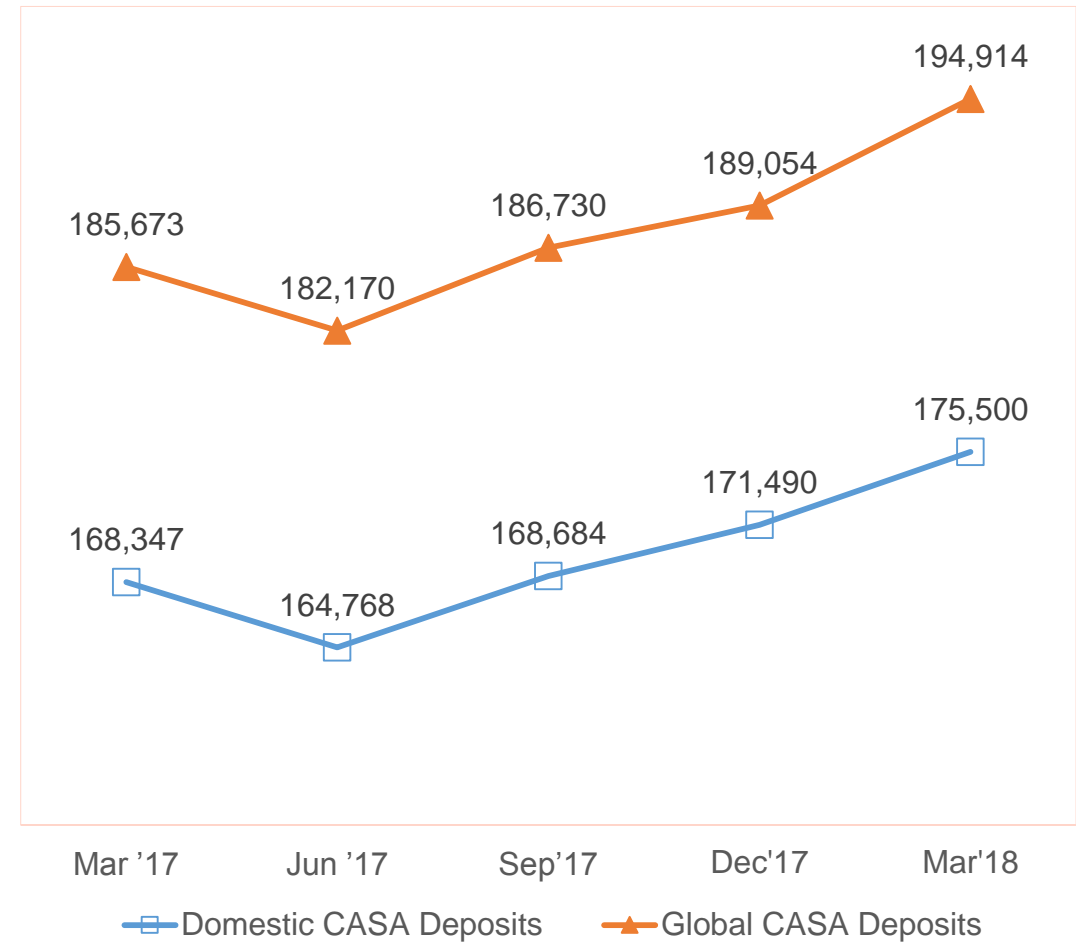
* Average business data is based on daily averages for the respective quarter.

Sustained CASA Growth

Terminal Figures

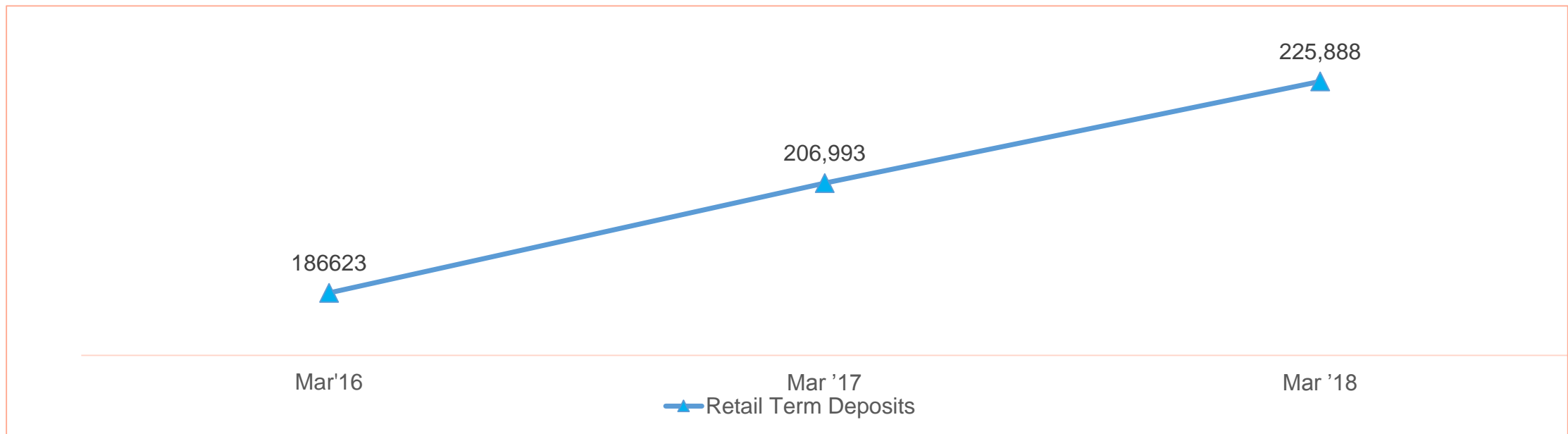


Average Figures*



* Average business data is based on daily averages for the respective quarter.

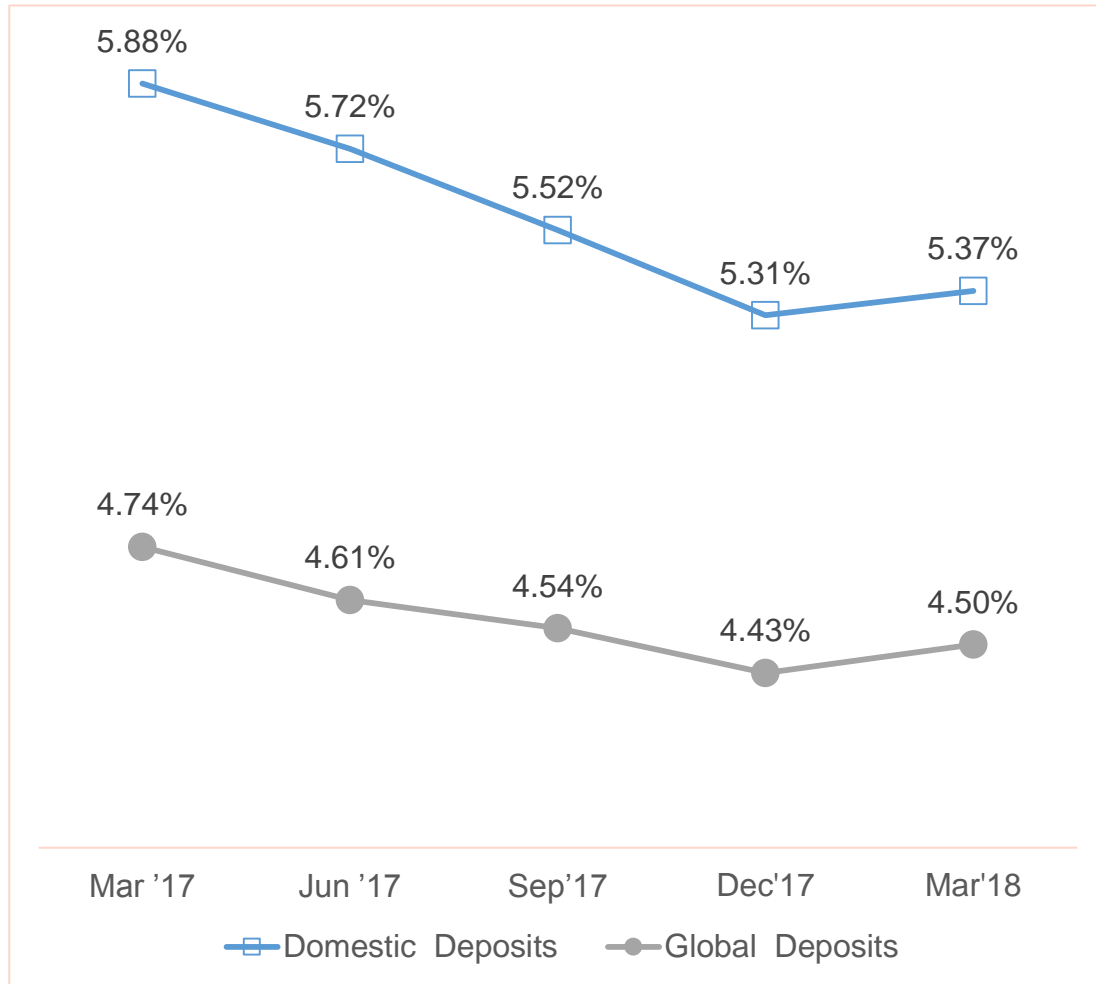
Term Deposits have granularity



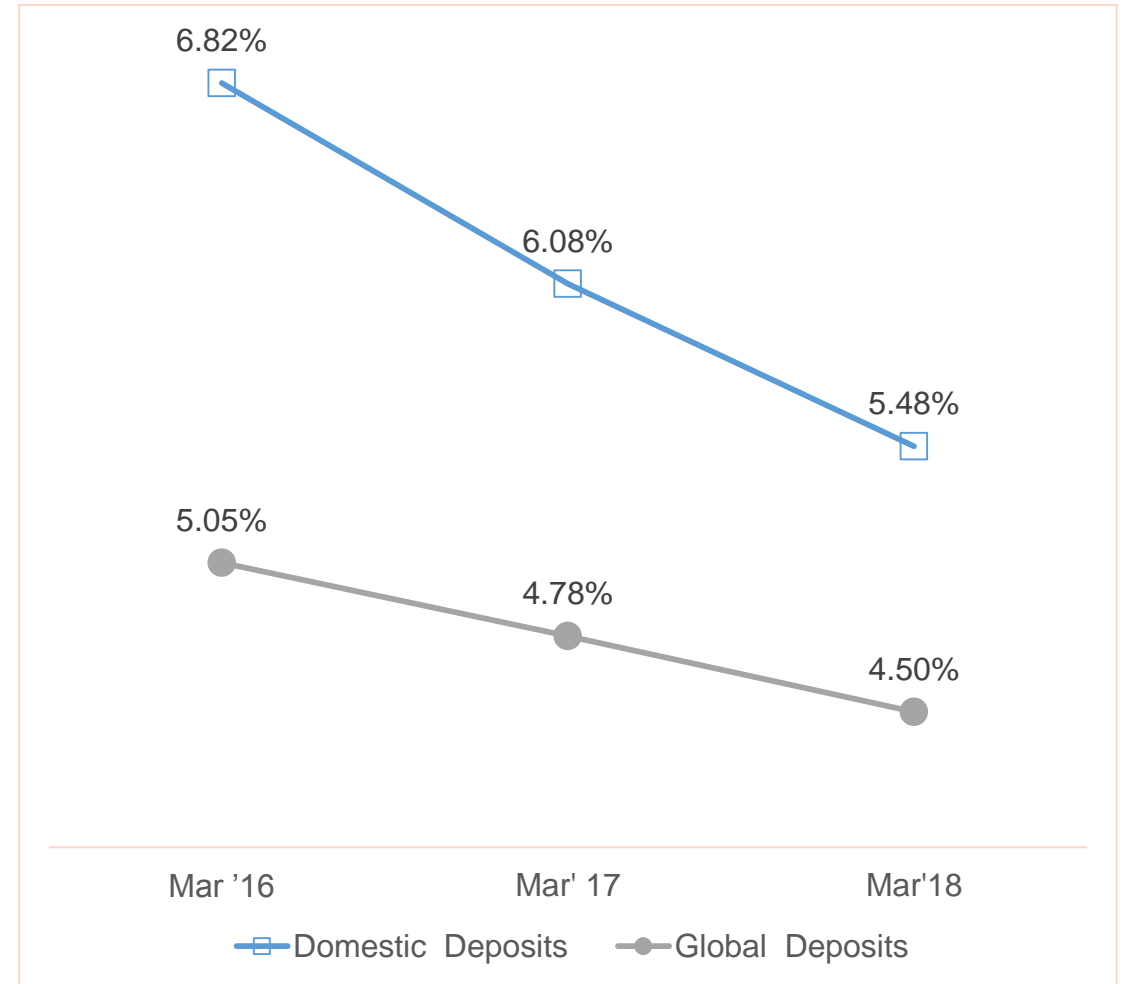
Particulars (INR crore)	Mar '16	Mar '17	Mar'18
Retail Term Deposits	1,86,623	2,06,993	2,25,888
Large Value Deposits	75,682	59,505	48,763
Total Term Deposits	2,62,305	2,66,498	2,74,651

Large Value Deposits are of amount above INR 1 crore. Retail Term Deposits constitute 82.25% of total domestic term deposits as on 31.03.2018. Further Domestic CASA and Retail Term Deposits constitute 89.56% of the total domestic deposits as on 31.03.2018

Cost of Deposits



Quarterly



Yearly



Wealth Management

Baroda Radiance Customers- Programme launched based on Net Relationship Value

Key Propositions

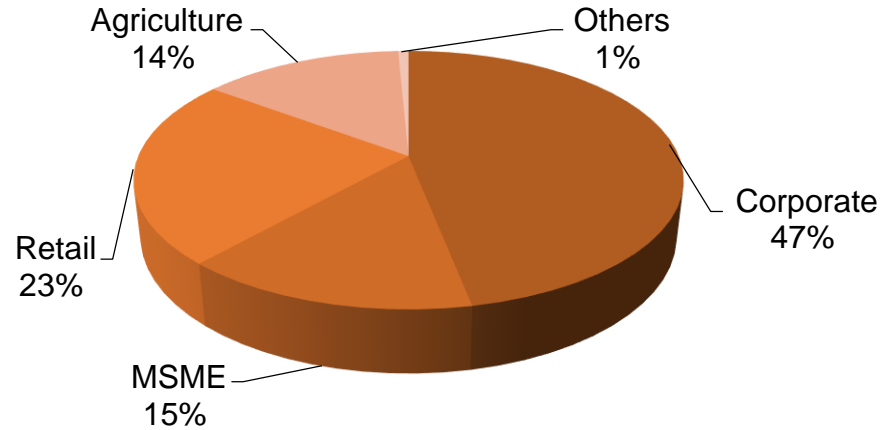
- Financial Planning of customers to provide need base products
- Evaluating risk profiling of the customers
- Refining and enhancing products aligned to customer needs and preferences
- Better customer acquisition & retention by superior business intelligence
- Augmented cross-selling and up-selling generating higher fee based income
- Increased profitability and expanded market share
- Dedicated man power for providing Banking and Wealth Service to the above customers



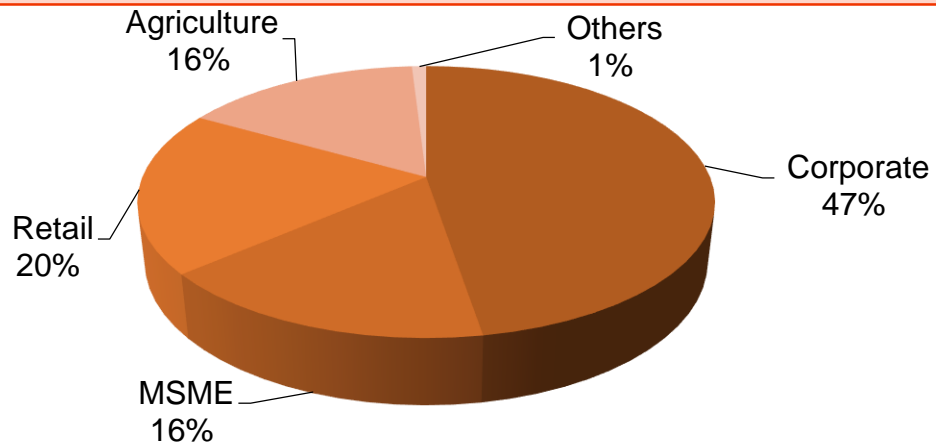
Resource	Count (On Board)
Wealth Executive	340
Senior Relationship Manager	24
Territory Head	2
Investment Counsellor	13

