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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: Disclosure under Regulation 46(2) of SEBI (LODR)

We enclose transcript of Media Meet & Analyst Meet held on 31st October 2025 for Q2 (FY 2025-26) Financial Results.

We request you to take note of the above pursuant to Regulation 46 of SEBI (LODR) Regulations, 2015 and upload the information on your website.

Yours faithfully,

S Balakumar
Company Secretary

Bank of Baroda Media Meet for Quarter and Half year ended 30th September 2025

31st October 2025

Participating members from the Management Team of the Bank

- *Dr. Debadatta Chand, Managing Director & CEO*
- *Mr. Lalit Tyagi, Executive Director*
- *Mr. Sanjay Vinayak Mudaliar, Executive Director*
- *Ms. Beena Vaheed, Executive Director*
- *Mr. I V L Sridhar, Chief Financial Officer (CFO)*

Moderator: Good afternoon, everyone, and welcome to the Media Conference for Bank of Baroda's financial results for the Quarter and Half Year ended 30th September 2025. Thank you all for joining us. We have with us today our MD and CEO, Dr. Debadatta Chand. He is joined by the bank's Executive Directors and our Chief Financial Officer. We will start with a short presentation on the results, followed by opening remarks by Dr. Chand and then we'll have the Q&A session. Chand Sir would request you to begin.

Dr. Debadatta Chand: So, thanks, Phiroza. Again, good evening, all my Media friends. Thank you very much for sparing your time today. So, just to introduce the management team. I am D. Chand. I am the MD and CEO of Bank of Baroda. I have been interacting with you for quite some time now. With me, Mr. Lalit Yagi. He is the Executive Director. He looks after the Corporate and Institutional Credit, the International Banking and Treasury. And with him again, we have Mr. Sanjay Mudaliar. He is the Executive Director. He looks after IT, all IT platform, including the Retail asset of the bank. So, all our Housing Loan, everything is being looked upon by him. And with us again, Madam Beena Vaheed, she is Executive Director. She looks after many of the Compliance and Control functions, including the Operations department, the Risk Management and also the Retail Liability of the bank. And we have with us the CFO, Mr. I V L Sridhar. You would have interacted with him last time also. So, with this, Mr. Sridhar, can you just run through the presentation?

Mr. I V L Sridhar: Thank you, Sir. Good evening, everyone. It is my privilege to present before you the financial highlights of the Bank of Baroda for the quarter and half year ended 30th September 2025. Global Advances have gone up by 11.9% YoY with Domestic Advances growing at 11.5% and International at 13.8%. Within the Advances book, the bank has continued to focus on RAM Advances. Our organic Retail book grew by 17.6%, Agriculture by 17.4%, and organic MSME by 13.9%. Corporate loans have grown by 3 percent YoY. Within the Retail segment, we have seen smart growth across the portfolio with Educational loan growing by 14%, Home loan by 16.5%, Auto loan by 17.7%, Personal loan by 18.6%, and Mortgages by 19.8%. In terms of Deposit growth, our Total deposits have grown by 9.3% with International deposits registering a growth of 7.2% and Domestic deposits registering a growth of 9.7%. The domestic CASA deposits have grown by 6.6% and Term deposits have registered a growth of 11.7% YoY. As of 30th September 2025, the bank Credit Deposit Ratio stands at 85.26% and the CASA ratio stands at 38.42%.

With regard to our quarterly profitability matrix, it is to be noted that in Q2 of FY25 the bank had a one-off recovery from written-off accounts, which has elevated the base. Our Operating Profit for the second quarter of FY26 stands at ₹7,576 crore. Our Net Profit for Q2 of FY26 stands at ₹4,809 crores. Without the one-off item of last year, the profit has grown by 22%. Return on Assets remains consistently above 1%, at 1.07%. Then Return on Equity stands at 15.37% for the quarter. For the half year of FY26, our Operating Profit stands at ₹15,812 crore. Our Net Profit for the half year stands at ₹9,351 crores. Return on Assets remains above 1%, 1.04%, for the half year. Return on Equity stands at 14.95% for the half year.

Regarding our margins, our key ratios, our Yield on Advances stands at 7.81% for the quarter and 7.95% for the half year. Banks' prudent Liabilities management has led to a sequential decline in the Cost of Deposits for the quarter, which stands at 4.91% as against 5.05% in the previous

quarter. With regard to our Net Interest Margin, it has sequentially improved by 5 bps to 2.96% for the quarter. It stands at 2.93% for the half year of FY26, first half of FY26. Now, we come to the asset quality which continues to remain robust. Our Gross NPA ratio has improved by 34 bps YoY and stands at 2.16%. Net NPA ratio is below 1%, at 0.57%, an improvement of 3 bps YoY. Our Provision Coverage Ratio including TWO is comfortable at 93.21%. Our Slippage Ratio for Q2 FY26 has reduced by 16 bps YoY and stands at 0.91%. Credit Cost remains low and stands at a level of 0.29% for Q2 FY2026. Actually, we have made a floating provision of ₹400 crores, excluding that, the Credit Cost will be below the published number. Coming to the SMA and collection efficiency. Our CRILC SMA 1 and 2 as a percentage of our Standard Advances stands at 0.39% as of September'25. Our collection efficiency, excluding agriculture, remains robust at 98.6%.

Regarding the capital position, our capital position continues to be strong with CET-1 at 13.36%, Tier-1 at 14.15% and overall CRAR at 16.54%. Our LCR remains healthy at approximately 121% as of September'25. Adjusted for the profit of H1 FY2026, Capital Adequacy would have been 17.36%. Thank you.

Dr. Debadatta Chand: So, thank you very much, Mr. Sridhar. Again, I will make a couple of qualitative comments and then we will go for the question and answer. Friends, again for us it is yet another strong quarter for us, both in terms of top line, bottom line and asset quality. And on the business front, since we have declared the provisional number sometime at the beginning of this month and many of you covered that as a very strong growth, I am not going to tell much on that. But only I will tell two points which I think we need some kind of a clarification or highlight of that. So, as Mr. Sridhar said, Advance growth is propelled by the RAM growth strongly. So, as we said earlier also, the retailization or the RAM growth is something we have been focusing since long. And in terms of the RAM percentage, it has seen on a YoY 300 bps improvement, that means 3% improvement. It is almost at 62% now as compared to 59% when we presented the September quarter of last year. So, within the RAM, Retail continued to be on a strong path for many quarters now, maybe around 13-14-15 quarters growing at 17.6%. The Agri has been one of the bright spots this quarter, growing at 17.4%. The MSME is almost 14%, again, which we intend to grow faster in the coming quarters. Particularly on the Corporate Loan book, while you see a 3% growth, you may feel it muted. We had a muted growth also last quarter and while interacting with you, again, I said at that point of time that for the full year we intend to target on something around 10%-11% growth in the Corporate Loan book. And normally, Q1 and Q2 are bit of weak quarters on the corporate growth and the growth that we are showing is also in line with the system that you see as many banks would have presented their Corporate Loan growth book. But two things I would like to mention here.

My Corporate Loan book is more organic. So, that's something we focus more. I mean, the book is almost organic, the numbers that we have presented. At the same time, I mean, on the Core Corporate, we had a very strong growth whereas some of the refinance transactions at a very fine price. Again, earlier also we articulated as a policy. We are there in the market but we are slightly restrictive on the market.

So, with that, I think the growth of 3% to be compared in terms of the strategy, because the numbers are reflected in the NIM. We have one of the highest NIM in the sector. So, for that purpose, the Corporate Loan book to be looked into that particular view. And at the same time

for the full year, again, we continue to be at 10%-11% . That is what our guidance. In case on a sequential growth of the Corporate Loan book, even if the YoY is 3%, the sequential growth is almost at 8%. So, that talks about the momentum in the Corporate Loan growth book.

On the Deposit side, the growth is 9.3% in line with our guidance. At the same time, again, a couple of strategies that really worked for us and I'll tell you why I'm saying so. We have been saying that we consistently on the dependency of the bulk want to contain or reduce it. And we declared on the Analyst the breakup of the Retail Term Deposit and the Bulk Deposit therein. So, that as a percentage of Total Deposit, you can very well, I mean, very well can see our statement of containing the growth of Bulk Deposit in the book.

Precisely for that reason or the Liability management piece, our CASA is again at 38.42%, which is one of the best in the top quartile numbers that you can see in the industry. One of the big piece of this smart liability management, I would see the numbers that is presented before you. The interest expenses growth this quarter is 4.9% and the growth of interest expenses vis-à-vis the last quarter, it was more than 9%. So, we are in a position to get a hold on this particular piece of interest expenses.

And, consequently, the Net Interest Income that you can see this quarter is a positive growth, which was a negative growth. And in the context of all these transmission of rate, the repricing of asset liability, this is very, very important. The bank has given or posted a growth in the Net Interest Income.

And, consequently, the Net Interest Margin for this quarter has seen an increase from the last quarter. This is important and significant from the context of normally the numbers we look into the bank's number, that the NIM, not only the domestic NIM has improved to 3.10%, the international has improved to 1.81%, the overall has improved from 2.91% to 2.96%. That's significant in this market because when you are comparing numbers in terms of the trajectory of interest rate that we talk about in the market.

And there are two other positive outcome of this because the ROA and the ROE, both the numbers for this quarter is better than the last quarter. So, in terms of the management of interest rate risk in the book, possibly things have worked out well for this quarter for us.

On the profitability front, as I said, the NII growth has been positive. And this is typically because of the management that we do on the asset liability. At the same time, we are looking at the Operating Profit, the CFO has clarified that the Q2 of the last year there was a significant one-off recovery out of the NCLT account and that had given some kind of a pre-tax benefit, roughly around ₹900 crore. So, in that way, these numbers are not comparable in terms of a growth. And in case you compare the Operating Profit of this quarter of ₹7,576 crore vis-à-vis the last quarter, then also there is a dip. The reason being, our last quarter was very good for the Treasury income. The Treasury income in this quarter vis-à-vis last quarter has seen almost ₹1,000 crore less Treasury income.

