



बैंक ऑफ़ बड़ौदा
Bank of Baroda

Bank of Baroda

India's Leading Banking Brand that Made a Difference

Performance Analysis: Q4 & Full Year , 2011-12 (FY12)

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Bank of Baroda: Key Strengths ...



- Bank of Baroda is a 103 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 89 Offices

Modern & Contemporary
Personality

Pioneer in many
Customer-Centric
Initiatives

Strong Domestic
Presence through
3, 904 Branches

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



Provides Financial
Services to around
45 mln Customers
Globally

A well-accepted &
recognised Brand in
Indian banking industry

Relatively Strong Presence
in Progressive States like
Gujarat & Maharashtra

Robust Technology
Platform with 100%
CBS in Indian Branches

Results At A Glance (FY12) ...



- **Global Business Size:** Rs 6,72,248 crore on 31st Mar, 2012 [up 25.9%, y-o-y]
 - *Market Share in Aggregate Deposits up from 3.70% in Mar'07 to 4.31% in Mar'12*
 - *Market Share in Credit up from 3.53% in Mar'07 to 4.19% in Mar'12*
 - **Global Loan-book:** Rs 2,87,377 crore on 31st Mar, 2012 [up 25.7%, y-o-y]
 - **ROAA** at 1.24% for FY12 & at 1.41% for Q4, FY12
 - **ROE** at 19.04% for FY12 & at 23.09% for Q4, FY12
 - **NIM (Global):** 2.97% for FY12 & at 2.96% for Q4, FY12
 - **NIM (Domestic):** 3.51% for FY12 & at 3.44% for Q4, FY12
 - **Operating Profit** at Rs 8,630 crore – up 23.6%, y-o-y
 - **Net Profit** at Rs 5,007 crore – up 18.0%, y-o-y
 - **CRAR (Basel II):** 14.67%; **Tier 1 Capital Ratio:** 10.83%
 - **Gross NPA:** 1.53%
 - **Net NPA:** 0.54%
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Performance during FY08 thru' FY12

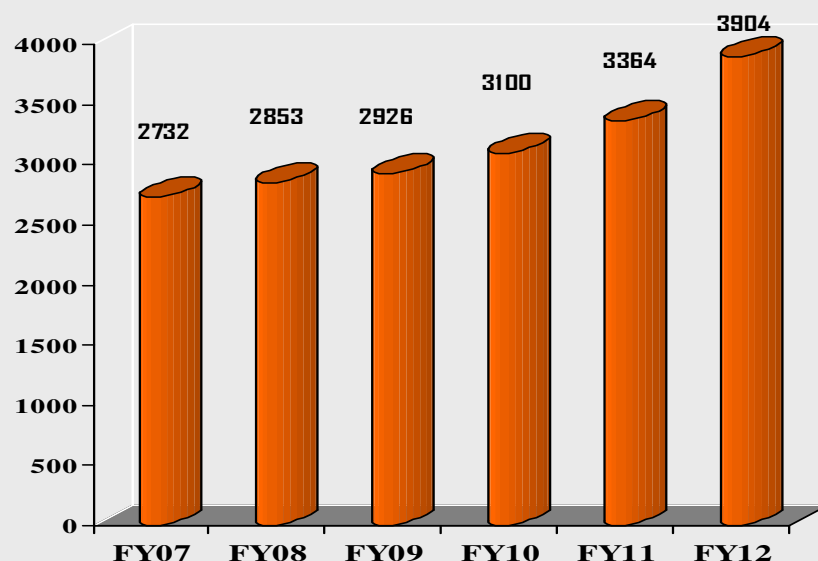


	2007-08	2008-09	2009-10	2010-11	2011-12	CAGR (for 4 yrs)
Assets (Rs crore)	1,83,479	2,26,672	2,78,317	3,58,397	4,47,321	25.0%
Net Profit (Rs crore)	1,436	2,227	3,058	4,242	5,007	36.6%
Tier 1 Capital (Rs crore)	8,496	11,070	14,357	20,974	27,498	34.1%
Return on Equity (%)	15.07%	19.48%	22.19%	21.48%	19.04%	--
Cost-Income Ratio (%)	50.89%	45.38%	43.57%	39.87%	37.55%	--
NPL (Net, %)	0.47%	0.31%	0.34%	0.35%	0.54%	--

