



बैंक ऑफ़ बड़ौदा **Bank of Baroda**

BCC:ISD:110:16:475

Date: 30th October 2018

The Vice-President, B S E Ltd., Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001 BSE CODE-532134	The Vice-President, National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051 CODE-BANKBARODA
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Dear Sir/ Madam,

Re: Bank of Baroda - Unaudited (Reviewed) Standalone Financial Results for the Quarter / Half Year ended 30th September 2018 - Regulation 33 of SEBI (LODR) Regulations, 2015

We refer to our Stock Exchange notification no. BCC:ISD:110:16:460 dated 11th October 2018. We now advise the outcome of the Board Meeting as under:

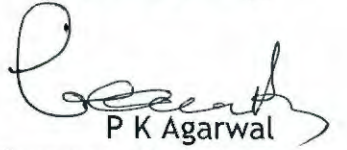
The Board of Directors of Bank of Baroda at its meeting held today i.e. 30th October 2018 inter-alia considered & approved the Unaudited (Reviewed) Standalone Financial Results of the Bank together with relevant segment reporting, for the Quarter / Half Year ended 30th September 2018.

We enclose a copy of the Unaudited (Reviewed) Standalone Financial results along with Segment Reporting, Limited Review Reports and Press Release.

The Meeting concluded at 8.25 p.m.

We request you to take a note of the above and upload the information on your website.

Yours faithfully,

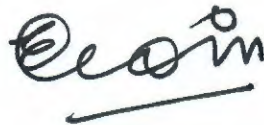

P K Agarwal
Company Secretary
8/1

Encl. - As Above

Un-audited Financial Results (Standalone) for the Quarter/ Half Year Ended 30th September 2018

(₹ in lakhs)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
1	Interest earned (a)+(b)+(c)+(d)	1207834	1163988	1075333	2371822	2130604	4364854
	(a) Interest /discount on advances / bills	821801	798611	714575	1620412	1408025	2906982
	(b) Income on investments	321984	299786	249178	621770	491874	1042016
	(c) Interest on balances with Reserve Bank of India and other inter bank funds	45990	44173	75887	90163	160356	241479
	(d) Others	18059	21418	35693	39477	70349	174377
2	Other Income	135161	114783	173706	249944	328821	665715
3	Total Income (1 + 2)	1342995	1278771	1249039	2621766	2459425	5030569
4	Interest Expended	758580	725880	703280	1484460	1418056	2812677
5	Operating Expenses (a)+ (b)+ (C)	276224	252332	241575	528556	472374	1017337
	(a) Employees cost	122170	110090	121314	232260	222796	460687
	(b) Rent Taxes & Lighting	28034	22769	25901	50803	48528	101108
	(c) Other operating expenses	126020	119473	94360	245493	201050	455542
6	Total Expenditure (4+5) excluding provisions and contingencies	1034804	978212	944855	2013016	1890430	3830014
7	Operating Profit (3-6) before Provisions and Contingencies	308191	300559	304184	608750	568995	1200555
8	Provisions (other than tax) and Contingencies	242954	216564	232935	459518	469740	1479629
	of which provisions for Non-performing Asset	146656	175972	184722	322628	400391	1421172
9	Exceptional Items	-	-	-	-	-	-
10	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9)	65237	83995	71249	149232	99255	(279074)
11	Provision for Taxes	22699	31169	35713	53868	43380	(35893)
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	42538	52826	35536	95364	55875	(243181)
13	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
14	Net Profit (+) / Loss (-) for the period (12-13)	42538	52826	35536	95364	55875	(243181)
15	Paid-up equity share capital (Face Value of ₹2 each)	53036	53036	46209	53036	46209	53036
16	Reserve excluding Revaluation Reserve	-	-	-	-	-	3970807
17	Analytical Ratios						
	i) Percentage of shares held by Government of India	63.74	63.71	59.24	63.74	59.24	64.03
	ii) Capital Adequacy Ratio(%) -Basel-III	11.88	12.13	11.64	11.88	11.64	12.13
	a CET 1 Ratio (%)	9.05	9.27	8.39	9.05	8.39	9.23
	b Additional Tier 1 Ratio (%)	1.20	1.23	1.22	1.20	1.22	1.23
	iii) Earnings Per Share						
	Basic and diluted EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹.]	1.60	2.00	1.54	3.60	2.42	(10.53)
	iv) NPA Ratios						
	(a) Gross NPA	5512137	5587481	4630683	5512137	4630683	5648039
	Net NPA	2105922	2238410	1957262	2105922	1957262	2348265
	(b) % of Gross NPA	11.78	12.46	11.16	11.78	11.16	12.26
	% of Net NPA	4.86	5.40	5.05	4.86	5.05	5.49
	v) Return on Assets (annualized) %	0.23	0.29	0.21	0.26	0.16	(0.34)