Credit Portfolio- well diversified

% share in Gross Domestic Credit in Mar' 18



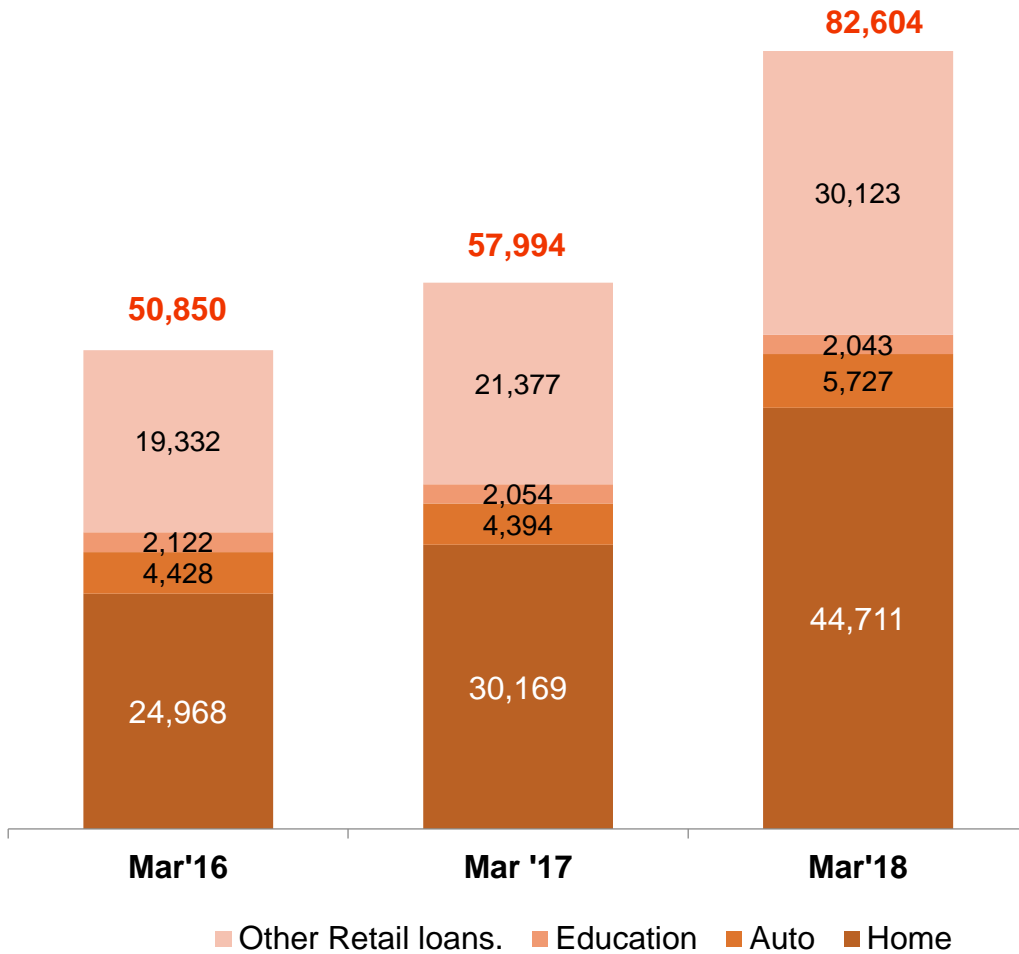
% share in Gross Domestic Credit in Mar' 17



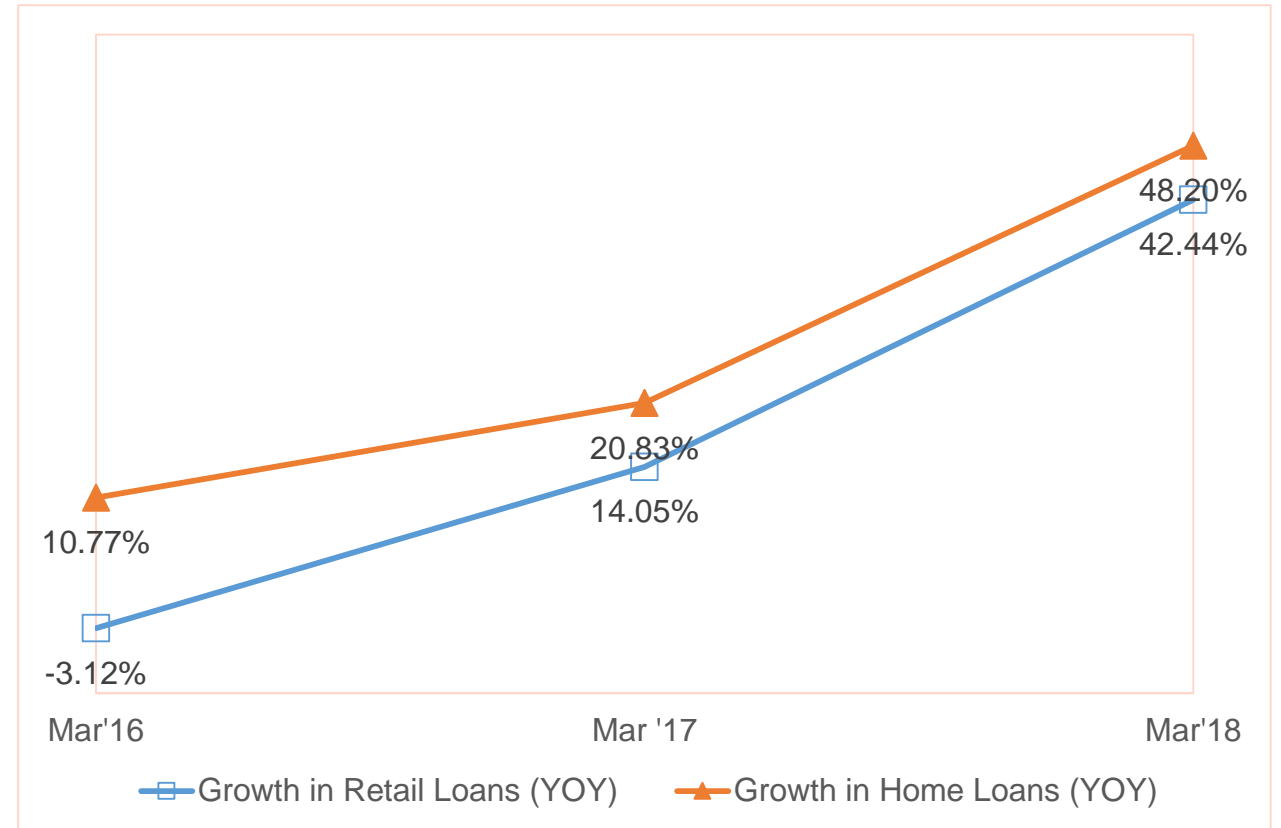
Particulars (INR crore)	Mar '16	Mar '17	Mar'18
Corporate	1,30,005	1,41,069	1,64,783
MSME	54,990	48,545	51,730
Retail	50,850	57,994	82,604
Agriculture	40,984	47,297	49,583
Others	4,086	2,850	2,569
Gross Domestic Advances	2,80,915	2,97,755	3,51,269

Steady Progress in Retail Asset Growth

Retail Credit – By Segment (INR crore)



Percentage Growth in Retail and Home loans



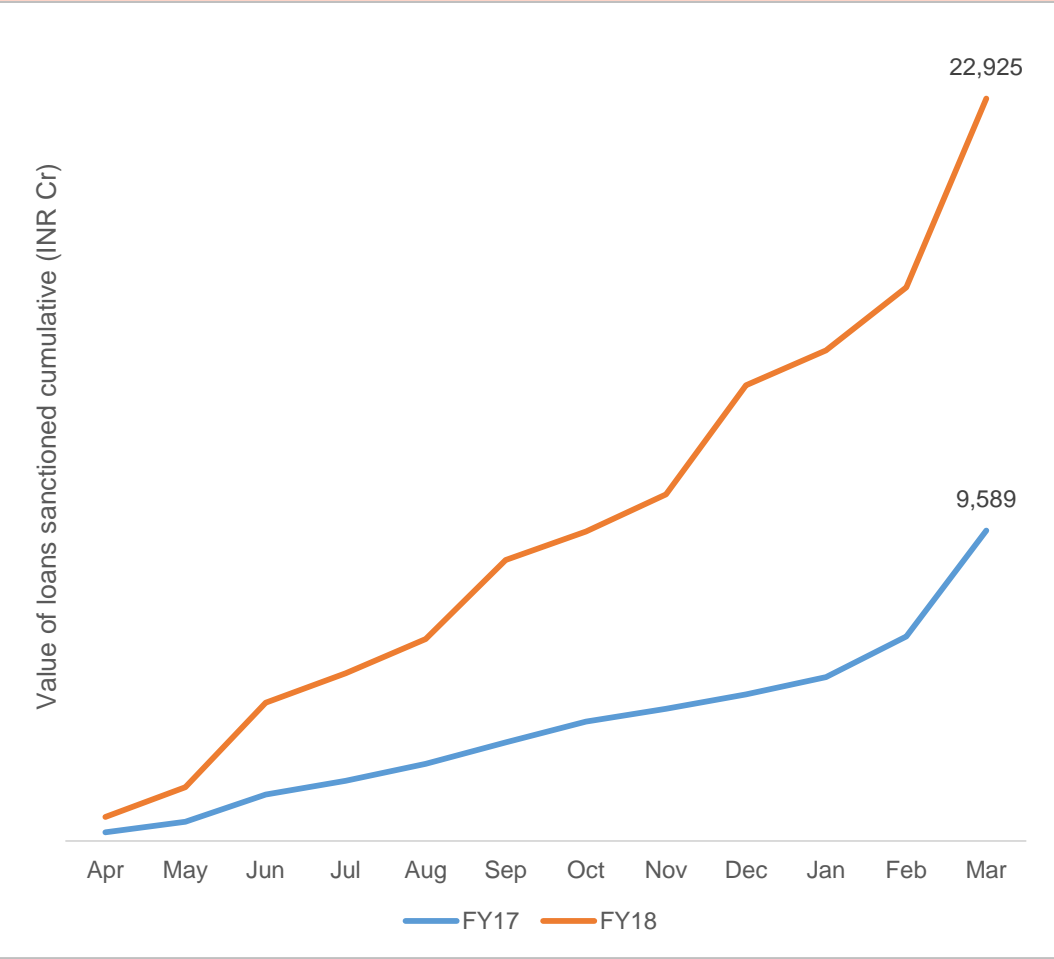
Building Blocks in place for Sustainable Growth

- **Simplified retail loan approval and underwriting process**
- Introduced **Risk based pricing** based on credit bureau score of customer
- Consistency in under writing through a **centralized mortgage loan processing**
- Digitized the loan processing and approval by migrating it to **Loan Management System**
- **Expanded the distribution channels** for sourcing
- Centralized **retail loans collections** – phone and field basis
- Enablers put in place for sustained retail asset growth

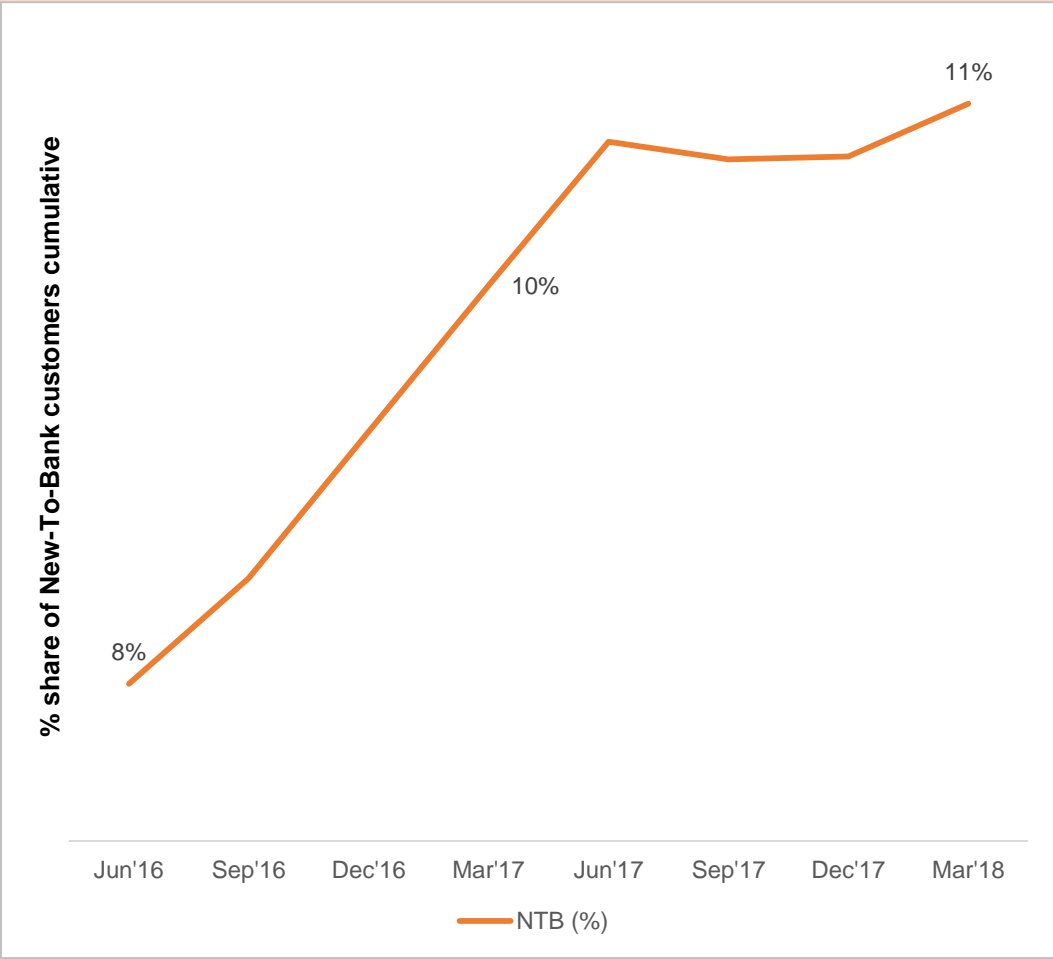
Robust Retail loan growth: 2.4X loan value sanctioned and contribution from new-to-bank customers holding strong



2.4X value of loan amount sanctioned – INR 22,925 Cr in FY 2018 as against INR 9,589 Cr in FY 2017



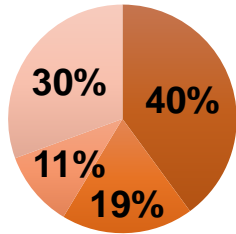
Contribution from New-to-Bank (NTB) customers to overall sourcing continued to increase in FY 2018



Portfolio health well positioned for future with improvement in composition of new acquisitions

Pre-Risk Based Sourcing (Before 1st April 2016) % of customers with less than 725 CIBIL score was 19% and above 725 was 41%

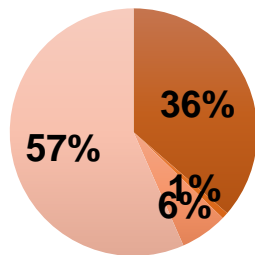
Pre-Risk Based sourcing



■ -1 and 0 ■ < 725 ■ 725-760 ■ 760+

Post-Risk Based Sourcing (After 1st April 2016) % of customers with less than 725 CIBIL score reduced to 1% and above 725 has improved to 63%

Post-Risk Based sourcing



■ -1 and 0 ■ < 725 ■ 725-760 ■ 760+

Overall Portfolio Delinquency has declined: trend is observed across all DPD buckets

% account distribution FY2018 : By Delinquency Bucket

DPD Bucket	Apr 2016	Sep 2017	Dec 2017	Mar 2018
Current	75.6%	82.7%	80.8%	81.9%
1-30	11.2%	10.2%	10.7%	10.9%
31-60	3.0%	3.4%	3.8%	4.3%
61-90	2.9%	2.3%	2.7%	2.0%
90-120	1.1%	0.3%	0.4%	0.2%
120-150	0.7%	0.2%	0.2%	0.2%
150-180	0.5%	0.2%	0.2%	0.1%
180+	4.8%	0.6%	1.2%	0.4%

Credit Cards-Significant re-engineering completed to build 'solid foundations' for rapid growth

Highlights (2017-18)

Technology foundation laid on private cloud

- **Core platforms** – Card Management System, Merchant Management System, Loan Management System
- **Advanced Origination systems** implemented for Credit Cards & Personal Loans
- **New customer website** launched to enable lead generation, product comparison, new acquisition, cross-sell & customer service

New Products launched with best in class features & Brand identity refreshed

New 5x Rewards range of Bank of Baroda Credit Cards launched with superior features



- Retail product suite upgraded with clear customer segmentation, and targeted benefits for each segment
- Cash Discounts and No Extra Cost EMI from leading brands like Apple, Samsung etc
- An ongoing Dining Program offering attractive discounts at restaurants across India
- Accelerated reward points on segment focussed categories
- Multiple reward redemption options

White Label Launch

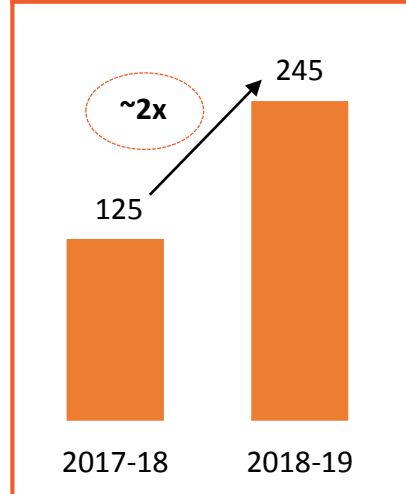


Brand Identity Refresh

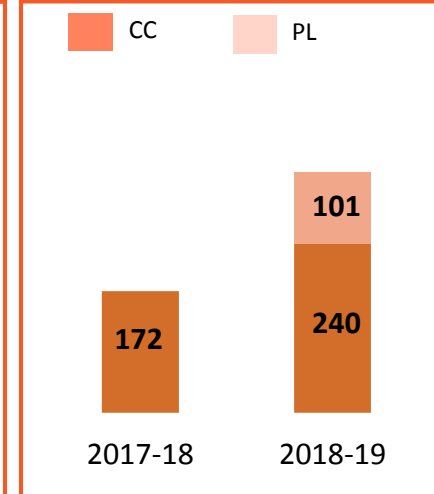


Anticipated impact (2018-19)