Domestic Branch Network



No. of Domestic Branches



Regional Break-up of Domestic Branches as on 31st Mar, 2012

Metro	Urban	Semi-Urban	Rural
871	718	1,045	1,270

- During the last five yrs, the Bank has added 1,172 brs to its domestic network.
- During FY12, the Bank opened 540 new brs and merged just one br.
- During FY13, the Bank proposes to open 572 new brs under its *Branch Expansion Plan* {out of which 170 are the pending authorisations}.
- Out of the newly opened brs during FY12, 227 belonged to 'metro & urban' areas; 208 to semi-urban areas & 108 to rural areas.
- Out of the newly opened brs during FY12, 100 were opened in UP & Uttaranchal; 77 in Gujarat, 67 in Southern States, 50 in Rajasthan & 44 in Maharashtra & Goa.
- Around 32.5% of the Bank's network at the end of FY12 was situated in rural areas.

Rich Technology Platform ...



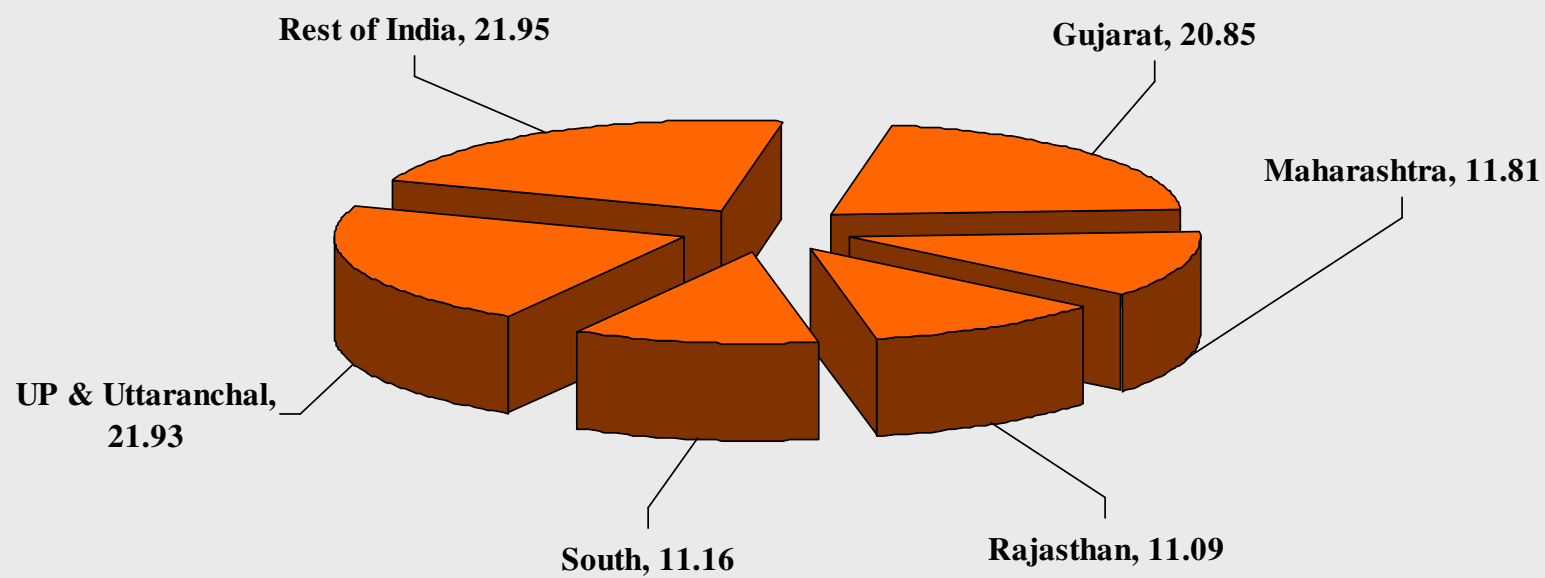
- The Bank's entire **domestic, overseas and RRBs Framework** is **CBS-compliant**.
 - The Bank has **IT facilities** for online/offline account opening through **Business Correspondents under Financial Inclusion**.
 - The Bank has implemented **Internet Banking** in **11** of its overseas territories , notably Oman, Tanzania, Uganda, Kenya, Mauritius, Seychelles, Botswana, New Zealand, UAE, Fiji, & UK.
 - For provision of **Safe Online Banking & to protect customers from Phishing Attacks**, the Bank has implemented a **Fraud Management Solution**. A **SMS alerts facility** is also being provided to customers
 - The Bank has implemented a **RaidFunds2India** solution in all its major territories.
 - The Bank's **Mobile Banking (Baroda M-Connect)** provides various facilities to its customers like balance-enquiry, mini-statements, linking of multiple accounts, funds' transfer, bill payments, ticket booking, shopping, feedback facilities, etc. The **IMPS** facility is also being introduced for its customers.
 - The Bank's **Mobile Banking** application is available on all **Leading Brands** including Blackberry, Android, iPhone and Windows.
 - **Internet Payment Gateway** is implemented by the Bank to facilitate **E-commerce Transactions** in multi currencies across the globe.
 - The Bank's **ATM Switch** is upgraded to handle increasing volume of ATM transactions ; the Bank's **ATM count** has increased to **2,012** by 31st Mar, 2012
 - The Bank has a **Facility of Multiple Accounts** being linked to a single Debit Card (verified by Visa, CVV2) and also a **Mobile Number registration** thru' ATMs in CBS for the SMS Alerts.
 - **E-tax payments** thru' ATMs are also facilitated by the Bank and **Mobile ATMs** are introduced in several cities.
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Rich Technology Platform....



