



बैंक ऑफ़ बड़ौदा
Bank of Baroda

Bank of Baroda:

Focusing on basics to weather economic storm

Performance Analysis: Q3 (Oct-Dec)& Nine Months (Apr-Dec), 2013-14

Dr Rupa Rege Nitsure
Chief Economist
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BOB's Results At A Glance



Results for Q3, FY14		
<i>Performance Parameter</i>	<i>Rs crore</i>	<i>Growth (y-o-y)</i>
Net Profit	1,048	3.6%
Operating Profit	2,182	-2.8%
Total Business	8,56,218	19.9%
Total Deposits	5,03,772	21.5%
Total Advances	3,52,446	17.8%
Total Assets	5,47,135	22.3%
Net Worth	34,576	14.6%
Total Capital (Basel II)	41,925	15.6%
Tier 1 Capital (Basel II)	30,158	12.9%
Business per Employee	16.82	11.6%

Ratios for Apr-Dec, FY14	
<i>Key Performance Ratio</i>	<i>(in %)</i>
Return on Average Assets	0.80%
Return on Equity	13.05%
Cost-Income Ratio	43.84%
Capital Adequacy Ratio (Basel II, Tier 1: 8.83%)	12.26%
Capital Adequacy Ratio (Basel III, Tier 1: 8.72%)	12.01%
Provision Coverage Ratio	62.22%
Gross NPA	3.32%
Net NPA	1.88%

BOB's Results At A Glance



Sequential Improvement In			
Parameter	Q1, FY14	Q2, FY14	Q3, FY14
Net Interest Income ↑	Rs 2,889 cr	Rs 2,895 cr	Rs 3,057 cr
Domestic NIM ↑	2.84%	2.85%	2.95%
Fresh Slippages ↓	Rs 1,960 cr	Rs 1,863 cr	Rs 1,553 cr
Incremental Restructuring ↓	Rs 2,147 cr	Rs 1,637 cr	Rs 1,213 cr

Bank's Key Strategic Initiatives in Apr-Dec, FY14



- It shed **High-Cost Deposits** (above Rs 1 crore) to the extent of **Rs 27,939 crore** in Apr-Dec, FY14 to control the pressure on cost of funds.
 - To give a boost to Retail/MSME businesses, it **brought down the effective cost of borrowing not just for the new borrowers but also for the existing borrowers.**
 - It significantly **strengthened its Credit Monitoring process and the system for “Early Detection of Stress Accounts”** to enable it to take suitable follow-up actions.
 - Furthermore, it also **strengthened its Retail/SME Loan Factory set up with marketing professionals.** As of 31st Dec, 2013, it had **45 RLFs & 52 SMELFs** operational across India. Its Central Sales Offices (CSOs) have been streamlined at the Zonal (or State) level to help create a “Sales and Service Culture” in the Bank. Moreover, it opened three **Agri Loan Factories** on pilot basis in its Gujarat, Western UP and ‘Bihar, Orissa & Jharkhand’ zones.
 - It opened **301** new branches in its **Domestic Operations** and set up **2,491** new **ATMs** and **3,425** new **POS** machines (Point of Sale Machines) in Apr-Dec, FY14. It also opened **30** **e-Lobbies** during this period to offer 24*7 basic banking operations.
 - During Apr-Dec, FY14, its **HR initiative** of Project ***Sparsh*** was taken forward for **Talent Identification and Creation of Scientific Model for Staffing & Manpower Planning.**
 - The Bank converted **57** more Metro and Urban branches into **Baroda Next** branches during Apr-Dec, FY14.
 - Its **Corporate Financial Service** branches and the newly created **Mid-Corporate branches** have been strengthened significantly during this period to contribute to credit growth.
 - As on 31st Dec, 2013, **10,988** villages with population more than 1,000 have been covered under the Bank's **Financial Inclusion** drive, which includes **2641** **Ultra Small Branches** to support this initiative.
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Bank of Baroda: Key Strengths



- Bank of Baroda is a 105 years old State-owned Bank with modern & contemporary personality, offering banking products and services to Large industrial, SME, retail & agricultural customers across the country.