Active Credit cards ('000)



Loan Book (Rs Crores)



Card base to be doubled by over next one year, through:

- Tripartite agreement with BoB & TransUnion CIBIL signed to leverage BoB's huge credit worthy retail customer base
- Rapid customer acquisition through cross sell of cards by BoB branches
- Exponential growth thereafter based on refined risk models derived from first year's data and analytics
- Personal Loans being launched in Jun'18

Corporate Banking: Target market and coverage model

- **Clearly defined target markets completed; sectors identified** having high demand generation potential and superior credit quality track-record
- Integrated **coverage model** executed with a focus on new client acquisition
- Simplified **target account plans** in place at major metro centers covering 80% the corporate credit and executed through dedicated **Relationship Managers (RMs)**
- **Number of layers** for approval of corporate credit proposals **reduced to one** for Corporate Financial Services (CFS) branches
- Launched the **integrated Supply Chain Finance** solution with fully digitized transaction processing capability - feeder for new client acquisition including the MSME segment
- Launched the **Cash Management-Baroda DigiNext** product to create efficiencies in working capital through digitization of cash management

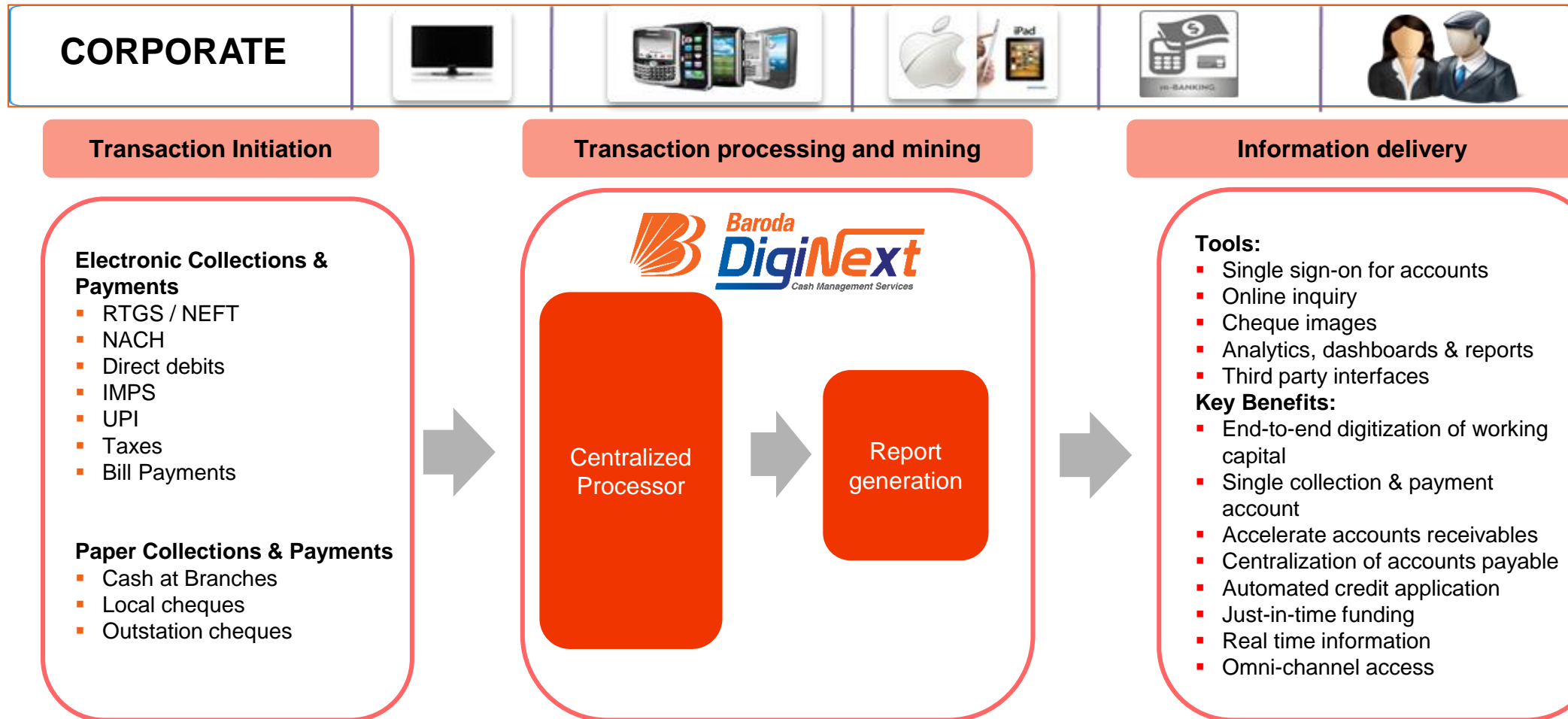


New Products launched-Supply Chain Finance Accelerating Business Momentum



- **20+ Anchors signed up and Live**
- **10+ New to Bank Customers**
- **Rs.750 crore+ limits to 49 spokes already sanctioned**
- **Rs.500 crore + limits under approval for disbursement**
- **No of Anchors Clients in Pipeline**
- **Appreciation & Honour Received by from World Trade Center for launching the best “Digitized Supply Chain Finance Platform” at Global Economic Summit 2018**
- **Felicitated by University of Southern California for launching the state-of-art Digitized Supply Chain Finance Platform**
- **Generating new stream of revenue for the bank**
- **Empowering the Bank to acquire new A+ & above rated corporates**
- **Digitized SCF with best in class features in the market**

New Product launched- Cash Management-Baroda DigiNext

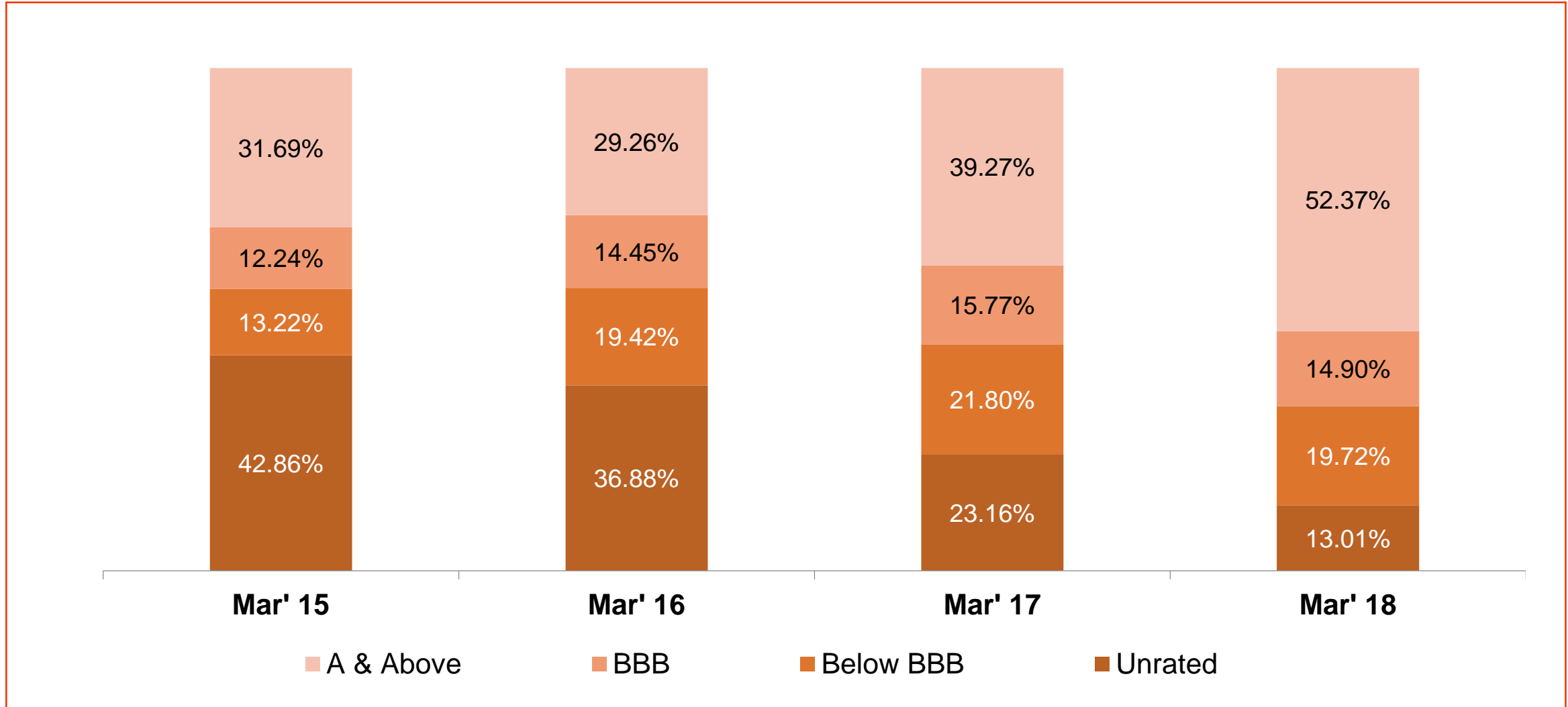


Baroda DigiNext will create efficiencies in working capital through digitization of Cash Management

It will seamlessly connect corporates with their customers, suppliers, employees and revenue departments

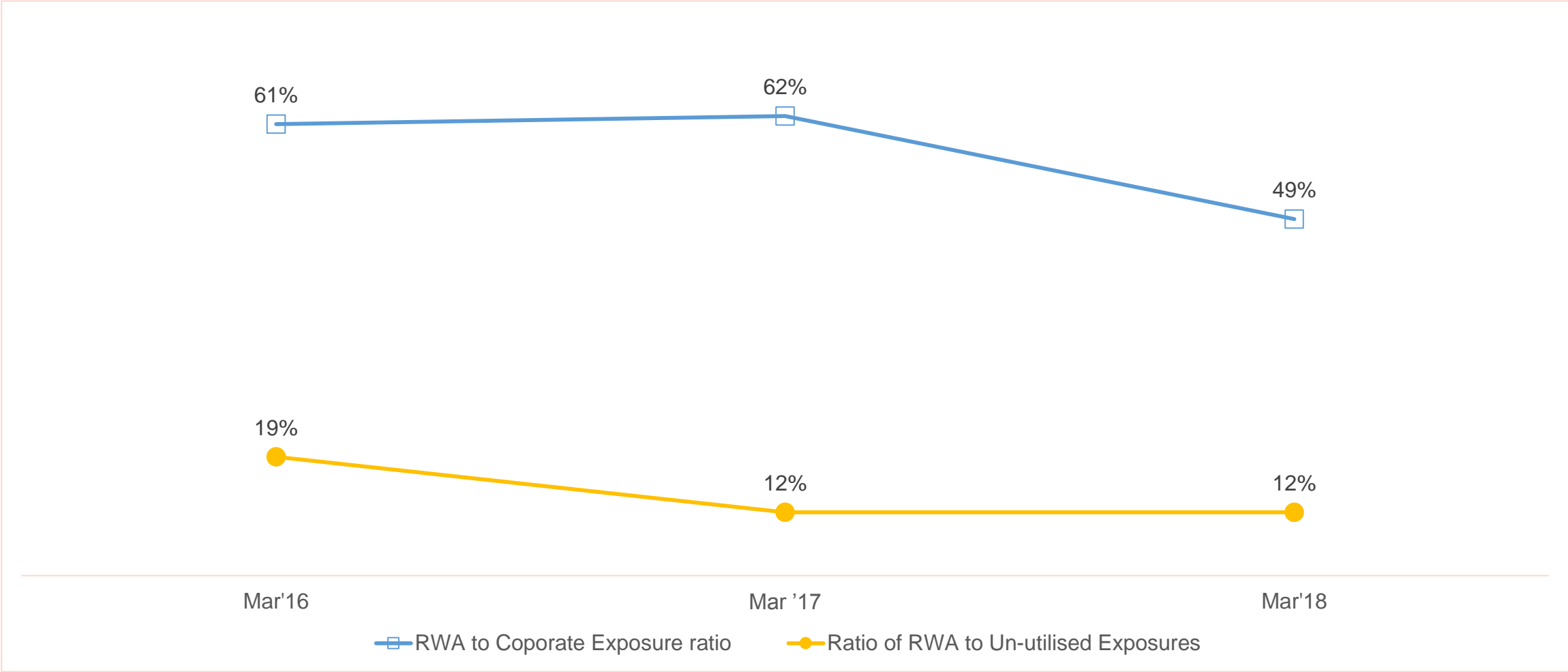
Online authentications, search options, advising and reconciliation will enable shift of financial transactions from paper-to-digital