- The Bank has set up two **Contact Centres** in Lucknow & Baroda to address customer queries & grievances without any delay.
 - **Cash Management Solution** is implemented to provide **Operational Support to the Customers' ALM**.
 - **Anti Money Laundering (AML)** is implemented in India and 20 of the Bank's overseas territories.
 - The Bank has developed an **Integrated Global Treasury Solution** in its major territories like U.K., UAE, Bahamas, Bahrain, Hong Kong, Singapore, Belgium, USA and India to reduce the cost of operations and improve the funds' management.
 - A **Centralised SWIFT** is being implemented within India & the Bank's 21 overseas territories.
 - The **CTS -Cheque Truncation System, Grid based CTS** are implemented by the Bank in Chennai, Coimbatore and Bangalore
 - The **Back Office functions** are centralised in the Bank at its **City Back Offices & ten Regional Back Offices** (at Baroda, Jaipur, Lucknow, Bhopal, Coimbatore, Kolkata, Mumbai, Jamshedpur, New Delhi, Pune) to improve the service delivery to customers.
 - The Bank has built a **State-of-the-Art Data Centre** conforming to Uptime Institute Tier-3 standard and a **Disaster Recovery Site** in different seismic zones to ensure uninterrupted banking services.
 - Various **Technology projects** like DR Expansion, Virtualisation, Network Migration to MPLS are being undertaken to support increasing business requirement.
 - **BoB IIT** – an exclusive **IT Training Centre** has been set up in Gandhinagar to educate the Bank's Staff in all IT related products & services.
 - **NEFT** – Straight Through Processing for all sponsored **RRBs** of the Bank is also being implemented.
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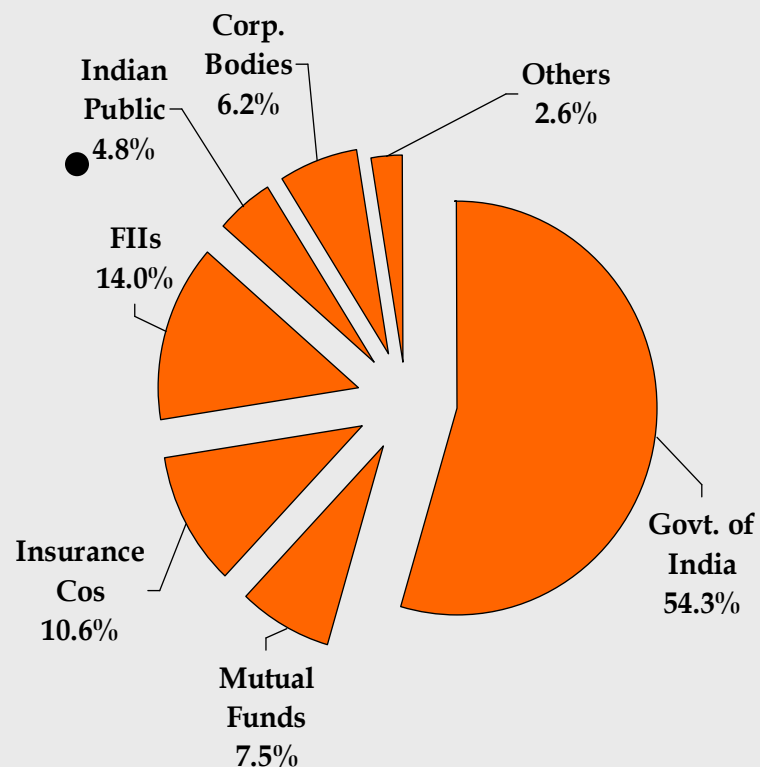
Concentration (%): Domestic Branch Network ...