So, this is a quarter which is a normalized quarter for us. So, there is no one-off in terms of non-interest income either from an NCLT recovery or Treasury income significantly improving the

profitability. So, it is a normalized profit and that I believe is a stronger number in terms of the ₹7,576 crore that we posted for this quarter.

I would also say that the Net Profit of ₹4,809 crore, I mean, comparing to the last quarter, because of the one-off there was a positive impact. So, rather there is a growth, as the CFO said, vis-à-vis Q2 of last year. But sequentially also, Net Profit this quarter has been better than the last quarter by almost 6%. So, we had a Net Profit of ₹4,541 crore even if the Treasury income was quite substantial last quarter; I am talking about Q1 of this financial year. But then the Net Profit for this quarter is better than the Net Profit of the last quarter that is Q1, the June quarter in spite of the fact that this we have seen in the light of a floating provision of ₹400 crore that we have made in the books. And we had a floating provision of ₹600 crore earlier, with this ₹400 crore our floating provision amount is ₹1,000 crore now. And in the light of the ECL that we are talking about, I think this is a prudent way to build up buffers for floating provision and we have created a floating provision of ₹400 crore this quarter. So, our Net Profit we are seeing in the context of the provisioning requirement as far as the floating provision is concerned.

On the Asset quality, touchwood, it is one of the best quarter we have. And I will tell you the numbers in terms of Asset quality. GNPA of 2.16%, better than the earlier years, earlier quarters, Net NPA of 0.57%, the Slippage Ratio of 0.91%, Credit Cost of 0.29%. I think these are the numbers which are not only better than the last quarter numbers, also better than the same quarter of last year. So, it has been a journey that we have been through for last 4-5 years, which is showing a consistent trend of improved asset quality and this quarter has been one of the best asset quality for us as far as the numbers are concerned.

I will give only a couple of data points, before I close. The fresh slippages of ₹2,669 crore, again, it is lower than the Q1 of this year and Q2 of last year, this number. The cash recovery, which is again better than the Q1 of this year and Q2 of last year. The upgradation, again, that is better than the Q1 of this year and the Q2 of last year. So, in terms of asset quality, I think we have one of the best quarters, consistent in terms of quarter-to-quarter journey and also year-to-year journey. And I think it is something the bank believes in a strong business model where asset quality is a key piece and I think that talks about that improvement that you are bringing in the underwriting process.

Having said so, the guidance on the, because we've given two guidance on the asset quality, one is a Slippage Ratio and another is a Credit Cost. The Slippage Ratio, we still keep it at 1-1.25% and the Credit Cost below 0.75%, which was the guidance given earlier also. Probable reason can be probable headwinds that we can see in the market because of geopolitical issue. So, we are providing push-on vis-à-vis the guidance. But always our intent to better on the guidance given particularly on the asset quality issue.

On the business front, let me again give a couple of...Tech and Digital is something key to the bank's business model. So, we keep on innovating, keep on investing, we keep on transforming on the digital processes so that we stay ahead of the curve in terms of Digital and IT.

Secondly, the customer service and service delivery is also a couple of key things, which again we are working very strongly. One of the key, you would have seen in the earlier communication, that we are trying to innovate the branch banking model, we are trying to reimagine the branch banking. And for that, we rolled out around 10 Phygital branches as on today. This is a unique concept. I am not going to say the details, the literature is available in the website. You can have a look with regard to the reimagining branch model the bank is trying to so that we can again give the best to the customer, coming to the branches and doing their banking transaction.

The recent RBI policy gives lot of, what you can say, work to get into a reform agenda which again, I think, can support our business big time going ahead.

The last thing I would add that the bank is very tuned to the ESG mandate, ESG policy. We have a ESG policy and recently we have made a BOB Forest, a new concept in the BKC area where 6,000 square feet of the has been made completely green with 100 of plants taken from Sahyadri range.

So, these were couple of qualitative comments I wanted to make. So, I think, with a strong growth which already covered, with NIM which has improved, the ROA which has improved, the ROE which has improved, the asset quality all parameters improved, I think the bank had a very strong quarter and, that is what I said at the beginning, we have yet another strong quarter for the bank.

With this, I conclude my initial remarks and then we will go for the question and answer. Phiroza, over to you.

Moderator: Okay, Sir. Would request you to, yes, please raise your hand if you have a question and we will come to you. The other option is to keep your question in the Q&A box and we will try and read some of the questions from there.

The first person to raise their hand was Piyush Shukla of The Hindu Business Line. Piyush, if you can unmute yourself, please.

Mr. Piyush Shukla: Yeah. Good evening, Sir. Thanks, Phiroza Ma'am. I wanted to ask, Sir, couple of queries. First is, last year same quarter the recovery that you are talking about, NCLT account, that was Reliance?

Dr. Debadatta Chand: No-no, normally case specific we don't talk but that's not the case. It was a different NCLT.

Mr. Piyush Shukla: Okay. Okay, Sir. Sir, in terms of you mentioned you made a floating provision of ₹400 crores this quarter, ₹600 crores was already there. Each quarter, Sir, can we expect you to make these sort of floating provision to comply with a draft? Right now the guidelines are draft, so can we expect this to continue happening?

Dr. Debadatta Chand: See, as far as ECL is concerned, yes, that is back of the mind why we created this provision this time. But we cannot say each quarter, I mean, unless and until the cushion is available we can make it. But then our thinking is in that direction to boost up the floating provision buffer therein, right? So, run up to the implementation date, that is 1st April, 2027, I think we'll be working on those things but we cannot give a guidance of each quarter for the matter. But we are mindful that we need to increase this before going forward.

Mr. Piyush Shukla: How much will you increase it, Sir, for complying with...?

Dr. Debadatta Chand: It is slightly a pre-year to give a year but then we are mindful of increasing on the floating provision there in the books.

Mr. Piyush Shukla: Okay, Sir. My final query is on, you had introduced a lot of schemes, attractive offers during the festive season. In terms of on-branch, on-ground or digital activity, you have posted strong Retail credit growth in Q2. But in H2, Sir, what is your guidance in terms of, you know because of these festive demand and flush liquidity, what is your credit growth guidance? Have you seen a lot of footfall this quarter?

Dr. Debadatta Chand: Look, overall, the guidance on the Advances remains the same, 11%-13% growth. And out of that, the Retail continue because Retail we have been almost at 18%-20% for last many quarters, maybe around 16 quarters now. So, I think that is the strength of the bank in terms of creating Retail demand. And particularly post-GST we have seen very strong Retail demand, particularly products like Auto loan and couple of other schemes. So, going forward also, full year basis I am targeting around 18%-20% growth in the Retail book, which consisting of Housing, Auto, Education and other schemes on the Retail.

Mr. Piyush Shukla: Thank you, Sir.

Moderator: Thanks, Piyush. The next person is Joel, Joel Rebello of The Economic Times.

Mr. Joel Rebello: Hello? Can you hear me, Sir?

Dr. Debadatta Chand: Yeah, Joel. Good evening.

Mr. Joel Rebello: Good evening, Sir. Sir, I know that there has been some pressure on the margins, though quarter-on-quarter you have done well but there has been some pressure on the margins because of yields, which have not really caught up with the cost of funds. What is the outlook on the NIM, Sir? How are you seeing margins spanning out from here on?

Dr. Debadatta Chand: See, I said that the new story for the bank for this quarter is one of the positive. I said that it has increased actually rather the rate trajectory. I mean, the normal expectation was that there will be a margin cut but because of the smart management on the

liability piece, we could improve that. There are two factors which are important here. I mean, the lowest point on the asset and liability, I think at the current rate scenario these are all done. And the repricing of asset-liability did happen during the quarter. Maybe the impact of that, on the asset side particularly, has not seen the full quarter impact this quarter, maybe in the next quarter. Whereas deposits also there will be positive outcomes. So, what we feel for Q3, the NIM would be a range bound kind of a number. It will pick up in Q4. On a full year basis, we are still expecting the full year NIM would be somewhere between 2.85%-3%. That was the guidance I had given last time also.

Mr. Joel Rebello: Right. In terms of Other Income, Sir, what's the outlook? I know there were some one-offs last year which was not there this quarter but Treasury and the Other Income because it's down pretty sharply, if you look at it year-on-year.

Dr. Debadatta Chand: So, mainly, Other Income coming out of, if you look at past 3-4 quarters, one can be the recovery on the TWO accounts, another can be the Treasury Income.

Mr. Joel Rebello: Yes, Sir.

Dr. Debadatta Chand: We do not see any significant recovery coming out of TWO in the coming quarter. The normalized TWO recovery is roughly around ₹750 crore per quarter. So, that's a normalized number and that continue to be there. But one-off won't be there. I am not expecting any one-off at least in March'2026. At the same time, Treasury again would be dependent on the market factors. So, as on today, I mean, the level, although we believe that the 10-year can go down further, the reason being the spread between our 10-year and the US 10-year is now the maximum at this point of time. So, there is a cushion to go down further and that can typically give us more profit. But on a normal scale, unless and until those happen, I believe our guidance would be that Treasury income can be in the range of ₹1,000-₹1,200 crore per quarter going forward. If anything happens in terms of a lowering of 10-year G-sec or an OMO, then possibly we can upsize that or we can improve that. But I would hold the guidance at the same level like we had in September.

Mr. Joel Rebello: Okay. One last thing, Sir. RAM, you have said that it's...I think the proportion of RAM is increased to 62%, if I've heard it correctly. Do you see this trend continuing? Do you think RAM proportion will increase further by the end of the year or next year maybe?