Notes forming part of the un-audited financial results for the Quarter/ Half Year Ended 30th September 2018

- The above financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors in their respective meetings held on October 30, 2018. The same have been subjected to a limited review by the Statutory Central Auditors of the Bank.
- The above results for the quarter ended September 30, 2018, have been prepared, following the same accounting policies as those followed in the annual financial statements for the year ended March 31, 2018.
- The financial results for the quarter and half year ended September 30, 2018, have been arrived at after considering provision for Non-Performing Assets, Standard Assets, Standard Derivative Exposures, Restructured Assets and depreciation / Provision for Investments on the basis of prudential norms and specific guidelines issued by the RBI. As a consistent practice, the Bank has made a provision of 20% on the Secured Sub-standard Advances as against the regulatory requirement of 15%. In addition to the above, provision is made on non-fund based facilities of NPA borrowers by applying 50% credit conversion factor (CCF). The provision is based on the asset class of the fund based facility of the borrower. Also 100% provision is made on certain class of non-performing retail advances.
- RBI Circular DBOD.NO.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 on Basel III Capital Regulations read together with RBI circular no DBR.NO.BP.BC. 80/21.06.201/2015-16 dated March 31, 2015 on Prudential Guidelines on Capital Adequacy and Liquidity Standards Amendments requires banks to make applicable Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel- III framework. These details are being made available on our website "www.bankofbaroda.com". These disclosures have not been subjected to limited review by the auditors.
- As per RBI directions vide Letter No. DBR.No.BO.15199/21.04.048/2016-17 dated June 23, 2017 and Letter No. DR.No.BP.1906/21.04.049/2017-18 dated August 28, 2017, the Bank during the quarter ended June 30, 2018 has made a Provision of ₹ 52243 lakhs and during the quarter ended September 30, 2018 has reversed ₹ 32787 lakhs (previous corresponding quarter ₹. Nil) due to release of provisions. The Bank holds a total provision of ₹ 50393 lakhs (previous corresponding quarter ₹. Nil) in respect of 25 borrower accounts under the provisions of Insolvency and Bankruptcy Code (IBC) and said RBI Directions.
- RBI circular DBR.No.BP.BC.113/21.04.048/2017-18 dated June 15, 2018 grants banks an option to spread provisioning for mark to market (MTM) losses on investments held in AFS and HFT categories equally up to four quarters, commencing with the quarter ended June 30, 2018. The Bank has availed the relaxation permitted and has provided an amount of ₹ 24848.50 lakhs being one half of the provision up to the half year ended September 30, 2018. The balance provision requirement of ₹ 24848.50 lakhs has been deferred to the subsequent two quarters.

7 Statement of Assets & Liabilities is as under:-

(₹ in lakhs)

	Standalone		
	As on 30th September 2018	As on 30th September 2017	As on 31st March 2018
	Reviewed	Reviewed	Audited
CAPITAL & LIABILITIES			
Capital	53036	46209	53036
Reserves and Surplus	4470312	4036528	4286441
Deposits	60697317	58321203	59131482
Borrowings	6627840	3078195	6257197
Other Liabilities and Provisions	2294885	2209448	2271821
TOTAL	74143390	67691583	71999977
ASSETS			
Cash and Balances with Reserve Bank of India	2296966	2265435	2269964
Balances with Banks and Money at Call and Short Notice	6659284	8518635	7019774
Investments	18420443	14988926	16318453
Advances	43354912	38730157	42743183
Fixed Assets	544080	557837	536739
Other Assets	2867705	2630593	3111864
TOTAL	74143390	67691583	71999977