Pattern of Shareholding: 31st Mar, 2012 ...



As on 31st Mar, 2012



- **Share Capital:** Rs 412.38 crore
- **No. of Shares:** 411.12 million
- **Net worth:** Rs 26,303.17 crore (up 33.2%, yoy)
- **B. V. per share:** Rs 639.79 (up 26.8%, yoy)
- **Return on Equity:** 19.04% for FY12 & 23.09% for Q4, FY12

- 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.

Awards & Accolades in FY12....



Awards for the Bank

- Best Public Sector Bank (PSB) by CNBC-TV18 & MCX
- Golden Peacock Award for Excellence in Corporate Governance by Institute of Directors & World Forum for Corporate Governance received in London
- Dainik Bhaskar India Pride Award for 2011
- Most Efficient Bank in Kenya
- Best Initiatives in Inclusive Banking – FIBC Banking Award
- Dun & Bradstreet's Leading PSB in "Global Business Development Category"
- National Award for Performance under SME Business
- Award for Best Utilisation of Intellectual Resources
- Best Growing Large Bank by Business World-PWC
- Business Leadership Award by NDTV- Best PSB in 2011
- Award for Excellence in Financial Reporting by ICAI in PSB category
- Fastest Growing Large Bank by Business World-PWC
- UTV-Bloomberg Financial Leadership Award
- FM Stars Industry Brand Leadership Award
- BOB's Brand Ranking has increased by 47 notches in a year's time in Top 500 Banking Brands by The Banker, London

Awards for the Bank's CEO (CMD)

- Outstanding Financial Professional-2010 by CNBC-TV18 & MCX
 - Best Banker Award (T. A. Pai Memorial Award) by Karnataka State Open University
 - Lifetime Achievement Award by Dainik Bhaskar India Pride Awards
 - Banker of the Year by Business World-PWC
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India's Macro Health: FY12