Uninterrupted Record
in Profit-making and
Dividend Payment

Overseas Business
Operations extend across
24 countries
through 101 Offices

Modern & Contemporary
Personality

Pioneer in many
Customer-Centric
Initiatives

Strong Domestic
Presence through
4,575 brs & 5,121 ATMs

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



Provides Financial
Services to around
59 mln Customers
Globally

A well-accepted &
recognised Brand in
Indian banking industry

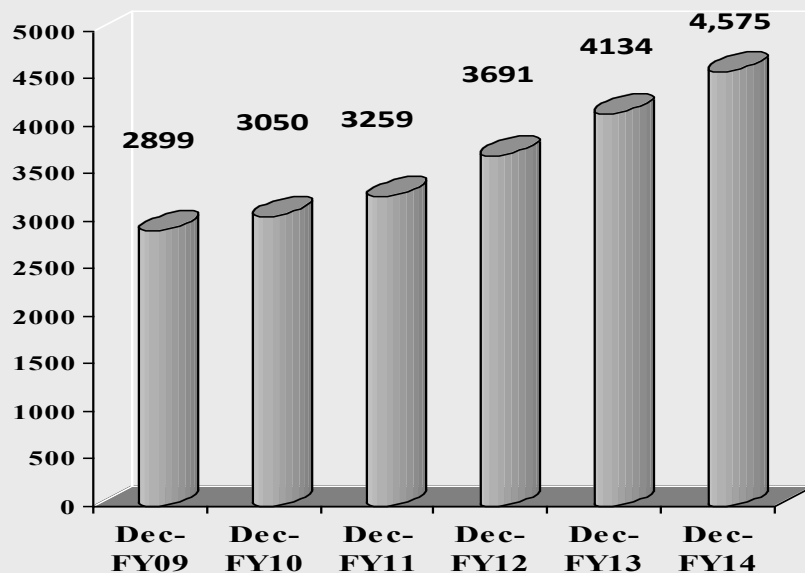
Relatively Strong Presence
in Progressive States like
Gujarat & Maharashtra

Globally Integrated
Advanced Technology
Platform

Domestic Branch Network (as on 31st Dec, 2013)