Dr. Debadatta Chand: Yeah, the average RAM growth that takes care of the Retail, Agri and MSME is almost 16.5%-17%, right.

Mr. Joel Rebello: Right, Sir.

Dr. Debadatta Chand: The Corporate loan guidance, we are giving almost a 10%-11%. So, there is a gap over there. So, obviously, the RAM percentage would improve going forward. So, we are targeting to get into a level of almost 65% but then whether that would happen by March'26 or sometime later, that would depend on the market. But, obviously, we would increase the RAM growth going forward.

Mr. Joel Rebello: Okay. Sorry, one clarification, Sir. Because of the muted corporate growth, the corporate growth has been pretty muted, it's for everyone, not only for you all. How do you plan to achieve that 10%-12%? It looks a little ambitious for me. I mean, from where will it come?

Dr. Debadatta Chand: So, two things actually, that is what I said at the beginning. Look, we are getting into a busy season, that is Q3 and Q4.

Mr. Joel Rebello: Yes, Sir.

Dr. Debadatta Chand: Normally if you go by the seasonal trend of last year also, our growth was good in Q3 and Q4. The growth was muted in Q1 and Q2. So, I think the Q3 and Q4 will be much better than the quarters that you are talking about, Q1 and Q2. This is one. Secondly, with the measures taken, I think the demand would come back into the market. I mean, with the demand coming back to the market, the ability to grow faster would be there with us, right.

Mr. Joel Rebello: Right-right.

Dr. Debadatta Chand: So, if you look at the momentum, that is what, again, I gave a data point saying that YoY is 3% whereas the quarter-on-quarter is almost 8%. So, the momentum towards a higher corporate book is increasing. So, in that scenario, I think, we can grow at 10%-11%. That is what my sense. Anything, Mr. Tyagi, you want to add on this?

Mr. Lalit Tyagi: Thank you, Sir. So, in fact, you have said all. I can say that, you know, had we disbursed ₹4,000 crore more, it would have added 1%. And we ended up quarter in some of the disbursements spilling over to this quarter. So, this normally can happen with anyone. So, we believe that we have enough sanctions in our hand plus pipelines, which is giving us confidence of that the Q3 will be way better than the Q2. And by the time we end the financial year, probably 10% or plus growth should be there with us.

Mr. Joel Rebello: Okay, Sir. Thank you. All the very best for the rest of the year.

Dr. Debadatta Chand: Thank you very much.

Moderator: Thank you, Joel. Ashish Agashe of PTI, please.

Mr. Ashish Agashe: Thank you so much, Sir. Hope I am audible.

Dr. Debadatta Chand: Yeah, you are audible, Ashish. Please, go ahead.

Mr. Ashish Agashe: A quick follow up to Joel's question, Sir. Sir, what would be the pipeline of Corporate loans right now? And which are the sectors which it's coming from? And, secondly, is

there like what sort of component is there of private CapEx within that built up? Or is it much more to do with working capital?

Dr. Debadatta Chand: Look, the Corporate loan growth is in the context of the margin objective you have, right. So, when I said that the corporate growth is something at 3%, you also need to account for, we have the highest NIM in the, I mean, the peer system that you are talking about. Look, in the Core Corporate, the growth is quite strong coming out of private CapEx or the demand for increasing working capital on existing accounts. So, those are strong. The portfolio is where, again, we slightly get judicious is in fine price book. And there, actually the competition is very, very huge. So, in case we take a cut in the NIM, the growth can be much higher. So, in that way, there is no challenge in terms of growing the book, we have multiple options there. So, I believe that going forward, again, since we are holding our strategy intact because we think Q2 normal demand would come at a price point where I am comfortable with. So, that's why or otherwise we could have disbursed more in Q2 on that. So, on a demand basis, I think, there is enough demand and we're getting into a busy season. In terms of pipeline, we have almost ₹40,000 crore of sanctions which are yet to be disbursed. These are the sanctions given which are not disbursed. And like Mr. Tyagi said, there can be a spillover of the earlier quarter getting into this quarter because we have not disbursed those amount. Secondly, we have another ₹25,000 crores odd of proposals which are under process, not received. These are in some stage of process. So, I think, the pipeline is very strong for the bank to get into a growth of almost 10%-11%.

Mr. Ashish Agashe: Okay. And, Sir, the 10%-11% would be without compromising the NIM aspirations for the bank?

Dr. Debadatta Chand: That is what actually. That's why we hold on the Q3 as a strategic quarter to decide whether we need to compromise on the margin or not. So, that is what actually precisely I was putting emphasis on.

Mr. Ashish Agashe: So, you are confident of achieving 10%-11% Corporate loan growth without compromising on the aspirations and margins?

Dr. Debadatta Chand: Importantly, actually what is important, also you need to account for is that my book is organic. We have very clearly said organic. I have given both the data of corporate and others, so you can figure out the growth that we are showing on the corporate is only for corporate.

Mr. Ashish Agashe: Okay, Sir. And, Sir, second question, you are maintaining the credit cost guidance at 0.75% and you said that, okay, there would be some probable headwinds which you see because of geopolitical issues. Sir, if you can just elaborate on that? What are the headwinds? Which segment of the book is where you see some headwinds? Is it playing out already into the SMA numbers? What were you really sort of looking at, Sir, then?

Dr. Debadatta Chand: In terms of SMA book, the book is much better now. The book has no concern as of today. But there are multiple like last quarter we had one off. It was not a slippage,

it was a restructured account in an international book putting ₹500 crore pressure both on the NPA amount and also on the restructure because restructure per Indian guidelines has to be treated as NPA for 1 year. So, in that way, we have a large international book, we have a large domestic book, right. So, a small amount of ₹500 crore can change. So, that is why we are holding the guidance at 0.75%. The geopolitical can be anything. There is no, I mean, identified or a watch list account in terms of any probable slippage. As on today, the book looks very good. On the slippage, the collection efficiency is much better. We declare your CRILC amount, right, the CRILC percentage, that also looks better at 0.39%. Internally, we know the overall book in terms of SMA 0,1, 2, this looks very good. So, absolutely, there is no concern in terms of any fresh slippage happening. But on a guidance basis, we keep it at a level because if you see at the Credit Cost, it is volatile. Sometimes it goes up to 0.6%, comes down to 0.29%. So, we are slightly conservative in terms of giving a guidance rather than any probable slippage that we expect going forward.

Mr. Ashish Agashe: Okay, Sir. Thank you so much.

Moderator: Thanks, Ashish. Abhijeet Lele, Sir, of Business Standard.

Mr. Abhijit Lele: Good evening. Am I audible?

Dr. Debadatta Chand: You are audible, Lele Sir. Please, go ahead.

Mr. Abhijit Lele: Yes. The Corporate pipeline question has been already answered. There was one stress airline account for which the recovery efforts were underway, if you could give any update on that.

Dr. Debadatta Chand: I mean, there is no further update on that. Actually, as I said earlier, out of the full book, full outstanding, one-third we got it from the guarantee coverage we had. So, the book is two-third. And there are two things going on as on today. One is with regard to the normal NCLT process. Another with regard to a high-value collateral, which is available, where the process is on. The third is some kind of an international arbitration which is going on vis-à-vis the airline account and the Indian supplier. So, there are, I mean, tremendous kind of value in all those processes. And earlier also I said, as far as expectation goes we would recover the full amount out of this account. That is what I said multiple times earlier also. But as on today, because these are, again, legal processes, some of the processes are outside the Indian jurisdiction, collateral sale is also depending upon the price point that we looked that you can sell the collateral because there is a large piece of land. So, there is no further update, immediate update on this. But anything happens, we will update definitely because you had multiple questions earlier on this account. We will update, I mean, while announcing on the place or media on that matter.

Mr. Abhijit Lele: One quick query with regard to the Net Profit. Yes, last time in the Q2 you had a one-off kind of a recovery and that had pushed your Q2 Net Profit. That is how. But given the very sober or a weak non-interest contribution, is it also one of the factors why the Q2 numbers Net Profit is down? Because the contribution from the non-interest income is less?

Dr. Debadatta Chand: Yes, that is what I said that. TWO non-interest income helping us over and above the normalize that we get out of non-interest income. One is a recovery out of TWO account that happened in the Q2 of last year. Or some additional Treasury income normally we get in case the market condition is good. The recovery of NCLT happened in Q2 of last year whereas the Treasury income happened in Q1 of this year. You know the price, the G-sec almost went down to 6.20%-6.25%. So, in that way, the normalize would continue. So, that is why I am telling, the non-interest income this quarter is a normalized quarter.

Mr. Abhijit Lele: Okay.

Dr. Debadatta Chand: In a normal condition, this should continue. Our Treasury income, as I said, if there is a positive movement happening in the market, we will upsize that but the income would be in the extent of ₹1,000 to ₹1,200 crore. The TWO recovery, somewhere the normalized rate is something around ₹700-₹750 crore.

Mr. Abhijit Lele: Third is about the proposed move for the M&A financing. Since you are the one who has a strong underwriting capacities, any specific skillsets that you have to bridge? And what kind of, given the net worth as of September, by the 10% norm how much is your appetite?

Dr. Debadatta Chand: Our appetite would link to the normal Credit growth guidance actually. I mean, M&A gives us an opportunity because, as you said right, we operate internationally and internationally this is an established product. So, we understand the product. In terms of underwriting, we have a large domestic book. So, there are underwriting skills already there. So, it is an opportunity for a bank like us, in case the guidelines do come, to play a significant role. And how much it would add to the book, I cannot give an estimate now. But then we think it is going to be positive over and above the guidance they are giving on the advance growth.

Mr. Abhijit Lele: I am through with my queries. Thank you.

Dr. Debadatta Chand: Thank you.