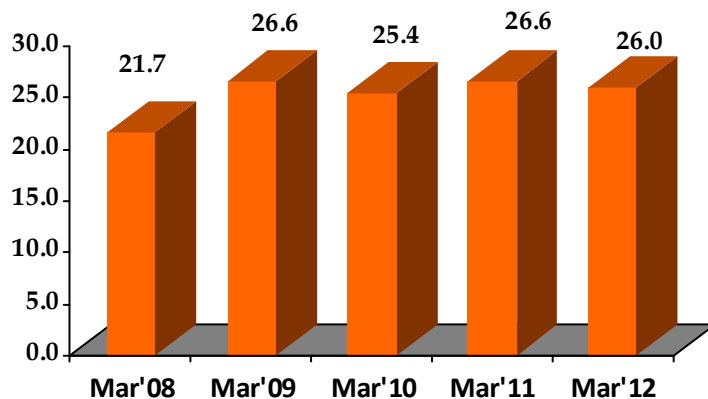


- After 2 yrs of fairly robust growth of 8.4%, India's **GDP** is estimated at 6.9% for FY12
 - While agriculture & services maintained growth momentum in FY12, industry slowed down sharply, led by contraction in mining & manufacturing segments
 - **Capacity utilisation** in various infrastructure industries (esp. in cement & thermal power) slackened sharply in FY12
 - RBI's data on the banking industry's sanctions shows that **the pipeline of corporate investment has shrunk** and new investment remains tepid.
 - Inflationary risks persisted with **headline (WPI) inflation** averaging around 8.8% for the full year
 - **BoP came under significant pressure in Q3, FY12** as the current account deficit widened to 4.3% of GDP; FII inflows declined from US\$ 32.2 bln in FY11 to 18.9 bln in FY12; FER position weakened to US\$ 295 bln by end-Mar'2012 from an all-time high of US\$ 321 bln in Sept, 2011
 - While **non-food credit offtake remained lacklustre** (esp for term loans), deposit growth too decelerated in Q4, FY12 reflecting tight liquidity conditions & higher base effect
 - **Stresses on asset quality and depleting CRAR** made several banks opt for government securities
 - India's **Fiscal Deficit widened to 5.9% of GDP in FY12** – way above the targeted 4.6% due to increasing fuel subsidies and employment creation schemes.
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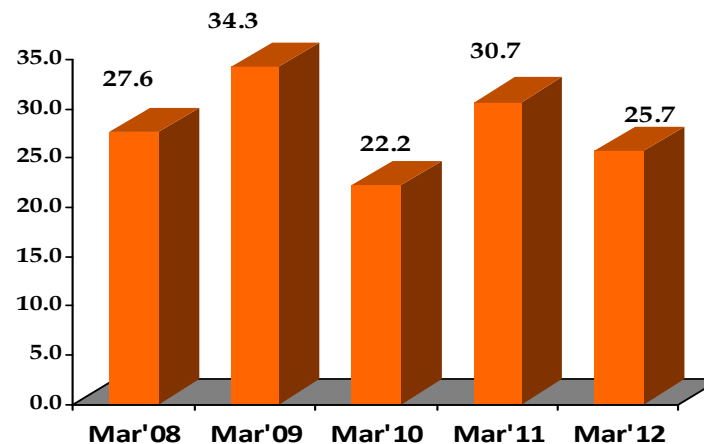
Bank Proved its Resilience Again in FY12



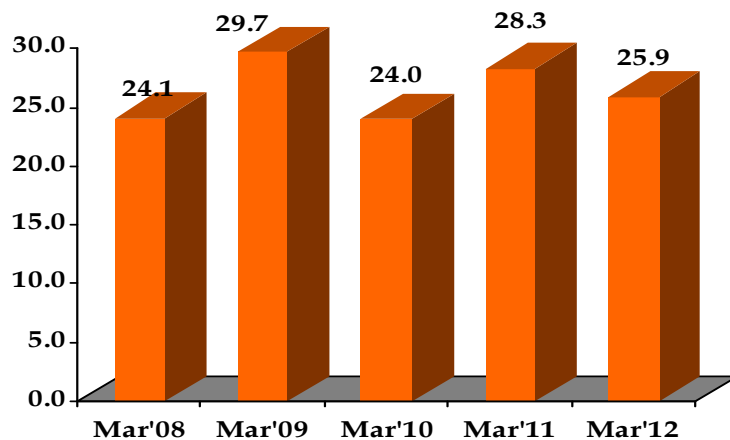
Growth: Total Deposits (%)