No. of Domestic Branches

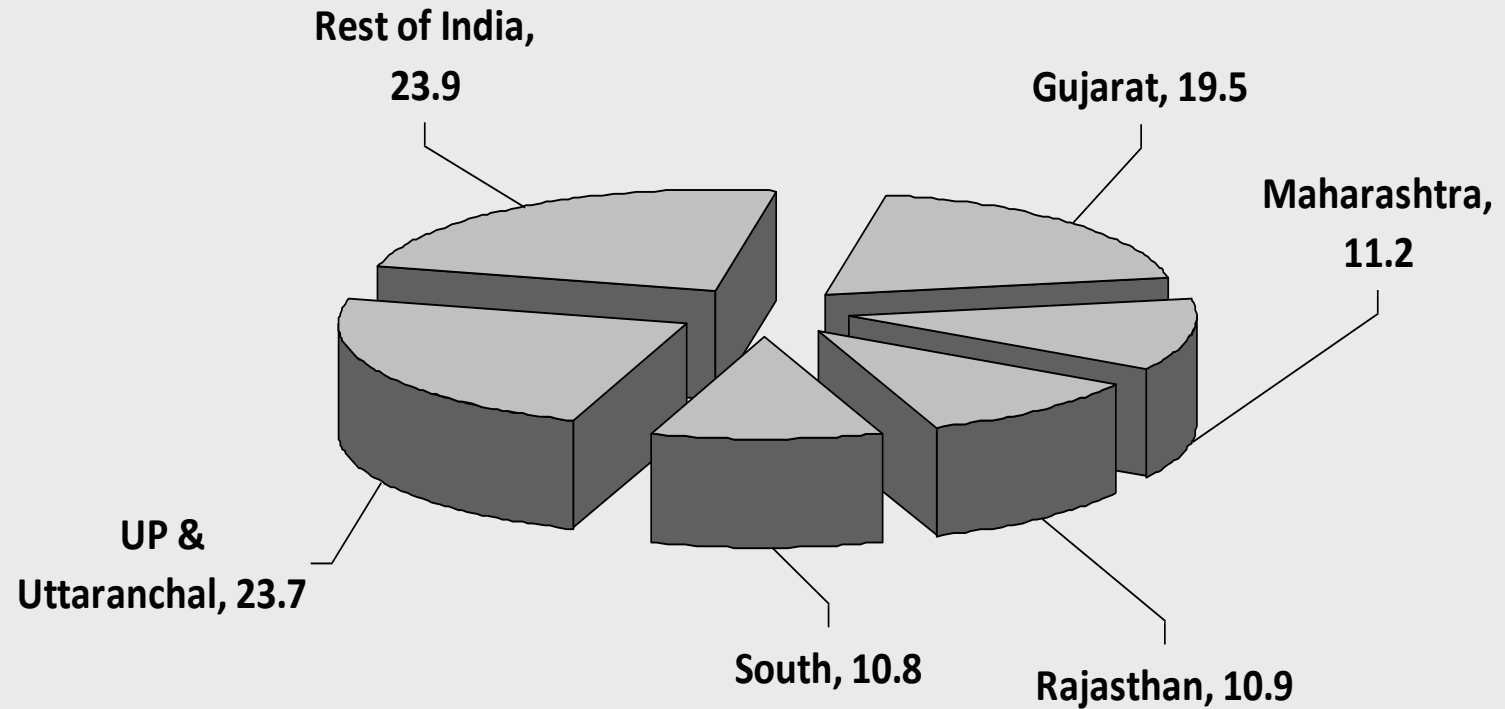


- During Dec-FY09 to Dec-FY14, the Bank added **1,676** branches to its domestic network.
- During Apr-Dec, FY14, the Bank opened **301** new branches & merged **2** brs in its domestic operations.
- During FY14, the Bank proposes to open **625** new brs. As on 31st Dec, 2013, the Bank had **554** authorizations for branch opening.
- Out of the newly opened **301** brs during Apr-Dec, FY14, **80** belonged to 'metro & urban' areas; **45** to semi-urban areas & **176** to rural areas.
- The newly opened **301** brs in Apr-Dec, FY14 mainly belonged to UP & Uttaranchal; Bihar, Jharkhand & Orissa; Eastern States; Rajasthan, M.P., etc.
- Around **35.12%** of the Bank's network at the end of Dec, 2013 was situated in rural areas.

**Regional Break-up of
Domestic Branches as on 31st Dec 2013**

Metro	Urban	Semi-Urban	Rural
954	808	1,206	1,607

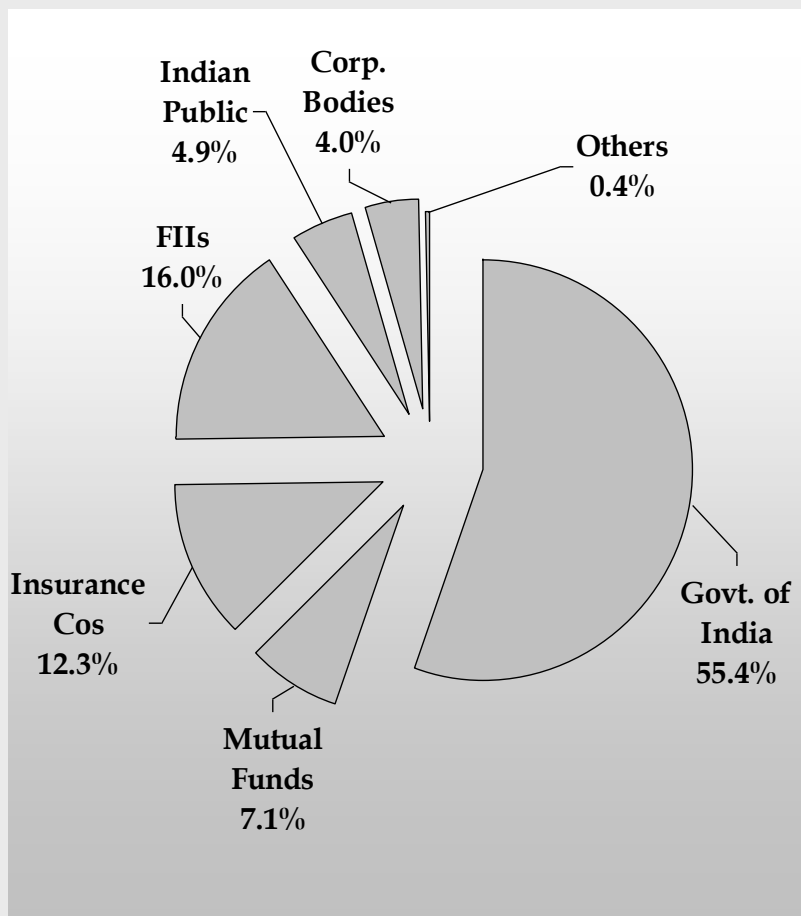
Concentration (%): Domestic Branch Network (As on 31st Dec, 2013)