- The Government of India has announced amalgamation of Bank of Baroda, Vijaya Bank and Dena Bank vide DFS letter No. F.No. 1/01/2017- BOA dated September 17, 2018 and the Board of the Bank has given an in principle approval in their meeting dated September 29, 2018. The bank has initiated consultation with Vijaya Bank and Dena Bank in this regard.
- RBI vide Circular no. DBR.No.BP.BC.108/21.04.048/2017-18 dated June 6, 2018 permitted banks to continue the exposure to MSME borrowers to be classified as standard assets where the dues between September 1, 2017 and December 31, 2018 are paid not later than 180 days for their respective original due dates. Accordingly, the Bank has retained MSME exposure of ₹ 141774 lakhs as standard asset as on September 30, 2018. In accordance with the provisions of the circular, the Bank has not recognised interest income of ₹ 897 lakhs and is maintaining a standard asset provision of ₹ 7089 lakhs as on September 30, 2018 in respect of such borrowers.
- During the quarter M/s Baroda Pioneer Asset Management Co. Ltd and Baroda Pioneer Trustee Co. Pvt. Ltd have become wholly owned subsidiaries of the Bank (Previously Associates) after acquiring 51% stake of M/s Pioneer Global Asset Management SpA in the said companies.
- During the quarter Bank has made a provision of ₹ 24187 lakhs in a specific standard accounts under financial services sector.
- Provisioning Coverage Ratio is 70.75% as on September 30, 2018. (September 30, 2017: 67.18%)
- Details of Investor's complaints for the quarter ended September 30, 2018: Pending at Beginning: 0; Received: 181; Disposed off: 181; Closing: 0.
- The figures of the previous period have been regrouped / rearranged, wherever necessary, so as to make them comparable with those of the current period.

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Segment reporting for the Quarter/ Half Year Ended 30th September 2018

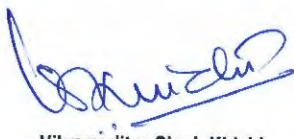
Part A-Business Segments

(₹ in lakhs)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended (Standalone)
		30.09.2018 Reviewed	30.06.2018 Reviewed	30.09.2017 Reviewed	30.09.2018 Reviewed	30.09.2017 Reviewed	31.03.2018 Audited
1	Segment Revenue						
	(a) Treasury Operations	405721	390773	442873	796494	877492	1677799
	(b) Wholesale Banking	466680	467736	478490	934416	933982	1870692
	(c) Retail Banking	470594	420262	327676	890856	647951	1436020
	(d) Other Banking Operations	0	0	0	0	0	46058
	Total Revenue	1342995	1278771	1249039	2621766	2459425	5030569
2	Segment Results						
	(a) Treasury Operations	(8364)	1316	97706	(7048)	169538	264156
	(b) Wholesale Banking	(64894)	73523	(29398)	8629	(31389)	(449085)
	(c) Retail Banking	213492	97821	58156	311313	88546	144045
	(d) Other Banking Operations	0	0	0	0	0	33594
	Total	140234	172660	126464	312894	226695	(7290)
	Unallocated Expenditure	74997	88665	55214	163662	127439	271784
	Profit before Tax	65237	83995	71250	149232	99256	(279074)
	Provision for Tax	22699	31169	35714	53868	43381	(35893)
	Net Profit	42538	52826	35536	95364	55875	(243181)
3	Segment Assets						
	(a) Treasury Operations	28285360	27409975	26797508	28285360	26797508	26809912
	(b) Wholesale Banking	31120274	29852237	27895418	31120274	27895418	31134207
	(c) Retail Banking	14084181	13123983	11839968	14084181	11839968	13011177
	(d) Other Banking Operations	-	-	-	-	-	-
	(e) Unallocated	653575	1054049	1158689	653575	1158689	1044681
	Total Assets	74143390	71440244	67691583	74143390	67691583	71999977
4	Segment Liabilities						
	(a) Treasury Operations	26559723	25715421	25181248	26559723	25181248	25194064
	(b) Wholesale Banking	29221685	28006696	26212939	29221685	26212939	29257732
	(c) Retail Banking	13224931	12312625	11125855	13224931	11125855	12226986
	(d) Other Banking Operations	0	-	-	-	-	-
	(e) Unallocated	613702	988886	1088804	613702	1088804	981718
	Total Liabilities	69620041	67023628	63608846	69620041	63608846	67660500
5	Capital Employed						
	(a) Treasury Operations	1725637	1694554	1616260	1725637	1616260	1615848
	(b) Wholesale Banking	1898589	1845541	1682479	1898589	1682479	1876475
	(c) Retail Banking	859250	811358	714113	859250	714113	784191
	(d) Other Banking Operations	-	-	-	-	-	-
	(e) Unallocated	39873	65163	69885	39873	69885	62963
	Total Capital Employed	4523349	4416616	4082737	4523349	4082737	4339477