Moderator: Thank you, Sir. Ashwin of Reuters, please.

Mr. Ashwin Manikandan: Hi, Sir. Hi, hi. Can you hear me?

Dr. Debadatta Chand: Yeah, I can hear you. Please, go ahead.

Mr. Ashwin Manikandan: Sir, you had mentioned about Auto loans picking up after GST cuts. If you can share, give some color on what kind of demand you are seeing, what kind of uptick you are seeing? And any stress in this book at all like from previous quarters?

Dr. Debadatta Chand: No. First to address, post GST announced on 22nd or 23rd, I believe, post that we are almost seeing 25% increase in disbursement vis-à-vis the same period last year, I mean, let us say 23rd September till the date of 30th October. In case on a disbursement basis, if

you compare, it is almost 26% higher. I mean, GST, I think, created the demand in the market. And as on today, you would have seen my slippage. As I said, the fresh slippage this quarter is lower than that of the Q1 of this year and the Q2 of last year. That shows the sound asset quality the bank is having. And we are not seeing any stress in this particular asset book.

Mr. Ashwin Manikandan: And you expect this sort of Auto loan demand to sort of continue?

Dr. Debadatta Chand: At least for, I mean, actually we run all this campaign, the festive campaign till 31st December. I mean, you would have seen something called *BOB Ke Sang Tyohaar Ki Umang*.

Mr. Ashwin Manikandan: Yeah-yeah.

Dr. Debadatta Chand: We had run that and at least to that time we believe that the growth continue to be higher in this segment.

Mr. Ashwin Manikandan: Okay. Sir, one last question is on the tariff and how its impact. If it has had any impact or, you know, any comments on that? Like are you still seeing it play out or do you think the effects have played out largely for the bank?

Dr. Debadatta Chand: Look, there is an impact. A couple of sectors like the textile and a couple of sectors we have seen the impact. We are engaged with all the borrowers as far as we are concerned. And as on today, there is no stress per se. But they do require some support and help going forward. So, we are waiting for the government policy in this regard. And if there is a requirement, then we will definitely support them. So, absolutely, the impact at this point of time is not...There is impact but not getting the account into stress as of today. But we are continuously engaged with this sector to figure out what kind of support they require. And then possibly look for a policy and then we will decide our own how to support them.

Mr. Ashwin Manikandan: Sure. Thank you so much. Thank you, Sir. Thank you.

Moderator: Thank you, Ashwin. Manish Suvarna of Money Control.

Mr. Manish Suvarna: Am I audible?

Dr. Debadatta Chand: You are audible. Please, go ahead.

Moderator: Yes, Manish.

Mr. Manish Suvarna: Hi, Sir. So, I just need one clarification on the floating provision. As you said, this quarter you did a ₹400 crores floating provision. But also you said you are going to continue to boost up floating provision. You do not have calculation for every quarter but you said you will

keep on floating. But what is the estimate as of now in this quarter that you have estimated that this much provision additionally you have to do it?

Dr. Debadatta Chand: See, there is nothing additional but we want to support the buffer that we create as a floating provision. So, this quarter we had an opportunity. And when you have the coverage with regard to the Net Profit, you must account for that. We made a ₹400 crores of floating provision, right. There is no policy as of today with regard to floating provision. But if the space do allow, we will try to augment this buffer. Because this buffer is going to be very useful when the ECL is implemented, right. You know, there is already a draft guidelines, there is a roadmap to implement that. So, typically keeping the ECL framework into eye, we have created this buffer but there is no policy that every quarter we are going to have it. If the space do allow, then definitely we will do that.

Mr. Manish Suvarna: But you are going to do it every quarter, even though there is no...

Dr. Debadatta Chand: No, I am not saying that every quarter we need to do. If there is a space available, then. See, we have a timeline till 31st March, 2027, right, when the implementation kicks in. So, within that time we need to augment this buffer. That is what the plan is on today. But there is no specific policy we have or specific guidance we can give you that how much we want to add to this buffer. But we are mindful that we need to increase this buffer.

Mr. Manish Suvarna: Okay-okay. And my second question is on the Gold loans because Gold loan advances have seen around 40% year-on-year growth in this quarter. With the gold prices rising, are you a bit cautious on the borrowing limits or on the LTV front?

Dr. Debadatta Chand: As on today, absolutely no. The percentage NPA in the Gold loan book, which consisting of Retail and Agri, is I think 0.1 something. Very low. Secondly, the LTV and all do cover all this, I mean, the fluctuation in the price. We are just watchful of the market, what is happening in the gold loan price. Because post Diwali, immediately there was bit of a fall therein in the price. But then we need to see on a sustained like if there is a significant fall happening because of global scenario then we'll be mindful of watching this portfolio more closely. As on today, I don't see a stress there. And the minor fluctuation we have seen in the gold price is not going to impact our LTV in any significant manner.

Mr. Manish Suvarna: Can you give any guidance as to how much growth can we expect in the Gold loan advances?

Dr. Debadatta Chand: See, we have two segments. One is a Retail gold, another is Agri gold. I don't know if Agri gold the data is given or not. The growth in the Agri gold is almost in the range of 35%-40% and we will continue to grow in that segment. Retail is something around 20%-25% and will grow in that manner. So, there is no significant growth we are planning but the normalized growth that we are having, that we are going to do because that is what the capacity we can consume per quarter. So, we are not going to augment that significantly. At the same time, as on today, based on the available information, whatever on the Gold loan in terms of my own book or the outside impact, I don't think we need to scale down on this level.

Mr. Manish Suvarna: Okay-okay. Thank you, Sir.

Moderator: The next question is from Shrishti Sharma of ETBFSI.

Ms. Shrishti Sharma: Thanks, Phiroza. Good evening, Sir. You've answered most of my queries. However, on the debit cards and credit cards market share, you come second after State Bank of India. And if I compare the data between 2 years, last year you were at 10%, currently it is at 9% of the market share. The debit card market share has constantly been degrowing for some time. However, credit card, you are one of the fastest, you are showing the fastest growth year-on-year. So, first, why is the debit card market share going down? And what are your aspirations in terms of credit card? Can we see you increasing the market share as you end the FY26? I'll move on to the next question after this one.

Dr. Debadatta Chand: Yeah, let me first address the credit card. Credit card, I mean, there is a spend and there is a book. The book is now something around ₹5,000-₹6,000 crores, which is not significant. We intend to grow faster. I mean, on the league table somewhere we are at 13 or 14 on the book terms and we want to get into the Top 10. So, that's the market that we think we need to grow, adding scale and capacity in that particular subsidiary. So, we are quite bullish on the credit card business. The number stacks very well for us in terms of profitability. I think with people dependent on the cashflow in terms of, I think, this product will grow. On the debit card, you said, right, as an issuer we are almost the 2nd or 3rd, I believe. There is a huge issue of this we have. But you are right that the market scenario, I mean, the usage of debit card has been because of the Digital UPI and all. It has been going down; the number of transactions happening on the debit card. But, look, only one thing, for every account actually when I am increasing my customer base, I have to necessarily give a debit card to each of the customers. So, I mean, even if the transaction on the debit card going down, I cannot reduce on the number of debit card because I want to issue a debit card to each of the customer who is opening Savings account with us. At the same time, through debit card now multiple non-financial transactions are happening. Suppose, somebody wants to change mobile number, somebody wants to change...there are multiple non-financial transactions happening through ATM and debit card. So, the usage is going up. Because somebody doesn't want to come to the branch, so through ATM can do some of the activity which he can do in the branch. So, in that way, my strong belief that debit card as a product would continue to be there in the Indian market and we as a bank has no plan to scale it down because the number of transaction, financial transaction has gone down because of the digital impact. But we are mindful of analyzing all this data. In case there is any change in strategy required, we'll take it at a later stage. But as on today, I don't think any rethink with regard to the issuer base or issue that we do in the debit card segment.

Ms. Shrishti Sharma: Sure, Sir. I've noted your points. I wanted to come again to Corporates. You've given your pipeline, you've mentioned your targets and how you're going to achieve them. But this is more from an industry perspective, can we call Q2 a turning point for banks in terms of corporate that corporates are finally coming back to banks for the borrowing because the trend was muted for quite some time? A lot of banks have shown some increase sequentially. So, will Q2 be the turning point that going ahead corporates, the growth is going to be there? Is it going to be sustainable?

Dr. Debadatta Chand: Look, there are 2-3 qualitative aspects on the Corporate loan book. There are two segments -one is a very fine price segment and another is a normal segment. And if you see my book or we look into my book, the normal segment grows at a decent pace whereas the

fine price there is a heavy competition. And there, again, it would all depend upon the pricing strategy you have. So, in case you want to slightly grow faster, you can grow. So, that is your point on the Q1, Q2, Q3, Q4 for all the banks on the corporate, because we are getting into a busy season, always the corporate growth is higher. And it is, I mean, I would put the coming back, which analogy is more of a seasonal than anything else. They would come back. Secondly, while given a muted, I mean, system as a whole, let me address the issue from all banks together. Many of these corporates, they went to the bond market, to the CP market to borrow funds. So, even if my credit growth has not been there, the banks like us we are participating in all those CP market. And if you combine the CP as a credit equivalent, which is not a credit, but it has gone to the credit equivalent, where the money also being taken from banks, I think the growth would be better than what we have presented to the market as a system as a whole. So, corporate are finding a lower rate in this bond market or the CP market, obviously, they would go to those markets. So, I don't think any anomaly here. It's a normal market scenario. So, 2-3 things. While we should be optimistic or positive with that, we are getting into busy season, point one. Some of the corporate may be adjusting their limit on the bond market, they would again come back. Thirdly, there are some of the sectors who are seeing demand coming up. Fourth, there are the borrowers who have availed working capital. Now, they are increasing their utilization going forward. So, all this, I think I a very positive with regard to the Corporate credit demand. And full year, basis 10%-11%....We had a 10%-11% growth last year also. And I think the nominal GDP at almost 10%-10.5%, all the banks will be in a position to slightly be ahead of the nominal GDP as far as the Corporate credit growth is concerned.