Pattern of Shareholding: 31st Dec, 2013



As on 31st Dec, 2013



- **Share Capital:** Rs 422.52 crore
- **Net worth:** Rs 34,576 crore (up 14.6%, y-o-y)
- **B. V. per share (vs. F. V. per share: Rs 10):** Rs 820.79 (up 11.9%, y-o-y)
- **Return on Equity:** 13.05% in Apr-Dec, FY14 (annualised)

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

Macro Environment: Q3,FY14



- Global recovery gained some traction, led by the strength of the US economy, but growth is still uneven in Euro area & Japan. Moreover, China has been slowing down.
 - Domestic industrial activity remained in contractionary mode with weak consumption and investment demand.
 - Fiscal tightening throughout Q3, FY14 exacerbated the weakness in aggregate demand.
 - Lead indicators of services too suggested subdued conditions, barring some pick-up in transportation and communications activity.
 - While retail inflation (CPI) declined sharply in Dec'13, it remained elevated at close to double digits; the RBI had to increase its policy rates three times during Sep-Jan, FY14.
 - On the positive side, India is set for a record food grain output in FY14 on the back of strong and well-distributed monsoon rainfall; India's trade deficit in Apr-Dec, 2013 has shrunk by 25% (y-o-y) with merchandise exports increasing for the sixth consecutive month in Dec'13; FX reserves have been re-built to US\$ 292 bln as on Jan 17th, 2014; Rupee-USD exchange rate stable around 61-62.
 - Brent crude averaged around US\$ 109.20 per barrel in global markets during Q3, FY14.
 - During Q3, FY14, the SCBs' deposits grew on an average by 15.6% (y-o-y) and credit by 15.7% and M3 by 14.1% - without showing any pick-up signs associated with the beginning of a busy season.
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Business Expansion



Particular (Rs crore)	Dec'12	Mar'13	Dec'13	Y-O-Y (%)	Change Over Mar'13 (%)
Global Business	7,14,051	8,02,069	8,56,218	19.9	6.8
Domestic Business	4,96,595	5,66,000	5,78,616	16.5	2.2
Overseas Business	2,17,456	2,36,069	2,77,602	27.7	17.6
Global Deposits	4,14,733	4,73,883	5,03,772	21.5	6.3
Domestic Deposits	2,95,388	3,41,706	3,40,941	15.4	-0.2
Overseas Deposits	1,19,346	1,32,178	1,62,831	36.4	23.2
Global CASA Deposits	1,07,937	1,19,981	1,32,066	22.4	10.1
Domestic CASA	95,188	1,03,809	1,10,032	15.6	6.0
Overseas CASA	12,749	16,172	22,034	72.8	36.2

•Share of **Domestic CASA in Total Deposits** well-protected at **32.27%** at end-Dec, 2013.

Business Expansion



Particular (Rs crore)	Dec'12	Mar'13	Dec'13	Y-O-Y (%)	Change Over Mar'13 (%)
Global advances (Net)	2,99,318	3,28,186	3,52,446	17.8	7.4
Domestic Advances	2,01,208	2,24,294	2,37,674	18.1	6.0
Overseas Advances	98,110	1,03,891	1,14,772	17.0	10.5
Retail Credit Of which:	35,392	38,046	42,777	20.9	12.4
Home Loans	15,205	16,045	18,398	21.0	14.7
SME Credit	39,083	46,722	54,396	39.2	16.4
Farm Credit	27,648	28,739	26,310	-4.8	-8.5
Credit to Weaker Sections	15,894	17,045	18,112	14.0	6.3

CASA Position



Particular (Rs crore)	Dec'12	Mar'13	Dec'13	Y-O-Y (%)	Change Over Mar'13 (%)
Global Saving Deposits	79,980	84,303	90,398	13.0	7.2
Domestic Savings Deposits	77,888	82,002	87,579	12.4	6.8
Overseas Savings Deposits	2,092	2,300	2,819	34.8	22.6
Global Current Deposits	27,958	35,678	41,668	49.0	16.8
Domestic Current Deposits	17,300	21,806	22,453	29.8	3.0
Overseas Current Deposits	10,658	13,872	19,215	80.3	38.5