Rating Profile



*External Rating Distribution of Domestic Advances above INR 5 Crore

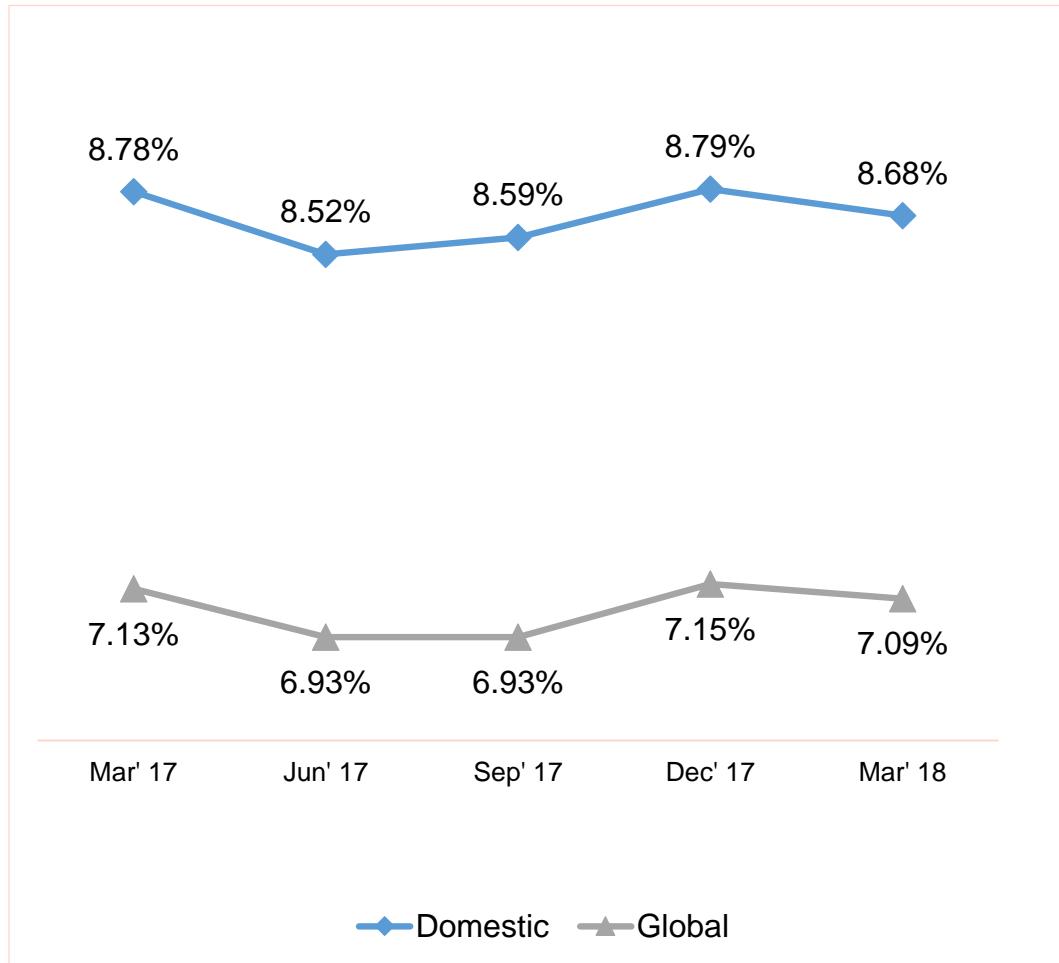
Capital optimization in Corporate Book



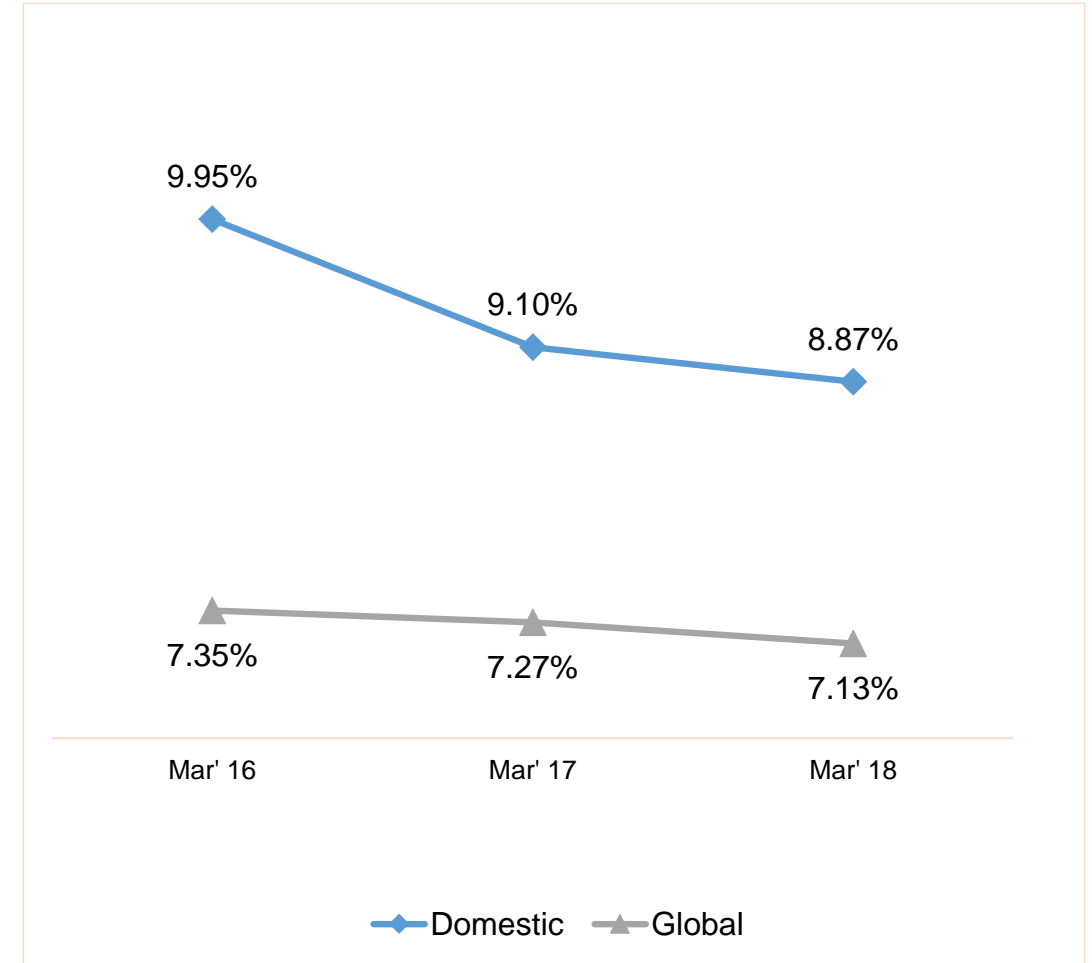
Industry-wise Exposure

Industry (INR crore)	Mar '17		Mar'18	
	Outstanding	% share	Outstanding	% share
Infrastructure of which	28,021	9.41	33,511	9.54
1. Power of which	15,968	5.36	20,506	5.84
a) SEBs	1,740	0.58	1,643	0.47
b) Others	14,228	4.78	18,863	5.37
2. Telecom	3,622	1.22	4,427	1.26
3. Roads & Ports	4,536	1.52	6,271	1.79
4. Other Infrastructure	3,895	1.31	2,307	0.66
Basic Metals & Metal Industry of which	16,202	5.44	19,847	5.65
1. Iron & Steel	12,760	4.29	18,327	5.22
Textiles	14,403	4.84	16,998	4.84
Petroleum & Petrochemicals	696	0.23	3,348	0.95
All Engineering	6,555	2.20	5,962	1.70
Food Processing	2,054	0.69	10,484	2.98
Chemicals and Chemical Products	6,669	2.24	4,433	1.26
Trade	7,252	2.44	3,864	1.10
Commercial Real Estate	5,381	1.81	7,798	2.22
Other Industries / Sectors	1,05,231	35.34	1,12,837	32.12
Retail Loans	57,994	19.48	82,604	23.52
Agriculture	47,297	15.88	49,583	14.12
Gross Domestic Advances	2,97,755	100.00	3,51,269	100.00

Yield on Advances



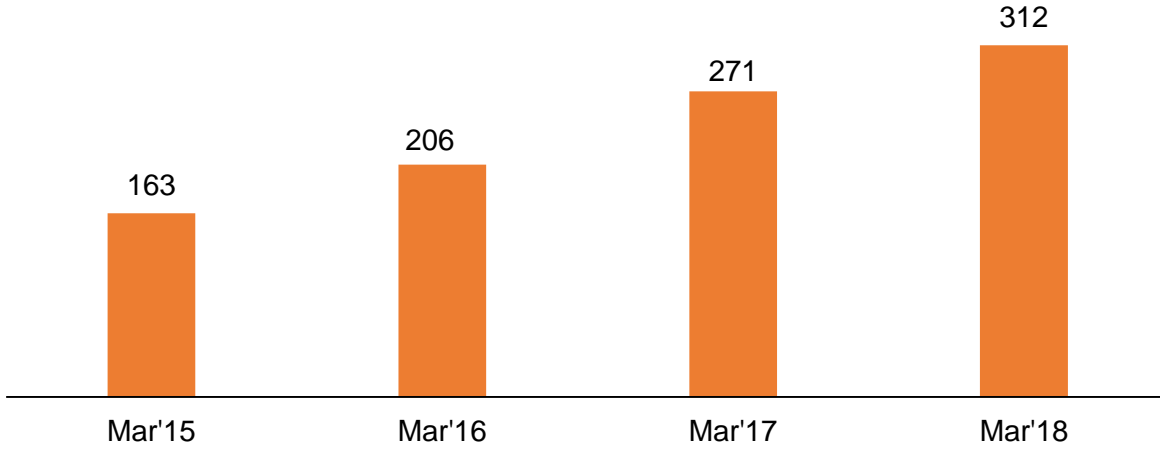
Quarterly



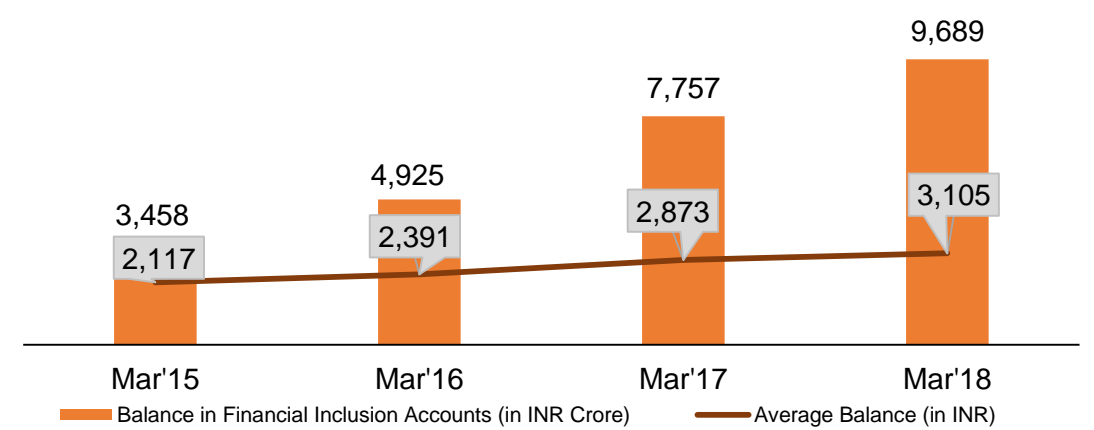
Yearly

Financial Inclusion (1/2)

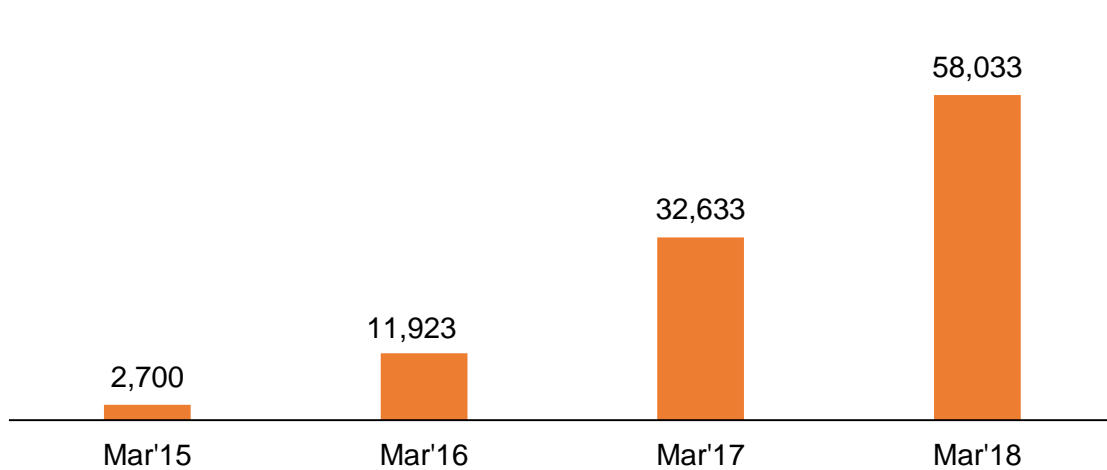
Total Financial Inclusion Accounts (in Lakh)



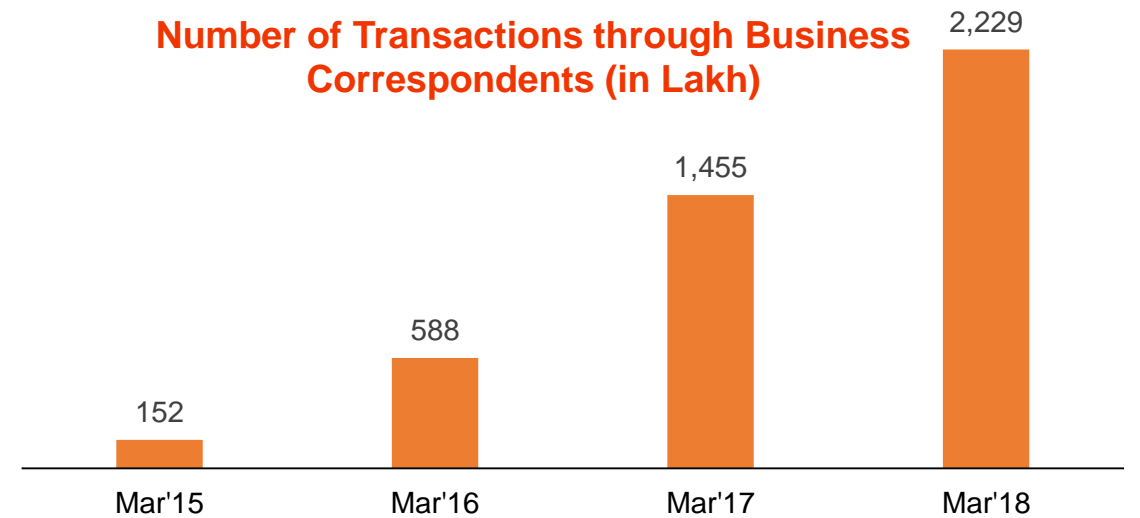
Balance/ Average Balance in Financial Inclusion accounts



Transactions – By Amount (in INR crore)



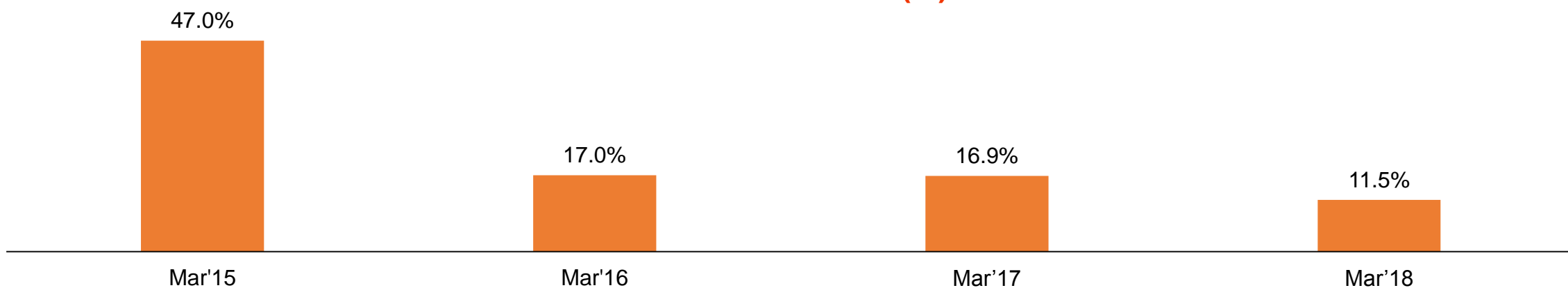
Number of Transactions through Business Correspondents (in Lakh)



Social Security Schemes

Particulars (in Lakh)	Enrolment up to	
	Mar'17	Mar'18
Pradhan Mantri Suraksha Bima Yojana	44.37	59.52
Pradhan Mantri Jeevan Jyoti Bima Yojana	15.88	18.14
Atal Pension Yojana	3.56	6.33

Zero Balance Accounts (%)



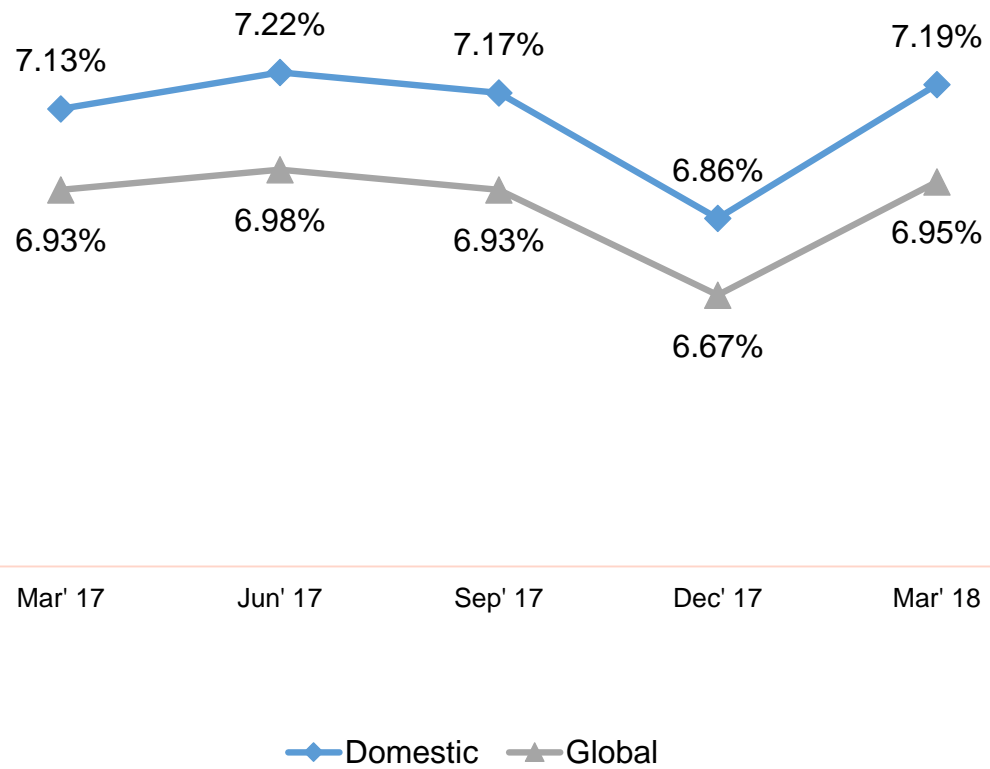
In Q4 FY 18, the Bank's 51 FLC centres across the country conducted 836 meetings/camps to educate 71,569 people. Our 49 BSVS (Baroda RSETI) centres have trained 13,858 youth through 501 training programmes during the quarter.

Treasury operations

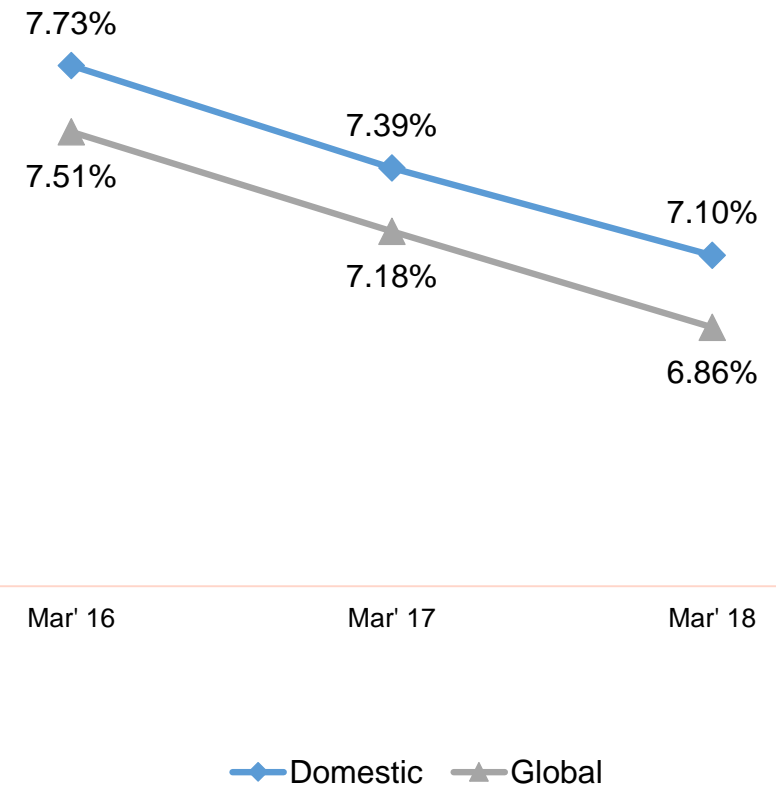
Particulars (INR crore)	Mar '17	Dec '17	Mar'18
Domestic Investments	1,22,169	1,56,007	1,55,514
of which SLR	1,10,986	1,40,352	1,34,810
Non SLR	11,183	15,655	20,704
Held To Maturity (HTM)	88,686	87,066	92,694
Available For Sale (AFS)	32,726	67,137	62,665
Held For trading (HFT)	757	1,804	155
International Investments	8,550	9,065	9,518
Global Investments	1,30,719	1,65,072	1,65,032

- Domestic investment book comprises of 59.60% in HTM; 40.30% in AFS and 0.1% in HFT.
- The percent of SLR Securities to NDTL at March 31, 2018 was at 28.10%.
- As on March 31, 2018, the modified duration of AFS investments was 1.44 & that of HTM securities was 5.47.
- The Bank reduced PV01 of domestic investment book from 17.60 in May 17 to 7.70 in Mar 18 in AFS and HFT portfolio.