Ms. Shrishti Sharma: Noted, Sir. Finally, we saw 2 private banks where foreign investors gathered their stake. Sir, media reports have been doing round about centre increasing the cap limit for PSUs as well, what is your commentary on that? If that happens or not, that's a thing for the future, but what is your general stance on foreign investors getting to increase their stake in PSUs?

Dr. Debadatta Chand: See, like you have read it in the media, I have also read it in the media. So, no additional information with regard to any such policy. And the policy makers would take the policy call on that. So, I have no comment on that. So, anything happening in the Indian market, let me say, they are all welcome stake, right. As I said in one of the occasions saying that India is getting into a mature market. So, when we are getting into a mature market, I think the churn that is happening within the system is always positive to take India into a mature country. So, in that way, they are all welcome.

Ms. Shrishti Sharma: Sure, Sir. Noted. Thank you so much for your time.

Dr. Debadatta Chand: Thank you.

Moderator: Thank you, Shrishti. We'll have to close but we have one final quick question from Piyush. Piyush, you can unmute yourself please.

Mr. Piyush Shukla: Sir, there are reports that the government is considering the second round of merger and you are the second largest bank, your name is also there. Have you heard anything from the DFS in this regard? And in general, the last time when Vijaya and Dena were merged,

how did that pan out? Do you feel this can be done? And in general, what is the message from government or authorities? Thanks.

Dr. Debadatta Chand: So, like you say that it's doing media round, so we also hear from the media only. Absolutely.

Mr. Piyush Shukla: Have you received any communication?

Dr. Debadatta Chand: No, I mean, it's a policy call. As a participant, we have no comments on the policy because the policymaker, stakeholder, will make the decision, right, they will make the policy call. So, as a participant, we won't comment on any policy measures. But as you said, the merger of Vijaya and Dena Bank has been very successful in terms of the consolidation that happened in the system. We were the first example and then multiple banks happened. The kind of numbers that you are looking for, for all the banks is the outcome of those processes that happened a couple of years back. So, in terms of creating scale and size, it is always a welcome for a country like us. We need large banks. But at the same time, policy calls, policy decisions will be taken by the policymaker. As a participant, we don't have any comment on that.

Moderator: Thank you, everyone. That will be the last question for today. Thank you all for joining us.

Dr. Debadatta Chand: Thank you very much.

Bank of Baroda Analyst Meet for Quarter and Half year ended 30th September 2025

31st October 2025

Participating members from the Management Team of the Bank

- *Dr. Debadatta Chand, Managing Director & CEO*
- *Mr. Lalit Tyagi, Executive Director*
- *Mr. Sanjay Vinayak Mudaliar, Executive Director*
- *Ms. Beena Vaheed, Executive Director*
- *Mr. I V L Sridhar, Chief Financial Officer (CFO)*

Moderator: Good evening, everyone and welcome to Bank of Baroda's Analyst Meet for our financial results for the quarter and half year ended 30th September 2025. Thank you all for joining us. We have with us today our MD and CEO, Dr. Debadatta Chand, and he's joined by the Bank's executive directors and our CFO. We will start with a brief presentation on the results followed by opening remarks by Dr. Chand and then we'll have the Q&A session. Dr. Chand, I would request you to begin.

Dr. Debadatta Chand: Thanks, Phiroza. And just to introduce the management team. I'm D. Chand, I'm the MD and CEO of the Bank. I've been interacting with all of you for quite a while now. With me: Mr. Lalit Tyagi, he's the Executive Director. He looks after the corporate and institutional credit, the international banking and treasury for the Bank. Mr. Sanjay Mudaliar, he's the Executive Director. He looks after all IT function of the Bank and also the retail asset of the Bank which includes all the housing and all those loans we talk on the retail side. Madam Beena Vaheed, she's the Executive Director. She looks after all control and assurance function. More importantly the operations department, the risk management department and also with regard to the retail liability franchise of the Bank. Mr. I.V.L. Sridhar, the CFO, he has been there also for I think a couple of interactions now. So, with this, Sridharji, over to you. Go ahead with your presentation.

Mr. I.V.L. Sridhar: Thank you, sir. Good evening, everyone. It's my privilege to present before you the financial highlights of Bank of Baroda for the quarter and half year ended 30th September, 2025.

Our global advances have grown by 11.9% YOY with domestic advances growing at 11.5% and international at 13.8%. Within the advances book, the Bank has continued to focus on RAM advances. Our organic retail book grew by 17.6%, agriculture 17.4% and organic MSME grew by 13.9%. Corporate loans have grown by 3% YOY.

Within the retail segment, we have seen smart growth across the portfolio with educational loan growing by 14%, home loan at 16.5%, auto loan by 17.7%, personal loan by 18.6% and mortgages by 19.8%.

In terms of the deposit growth, our total deposits have grown by 9.3% with international deposits growing by 7.2% and domestic deposits by 9.7%. The domestic CASA deposits have grown by 6.6% and the term deposits have registered a growth of 11.7% YOY. As of 30th September 2025, the bank's credit deposit ratio stands at 85.26% and the CASA ratio stands at 38.42%.

With regard to our quarterly profitability metrics, please note that in Q2 FY 2025, the Bank had a one-off recovery from written-off accounts, which has elevated the base. Our operating profit for the Q2 of FY26 stands at 7576 crores. Our net profit for the Q2 of FY 2026 stands at Rs. 4809 crores. Without the one-off item which I have mentioned earlier for Q2 of FY25, the growth in net profit would have been 22% for Q2 of FY26. Return on assets remains consistently above 1% at 1.07%. Then, the return on equity stands at 15.37% for the quarter.

Regarding profitability, our operating profit stands at 15,812 crores for the half year. Our net profit for the half year stands at 9,351 crores. Return on assets remains above 1% at 1.04%. Return on equity stands at 14.95% for the half year.

With regard to our key ratios, our yield on advances stood at 7.81% for the quarter and 7.95% for the half year. Banks' prudent liability management has led to a sequential decline in the cost of deposits for the quarter which stands at 4.91% as against 5.08% in the previous year's quarter. With regard to our net interest margin, it has sequentially improved by 5 bps to 2.96% for the quarter. It stands at 2.93% for the half year.

Regarding asset quality, we have the best asset quality and it continues to remain robust. Our gross NPA ratio has improved by 34 bps YOY and stands at 2.16%. Net NPA ratio is below 1% at 0.57%, an improvement of 3 bps YOY. Our provision coverage ratio including TWO is comfortable at 93.21%. Our slippage ratio for the second quarter of FY 2026 has reduced by 16 bps YOY and stands at 0.91%. Credit cost remains lower and stands at a level of 0.29% for the second quarter of 2026. Without the floating provision, the credit cost would have come down even further down. We have made a floating provision of 400 crores as a prudent measure.

Coming to our SMA and collection efficiency, our CRILIC SMA 1 and 2 as a percentage of our standard advances stands at 0.39% as of September '25. Our collection efficiency excluding agriculture remains robust at 98.6%.

Regarding capital adequacy, we have a strong capital position. Our capital position in CET-1 as at 30th September '25 is 13.36%. Tier 1 capital adequacy ratio is at 14.15% and overall CRAR is at 16.54%. Our LCR remains healthy at approximately 121% as of September '25. Adjusted for the profits of the half-year profits of 2026, capital adequacy would have been 17.36%. Thank you.

Dr. Debadatta Chand: Thank you, Mr. Sridhar. Let me add a couple of minutes only some qualitative comments.

As we said earlier also, the Bank strongly believes in how to strengthen the fundamental parameters of the Bank. And our performance has been consistent for many years, many quarters in terms of the numbers that we give to the market. So, in the context of that, let me again wish all analysts, friends who are joining today, a very good evening. And thank you very much for joining on a Friday evening with us.

So, in terms of numbers and all, we have yet another sound and good quarter as far as Q2 is concerned. On the business number, already provisional number we announced sometime back. All of you have taken note of that. The media coverage with regard to a strong growth, so I have nothing more to add to that. But only I will highlight on the advances side, our advances growth is propelled by the RAM growth. And you would have seen the retail growing at 17.6%, Agri at 17.4% and the MSME at almost 14%.

The second aspect again on the asset book is the corporate growth. Some of you possibly would be looking at a number at 3% now. So, let me give a couple of comments on that. The corporate growth seasonally, we have a weak Q1 and Q2 always and we pick up in Q3 and Q4. Last year, we had a growth of almost 10 to 11% on the corporate book. And this year also, we expect to grow at 10 to 11%.

Saying so, I mean, if you look at the sequential growth on the corporate book, although the YOY is 3%, it is at 8%. So, it can build the momentum therein. There were strong pipelines to support a growth of 10 to 11% as far as the corporate loan book is concerned.

Deposit, you would have seen on the overall growth that we already announced. But at the same time, let me say saving has been one of the consistent, you must be mapping out our numbers with peer banks. And we have been consistent on that, although the growth is low, as the growth used to be in the earlier years, but it has been one of the consistent outperformance of 1 to 2% on many large peers.

So, our focus continues to be on the low-cost deposit. And that is what we believe strongly. And the focus continues to slightly de-leverage on the bulk deposit. And we have been doing that for the last two and a half years. So, the outcome therein, because we say that it is prudent liability management, which the CFO talked about, I will tell you a couple of outcomes, you can take note of the numbers we presented. Our CASA percentage is 38.42%. That is one of the top quartile in terms of number, you must be mapping out all banks and there we are at 38.42%. My interest expenses growth this quarter is 4.9% as compared to more than 9% growth last quarter. That means typically on a trajectory where typically we debate with regard to the repricing of asset liability, now we have a control on the interest expenses.