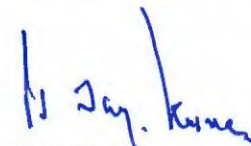
Part - B : Geographic Segments

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2018 Reviewed	30.06.2018 Reviewed	30.09.2017 Reviewed	30.09.2018 Reviewed	30.09.2017 Reviewed	31.03.2018 Audited
1	Revenue						
	(a) Domestic	1191159	1135419	1129473	2326578	2216096	4534256
	(b) International	151836	143352	119566	295188	243329	496313
	Total	1342995	1278771	1249039	2621766	2459425	5030569
2	Assets						
	(a) Domestic	1818011	56066085	50717291	57884096	50717291	55328716
	(b) International	885135	15374159	16974292	16259294	16974292	16671261
	Total	2703146	71440244	67691583	74143390	67691583	71999977


Vikramaditya Singh Khichi
Executive Director


Shanti Lal Jain
Executive Director


Papi Sengupta
Executive Director


P S Jayakumar
Managing Director & CEO

Place : Mumbai
Date : 30th October 2018





Kalyaniwalla & Mistry LLP

Chartered Accountants,
Esplanade House,
29, Hazarimal Somani Marg,
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Singhi & Co.

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G. M. Kapadia & Co.

Chartered Accountants,
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213, Nariman Point, Mumbai-400 021.

S. R. Dinodia & Co. LLP

Chartered Accountants,
K-39, Connaught Place,
New Delhi - 110 001.

Limited Review Report**The Board of Directors****Bank of Baroda****Mumbai**

We have reviewed the accompanying statement of unaudited financial results of Bank of Baroda ('the Bank') for the quarter and half year ended September 30, 2018. These statements are the responsibility of the Bank's Management and have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their respective meeting held on October 30, 2018. Our responsibility is to issue a report on these financial statements based on our review. Further, as stated in Note 4, the disclosures relating to "Pillar 3 disclosures under Basel III Capital Requirements" on the Bank's website and in respect of which link is prescribed in the aforesaid statement have not been reviewed by us.

We conducted our review in accordance with the Standard on Review Engagement ('SRE') 2410, "Review of Interim Financial Information performed by the independent Auditors of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the accompanying statement of unaudited financial results is free of material misstatement. A review of financial results consists principally of applying analytical procedures to financial data and making enquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express an audit opinion.

The financial results incorporate the relevant returns of 20 branches and 1 treasury branch reviewed by us, 21 foreign branches reviewed by local auditors specially appointed for this purpose and unreviewed returns in respect of 5425 branches which includes 25 Foreign Branches. In the conduct of our review, we have taken note of the review reports in respect of non-performing assets submitted by the concurrent auditors of 113 branches to the Bank Management. These review reports cover 65.97 percent of the advances portfolio of the bank and 84.76 of Non-Performing Assets of the Bank.



Kalyaniwalla & Mistry LLP Chartered Accountants	Singhi & Co. Chartered Accountants
G M Kapadia & Co. Chartered Accountants	S.R. Dinodia & Co. LLP Chartered Accountants

Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the branches of the bank.

Based on our review as aforesaid, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with RBI circular (2016-17/29 dated 28th July 2016 with respect to half yearly / quarterly review of the Public Sector Banks) including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Emphasis of Matter

We draw attention to Note no 6 regarding exercise of the option by the Bank, as permitted by the Reserve Bank of India vide notification number DBR.No.BP.BC.113/21.04.048/2017-18 dated June 15, 2018, for spreading the mark to market (MTM) losses over four quarters resulting into carrying forward of unamortized MTM losses of Rs.24848.50 lakhs as at September 30, 2018 for amortization in the subsequent two quarters. Our opinion is not modified in respect of this matter.

For Kalyaniwalla & Mistry LLP. Chartered Accountants FRN:104607W / W100166  (CA Darajus Z Fraser) Partner M. No 042454 	For Singhi & Co. Chartered Accountants FRN: 302049E  (CA Nikhil Singhi) Partner M. No.061567 
For G M Kapadia & Co. Chartered Accountants FRN: 104767W  (CA Rajen Ashar) Partner M. No. 048243 	For S.R. Dinodia & Co. LLP. Chartered Accountants FRN: 001478N/N500005  (CA Sandeep Dinodia) Partner M. No.083689 

Place: Mumbai

Date: October 30, 2018

Press Release

**BANK OF BARODA ANNOUNCES FINANCIAL RESULTS
FOR Q2 and H1 of FY 2018-19**

Quality growth; improvement in all key operating matrix; stabilization of NPAs; and moving to next wave of digital banking.