Yield on Investment



Quarterly

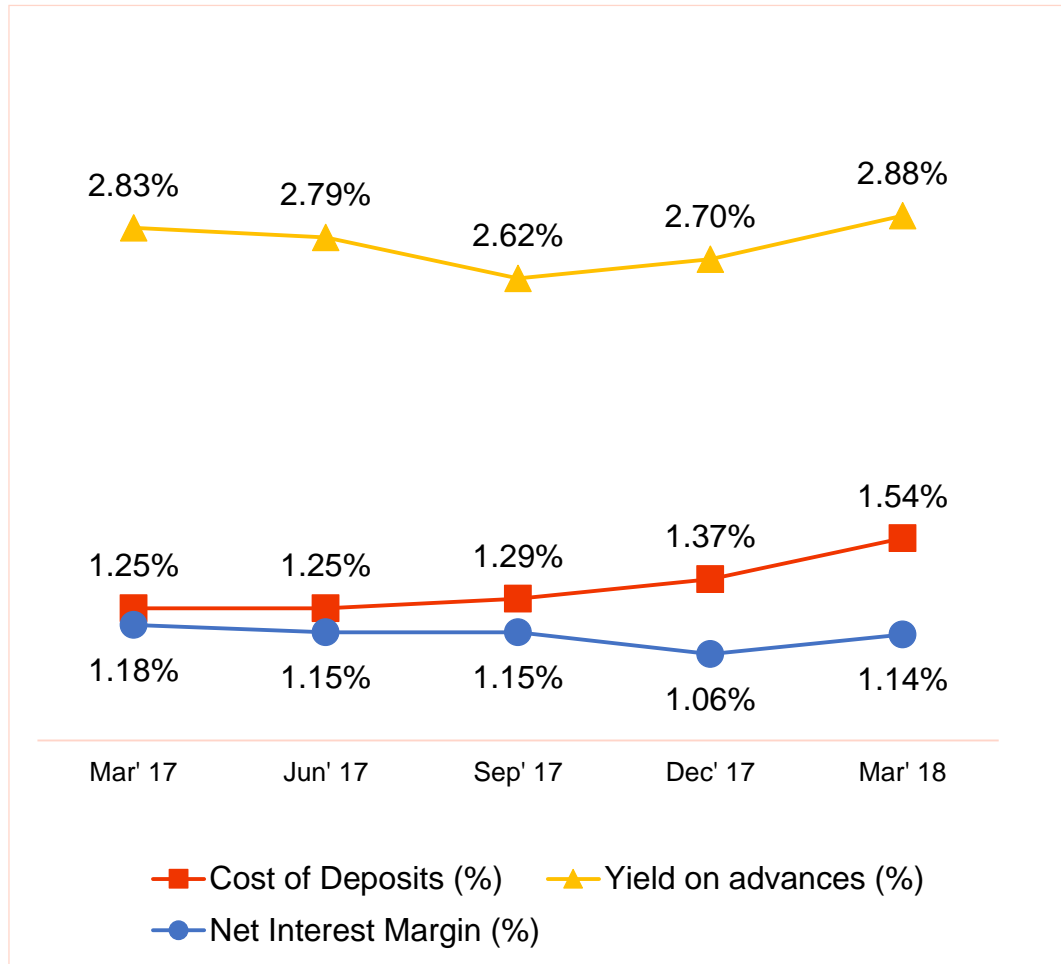


Yearly

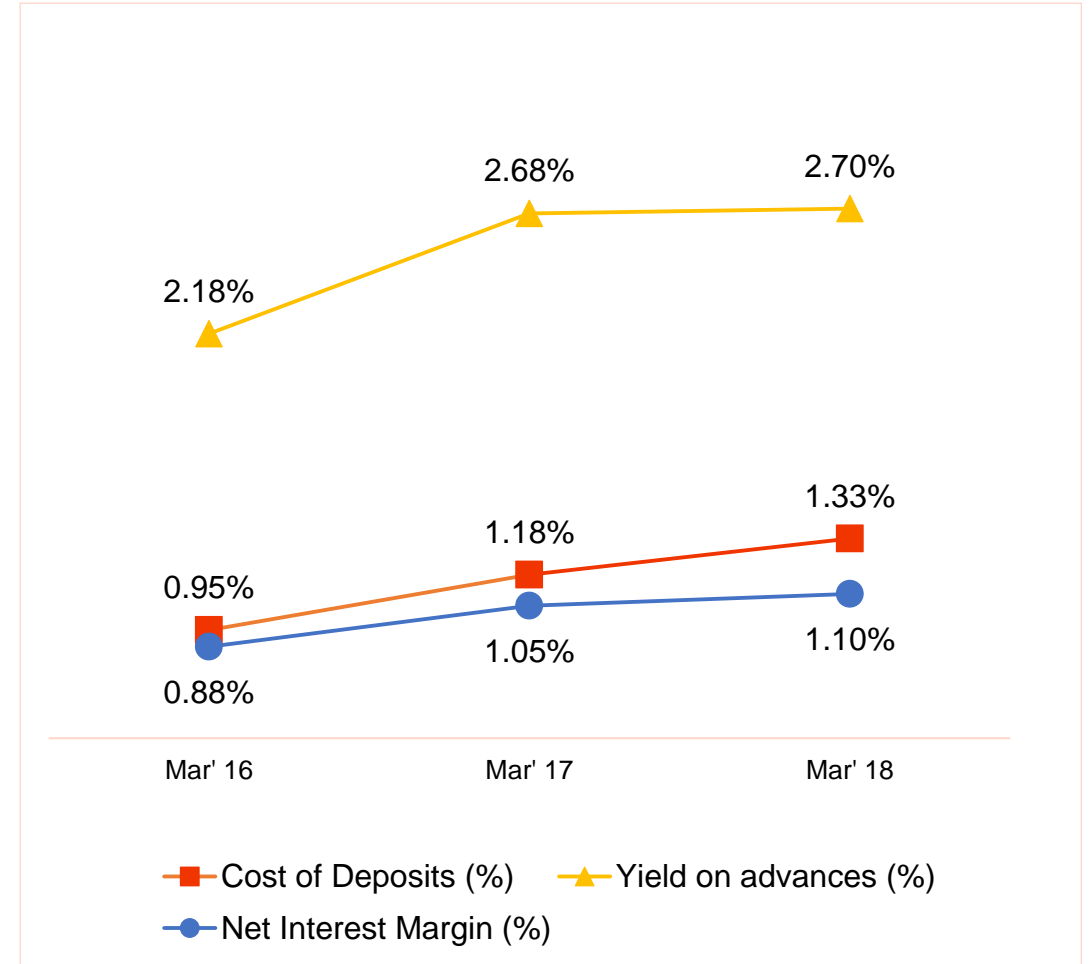
Business Performance-International

Particulars (INR crore)	Mar'17	Mar'18	YOY (%)
Liabilities			
Total Deposits	1,61,583	1,24,341	(23.05)
Customer Deposits	1,01,169	96,583	(4.53)
Inter Bank Deposits	60,414	27,758	(54.05)
CASA Deposits	19,902	19,456	(2.24)
Total Saving Deposits	4,145	4,587	10.66
Total Current Deposits	15,757	14,869	(5.64)
MTN	8,430	6,517	(22.69)
Assets			
Advances (Gross)	1,10,756	1,09,475	(1.16)
Investments	7,749	8,611	11.12
Placements	85,850	51,839	(39.61)
Advances against exposure on Banks	53,918	47,324	(12.22)
ECBs (India Related Exposure)	25,239	25,045	(0.77)
Local credit and Syndicated Loans to Non Indian Entities	32,848	36,223	10.27

Key Ratios - International Operations



Quarterly

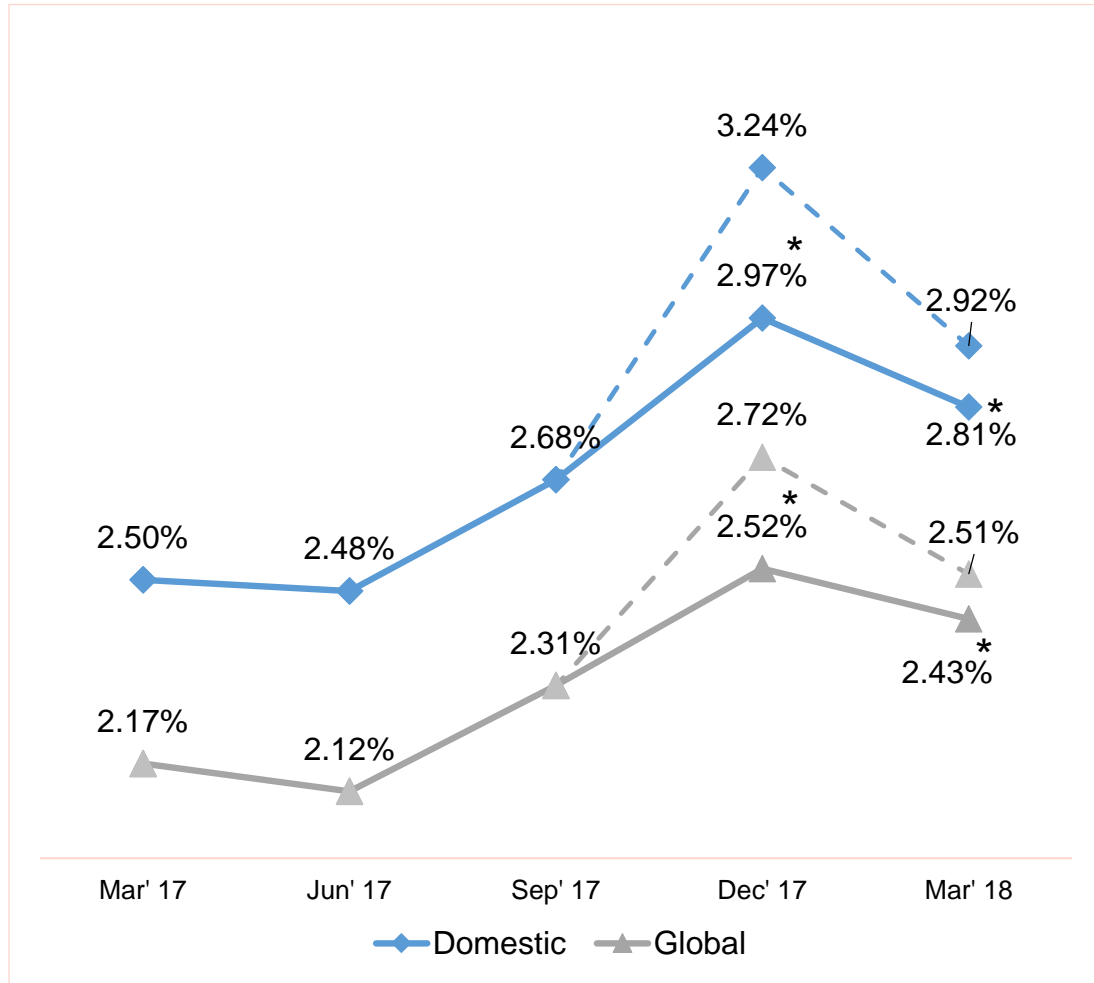


Yearly

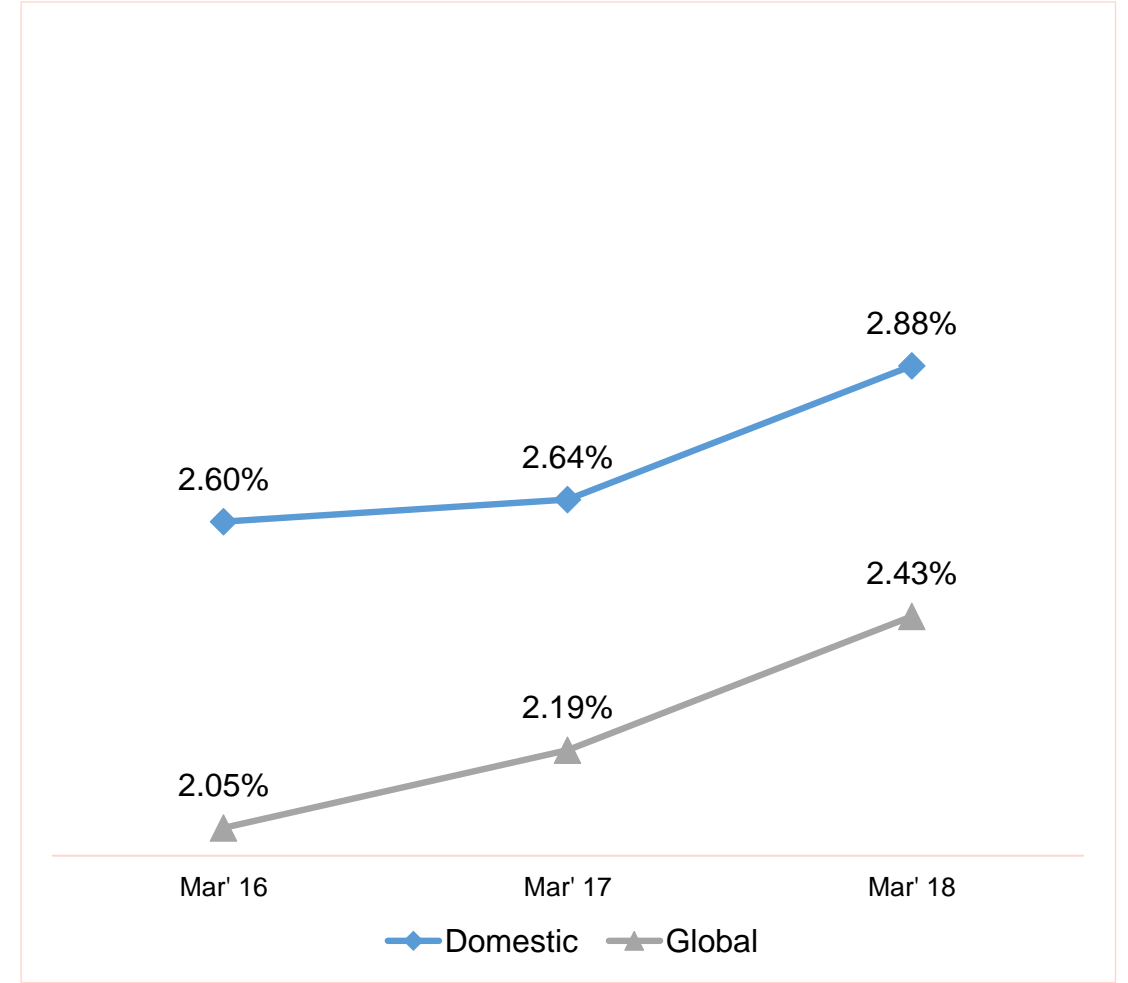


Financial Performance

Net Interest Margin (%)



Quarterly



Yearly

* Excluding exceptional items.

- Global NIM during Q4 FY 18 declined by 21 bps but excluding impact (20bps) of interest on Income Tax refund aggregating to INR 134.11 crore, the decline is 9 bps . NIM during FY 18 improved by 24 bps both domestic and global.

Operating Performance

Particulars (INR crore)	Q4 FY 17				FY 17		
	Q4 FY 17	Q3 FY 18	Q4 FY 18	YOY (%)	FY 17	FY 18	YOY (%)
Interest Income	10,875	11,303	11,039	1.51	42,200	43,649	3.43
Other Income	1,977	1,673	1,696	(14.21)	6,758	6,657	(1.49)
Total Income	12,852	12,976	12,735	(0.91)	48,958	50,306	2.75
Interest Expenses	7,293	6,909	7,037	(3.51)	28,687	28,127	(1.95)
Net Interest Income (NII)	3,582	4,394	4,002	11.73	13,513	15,522	14.87
Operating Income (NII + Other Income)	5,559	6,067	5,698	2.50	20,271	22,179	9.41
Operating Expenses	2,539	2,417	3,033	19.46	9,296	10,173	9.43
Operating Profit	3,020	3,650	2,665	(11.75)	10,975	12,006	9.39
Cost to Income Ratio (%)	45.67%	39.84%	53.23%*	-	45.86%	45.87%	-

* Cost to income ratio was impacted on account of accounting policy change on depreciation. Adjusted to the change the ratio was 47.01%.