And what is the outcome? The first time maybe you would compare our own NII growth last quarter, which was negative. The NII growth this quarter has been positive. And this positive when I say repeatedly positive, you can very well compare the NII growth happening in the system.

At the same time, the net interest margin where we talked about the margin compression or pressure for 2-3 quarters now, we have improved the NIM. The NIM has improved in global from 2.91 to 2.96. Domestic has improved to 3.10. The international has improved. So overall, the prudent pricing strategy or liability management or asset management is helping us to maintain our margin or improving that.

The ROA and ROE, two factors, which again on the profitability, it has been better than the last quarter. So, the impact of the prudent management is helping us in terms of maintaining the qualitative, what you can say income earning potential of the book that is very, very fundamental as far as the Bank is concerned. As I said, the net interest income is at 2.7% positive as against a negative growth we had in last quarter. On the operating profit, as Mr. Sridhar has rightly mentioned, Q2 of last year, we had a one-off from one of the NCLT resolution account, which is a significant amount. And the pre-tax benefit of that is almost 900 crores. So, in that comparison, both at the operating profit level and non-net profit level, there has been, I mean, the same quarter comparison last year, there is a degrowth or there is a negative growth. Saying so, the sequential growth in the net profit has been positive by 6%. So, we are at almost 4,500 crores of net profit in last quarter. We're almost at 4,809 crores of profit in this quarter, which is a 6% growth. And this net profit we looked in the light of the floating provision that we have made up to the extent of 400 crores. I mean, that's a prudent provision we have made keeping the ECL framework in mind and taking the entire floating provision to 1,000 crores. So, these are again, these numbers to be looked in the context of the floating provision that we have

made of 400 crores and continue to buffer this particular floating provision. Although there is no guidance for the matter, but then we'll try to buffer it more as we move forward.

On the asset quality, one of the best quarters I can say, touch wood, the best quarters we have in this quarter. GNPA of 2.16%, net NPA of 0.57%, slippage ratio of 0.91%, credit cost of 0.29%. I mean, these are the numbers which are better than the last quarter and the same quarter last year. Again, a couple of points I would say, the first slippage of 2,669 crores, this is in terms of slippage better than the last quarter and the same quarter last year. The cash recovery has been better than the last quarter and the same quarter last year. The upgradation has been better than the last quarter and the same quarter last year.

So, I mean, in the summary note, I can say this is one of the best asset quality. And when I say we believe in fundamental growth of the Company and the Bank, and this is one of the points which is again, driving along with the top line, bottom line asset quality we want to maintain at a very good level, a pristine level.

However, going forward, we maintain the slippage guidance at 1-1.25%, precisely maybe probable headwinds be there in the geopolitical scenario that are evolving and the credit cost below 0.75%, although the current credit cost is much lower than that.

So, on a business front, again, I mean, I'll just tell one point that the cost of deposit is at 4.91%. And in case you are mapping out the industry cost of deposits, this is one of the lowest points we have reached on the cost of deposit. And that talks about the prudent liability management that we are talking about for the Bank.

So, on the business front, again, we continue to focus on the IT, digital, trying to innovate, trying to, I mean, making our system robust, protecting cyber security threat. So, that's something we need to be ahead of the curve, and we clearly intend to do that. We want to improve our customer service further. We want to improve our service delivery further, and we're working on those things.

On a branch banking, again, I say we are reimagining the branch banking and would have seen the Bank rolling out a unique concept called phygital branches. We have 10 branches now. I'm not going to go into details. You can see that in the literature available on the website, and also deployed a virtual branch in those phygital branches where a human-like robot can interact on a live basis with you.

So, these are a couple of things, and a couple of other things where we're again working is that the ESG has been a core theme, and we've been very strongly working on the ESG mandate. We announced our ESG policy of net zero by 2057. Recently, we created a BOB forest in the BKC area, almost 6,000 square feet of area where hundreds of plants from Sahyadri range have been planted over there. It's a BOB Forest, which is planted in BKC, where you are talking about the commercial area of Mumbai. We'll be replicating this BOB Forest concept across, and this is typically in line with our ESG mandate. We think ESG is one of the core mandates where the Bank has the responsibility,

and we should do much more on that. With this, again, I'm thanking all of you for joining today. And, Phiroza, over to you for question and answer.

Moderator: Thank you, sir. If you have a question, please raise your hand, or you may type your question in the Q&A box. One request to please limit your questions to just two. Thank you.

We will start the Q&A session with Mr. Ashok Ajmera. Sir, if you can please unmute yourself.

Mr. Ashok Ajmera: Good evening, sir. Chand saab, compliments to you for another good quarter of a good set of numbers. At least on the net profit level, even though the operating profit is substantially down because of the lesser provisioning requirement, the net profit is very comfortable. It gives a comfort because ultimately everybody looks at the bottom line of the Bank. So, on that front, at least all is well.

Now, having said that, some of my few standard questions and some observations, and which always encourages us to analyze things properly for the time to come. So, one thing is only in this quarter, though the credit growth this quarter is reasonably good, but because of the fall in the first quarter, our overall in six months, we have grown only by 3.93%, as far as the credit is concerned, net credit is concerned. And if you look at your 11 to 13% guidance, and even if you take average 12% guidance, you need to have the total credit for the FY 26 of 1,48,000 crores, growth. So, we have achieved only 48,000. So almost 1 lakh crore growth in the next five and a half months or six months are required to be there to meet the kind of guidance.

So, on that, sir, where do we stand from the point of view of the sanctioned pipeline and the strategy and too much of reliance on retail, I think is not going to sustain for a longer period of time because everyone is chasing a retail book. So, you have to ultimately rely on corporate also for increasing our credit growth. So, what are your views on that? And how do we plan to achieve that? That is my first question because of the business growth wise also, we have grown only 2.82% in six months of FY 26. So, this is what I'll come back with or shall I continue.

Dr. Debadatta Chand: You can, you can, you can. That I have noted, then you can go to the next.

Mr. Ashok Ajmera: Our operating profit is also down because of mainly the treasury profit, which has almost gone down by almost 50% from 2,226 crores to 1,086 crores because of the pressure on the treasury and because of the rate movements. So, on that, if you can give the color for the remaining two quarters to come. Then how do we, even though we are expecting a 25 basis cut as the rate cut is still, so how is this time lag you have planned and how we are going to get the benefit in now remaining five and a half months of this quarter so as to improve the treasury income. And thereby on NIM front you have somehow maintained and rather grew, but how, how it will help to increase the NIM further? This is my second this thing, sir.

And we have eaten away 1.07% of the bps, 107 bps from the CRAR in this quarter. So, even though the profit will be added at the end of the year, so how do we plan to, you know, like match the credit growth, which is required substantially to be increased and whether we, the capital adequacy on that, if we can have some light from you.

And last one is that we are given only SMA, just percentage that we are about 0.40, 0.39%, but we are not given in the absolute number and especially the breakup of the SMA 0, SMA 1, SMA 2, which gives an idea of what is going to come in the future.

So, these are my few observations and some questions and some, you know, the impressions which I want to have from you, sir.

Dr. Debadatta Chand: So thank you, Mr. Ajmera. Thank you very much for being the first one to ask on the analyst side. We always expect you to ask the first question.

So let me, a couple of points that when you look at the net profit, look at the net profit growth this quarter sequentially 6%. And we're comparing with the YOY, there is a degrowth because the last quarter we had some one-off that we already clarified. Otherwise, the net profit is strong, 4,800 crores. I mean, you may compare it with the system also, that's quite a good number.

The net profit also 4,800 crores to be seen in the light of a 400 crores floating provision made by us. And that actually, as we said that we were just looking at the ECL migration and how do we prepare ourselves in terms of migrating to ECL, this may not be adequate, but then we think of how do we create more buffer on this.

The corporate credit loan book, the retail going to be, is doing good. And in terms of the numbers that the quality of book that we look at, I don't think any challenge at this point of time to slow down the retail growth. I mean, retail, the RAM would need to grow faster. That's a portfolio which gives a diversification benefit. That's a portfolio which is highly collateralized as compared to any other portfolio. That's a portfolio also gives me good yield vis-a-vis any other portfolio. So, continue to grow on the retail as it is.

On the corporate loan book, yes, I do agree things have been muted. I mean, muted not only for us, for the system when you compare the growth in the earlier years, we need to focus on corporate, no doubt about it. Q3 and Q4 are normally the better quarters for us in terms of corporate growth. And I think we're giving a guidance of 10 to 11% growth, we're in a position to achieve that.

So, there are 2-3 elements that we must account for while looking at the corporate growth. One is that the core corporate is going strong. The area where we are slightly restricted because of a margin guidance is a very fine price asset where how below you can dip in terms of taking an asset. And these are typically re-fi deal or very high rated corporate deal. So there, as on today, we are restrictive because thinking Q3 can be better. So, in that way, we're not losing out any business opportunity in terms of the corporate growth. We are sufficiently providing money to the market in terms of growing on the corporate.

The second thing that many of our own corporate, when in the first quarter or the first half, they've gone to the bond market in terms of raising money through CP and other instruments while again, I mean, not availing on the loan side. And we have seen a trend, they are coming back to the loan

market, that is point one. Point two is a case where, I mean, look, I mean, a bank like us again participates in those markets as part of the investment. So, whether it is a credit or credit equivalent, I think banks are sufficiently providing liquidity to the corporate sector. So, I don't think any, I mean, you have to club both the things to understand whether money flowing to the corporate sector or not, money is flowing from the banking system to the corporate sector at a decent pace, although the corporate loan book would see different.