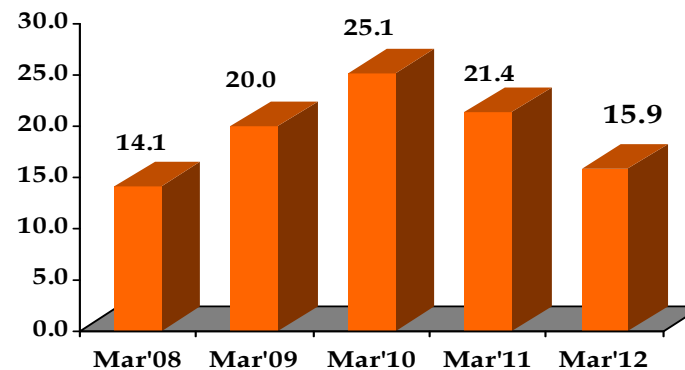
Growth: Total Advances (%)



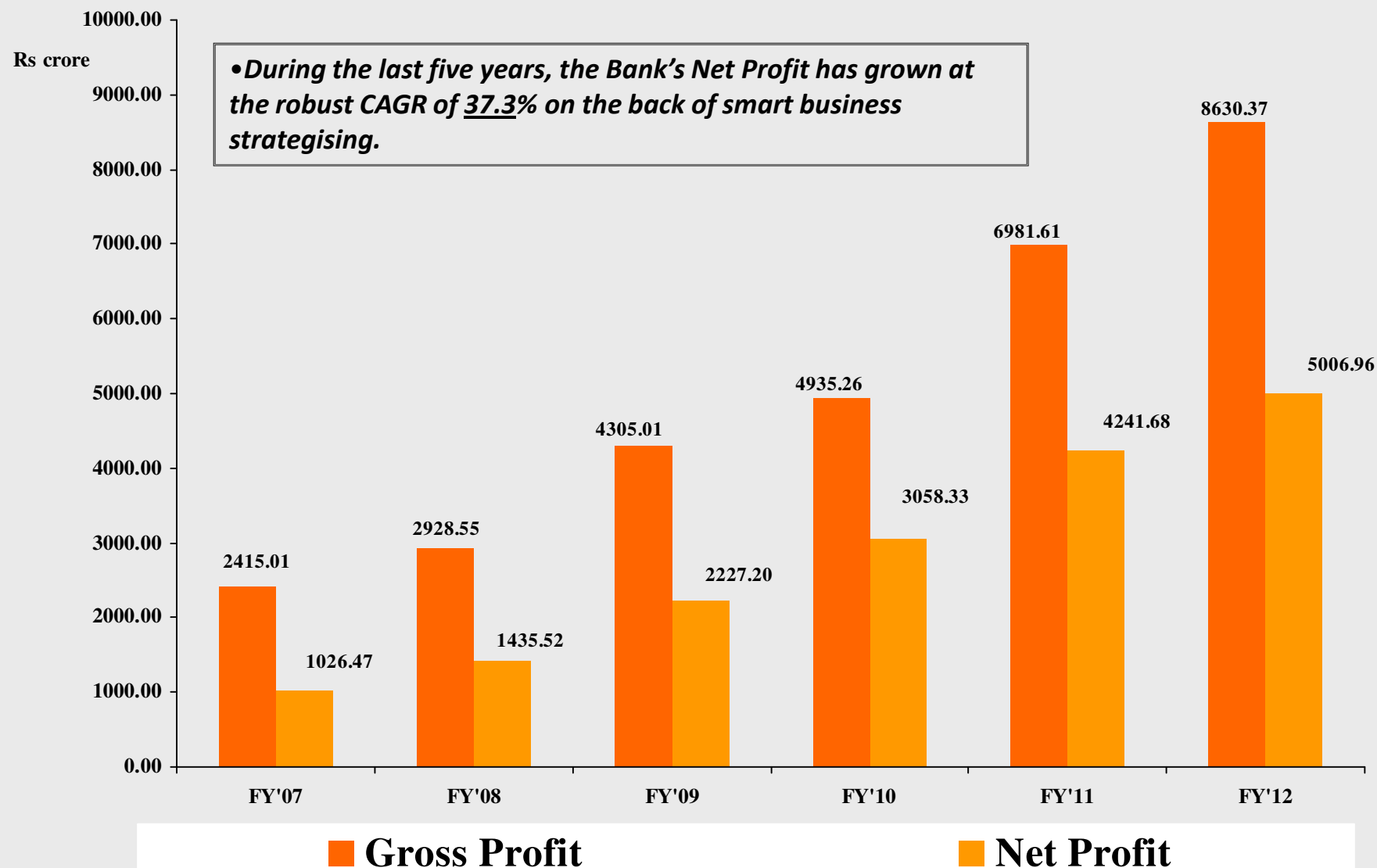
Growth: Total Business (%)