Interest Income & Expenses

Particulars (INR crore)							
	Q4 FY 17	Q3 FY 18	Q4 FY 18	YOY (%)	FY 17	FY 18	YOY (%)
Interest on advances	6,786	7,533	7,457	9.89	27,524	29,070	5.62
Interest on investments	2,850	2,721	2,781	(2.42)	10,596	10,420	(1.66)
Other Interest income	1,239	1,049	801	(35.35)	4,080	4,159	1.94
Total Interest Income	10,875	11,303	11,039	1.51	42,200	43,649	3.43
Interest on Deposits	6,827	6,390	6,383	(6.50)	26,784	26,008	(2.90)
Interest on borrowings	85	118	283	232.94	315	576	82.86
Other Interest paid	381	401	371	(2.62)	1,588	1,543	(2.83)
Total Interest Expenses	7,293	6,909	7,037	(3.51)	28,687	28,127	(1.95)

Non-Interest Income

Particulars (INR crore)	Q4 FY 17	Q3 FY 18	Q4 FY 18	YOY (%)	FY 17	FY 18	YOY (%)
Commission, Exchange, Brokerage	486	427	504	3.70	1,566	1,785	13.98
Incidental Charges	178	160	141	(20.79)	562	563	0.18
Other Miscellaneous Income	280	184	340	21.43	709	901	27.08
Total Fee Income	944	771	985	4.34	2,837	3,249	14.52
Forex Income	184	213	287	55.98	976	909	(6.86)
Trading Gains – Profit from Sale of Investments	677	509	170	(74.89)	2,618	1,878	(28.27)
Recovery from TWO	172	180	254	47.67	327	621	89.91
Total Non-Interest Income	1,977	1,673	1,696	(14.21)	6,758	6,657	(1.49)

Operating Expenses

Particulars (INR crore)	Q4 FY 17	Q3 FY 18	Q4 FY 18	YOY (%)	FY 17	FY 18	YOY (%)
Employee Cost	1,222	1,110	1,268	3.76	4,638	4,607	(0.67)
<i>of which:</i> Salaries	1,056	1,021	1,152	9.09	3,960	4,199	6.04
Provisions for employees	166	89	116	(30.12)	678	408	(39.82)
Other Operating Expenses	1,317	1,307	1,765	34.02	4,658	5,566	19.49
<i>of which :</i>							
Rent, Taxes and Lighting	258	257	268	3.88	940	1,011	7.55
Printing and Stationery	28	18	24	(14.29)	83	77	(7.23)
Depreciation	132	121	495	275.00	511	863	68.88
Law charges	21	24	32	52.38	63	91	44.44
Postage, Telegrams, Telephone etc	45	23	32	(28.89)	167	156	(6.59)
Repairs and Maintenance	135	216	183	35.56	613	742	21.04
Insurance	134	160	167	24.63	506	610	20.55
NFS charges/Fees	65	73	73	12.31	275	274	(0.36)
Sundry charges	258	248	295	14.34	879	1,077	22.53
Other Expenditure	241	167	196	(18.67)	621	665	7.09
Operating Expenses	2,539	2,417	3,033	19.46	9,296	10,173	9.43

Profit Position

Particulars (INR crore)	Q4 FY 17	Q3 FY 18	Q4 FY 18	YOY (%)	FY 17	FY 18	YOY (%)
Operating Profit	3,020	3,650	2,665	(11.75)	10,975	12,006	9.39
Total Provisions	2,865	3,538	5,768	101.33	9,592	14,437	50.51
of which							
Provision for NPA & Bad Debts Written-off	2,425	3,155	7,053	190.85	7,680	14,212	85.05
Provision for Standard Advances	255	93	(911)	-	777	(369)	-
Provision for Depreciation on Investment	(83)	173	332	-	19	768	3,942.11
Other Provisions	26	5	199	665.38	26	185	611.54
Tax Provisions	242	112	(905)	-	1,090	(359)	-
Net Profit	155	112	(3,102)	-	1,383	(2,432)	-

- **Provision made in for accounts under NCLT 1 & 2 list is INR 309 crore during Q4 FY 18.**

Asset Quality

Movement in NPAs

Particulars (INR crore)	FY 17	Q1 FY 18	Q2 FY 18	Q3 FY 18	Q4 FY 18	FY 18
A. Opening Balance	40,521	42,719	46,173	46,307	48,480	42,719
B. Additions	13,312	5,200	3,451	5,630	12,569	24,239
Out of which, Fresh Slippages	11,153	4,384	2,586	4,797	11,765 [#]	21,091 [#]
C. Reductions	11,114	1,746	3,317	3,456	4,569	10,478
<i>Recovery</i>	4,088	1,021	909	1,460	1,479	4,417
<i>Upgradation</i>	2,511	589	640	707	1,085	1,026
<i>Write-Offs</i>	4,348	35	1,768	1,129	2,005	4,948
<i>Other Adjustments</i>	167	102	1	160	-	87
<i>Closing Balance</i>	42,719	46,173	46,307	48,480	56,480	56,480
Recovery in TWO*	327	81	106	180	254	621
Slippage Ratio(%)	3.06%	4.79%	2.88%	5.21%	12.38%	5.77%
Credit cost(%)	1.89%	2.11%	1.82%	3.04%	6.58%	3.48%

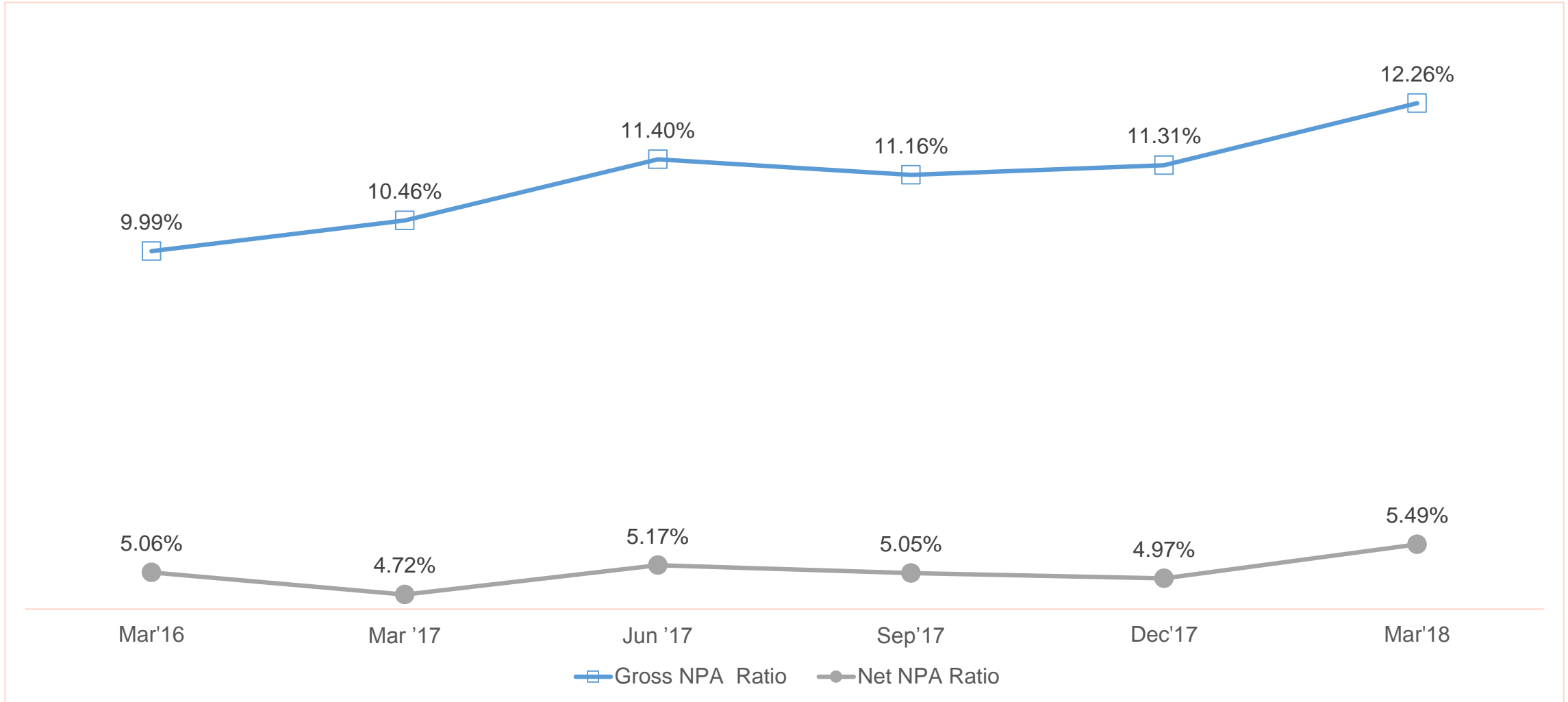
* Technical Write off accounts

Includes slippages of INR 4,274 crore from Restructured Standard book (including SDR assets of INR 2,031 crore and S4A assets of INR 971 crore) in Q4 FY 18 as per RBI revised guidelines on stressed assets.

Provision Coverage Ratio

Particulars	Mar'16	Mar'17	Jun'17	Sep'17	Dec'17	Mar'18
Gross Advances (INR crore)	4,05,517	4,08,511	4,04,982	4,14,885	4,28,718	4,60,744
Gross NPA (INR crore)	40,521	42,719	46,173	46,307	48,480	56,480
Outstanding Provisions on NPAs/ Eligible deductions (INR crore)	21,115	24,639	26,654	26,734	28,628	32,997
Net NPA (INR crore)	19,406	18,080	19,519	19,573	19,852	23,483
Gross NPA Ratio (%)	9.99%	10.46%	11.40%	11.16%	11.31%	12.26%
Net NPA Ratio (%)	5.06%	4.72%	5.17%	5.05%	4.97%	5.49%
Provision Coverage Ratio (Including Technical Write off accounts) (%)	60.09%	66.83%	66.28%	67.18%	68.03%	67.21%
Provision Coverage Ratio (Excluding Technical Write off accounts) (%)	52.11%	57.68%	57.73%	57.73%	59.05%	58.42%

NPA Ratios

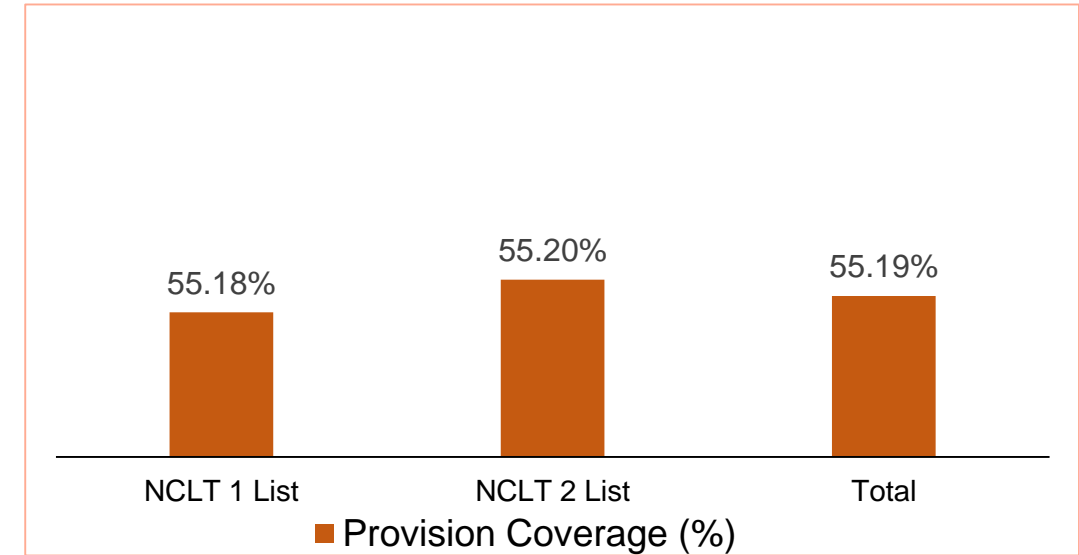
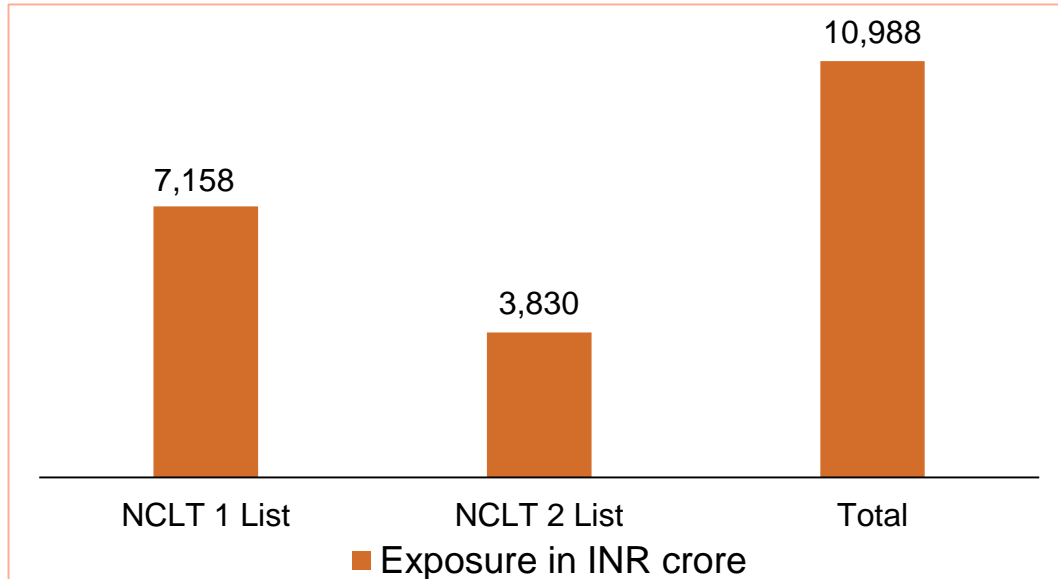


Sectoral & Industry wise Contribution of NPAs

Particulars (INR crore)	Mar '17	Dec '17	Mar '18
Corporate	18,629	23,315	30,792
MSME	8,129	8,410	7,439
Retail	2,025	2,326	1,964
Agriculture	5,266	6,963	6,753
Others	886	635	1,241
Total Domestic	34,935	41,649	48,189
International	7,784	6,831	8,291
Global	42,719	48,480	56,480

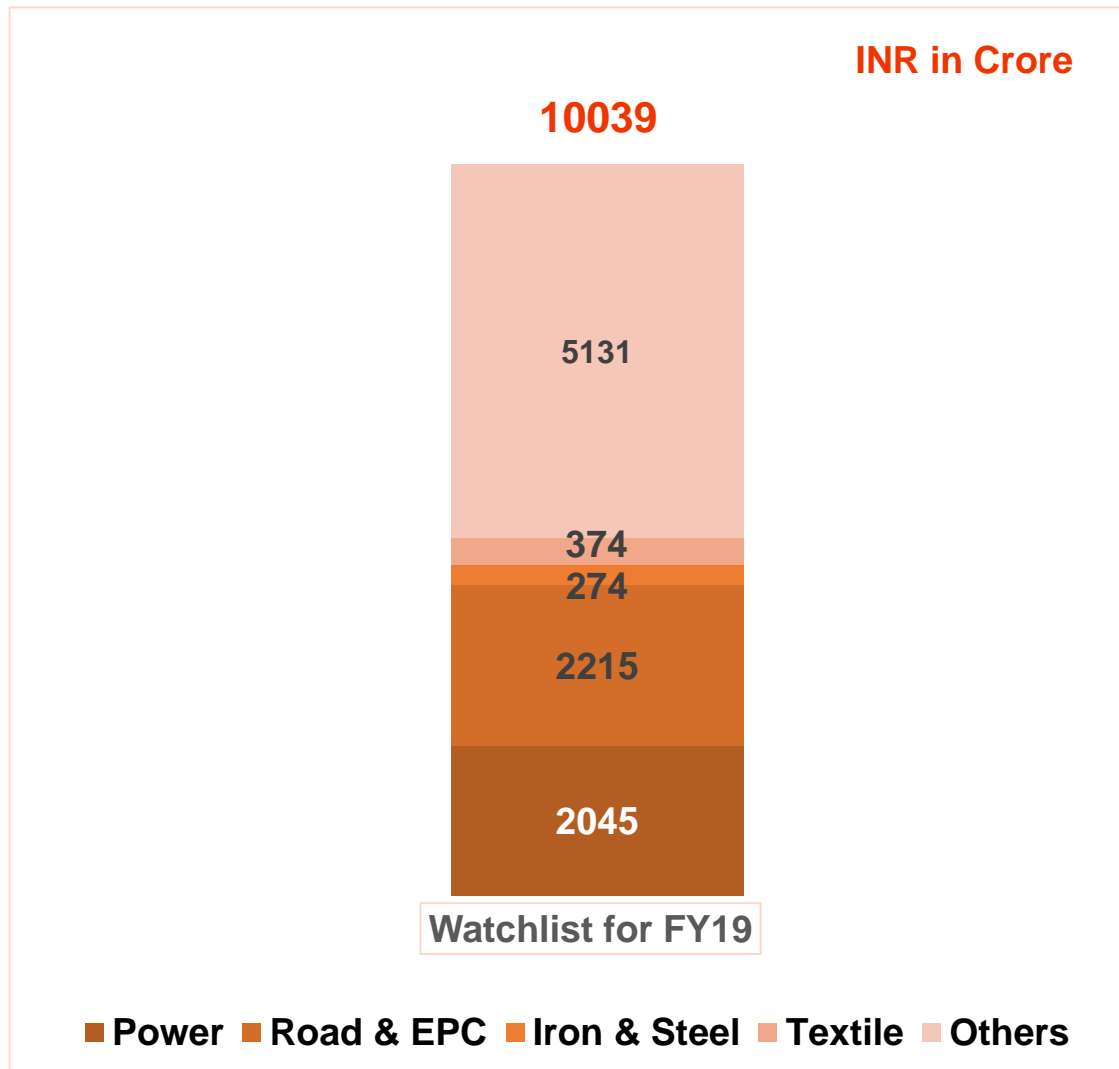
Industry (INR crore)	Mar '17	Dec '17	Mar '18
Infrastructure of which	2,895	4,790	8,941
1. Power	1,508	1,862	4,007
2. Telecom	127	2,008	3,690
3. Roads & Ports	547	715	1,015
4. Other Infrastructure	713	205	229
Basic Metals & Metal Industry of which	8,267	8,408	8,374
1. Iron & Steel	7,769	7,826	7,925
Textiles	2,282	2,526	3,318
Petroleum & Petrochemicals	37	36	30
All Engineering	685	2,232	2,134
Food Processing	410	1,876	2,158
Chemicals and Chemical Products	559	593	277
Trade	1,828	1,775	1,775
Commercial Real Estate	290	320	575

Exposure to NCLT accounts



- The resolution in most accounts of NCLT-1 list likely to be in first half of FY 19.
- The resolution in most accounts of NCLT-2 list likely to be by end of FY 19.
- Resolution of NCLT accounts to lead to lower GNPA's, in addition to better margins.
- Bank has made provision of 40% of secured portion plus 100% of unsecured portion or provision already held whichever is higher, in respect of exposures to specific accounts under NCLT 1 and NCLT 2 lists of RBI. Balance amount of provision to be made in such accounts in June 2018 quarter is INR 519.86 crore.