Bank's Profits & Its Key Components: Q3, FY14



Particular (Rs crore)	Q3, FY13	Q3, FY14	YOY (%)
Interest Income	8,845	9,691	9.6
Interest Expenses	6,004	6,634	10.5
NII (Spread)	2,841	3,057	7.6
Other Income	841	932	10.9
Staff Expenses	798	1056	32.3
Total Expenses	7,442	8,441	13.4
Operating Profit	2,244	2,182	-2.7
Provisions	1,232	1,134	-89.1
Net Profit	1,012	1,048	3.6

Bank's Profits & Its Key Components: Apr-Dec, FY14



Particular (Rs crore)	Apr-Dec, FY13	Apr-Dec, FY14	YOY (%)
Interest Income	28,565	31,788	11.3
Interest Expenses	17,624	19,810	12.4
NII (Spread)	8,501	8,841	4.0
Other Income	2,440	3,136	28.6
Staff Expenses	2,310	3,100	34.2
Total Expenses	21,710	25,061	15.4
Operating Profit	6,854	6,727	-1.9
Provisions	3,403	3,343	-1.8
Net Profit	3452	3384	-2.0

Deposit & Loan Costs: Q3,FY13 to Q3,FY14



Particular (in %)	Q3, FY13	Q4, FY13	Q1, FY14	Q2, FY14	Q3, FY14
Global Cost of Deposits	5.82	5.75	5.60	5.41	5.24
Domestic Cost of Deposits	7.33	7.41	7.23	7.29	7.10
Overseas Cost of Deposits	1.61	1.42	1.25	1.15	1.10
Global Yield on Advances	8.96	8.64	8.46	8.34	8.30
Domestic Yield on Advances	11.57	11.33	11.15	11.07	10.97
Overseas Yield on Advances	3.41	3.07	2.88	2.78	2.74

Investment Yields & NIMs: Q3,FY13 to Q3,FY14



Particular (in %)	Q3, FY13	Q4, FY13	Q1, FY14	Q2, FY14	Q3, FY14
Global Yield on Investment	7.75	7.74	7.79	7.74	7.78
Domestic Yield on Investment	7.88	7.85	7.93	7.90	7.98
Overseas Yield on Investment	4.67	5.05	4.39	4.19	3.62
Global NIM	2.65	2.51	2.41	2.32	2.37
Domestic NIM	3.08	2.93	2.84	2.85	2.95
Overseas NIM	1.58	1.49	1.32	1.19	1.18

Non-Interest income: Q3 of FY13 & FY14



(Rs crore)	Q3, FY13	Q3, FY14	% Change (Y-O-Y)
Commission, Exchange, Brokerage	294.6	321.4	9.1
Incidental Charges	79.8	87.4	9.6
Other Miscellaneous Income	76.6	86.0	12.2
Total Fee-Based Income	451.0	494.8	9.7
Trading Gains	135.6	127.1	-6.3
Profit on Exchange Transactions	180.4	260.5	44.5
Recovery from PWO	73.6	49.7	-32.5
Total Non-Interest Income	840.6	932.1	10.9

Non-Interest income: Nine Months of FY13 & FY14



(Rs crore)	Apr-Dec, FY13	Apr-Dec, FY14	% Change (Y-O-Y)
Commission, Exchange, Brokerage	881.0	1018.2	15.6
Incidental Charges	247.5	275.6	11.4
Other Miscellaneous Income	204.4	221.2	8.2
Total Fee-Based Income	1,332.9	1,515.0	13.7
Trading Gains	329.1	654.5	98.9
Profit on Exchange Transactions	555.6	769.7	38.5
Recovery from PWO	222.1	197.3	-11.2
Total Non-Interest Income	2,439.7	3,136.5	28.6

Provisions & Contingencies: Q3 of FY13 & FY14



(Rs crore)	Q3, FY13	Q3, FY14	% Change
Provision for NPA & Bad Debts Written-off	817.15	818.59	0.2
Provision for Depreciation on Investment	72.34	-119.80	-265.6
Provision for Standard Advances	129.32	26.81	-79.3
Other Provisions (including Provision for staff welfare)	10.49	36.27	245.8
Tax Provisions	202.62	372.21	83.7
Total Provisions	1,231.92	1,134.08	-7.9