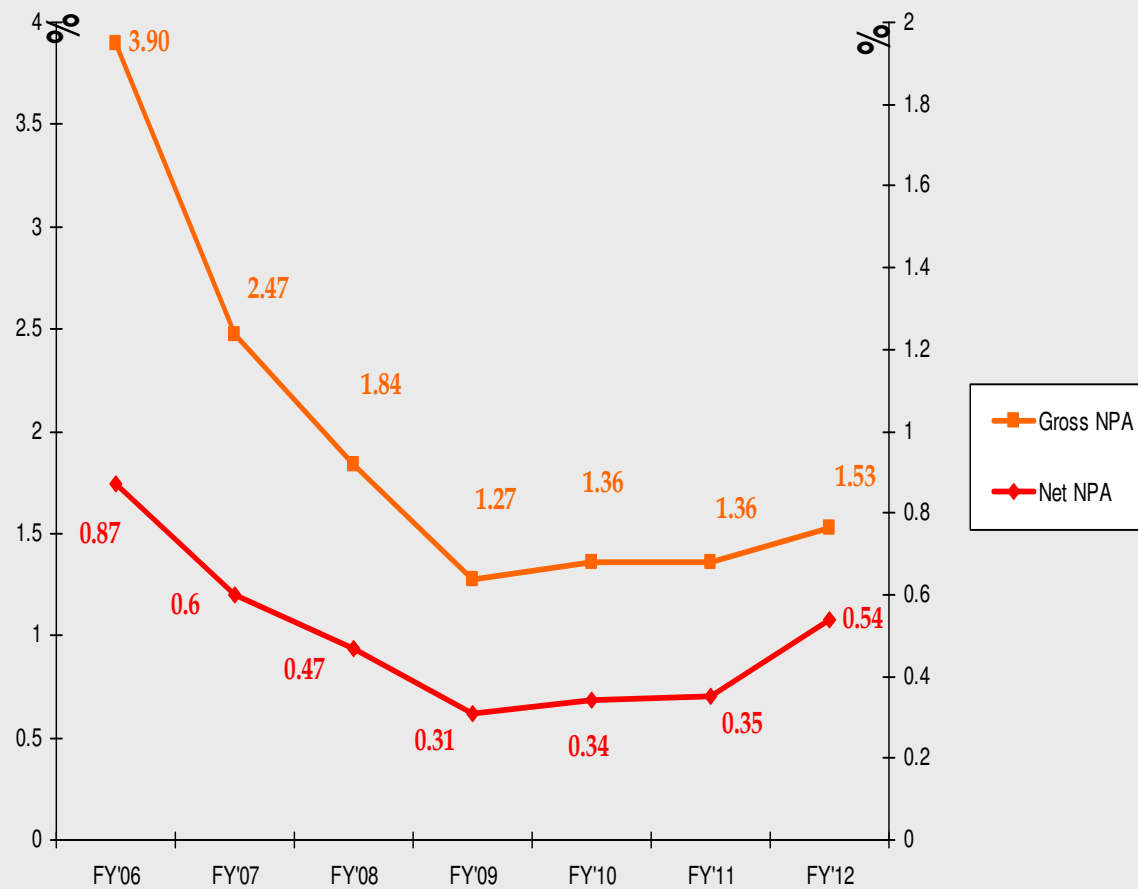
Domestic CASA Growth (%)