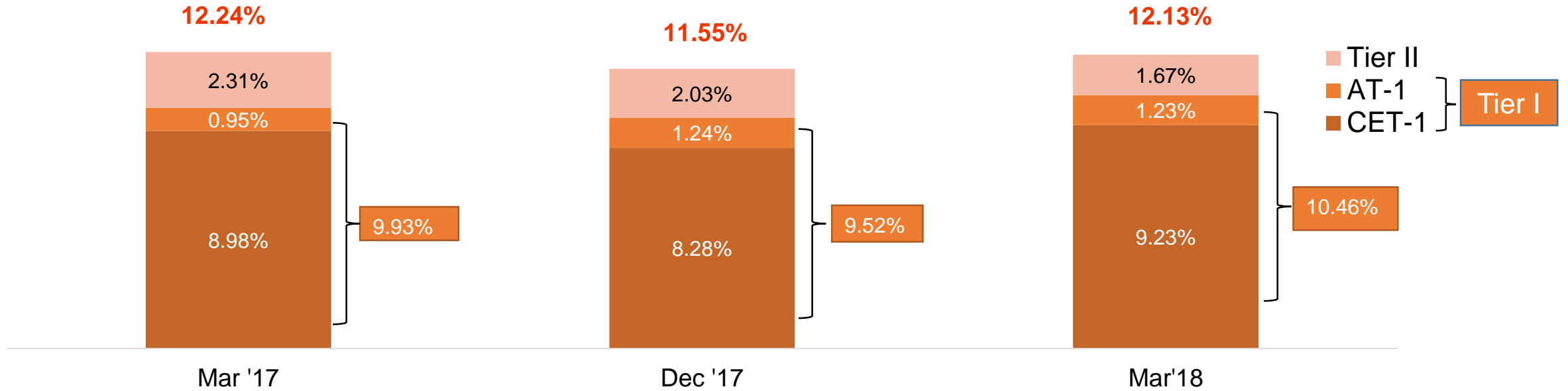
Asset Quality – Watch list



- All accounts from SMA 2 and stressed SMA 1 list are included in the watchlist.
- S4A accounts continuing as standard are included in the watchlist.
- Last year recovery & upgrades of INR 5,443 crore was without NCLT resolutions. Recovery & upgrades in FY 19 to be higher on account of NCLT resolutions.

Capital Adequacy & Shareholding

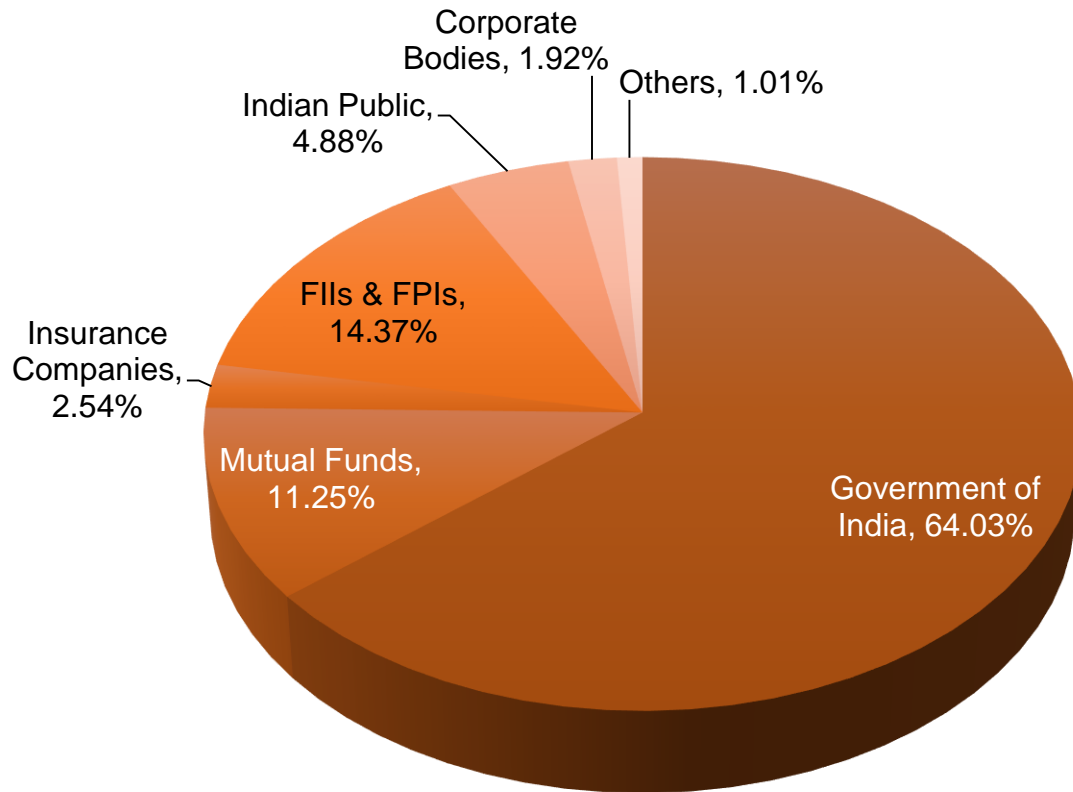
Capital Adequacy



Particulars (INR crore)	Mar '17	Dec '17	Mar'18
Common Equity Tier I Capital (CET 1)	35,881	34,609	37,646
Tier I Capital	39,709	39,831	42,650
Tier II Capital	9,202	8,464	6,813
Total Capital	48,911	48,295	49,463

- Capital Adequacy of the Bank continues to be above regulatory norms.

Shareholding Pattern as on March 31, 2018



As on March 31, 2018

- **Share Capital:** INR 529.10 crore
 - On March 27, 2018, Bank made preferential allotment of 3,413.56 lakh shares of INR 2 paid up value at an issue price of INR 157.46 per share amounting to INR 5,375 crore to Government of India.
-
- Bank of Baroda is a part of the following Indices:
 - BSE 100, BSE 200, BSE 500 & Bankex
BankNifty, Nifty 100, Nifty 200, Nifty 500
 - Bank of Baroda's shares are also listed on BSE and NSE in the 'Future and Options' segment

Strengths & Initiatives

Key Strengths

Strong domestic presence through 5,467 branches & 9,704 ATMs and Cash Recyclers supported by self-service channels



A well recognized brand in the Indian Banking Industry with **strong retail franchise**



Subsidiaries and JVs cover the entire Financial Spectrum - Insurance, Asset Management, Capital Markets



Customer base of ~78 million



Deep Financial Inclusion Coverage – 31.20 million accounts, with a total deposits of INR 9,689 crore and average balance of INR 3,105



Well distributed branch network with 34% coverage in Rural, 28% in Semi-urban, 21% Metro and 17% Urban



Global presence across 105 overseas offices spanning 23 countries



Pioneer in many **customer centric** initiatives



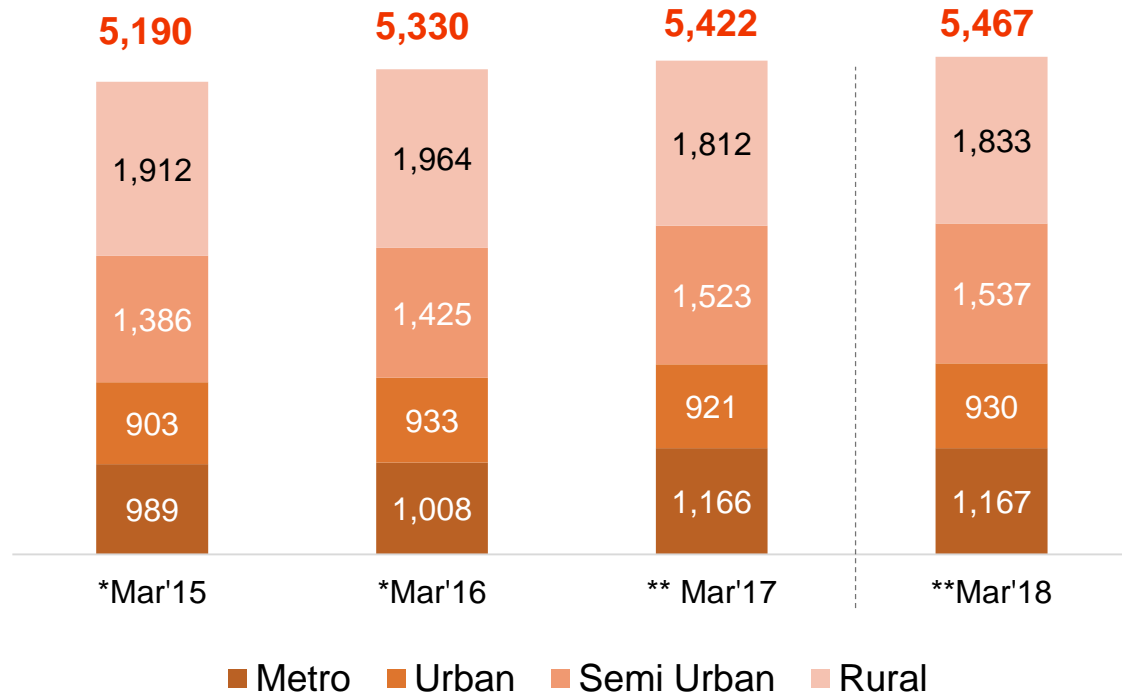
Capital Adequacy Ratio of **12.13%** which is above the regulatory requirements



Committed Workforce of 55,662

Established on July 20, 1908, Bank of Baroda is a 109 year old Bank with 64.03% stake held by the Government of India.

Domestic Branch Network

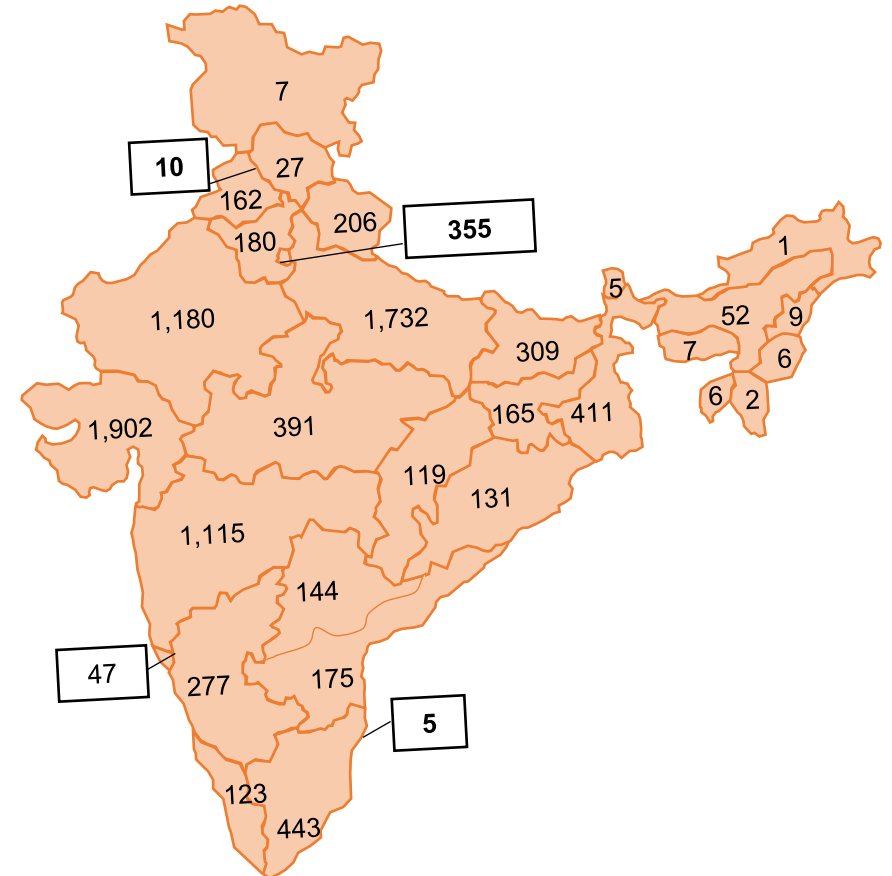


*Mar'15 and Mar'16 data as per 2001 census.

** Mar'17, Mar'18 data as per the 2011 census .

Bank had 346 e-lobbies, with 24*7 facilities for cash withdrawal, cash deposit, cheque deposit, passbook printing and internet banking. Including express e-lobbies the total number of e-lobbies are 1,006 as on 31st March 2018.

ATM Network



*Total : 9,704 ATMs and Cash Recyclers

International Presence spanning 105 overseas offices across 23 countries



Color Codes

- Wholesale business
- Full Banking Centres
- Offshore Banking Units
- Joint Venture
- Associate

- **58** Branches in **15** countries (territories).
- **8** Subsidiaries having **47** Branches.
- **1** Joint Venture, **1** Associate with **31** branches.
- In addition to above, there is **1** International Banking Unit (IBU) in GIFT City (SEZ), Gandhinagar, Gujarat, India, opened on 23.11.2017
- Branches at **Bahamas** and **Bahrain** are in the process of closure.
- Formation of subsidiary at UK for retail business viz. Bank of Baroda (UK) Ltd. is at advanced stage and necessary approval has been received from Prudential Regulatory Authority (PRA).

Shared Services building process consistency, controlled environment and scalable architecture (1/2)



Global Trade Services (TFBO)



Retail Assets (CPC)



Account Management Services (RLBO)



At GIFT City

Processes & Transactions

1. Inward Remittances
2. Advance Remittance against Imports
3. Import LC
4. Export Financing
5. Import Bill Payments
6. Outward Remittances
7. Export bills for collection
8. EEFC Conversion

1. Baroda Traders Loan
2. Baroda Education Loan
3. Baroda Mortgage Loan
4. Additional Assured Advance
5. Home Improvement
6. Baroda Home Loan
7. Staff Housing Loan

1. NRI Overseas
2. NRI/ NRO
3. FCNR*
4. Current Accounts
5. Cheque book processing
6. Welcome letter
7. Savings Accounts

1. 24x7x365 capabilities
2. Appropriate, trained & adequate staffing
3. Dedicated & specialized subsidiary
4. Focus on freeing branch time for sales

Zones/ Branches

13 Zones/ **144** Branches

9/**13** Zones/ 50/**77**- SMS

11/**13** Zones/ 4900/**5450**

Initiatives

Quality Control & Help Desk
Customer Owners
Priority Desk

Quality Control & Help Desk

Quality Control & Help Desk
Priority Desk

Over 1,400 workforce in place

Next Projects

Account Management Services (Wave 2), CMS, Clearing, Digital Banking, ATM management, Analytics, Bank HR Ops and various other back office functions.

Shared Services Centre (2/2)

Bank's wholly owned captive has more than 600 FTEs in non-voice (transaction processing) and ~ 750 FTEs in voice (Call Centre) , **expected to scale to over 2000+ FTEs by year end.**

Rolled out **robust Operational framework to enhance preventive and detective controls** built in prior to migration of any process such as segregation of duties , no end to end dominance , 3 layers of defence or 6 eye principle .

Customer connect through branch visits, Customer visits to Trade & Forex back office, Video conference has been initiated. Transforming customer experience is going to be a theme and mission of the entity.

Quality Control, RCSA, Information Security, & KRIs has been designed and Implemented with robust centralized monitoring system across verticals.

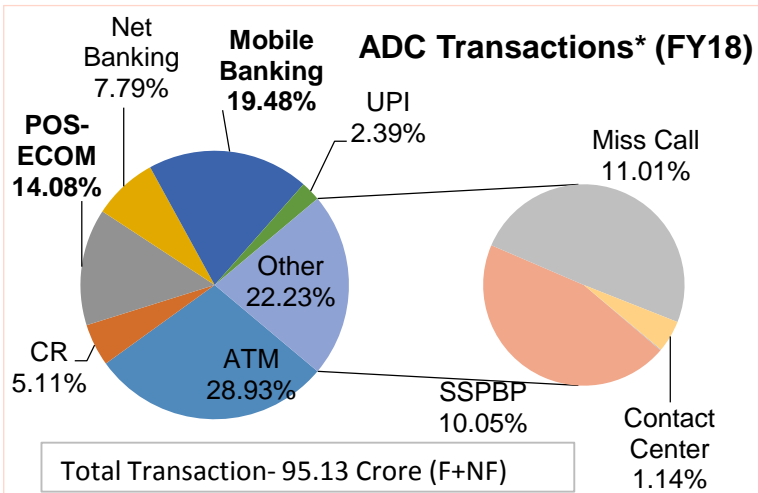
Six Sigma performance improvement model kicked off. Performance dashboards on overall health of organization has already taken life.