Provisions & Contingencies: Nine Months of FY13 & FY14



(Rs crore)	Apr-Dec, FY13	Apr-Dec, FY14	% Change
Provision for NPA & Bad Debts Written-off	2,352.20	2,330.30	-0.9
Provision for Depreciation on Investment	14.29	-94.81	-763.5
Provision for Standard Advances	173.45	343.77	98.2
Other Provisions (including Provision for staff welfare)	29.57	61.30	107.3
Tax Provisions	833.04	702.65	-15.7
Total Provisions	3,402.55	3,343.21	-1.7

Bank's Domestic Treasury Highlights: Q3 & Apr-Dec, FY14



- **Trading Gains** improved from Rs 329 crore in Apr-Dec, FY13 to **Rs 655 crore** in Apr-Dec, FY14 reflecting a growth of almost **99.0%**. Despite heightened volatility in financial markets, trading gains remained decent throughout the year so far.
 - The **FX Profits** too increased by a significant **44.5%** (yoy) in Q3 and by **38.5%** in Apr-Dec of FY14 and provided strong support to Non-Interest Income generation.
 - As of Dec 31st, 2013, the share of **SLR Securities** in Total Investment was **82.30%**.
 - The Bank had **87.22%** of SLR Securities in **HTM** and **12.41%** in **AFS** at end-Dec 2013.
 - The Bank shifted **SLR securities** worth **Rs 737.81 cr** & **Rs 6,483.81 cr** from **AFS to HTM** in Apr & Sept 2013, respectively and worth **Rs 9,487.52 cr** from **HTM to AFS** in Apr, 2013.
 - The **per cent of SLR to NDTL** at end-Dec, 2013 was closer to **25.91%**.
 - As on 31st Dec, 2013, the **modified duration** of **AFS** investments was **3.1%** & that of **HTM** securities was **5.16%**.
 - Total size of Bank's **Domestic Investment Book** as on 31st Dec, 2013 stood at **Rs 1,11,020.87 crore**.
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Highlights of Overseas Business: Q3 & Apr-Dec, FY14



- During Apr-Dec, FY14, the Bank's "**Overseas Business**" contributed 32.4% to its **Total Business**, 25.2% to **Gross Profit** and 33.3% to **Core Fee-based income** (i.e., Commission, Exchanges, brokerage, etc.)
 - Out of the Total Overseas Loan-book, 49.36% was **Buyers' Credit/BP/BD**; 27.45% was in **Syndicated Loans/ECBs** (mostly to Indian corporates) and 23.18% was in **Local Credit**. The Bank's exposure to **non-India related companies** is around 30.86% of its overseas loan-book as on 31st Dec, 2013.
 - While the GNPA (%) in domestic operations was at 4.07%, it was 1.75% for overseas operations as on 31st Dec, 2013.
 - The **Cost-Income Ratio** in Overseas operations was more favourable at 17.25% in Apr-Dec, FY14 versus 49.33% in Domestic operations.
 - In Apr-Dec, FY14, the **NIM** (as % of interest-earning assets) in Overseas operations stood at 1.22%; **Gross Profit to Avg. Working Funds** ratio at 1.21% and **Return on Equity** at 13.67%.
 - The Outstanding balance of restructured loans in overseas operations as on 31st Dec, 2013 was at **Rs 4,092 crore**, out of which the **Standard restructured loans** were at **Rs 3,208 crore**.
 - During Apr-Dec, FY14 **the Bank opened two new branches in its Overseas Subsidiaries** – Tanzania and Uganda in June-July, 2013 and **closed one OBU (Offshore Banking Unit)** in Mumbai.
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NPA Movement (Gross): Apr-Dec, FY14



Particular	(Rs crore)
A. Opening Balance	7,982.58
B. Additions during Apr-Dec, FY14	5,716.42
Out of which, Fresh Slippages	5,375.62
C. Reduction during Apr-Dec, FY14	1,773.23
Recovery	635.28
Upgradation	633.11
PWO & WO	476.88
Other Adjustments	27.96
NPA as on 31 st Dec, 2013	11,925.77
Recovery in PWO in Apr-Dec, FY14	197.32

- Bank's PCR improved from 61.68% in Q2, FY14 to 62.22% in Q3, FY14.