Thirdly, which is important again, I'll also request because you all always analyze banks. The corporate that we publish in the analyst presentation is the pure corporate, it's an organic book. We give another component called others, which is below that, which is consisting of a staff loan or the inorganic book. The same classification may not be available with other banks. So, in that way, it is not comparable, but I tell you the growth that we have is corporate, it's a pure organic corporate book. I think in case of the data available for all the banks, then we can have a proper comparison.

So, in that way, we are quite happy with regard to the way we are testing out the corporate book and we will operate at 10 to 11%. We need to focus on corporate, no doubt about it. But then I think the money which has gone to the retail sector would drive consumption and that would drive the private capex going forward. And that's a story that I'm, that's a narrative that I'm working on.

Treasury income, you are right. The operating profit we have declared this quarter is the normalized quarter. I mean, we have no one-off here. So going forward also, we look at similar operating profit or any one-off happening because of a resolution coming out of a TWO account or a written-off account or a higher treasury income because of the bond price movement going down, the yield going down. I think we can upsize the operating profit going forward, but 7,500 to 8,000 is a normalized operating profit range for us.

CRAR, we are quite adequately capitalized. I mean, excluding the profit, the CRAR, I mean, including profit, the CRAR is 17.36%. But even in the scenario if two things happen which slightly put this CET1 down. That's, we wanted that to happen. One is a case where the AFS reserve, actually it has gone down because of the market movement, you understand that better. At the same time, couple of AT1 redemption, we didn't replenish it. Maybe we are looking at a price point where you can replenish the AT1 bond also. That's why it has gone down.

At current level, excluding profit also, we are heavily, highly capitalized. And if you add profit, then it is almost 17.36%. So, I don't think any challenge on that. We had announced to the market an enabling clause of raising capital, but I don't think that is needed at this point of time. If there is a need, we will see at that point of time with a due articulation to the market.

So, I think I have covered mostly.... the SMA breakup, actually, the CRILIC data only will provide more than 5 crores. I think other banks also do provide that. But any granular data you want, we can provide offline to you.

Mr. Ashok Ajmera: Thank you.

Moderator: Thank you, sir. The next question is from Rikin Shah.

Mr. Rikin Shah: Hi, good evening, sir. And thank you for the opportunity. I have a few questions, actually.

First one, I wanted to check what is the total quantum of interest on IT refund in this quarter? And what would be the NIM ex of this one-off? And a continuation to that would be, you know, this is the third consecutive quarter where we have seen decent amount probably on interest on IT refund. So, how should we think about it in the future quarters? I know it can be very difficult to predict, but do you expect more of them in the future? So, that's the first one.

And I have a few other, I'll come back after this question.

Dr. Debadatta Chand: See, the IT refund happens, I mean, as and when we get the refund and normal, if you look at the refund this quarter, it is higher than the last quarter, almost 300 crores. So, in that way, you can take an impact of the NIM something around 7-8 bps at best, nothing more than that. But IT refund is a normal way every quarter the Bank receives. So, it is not a one-off. It is only the quantum of money that we receive in a quarter. And this quarter, you compare to the last quarter, it is in excess of roughly around 3-350 crores. And that's how you can translate to 6-7 bps of the NIM.

Mr. Rikin Shah: Okay. So, sir, last quarter, I think the interest on IT refund was 370 crores. So, this quarter, it would be 670 to 720 crores in absolute terms.

Dr. Debadatta Chand: Roughly around 750 crores kind of a number.

Mr. Rikin Shah: Okay, fair. Got it, sir. Thanks. The second question is on the deposit repricing. Would you say that a large part of deposit repricing is already done by this quarter? And do you expect more in the coming quarters? And, then extension to that is we have heard from some PSU banks that they do think about cutting the MCLR rates, which can impact the yields in coming quarters. So, how should we think about the NIMs from the current level in the next two quarters, assuming there is no rate cut? We can keep that part aside.

Dr. Debadatta Chand: So, again, I highlighted my point that, I mean, if you look at the entire squad of banks who have declared their numbers and they would have seen the margin cut, right?

Mr. Rikin Shah: Yes.

Dr. Debadatta Chand: In that scenario, we are given an increase in margin. So, in terms of the management of the deposit, I think it was a prudent management in that way. Saying so, in terms of the lowest point of the deposit market and the lowest point of the advance market, they are already done in the current scenario, unless and until are we going to cut it further, right. So, in terms of the repricing of this asset liability, again, the full effect of the repricing possibly would not have been felt in this quarter. So, the impact would be felt in the next quarter. So, in that scenario, yeah.

Mr. Rikin Shah: Yeah, sorry. Go ahead, sir.

Dr. Debadatta Chand: So, there may be a range bound movement of margin next quarter, but a full year basis, we are expecting 2.85 to 3%.

Mr. Rikin Shah: Got it, sir. And, sir, next on the employee expense, the provisions for employee expense has come off in this quarter. Is it simply led by the yield movement? And do you expect that to normalize in the coming quarter?

And lastly, the question is also on the floating provision that you created of 400 crores, the outstanding is now 1000 crores, you did highlight it is in anticipation of ECL. So, how much more would be required in the run up to the ECL transition? What would be the one-time transition impact from April 27? And also, what could be the change in steady rate, steady state credit cost? Those will be the remaining two questions.

Dr. Debadatta Chand: Okay, quickly, let me answer. The employee provision that you are talking about is precisely because of the yield movement. On the pension, the yield movement, it has gone up from 6.44 to 6.72%. So, there is an increase, for that the amount required is less. Similarly, gratuity also it has gone up by almost around 25 bps. So, it is because of the yield movement, the impact is absolutely in line with that we expect in case there is a yield movement.

Secondly, on the ECL, let me tell you, these are draft guidelines, a lot of moving parts therein but on a thumb rule, I can tell you as a ballpark number, which can be a back of the envelope calculation. What we are expecting the ECL impact for the full on the CRAR is roughly around 1.25%. So, that would be spread over a period of 5 years, but then you take it at one time, it is 1.25%. At the same time, there is also guidelines with regard to the credit, the RWA and the credit is also as draft guidelines being there. So, that is going to give us almost 60 bps positive because there is a RWA reduction. So, that is a positive impact on the CRAR would be almost like 60 to 70 bps. So, net to net, the impact that you are looking at for a 5-year impact is almost like 75 bps maximum.

And that can be spread over a period of 5 years. If you take it at one time, it can be 0.75. This is purely a provisional number, a provisional calculation in terms of what we see as on today based on the draft guidelines that we understand as the final, I mean, in terms of the final contour. So, I do not think ECL, you know, the capital adequacy for most of the banks like us. So, if net impact of 0.75 may not be significant. So, that is something that we should do.

Secondly, on a recurring basis on a provisional requirement, it can impact the credit cost almost to the extent of 20 to 25 bps maximum. But these are very ballpark provisional number based on the interpretation we have as on today. Number can change, but the impacts are not significant as on today. In case you look at our book, our profitability, our capital adequacy, our provision requirement, I think it is not significant as on today.

Mr. Rikin Shah: Thank you, sir.

Moderator: Kunal Shah, please.

Mr. Kunal Shah: Yeah. Hi. Are you able to hear me?

Dr. Debadatta Chand: I can hear you. Please go ahead.

Mr. Kunal Shah: Yeah. Sorry, so, to again jump upon and get the handle on the margin number.

So, last time when we look at it adjusting for IT refund and the recovery, you indicated core NIMs to be 2.81%. Would it be fair to assume that core NIMs this quarter would have been closer to 2.78% or so compared to the reported NIMs which are there?

Dr. Debadatta Chand: I mean, how we computed core NIM, as I said, know, the 2.96% is the global NIM.

Mr. Kunal Shah: Yeah. And 750 crores. So, that has like 18-19 basis points of impact overall. So, maybe 2.78, would that be the fair assumption? So, if I have to look at it on a core basis, is it like NIMs have declined by 3-4 basis points or so, on a quarter-on-quarter basis?

Dr. Debadatta Chand: See exact calculation, I will give it to you, but then the NIM has improved. Even if excluding the IT refund on both side on the last quarter and this quarter, NIM has improved. So, I think I don't have not exact calculation, but in case you want, we can send you the impact of the core NIM. Core NIM is going to be stable. It is stable and it has really helped us in terms of improving the core NIM.

Mr. Kunal Shah: Sure. And in terms of the guidance, so maybe compared to 2.96%, maybe even if I adjust and based on that calculation, it is coming closer to 2.8%. How confident are we in terms of getting it through maybe more than 2.9 or closer to 3 odd % by the exit quarter of FY26?

Dr. Debadatta Chand: See, that is why I said the Q3 would be range bound in terms of margin, because again, the repricing full effect has come in the current scenario, but the full impact for the quarter has not come. So, on the asset side, there are going to be a lower income in terms of the full quarter impact. At the same time, the deposit, again, see, look at 4.91% deposit cost. I'm one of the lowest in terms of the deposit cost in the entire system, if you look at all the banks. So, in that way, the benefit is going to be there for the deposit side. So, net to net, it would be range bound.

But full year basis, again, Q4, we are expecting a rise in the NIM. So, in that scenario, I think the guidance we are giving 2.85 to 3. So, that is a global NIM that we are talking about without any core/non-core that we are referring. But global NIM basis will be at 2.85 to 3.

Mr. Kunal Shah: Including the IT refunds, which are there, it is all on a reported basis.

Dr. Debadatta Chand: That is a NIM, right?

Mr. Kunal Shah: Yeah.

Dr. Debadatta Chand: Every quarter we get some IT refund. It is part of a regular, it is not a one-off. Like NCLT recovery can be a one-off, but IT refund is not one-off. We keep getting some amount, it may be higher or lower.