Highlights

- Domestic Y-o-Y credit growth at 20.37% led by Retail loans which increased by 33.55%. Home and auto loan growth was 39.76% and 38.75% respectively.
- Net Interest Income (NII) for September 2018 quarter increased to INR 4,492 crore registering Y-o-Y growth of 20.75%. Customer income increased by 19.56% to INR 5,453 crore with 14.27% increase in Core Fee Income.
- Operating Profit for September 2018 quarter increased to INR 3,082 crore registering Y-o-Y growth of only 1.31% on account of lower treasury trading income. Consolidated Operating Profit for September 2018 is INR 3,563 crore an increase of 4.82% on Y-o-Y basis.
- NIM improved to 2.61% in September 2018 from 2.34% in Sept 2017, but was marginally lower on a Q-o-Q basis.
- Net Profit increased by 19.72% to INR 425 crore. Consolidated net profit increased by 39.71% Y-o-Y at INR 686 crore.
- Fresh slippage was at INR 2,281 crore, lowest in seven quarters. Credit cost decreased to 1.31% in September 2018 from 1.82% last year. Provision for NPAs at INR 1,467 crore was at a nine-quarter low.
- Net NPA ratio declined to 4.86% as on Sept 30, 2018 from 5.40% as on June 30, 2018. Absolute amount of net NPAs also declined by INR 1,325 crore Q-o-Q.
- PCR including TWO increased to 70.75% and PCR excluding TWO increased to 61.79% as on Sept 30, 2018 from 69.11% and 59.94% respectively as on June 30, 2018.
- Capital Adequacy Ratio at 11.88% and CET-1 at 9.05% continues to be above regulatory norms.
- Continued progress in Transformation journey which is reflected both in growth and improvement in quality of new origination. Moving towards “Bank of Future” through Centers of Excellence, partnerships and digital alliances.

Bank of Baroda announced its audited results for the Q2 FY 19, following the approval of its Board of Directors on October 30, 2018.

Results at a Glance (Standalone Basis)

All figures in INR crore

Particulars	Quarterly Results			Half-Yearly Results		
	Q2 FY 19	Q2 FY 18	%	H1 FY 19	H1 FY 18	%
			Change			Change
Interest Income	12,078	10,753	12.32	23,718	21,306	11.32
Interest Expenses	7,586	7,033	7.86	14,845	14,181	4.68
Net Interest Income (NII)	4,492	3,720	20.75	8,873	7,125	24.53
Customer Fee Income	961	841	14.27	1,817	1,643	10.59
Customer Income (NII + Fee Income)	5,453	4,561	19.56	10,690	8,768	21.92
Other Non-Interest Income	391	896	(56.36)	683	1,645	(58.48)
of which, Trading Gains – Profit from Sale of Investments	87	645	(86.51)	192	1198	(83.97)
of which, Recovery from TWO	223	106	110.38	320	187	71.12
Operating Income (NII + Other Income)	5,844	5,457	7.09	11,373	10,413	9.22
Operating Expenses	2,762	2,416	14.32	5,285	4,724	11.88
of which, Employee Cost	1,222	1,213	0.74	2,323	2,228	4.26
Operating Profit	3,082	3,042	1.31	6,088	5,690	6.99
Total Provisions	2,657	2,687	(1.12)	5,134	5,131	0.06
of which Provision for NPA	1,467	1,847	(20.57)	3,226	4,004	(19.43)
Profit before Tax	652	712	(8.43)	1493	993	50.35
Provision for Tax	227	357	(36.41)	539	434	24.19
Net Profit	425	355	19.72	954	559	70.66

BUSINESS

- Domestic CASA deposits registered a growth of **11.63 %** YoY.
- Percentage of **CASA deposits to Total Domestic Deposits** as on September 30, 2018 increased to **40.48%** from **39.22 %** as on September 30, 2017.
- **Domestic Deposits** stood at **INR 4,84,158 crore** as on September 30, 2018 up by **8.17%** from **4,47,593 crore** as on September 30, 2017.
- **Domestic advances** grew by **20.37 %** to **3,37,664 crore** as on September 30, 2018 from **INR 2,80,526 crore** as on September 30, 2017.
- Contribution of Bank's **International Business** at the end of quarter was **21.02 %**.