Implementation of world class workflow tools like Baroda Insta (Trade & Forex), LLPS – Newgen (Retail lending) & Omni flow – Newgen (Account Opening) as a part of digital transformation.

Migrated to completely paperless process at GIFT City, yielding significant cost save for the Bank. Also Robotics and Digitization is explored at various corners to encourage STP, leading to error free processing, further cost saves and customer delight.

Digital Footprint

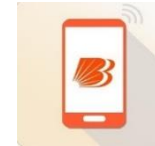
Digital Network



* Alternate Delivery Transactions data includes Financial and Non-Financial transactions.



63.71%
POS/ECOM
(YOY growth)



142.92%
Mobile Banking (F+NF)
(YOY growth)



30.07%
UPI Outward txns
(QOQ growth)



20.62%
Net Banking (F+NF)
(YOY growth)

Recent Product Suite

**BHIM Baroda
Aadhaar Pay**



**Baroda
Reloadable Card**



Multi Function Kiosk



Account Opening Kiosk



**Co Branded
Debit Card**



Digital Portable Branch

Toll Free Number:

1800 22 33 44
1800 258 44 55
1800 102 44 55

~ 14 lakh new Debit cards were issued during Q4 FY 18 out of which 37.10% were issued in existing accounts. Apart from Debit Cards, Bank also offers Credit, Forex and Gift Cards

Digital Initiatives: TAB Banking for instant paperless account opening



- Tab Banking offers a secure, fast, robust, real-time cross-platform with the best in class user experience which can be enabled for 35+ banking services like anytime anywhere instant account opening, mini statement, balance enquiry, bank details update, debit card & cheque related services, etc. at the tip of finger
- *All branches pan India have been enabled with fully digitized account opening process flow through Tab Banking*
- *Account opening is e-KYC enabled with biometric identification fetching Aadhar details from its data base*

The Fintech Alliances



* In collaboration with Rural & Agri Banking and CSR Department

Key Highlights

- The Fintech Alliance is 25 partnerships strong
- Business in embryonic stage and significant traction seen.
- Bank is the founding member of the Bankchain Consortium formed for exploring, building and implementing Blockchain solutions in Banks
- First Bank to support RBI driven Fintech initiative for easing MSMEs' access to working capital by being on-boarded on all -3- TReDS platforms - Mynd solutions, RXIL and A.TREDS



Bank's Hackathon – "Baroda Finathon"

Baroda Finathon received more than **4600** registrations and **330** plus applications out of which **12** were shortlisted. The themes for Finathon included: Innovation, customer acquisition, customer experience, conversational banking, collections, compliance, operational efficiency.

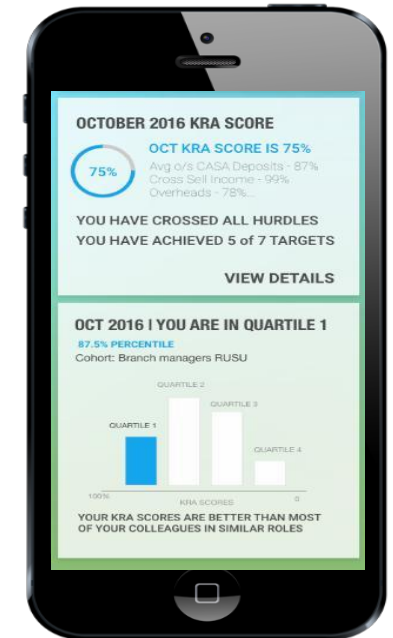
The Hackathon Finale was conducted on 26th February, '18 at Baroda Corporate Centre with winners adjudged from the shortlisted teams:

- 1st prize - Innovative in app payments solution
- 2nd prize - Conversational + video banking
- 3rd prize - facial recognition based CX



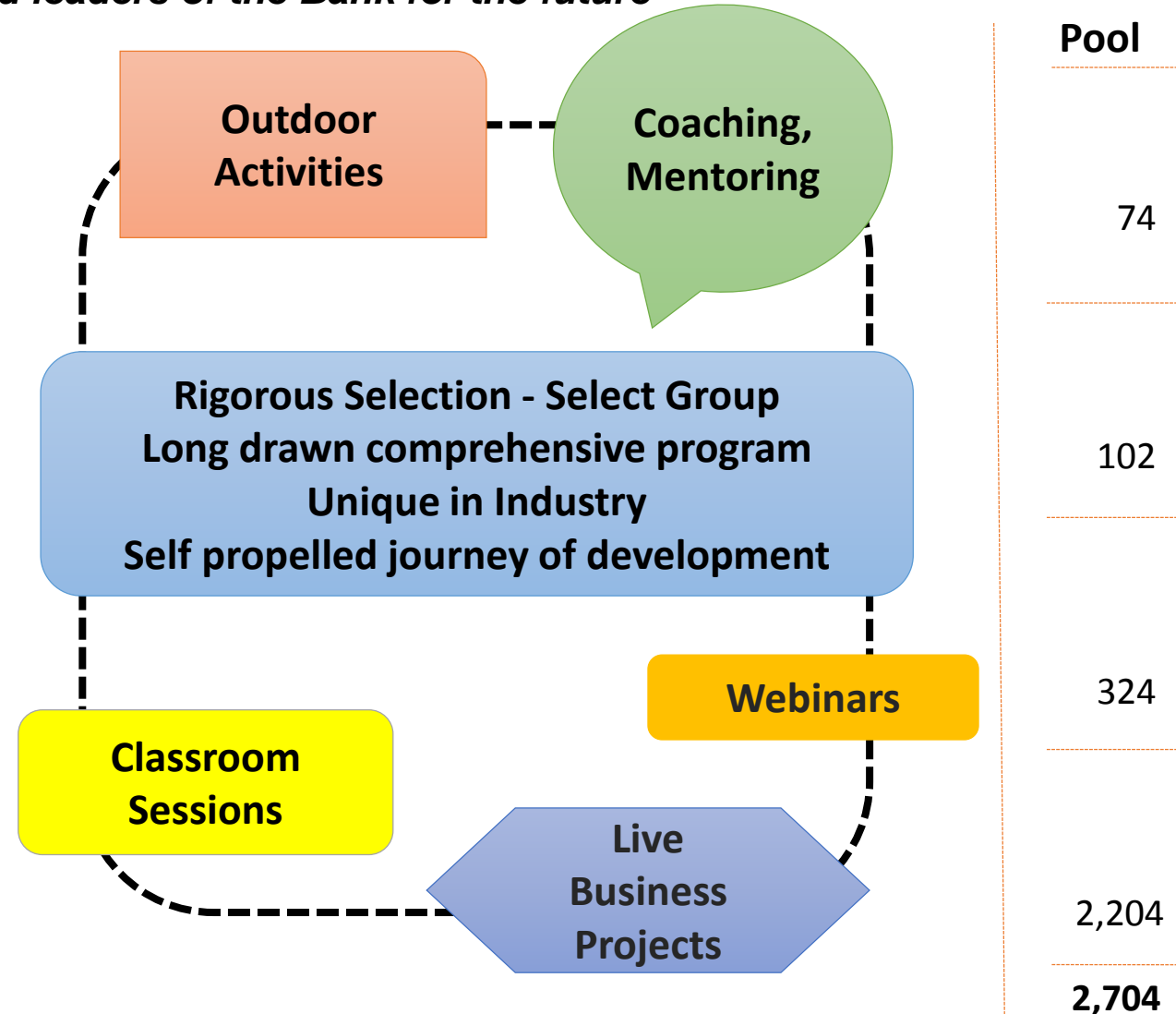
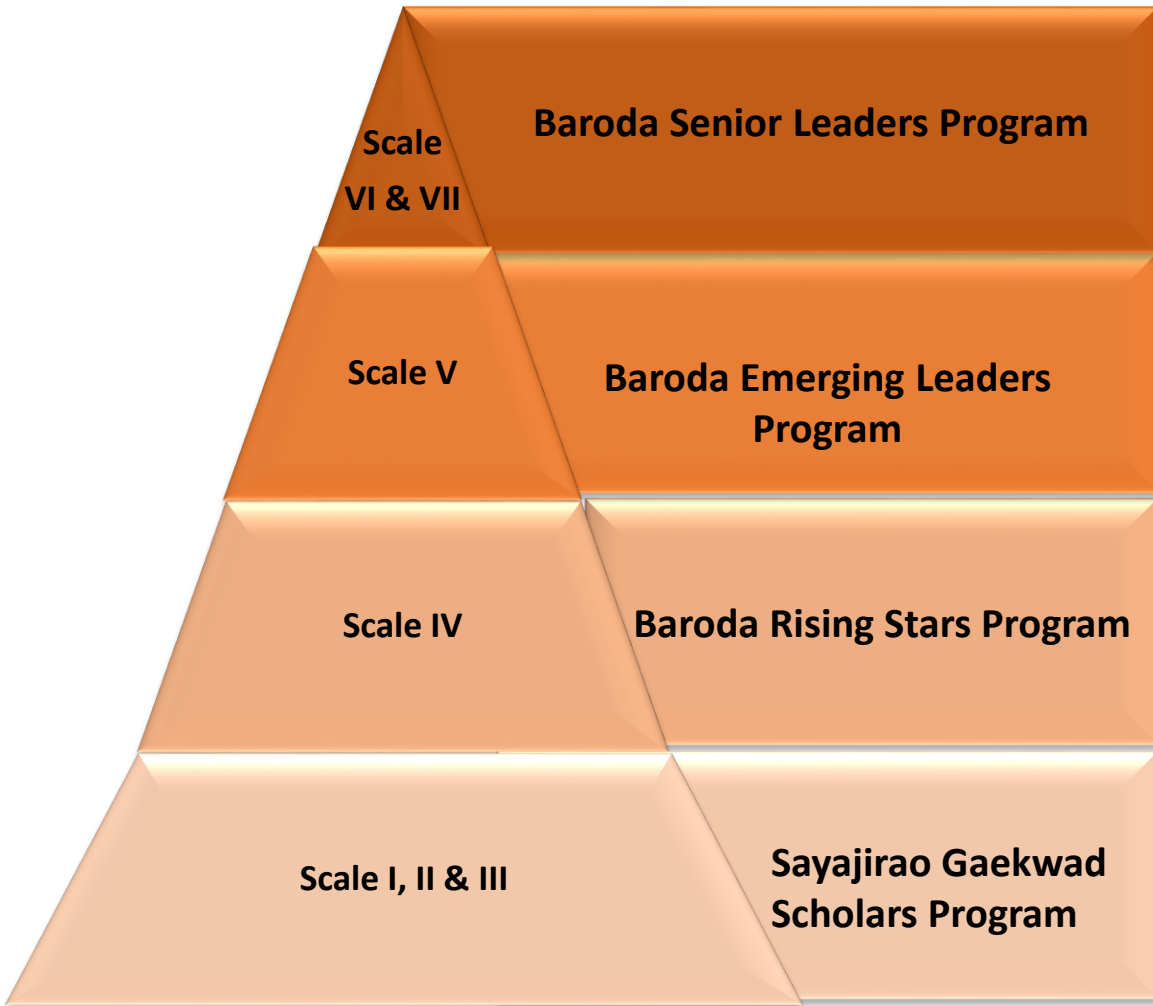
Strengthening People Capabilities through multiple HR interventions

- New PMS **Baroda GEMS – Growth & Empowerment Management System** designed on the four principles of the Balanced Score Card covering Business, Risk & Controls, Customer and Employee Perspectives, under implementation
- Comprehensive Bank-wide **leadership program** under **‘WeLead’** rolled out covering all cadre of officers
- Rollout of employee engagement initiatives under **‘Baroda Anubhuti’** with social impact
- **Unveiling of the Bank’s core values** post internal workshops with staff and **alignment with leadership competencies**



HR Initiatives (2/2)

WELEAD-Comprehensive leadership programme to build leaders of the Bank for the future



Consolidated Financials

Subsidiaries, Joint Ventures and Associates

Domestic Subsidiaries, Joint Ventures and Associates	Proportion of Ownership
Subsidiaries	
BOB Financial Solutions Limited	100.00%
BOB Capital Markets Limited	100.00%
Baroda Global Shared Services Limited	100.00%
Baroda Sun Technologies Ltd.	100.00%
Associate Bank	
Nainital Bank Limited	98.57%
Joint Ventures	
India First Life Insurance Company Limited	44.00%
India Infradebt Limited	36.86%
Associates	
Baroda Pioneer Asset Management Company Ltd	49.00%
Baroda Pioneer Trustee Co. Pvt. Limited	49.00%
Regional Rural Banks	
Baroda Uttar Pradesh Gramin Bank	35.00%
Baroda Rajasthan Gramin Bank	35.00%
Baroda Gujarat Gramin Bank	35.00%

International Subsidiaries, Joint Ventures and Associates	Proportion of Ownership
Subsidiaries	
Bank of Baroda (Botswana) Limited	100.00%
Bank of Baroda (Kenya) Limited	86.70%
Bank of Baroda (Uganda) Limited	80.00%
Bank of Baroda (Guyana) Inc	100.00%
Bank of Baroda (New Zealand) Limited	100.00%
Bank of Baroda (Tanzania) Limited	100.00%
Bank of Baroda (Trinidad & Tobago) Limited	100.00%
Bank of Baroda (Ghana) Limited	100.00%
Bank of Baroda (UK) Limited	100.00%
Joint Venture	
India International Bank (Malaysia), Berhad	40.00%
Associate	
Indo-Zambia Bank Limited	20.00%
Overseas Non-Banking Subsidiary	
BOB (UK) Limited	100.00%

Balance Sheet – Consolidated

Particulars (INR crore)	Mar '17	Dec '17	Mar '18
<i>CAPITAL & LIABILITIES</i>			
Capital	462	462	530
Reserves & Surplus	42,605	43,184	46,036
Minority Interest	233	258	273
Deposits	6,17,257	5,88,753	6,07,451
Borrowings	31,242	47,330	64,860
Other Liabilities & Provisions	27,421	29,378	28,655
<i>TOTAL</i>	<i>7,19,220</i>	<i>7,09,365</i>	<i>7,47,805</i>
<i>ASSETS</i>			
Cash and Balances with RBI	23,915	23,587	24,035
Balances with Banks	1,30,200	67,695	73,388
Investments	1,40,716	1,75,191	1,75,137
Loans & Advances	3,92,262	4,09,503	4,37,941
Fixed Assets	5,930	5,652	5,532
Other Assets	26,197	27,737	31,772
<i>TOTAL</i>	<i>7,19,220</i>	<i>7,09,365</i>	<i>7,47,805</i>

Profit & Loss – Consolidated

Particulars (INR crore)	Q4 FY 17	Q3 FY 18	Q4 FY 18	YOY (%)	FY 17	FY 18	YOY (%)
Net Interest Income	3,950	4,801	4,275	8.23	14,877	16,896	13.57
Non Interest Income	2,342	1,974	2,224	(5.04)	7,937	7,992	0.69
Fee Income	527	459	548	3.98	1,691	1,927	13.96
Premium Income	342	232	440	28.65	977	993	1.64
Other Income	1,473	1,284	1,235	(16.16)	5,269	5,072	(3.74)
Total Income	6,292	6,776	6,498	3.27	22,814	24,888	9.09
Operating Expenses	2,855	2,661	3,425	19.96	10,350	11,327	9.44
Operating Profit	3,437	4,115	3,073	(10.59)	12,464	13,561	8.80
Provisions	2,953	3,716	6,892	133.39	9,440	15,667	65.96
Profit before Tax	484	399	(3,819)	-	3,024	(2,106)	-
Tax	259	167	(889)	-	1,247	(194)	-
Minority Interest	7	13	16	128.57	40	51	27.50
Share of Earning in Associates	37	8	39	5.41	78	76	(2.56)
Profit after Tax	255	227	(2,907)	-	1,815	(1,887)	-
Return on Equity (%) (Annualised)	3.07%	2.68%	(0.33)%	-	5.44%	(0.05)%	-
EPS (INR)	1.11	0.99	(12.60)	-	7.88	(8.17)	-

Capital Adequacy - Consolidated

Key ratios (Consolidated)	Mar' 17	Dec' 17	Mar' 18
Common Equity Tier I Capital (CET 1) (INR crore)	40,014	38,969	42,348
Tier I (INR crore)	43,842	44,191	47,352
Tier II (INR crore)	9,293	8,417	6,715
Total Capital (INR crore)	53,135	52,608	54,067
CET 1 Ratio (%)	9.64%	8.95%	10.08%
Tier I Ratio (%)	10.56%	10.15%	11.27%
Tier II Ratio (%)	2.24%	1.93%	1.60%
Capital Adequacy Ratio (%) - Basel-III	12.80%	12.08%	12.87%

Awards and Accolades



- ❖ Bank has been awarded winner in Agricultural Banking in the large class bank category in ASSOCHAM social banking excellence award 2017.



- ❖ Bank received Banking Frontiers Finnoviti 2018 award for Financial Inclusion.



- ❖ Bank was awarded “Makers of Excellence APY (Atal Pension Yojana) Campaign (7th to 20th December, 2017)” award to MD & CEO Mr. P. S. Jayakumar in a function on 22.02.2018.

- ❖ Bank has been ranked among the top 50 companies in India on People Capital Index (PCI) which is brought out by HR analytics and assessment firm, Jombay in partnership with Job portal site Naukri.com and British Standards Institute (BSI)

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