Mr. Kunal Shah: Yeah, got it. So, the question was maybe given that our growth on the corporate side has been quite active. Plus, when we look at on the deposit side, in fact, the wholesale deposits have grown quite stronger when you look at it almost like, say, 15% up quarter on quarter, 17% year on year. So, I think this two have some pressure on the margins during the quarter. So, that's the reason was not sure if there is an increase in the NIMs on the core basis.

Dr. Debadatta Chand: So, look, on the wholesale deposit, as you said, we have been saying that the dependency, we want to reduce. So, in terms of the percentage of retail deposit, term deposit or the overall deposit, it has as a percentage gone down. So, this quarter something, I mean, even if there is a marginal, because you would have seen the retail term deposit growth is 9.1%. And the wholesale including CD is 17%. Then there is some component which has gone into it. But this is precisely out of the CD increase in outstanding. And as you know, the certificate of deposit, these are short term, having a much lower pricing.

So, in that way, there is no pricing impact on this 17 vis-à-vis 9, we're one bank declaring the bulk deposit as a subgroup to the term deposit for many quarters, you need to get those data for other banks. And then only you can have a clear comparison in terms of what is the growth we have and what is the growth others can have. But as a strategy, I've been saying that the dependency we want to reduce for a volatility purpose, on a price point purpose, and we're quite successful in terms of managing. So, it's not one or two numbers you are looking at.

Look, the NII growth has been positive, which is again, if you compare on a whole system basis, there are many having a negative growth. We had a negative NII growth last quarter, which is positive now.

The ROA and ROE both are better than the last quarter. So, in that overall construct of the book and considering the cost of deposit at 4.91%, which is one of a very good level. I think the prudent management is helping us in terms of maintaining profitability and that's something fundamental as far as our margin guidance.

Look, there are two other points that you need to look into. The CASA percentage is one of the top quartiles, you have the numbers for this, right. It is one of the top quartiles for the Bank. So, these are all numbers leading to a, I mean, fundamentally talking about better management of the liability at the same time protecting margin or the profitability.

Mr. Kunal Shah: Got it. And on PL, so the GNPA's have gone up again to 4.81%. Last quarter it was 4.48. We are hearing from most of the players that at least the pain, the incremental stress formation is subsiding in personal loans. Should we also believe that maybe for us as well, the GNPA's in PL have now peaked and we should see the improvement or there is some pain still left to be recognized?

Dr. Debadatta Chand: No, look, on the overall retail, the slippage has been lower than last quarter. That numbers are given, I mean, the retail slippage, right? But PL is a very small component of the overall, the outstanding PL books is roughly around 12,000 crores.

If I look at the slippage, we're not declaring that number, but if I look at the slippage of the PL this quarter, it is lower than the last quarter. So, in terms of the pressure on the PL book, although we

have a lower book, it is no more there. Rather, we should see improvement in this number going through.

Moderator: Thank you, sir. The next question from Mahrukh, please. Yeah.

Ms. Mahrukh: Hello, sir. Congratulations.

Dr. Debadatta Chand: Thank you very much.

Ms. Mahrukh: Sir, I have a few questions. Firstly, in terms of your recovery from written off accounts, TWO, the income is lower. Do you want to reduce reliance or it is going to remain volatile and lumpy even in the future quarters? So, that's my first question.

Secondly, you did mention that on a run rate basis, if ECL were to be implemented, your credit costs would move up by 25 bps. So, is that what you should build in structurally now to assess your long-term ROAs, like the current credit cost or say the full year credit cost plus 25 basis points?

And my third question is, I think it was asked before, but I didn't quite catch the answer. How much of MCLR repricing is left? How much more can MCLR go down? So, these are my questions, sir.

Dr. Debadatta Chand: So, coming to the recovery of written off, our normalized run rate is roughly around 700 to 750 crores, that is what a normalized run rate we give. The Q2 of last year, that was elevated 2500 crores, that we have explained why it was so. This quarter it is 493 crores, which is definitely below the run rate. But going by the pipeline cases and all, I think we'll come back to our normalized 700 to 750 crores per quarter on the recovery of the TWO.

On the ECL impact, the credit cost you talked about, this again is a ballpark back of the envelope calculation, but obviously we have provided floating provision, keeping the ECL framework in mind. So, we think we need to create buffer, but we have not decided as a policy how much to do it, what time to do it. So, these are all depending upon going forward a lot of clarity will come on the ECL framework. Actual calculation getting into transaction level would give us more clarity. So, we have not decided how much to provide on the ECL, but then we'll be mindful that we need to create more buffer, so we'll be moving in that direction.

MCLR, my book is almost 35-36% now, and many of the banks have declared MCLR. The computation of MCLR depends on the moderation in cost of deposit. If further moderation going to happen on the cost of deposit based on the repricing, obviously we'll pass on those benefits. It's a model which is a tested model, so there is nothing much we do. It's a calculation already hard-coded. So, I cannot say how much it would go down. All would depend upon the cost modulation of the deposit cost, which is 4.91%, how much it would go down in future, and the MCLR cost would depend on that.

So, I think, Mahrukh, I addressed all your three questions.

Ms. Mahrukh: Thank you so much, sir.

Moderator: The next question is from Bhavik Shah.

Mr. Bhavik Shah: Hello. Hi, sir. Thanks for the opportunity.

I'll just ask Mahrukh's question a little forward. Sir, MCLR calculation also has a return on equity as a parameter. Last few years, our return on equity was very good. So, when will we review that? Is there a plan to kind of mark that down maybe over the course of the year?

Dr. Debadatta Chand: That would depend because actually there is certain policy on how do you, when you can review at what frequency, on what condition. So, they are all for the policy therein. So only thing which variable as of today is the cost of deposit.

So, we'll also do, we'll look at the market, what is happening in the market in terms of the level, and then we possibly can take a call. But as of today, I don't think we need to take a review. But in case there is a requirement as per the policy, we'll take a review at a later date, not now.

Mr. Bhavik Shah: Understood, sir. And sir, we saw very strong growth in NBFC portfolio this quarter, quarter-on-quarter. I just wanted to check, those were Repo linked, MCLR linked, and what was the yield, 7.1-7.2%?

Dr. Debadatta Chand: Look, NBFC, what happened actually, there was a lower growth in NBFC book, rather the demand from the NBFC was lower in last quarter. So, in terms of NBFC as a percentage of book, it has not gone from the peak level, rather below the peak level. I mean, when I'm telling peak level is a quarter prior to that. So, in that way, we have a policy on that, we have a threshold therein, we're all operating within the policy and threshold therein. So, in terms of pricing of NBFC, normally we get MCLR linked, but some of them can be Repo linked, but then exact composition I don't have, but then the yield is quite good out of NBFC, and that's a demand coming from now. And our A and above book has gone up in case you have seen the data therein present. So, in that scenario, I think we're creating good quality NBFC book at the same time we are mindful of the yield. Mr. Tyagi, anything you want to add on NBFC?

Mr. Lalit Tyagi: Sir, in fact, you have said all. I can add only that NBFC, there was subdued demand in the June quarter. And in September, they came to the market and we supported them because we had a relationship in the past also, some of the new clients also were added. And we have diversified the NBFC portfolio.

Mr. Bhavik Shah: Okay, sir. Okay, last thing, sir, what CD ratio are we comfortable with for global and domestic? What credit to deposit ratio would we be comfortable with?

Dr. Debadatta Chand: Look, we're at 85 now. And when the deposit is not growing, obviously, you can't reduce your LDR or the CD ratio. But we are comfortable operating at 82 to 85. We're quite comfortable. Look, our LCR is good, our CRAR is good. Our ability to grow is much higher. So, in that way, we are comfortable at the current level. But once the deposit cycle improves, then possibly we can think of lowering, but we are okay with 85 level.

Mr. Bhavik Shah: Okay, so we won't go beyond 85?

Dr. Debadatta Chand: I mean, not actually. See, look, a couple of things which are supporting us. Look, my SLR, I am surplus in SLR. LCR is comfortable. CRAR is good. So, I don't have to be worried about any level that we see on the LDR. So not very, I mean, very sticky on any particular level, but we are comfortable at the current level that we are operating.

Mr. Bhavik Shah: Understood, sir. And sir, our write-off declined quarter on quarter. 2400, we did 1000 crores. I just wanted to check with you at what net NPA or gross NPA level would be comfortable. We are at around 2.2 as of now. Do you plan to accelerate write-off or as in now you're done with the write-off?

Dr. Debadatta Chand: No, in terms of write-off, we would have seen we have much lower write-off as compared to the earlier quarter and still the GNPA is so low. Something on the asset quality or the positive part of the entire management that you can look into. So, in terms of TWO recovery, we intend to upsize this going forward. Actually, our normal run rate is up to around 700 to 750 crores. So, I think we need to improve on that count. So, in that way, I am not, I mean, in a process where I think we can on this. So, the TWO kitty is roughly around 63,000 as on today. So, in case we can do write-off, we can do much higher, but then we are going at the normal level. So, there is no guidance for GNPA to what level to, but the current levels are quite, what you can say, strong vis-à-vis the systemic levels that we see. And so, for most of the banks and like us, we are also at a very good level of the GNPA.

Mr. Bhavik Shah: Understood, sir. Thank you, sir. And good luck for future.

Moderator: Thank you. Unfortunately, we ran out of time. So that'll be the last question we will be able to take. If I can ask Sridhar sir to please give the concluding remarks.

Mr. I.V.L. Sridhar: Thank you all. I would like to extend my sincere gratitude to all of you for joining us today for the announcement and discussion of our financial results. Should you have any further questions, please feel free to reach out to me or our Investor Relations team. We would be happy to share any further information required. Thank you once again for your time and continued support. Have a great evening ahead and weekend ahead. Thank you.

Dr. Debadatta Chand: Thank you very much.