Sector-wise Gross NPA [Sequential Movement]



Sector	Gross NPA (%) End-June, 2013	Gross NPA (%) End-Sept, 2013	Gross NPA (%) End-Dec, 2013
Agriculture	5.29	5.76	5.77
Large & Medium Industries	5.06	5.56	6.03
Retail	2.24	2.52	2.11
Housing	1.52	1.91	1.47
MSME	4.26	4.63	4.95
Overseas Operations	1.56	1.77	1.75

Restructured Accounts (Domestic)



Year	Outstanding as on 31 st December, 2013 (Rs crore)					
	Standard Category		NPA Category		Grand total	
	No. of A/Cs	Amount	No of A/Cs	Amount	No of A/Cs	Amount
Up to 2008	122	276.49	177	71.93	299	348.42
2008-09	5,232	841.68	4,530	465.39	9,762	1,307.07
2009-10	2,694	1,603.07	1,742	491.21	4,436	2,094.28
2010-11	569	1,480.07	378	198.08	947	1,678.15
2011-12	1,613	6,497.33	538	1,100.55	2,151	7,597.88
2012-13	12,978	6,451.20	2,385	1,822.94	15,363	8,274.14
2013-14	28,377	4,675.24	1,806	209.81	30,183	4,885.05
Total	51,585	21,825.08	11,556	4,359.91	63,141	26,184.99
Less standard restructured accounts that ceased to attract higher provisions and/or additional risk weight at end-Dec, 2013	6,568	3,863.88			6,568	3,863.88
TOTAL	45,017	17,961.20	11,556	4,359.91	56,573	22,321.11

Restructured Accounts



- In its **domestic operations**, the Bank has **restructured loans** to the tune of **Rs 1,058 cr** in Q3, FY14 (against 6,171 accounts) versus Rs 1,484 crore in Q2, FY14 versus Rs 1,997 crore in Q1, FY14.
- **Globally**, incremental restructuring in Q3 was to the extent of **Rs 1,213 cr** (Rs 1,637 crore in Q2 & Rs 2,147 cr in Q1.)
- In its domestic book, the diminution in Fair Value Sacrifice for Q3, FY14 works out to **Rs 150.36 cr** against Rs 68.49 crore in Q2 and Rs 151.83 crore in Q1, FY14.
- As on 31st December, 2013, the **total restructured portfolio** of the Bank's **Domestic Operations** stood at **Rs 22,321 crore** and of **Overseas Operations** stood at **Rs 4,092 crore**.
 - Cumulatively, this constitutes **7.36%** of the Bank's Global Advances
 - The ratio of restructured standard advances to gross standard advances (excluding the NPAs) works out to **6.10%**.
- Slippages to NPA from restructured loans were **Rs 677 cr** in Q3, FY14; **Rs 2,058 cr** in Apr-Dec, FY14 and **Rs 5,335 cr** cumulatively so far.
- The **Rate of Slippage into NPAs** (from the restructured loan-book) so far is around **20.2%**.
- There is no sectoral concentration and/or lumpiness in the incremental restructuring witnessed by the Bank, **as the largest account being restructured was of the size of Rs 132 crore**.

Sectoral Deployment of Credit at end-Dec, 2013



Sector	% share in Gross Domestic Credit
Agriculture	10.8
Retail	17.6
SME	22.4
Large & Medium	31.9
Misc. including Trade	17.3
Total	100.0%

Technology Initiatives in Q3, FY14



• Under various alternate delivery channels (like ATM, Internet Banking, Mobile Banking etc) the Bank had the following value additions during Q2, FY14.

• e-Banking

- ❖ Online transaction information sharing with a valued client RSGSM (Rajasthan Sriganganagar Sugar Mill)
- ❖ Online Recurring Deposit Account opening with Standing Instruction enabled through E-Banking
- ❖ Puduchery Excise tax collection through E-Banking
- ❖ Enabled Delhi VAT offline payments for branches

• ATM

- ❖ Bunch Note Acceptor implementation for account based - Phase II completed.
- ❖ Non personalized card product stabilization completed successfully
- ❖ In-house customization completed for Cheque Book request on ATM
- ❖ Online Hot listing between Card Management System and Base24 switch completed
- ❖ Online charges for Rupay KCC completed

• Mobile Banking

- Mobile Banking application (Baroda M-Connect) is now provided for Blackberry Z10 OS.