- Modified duration of AFS and HTM investments as on September 30, 2018 is **1.14 and 5.07**.
- The Bank's **Total Business** stood at **INR 1,040,522 crore** as on September 30, 2018 up by **7.21 %** from **INR 9,70,514 crore** as on September 30, 2017.

OPERATING PERFORMANCE

- The **Operating Profit** at **INR 3,082 crore** registered an increase of **1.31 % Y-o-Y**.
- The **Net profit** rose by **19.72 % Y-o-Y** to **INR 425 crore** from **INR 355 crore**.
- Net Interest Income (NII) increased by **20.75% Y-o-Y** to **INR 4,492 crore** from **INR 3,720 crore** during corresponding period last year. **Operating income** (NII + Other income) increased by **7.09% Y-o-Y** to **INR 5844 crore**.
- **Net Interest Margin (NIM)** improved to **2.61%** in September 2018 quarter from **2.34%** in September 2017. **NIM of international operations** improved to **1.66%** from **1.15%** last year.
- Core Fee Income increased by **14.27% Y-o-Y** to **INR 961 crore**.

ASSET QUALITY

- **Fresh slippage** was at **INR 2,281 crore**, lowest in seven quarters. Credit cost decreased to **1.31%** in September 2018 from **1.82%** last year. **Provision for NPAs** at **INR 1,467 crore** was at a nine-quarter low.
- **Gross NPA (GNPA)** was **INR 55,121 crore**, including **INR 534 crore** impact of **translation**, as on September 30, 2018 compared to **INR 55,875 crore** as on June 30, 2018. **GNPA** ratio declined to **11.78% Q-o-Q** from **12.46%** as on June 30, 2018.
- **Net NPA** ratio declined to **4.86%** as on September 30, 2018 from **5.40%** as on June 30, 2018. Absolute amount of **Net NPA** also declined to **INR 21,059 crore** from **INR 22,384 crore** as on June 30, 2018.
- Bank made a specific provision of **INR 241 crore** for a financial services company. Provision for NPAs declined by **20.57%** on YoY basis.
- Exposure in accounts under **NCLT 1** list was **INR 3,920 crore** and **NCLT 2** list was **INR 4,227 crore** as on September 30, 2018.
- Provision coverage under **NCLT 1** and **NCLT 2** list was **68.52%** and **66.82%** respectively.

CAPITAL ADEQUACY

Capital Adequacy Ratio of the Bank at **11.88 %** continues to be above regulatory norms. **Tier 1 capital ratio** was **10.25 %** and **CET 1 Capital** was **9.05 %**.

TRANSFORMATION OF THE BANK

Significant progress has been achieved in the comprehensive business transformation journey which commenced in 2016. The journey has been aimed at updating our product capability, improved processes and better relationship management so that the Bank is able to adequately serve all segments of customers.

The new and upgraded product capabilities in supply chain financing and cash management, commercial vehicles, fleet financing and equipment financing have gained momentum leading to increased engagement with customers. The paperless process flow of opening of new deposit accounts through tablets has enabled Bank to offer seamless customer experience.

Strategic review of international operations and actions taken thereon have improved margin from such business.

While the initial effort had been to catch up with the best in the peer group, the focus has now moved to envision and build a Bank of the future.

In this journey of building the Bank for future, the Bank is working to ensure that a large part of our employees' time is available to spend with the customers to mobilise business and render quality advice that can keep our customers ahead. Towards this end, the Bank's focus is on digitization, building straight through processes (STP), and enabling the customers to execute their transactions through their PCs, Tablets or smartphones.

The Bank is strongly positioned with capital, liquidity and transformation measures as above to be a premier and modern Bank, competitive with the best in the market place. Board, Management and Employees look forward to an exciting future.

October 30, 2018
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.

Bank of Baroda is one of India's largest banks with a strong domestic presence spanning 5,534 branches and 9,632 ATMs and Cash Recyclers supported by self-service channels. The Bank has a significant international presence with a network of 103 branches/ offices subsidiaries, spanning 22 countries. The Bank has wholly owned subsidiaries including BOB Financial Solutions Limited (erstwhile BOB Cards Ltd.) and BOB Capital Markets. Bank of Baroda also has joint ventures for life insurance with India First Life Insurance and for asset management with Baroda Pioneer Asset Management. The Bank owns 98.57% in The Nainital Bank. The Bank has also sponsored three Regional Rural Banks namely Baroda Uttar Pradesh Gramin Bank, Baroda Rajasthan Gramin Bank and Baroda Gujarat Gramin Bank.

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