

- Total Business at ₹ 10,27,358 crore at end-Sept, 2015, up 7.84%, (y-o-y)
- Domestic CASA share held steady at 31.95%
- Gross NPA at 5.56% & Net NPA at 3.08%
- Provision Coverage Ratio at 58.23%
- Operating Profit ₹ 2,337 crore in Q2, FY16, marginally down by 2.74% (y-o-y)
- Net Profit at ₹ 124 crore in Q2, FY16 versus ₹ 1,104 crore in Q2, FY15
- CRAR (Basel II) at 13.28% and CRAR (Basel III) at 12.51%

Bank of Baroda announced its reviewed results for the second quarter of 2015-16 (Q2, FY16) following the approval of its Board of Directors on November 6, 2015.

#### Results at a Glance

Particular	Quarterly Results			Half-Yearly Results		
	Q2:FY16 (₹ crore)	Q2:FY15 (₹ crore)	% Change	H1:FY16 (₹ crore)	H1:FY15 (₹ crore)	% Change
Total Income	12,300.40	11,817.32	4.09%	24,544.12	23,499.82	4.44%
Interest Income	11,156.36	10,825.67	3.05%	22,432.85	21,483.63	4.42%
Interest Expenses	7,911.90	7,424.56	6.56%	15,728.76	14,754.21	6.61%
Net Interest Income	3,244.47	3,401.11	-4.61%	6,704.09	6,729.42	-0.38%
Other Income	1,144.04	991.65	15.37%	2,111.28	2,016.19	4.72%
Total Expenses	9,963.38	9,414.39	5.83%	20,005.15	18,617.29	7.45%
Operating Expenses	2,051.49	1,989.83	3.10%	4,276.39	3,863.08	10.70%
of which Employee Cost	1,043.98	1,107.83	-5.76%	2,389.06	2,213.33	7.94%
Operating Profit	2,337.02	2,402.93	-2.74%	4,538.98	4,882.53	-7.04%
Provision for Tax	320.84	410.67	-21.87%	870.90	1,001.68	-13.06%
Provision (other than tax) & contingencies	1891.70	888.04	113.02%	2,491.44	1,414.75	76.10%
Net Profit	124.48	1,104.22	-88.73%	1,176.63	2,466.10	-52.29%

#### BUSINESS EXPANSION

The Bank's **Total Business** expanded by 7.84% (y-o-y) to ₹ 10,27,358 crore in Q2, FY16.

**Total Deposits** increased by 8.03% (y-o-y) to ₹ 6,12,458 crore. **Share of domestic CASA deposits** improved to 31.95% in Q2 FY16 from 31.89% in Q1, FY16.

**Total Advances** increased by 7.55% (y-o-y) to ₹ 4,14,900 crore. The growth in domestic loan-book was diversified. **Retail Credit** increased by 10.15% (y-o-y) to ₹ 52,188 crore and formed 18.17% of its Gross Domestic Credit as on 30<sup>th</sup> Sept, 2015. **Farm Credit** grew by 16.96% (y-o-y) to ₹ 35,596 crore.

The Bank's **Overseas Business** continued to occupy a significant position in its overall business. During Q2, FY16, the Overseas Operations contributed 31.71% to the Bank's Total Business.

## **INCOME**

The Bank's **Total Income** grew by **4.09%** (y-o-y) to **₹12,300 crore** in Q2, FY16 and **Net Interest Income** stood at **₹ 3,244 crore** (down 4.61%, y-o-y). **Other Income**, however, increased buoyantly by 15.37% to **₹ 1,144 crore** primarily due to improved trading gains.

## **EXPENSES**

The Bank's **Total Expenses** grew at the controlled pace of **5.83%** (y-o-y) to **₹ 9,963 crore** in Q2, FY16 aided by a modest growth of 3.10% (y-o-y) in **Operating Expenses** to **₹ 2,051 crore** and **6.56%** (y-o-y) in **Interest Expenses** to **₹7,912 crore**.

## **ASSET QUALITY**

**Gross NPA** of the Bank increased to **₹ 23,710 crore** as on Sept 30, 2015 from **₹ 17,274 crore** as on June 30, 2015. Fresh slippage during the quarter was higher at **₹ 6816 crore** reflecting continued stress in corporate portfolio both in domestic and overseas loan book. The **Gross NPA ratio** stood at **5.56%** as on 30<sup>th</sup> Sept, 2015, while the **Net NPA ratio** stood at **3.08%**. **Gross NPA of overseas business** was **3.17%** in Q2, FY16 while **net NPA** was **1.73%**.

**Restructured assets (Standard)** of the Bank were **₹ 22,930 crore** as on 30.09.2015 as against level of **₹ 25,541 crore** as on 30.06.2015.

## **PROVISIONS AND CONTINGENCIES**

**Provisions and Contingencies (excluding tax provisions)** made by the Bank stood at **₹1,891 crore** in Q2, FY16 versus **₹ 888 crore** in Q2, FY15. Increase in non-tax provisions was mainly on account of higher provisions against non-performing assets during Q2, FY16. **Provisions against "NPAs/Bad Debts written off"** stood at **₹ 1,844 crore** in Q2, FY16. **Provision Coverage Ratio (PCR)** of the Bank was **58.23%** as on 30<sup>th</sup> September 2015.

Bank's Tax Provision was lower by 21.87% (y-o-y) to **₹ 321 crore**.

## **PROFIT**

The Bank's **Operating Profit** was **₹2,337 crore** in Q2, FY16 (marginally down by 2.74% on y-o-y basis) as against **₹2,403 crore** in Q2, FY15. The lower growth in interest earnings contributed to decline in operating profit. However, on Q-o-Q basis, it increased by 6.13% from Q1 FY16 figure of **₹ 2,202 crore**. Its **Net Profit** for Q2, FY16 stood at **₹124 crore**, down 88.73% (y-o-y) due to higher provisions on slippages during the quarter.



## **CAPITAL ADEQUACY**

The **CRAR (Basel III)** was at **12.51%** as on 30<sup>th</sup> Sept, 2015. Out of this, the share of **Tier 1** capital was **9.92%** and that of **CET 1** Capital was **9.42%**. It does not include half yearly profits upto 30<sup>th</sup> September 2015.

## **KEY FINANCIAL RATIOS**

- The Bank's **Net Worth** expanded by 5.97% (y-o-y) to ₹ **39,858 crore** as on 30<sup>th</sup> Sept, 2015.
- The Bank's **Book Value per Share** improved to ₹ **172.98** as on 30<sup>th</sup> Sept, 2015.
- In annualized terms, the **EPS** stood at **Rs 10.64**.
- In annualized terms, the Bank's **Return on Equity** stood at 5.90% in H1, FY16.
- Its **Return on Average Assets** stood at **0.33%** in H1, FY16.

## **AWARDS H1, FY16**

- Bank of Baroda was conferred the Best Public Sector Bank under the category Global Business at the Dun & Bradstreet Banking Awards 2015.
- Bank of Baroda was awarded HR Excellence Award by Business world for "Best initiative for Engaging Superannuated Employees".
- Bank of Baroda won First Prize under All India Rajbhasha Kriti Purashkar Scheme of Govt. of India for Bank's outstanding performance in Official Language Implementation under the category of nationalized banks in linguistic region "B", for the year 2014-15.

November 6, 2015  
Mumbai



V.S. Narang  
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