Technology Initiatives in Q3, FY14



• Mobile Banking (Contd.)

- Mobile Banking - IMPS P2U (Person to Aadhaar)- Aadhaar Based Remittance Facility provided to customers .

•SMS Banking

- SMS alerts are being activated as and when a cheque is received in “Inward Clearing” for amount exceeding Rs 1 lakh.

•Other Initiatives during Q3, FY14

- ❖ Activated online Fund Transfer to other country through SWIFT message for UAE territory.
 - ❖ Enabled VAT collection through E-Banking for Daman & Diu.
 - ❖ Created module for sale of RBI Inflation Index Bond
 - ❖ National Automated Clearing House (NACH): Both Debit and Credit processing completed.
 - ❖ Cheque Truncation System (CTS) implemented in important centres like Bhopal, Baroda, Surat, Indore, Rajkot, Bhavnagar, Pune, etc.
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Bank's BPR Project – New Initiatives in Q3, FY14



- Project Navnirmaan has altogether 18 initiatives covering both business process re-engineering and organizational re-structuring, aimed at transforming the Bank's branches into the "Sales and Service Centres" through Centralization to make possible sustained growth in sales, superior customer experience and alternate channel migration.
 - The important initiatives taken during Q3, FY 13-14 were
 - Conversion of 20 more metro and urban branches into Baroda Next branches .
 - Around 612 more branches were linked to the Regional Back Office for the opening of CASA accounts [Total No. of branches linked were 3,653]
 - More than 7,500 CASA accounts are observed to be opened per day.
 - Around 190 more branches were linked to the Regional Back Office for issuance of Personalized Cheque Books [Total No. of branches linked were 4,263]
 - A new RBO was opened at Ahmedabad (North Gujarat Zone) on 7th October, 2013 taking the total tally of RBOs to 12.
 - e-Lobbies were launched in 30 locations. These lobbies operate 24X7 providing facilities for cash withdrawal, cash deposit, cheque deposit, pass book printing and phone banking.
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New Recruitment in Apr-Dec, FY14



Category	Proposed	Joined up to 30/09/2013
Total New Hiring for FY14	6,300	5,539
<i>Of which:</i>		
Probationary Officers	1,530	1,493
Specialist Officers	389	302
Baroda Manipal Trainees	870	616
Campus Recruitment	11	11
Clerks	3,500	3,117
<i>*No. of Employees superannuating in FY14 will be around 1,615.</i>		

• As in the past, the Bank is carrying out two programmes notably “a skills’ up-gradation programme and a structured six-month long on-boarding programme” for its new joiners to inculcate in them general banking skills as well as the specialised skills in the areas of credit, forex, soft skills, etc.

• Its other two programmes – SPARSH {A HR transformation project} and Baroda Manipal School of Banking { An innovative & new channel of resourcing of trained manpower for itself} are in full swing.

Bank's Forward Guidance



- **RBI's Guidance** - Aggregate Deposits to grow by 14.0% & Non-food credit by 15.0% in FY14 for the Indian banking industry
- **Bank's Guidance**: The Bank would like to avoid aggression as the economy is still in the recovery mode, but will try to grow a tad higher than the industry average to protect its market share & its position as the largest nationalised bank of India.
- With its well-managed liability franchise & capital position, the Bank is well poised to respond to the growth signals, going forward.
- By end-March, 2014 the Bank would like to improve its domestic NIM to 3.0% through further rebalancing of loan-book; take the ROAA close to 1.0% by further improving the CASA share and improving the yield on advances by taking advantage of the busy season and reducing credit costs.
- On the qualitative side, the Bank's endeavours at Business Process Re-Engineering, Creation of Future Pipeline of Leaders, further development of Sales & Service Culture will continue with full vigour.
- To conclude, the Bank is continuously evolving its Strategic Focus to cope with changing circumstances.
 - In the last nine months, it has succeeded in giving retail orientation to its business; further strengthening the quality & composition of its liabilities and bringing down incremental slippages & restructuring pains.
 - The Bank has for itself a clearly defined set of goals and it knows that – “ Sound Strategy starts with having a Right Goal” (Michael Porter).

Thank you.