Steadily Improving Profitability during the last 5 yrs



Asset Quality Stresses Kept to the Minimum



Healthy Growth in Business during FY'12



Particular (Rs crore)	Mar'11	Dec'11	Mar'12	Y-O-Y (%)	Change Over Dec'11 (%)
Global Business	5,34,116	6,09,867	6,72,248	25.9	10.2
Domestic Business	4,02,731	4,35,228	4,82,211	19.7	10.8
Overseas Business	1,31,385	1,74,639	1,90,038	44.6	8.8
Global Deposits	3,05,439	3,49,206	3,84,871	26.0	10.2
Domestic Deposits	2,33,323	2,54,994	2,80,135	20.1	9.9
Overseas Deposits	72,116	94,212	1,04,736	45.2	11.2
Global CASA Deposits	87,589	94,823	1,03,524	18.2	9.2
Domestic CASA	80,181	86,836	92,948	15.9	7.0
Overseas CASA	7,407	7,987	10,576	42.8	32.4

• Share of **Domestic CASA** shrank to **33.2%** on the back of elevated retail term deposit rates in FY12.

Healthy Growth in Business during FY'12



Particular (Rs crore)	Mar'11	Dec'11	Mar'12	Y-O-Y (%)	Change Over Dec'11(%)
Global advances (Net)	2,28,676	2,60,661	2,87,377	25.7	10.2
Domestic Advances	1,69,408	1,80,234	2,02,075	19.3	12.1
Overseas Advances	59,269	80,427	85,302	43.9	6.1
Retail Credit	32,435	31,047	35,668	10.0	14.9
Of which:					
Home Loans	12,539	13,700	14,133	12.7	3.2
SME Credit	27,365	32,123	34,512	26.1	7.4
Farm Credit	24,529	25,932	29,036	18.4	12.0
Credit to Weaker Sections	13,245	14,080	15,863	19.8	12.7

Decent Growth in CASA Despite Elevated Term Deposit Rates ..



Particular (Rs crore)	Mar'11	Dec'11	Mar'12	Y-O-Y (%)	Change Over Dec'11 (%)
Global Saving Deposits	64,454	71,842	74,580	15.7	3.8
Domestic Savings Deposits	62,959	70,169	72,575	15.3	3.4
Overseas Savings Deposits	1,495	1,674	2,004	34.1	19.7
Global Current Deposits	23,135	22,981	28,944	25.1	25.9
Domestic Current Deposits	17,222	16,667	20,372	18.3	22.2
Overseas Current Deposits	5,912	6,314	8,572	45.0	35.8

Bank's Profits & NII: Jan-Mar, FY11 & FY12



Particular (Rs crore)	Jan-Mar'11	Jan-Mar'12	Y-O-Y (%)
Gross Profit	1,945.81	2,050.93	5.4%
Net Profit	1,294.35	1,518.18	17.3%
Net Interest Income	2,613.88	2,797.40	7.0%

• The Bank's NII grew sequentially from Rs 2,297.19 crore in Apr-Jun FY12 to Rs 2,567 crore in Jul-Sept FY12 to Rs 2,655.51 crore in Oct-Dec, FY12 to Rs 2,797.40 crore in Jan-Mar, FY12 despite adverse pressures on NIMs.

• The Bank's dedicated focus to a well-balanced credit business has been paying off well.

Deposit & Loan Costs: Q4,FY11 to Q4,FY12



Particular (in %)	Q4, FY11	Q1, FY12	Q2, FY12	Q3, FY12	Q4, FY12
Global Cost of Deposits	4.79	5.36	5.61	5.65	5.81
Domestic Cost of Deposits	5.63	6.41	6.84	6.90	7.17
Overseas Cost of Deposits	1.83	1.80	1.82	1.96	1.74
Global Yield on Advances	8.74	9.11	9.64	9.45	9.33
Domestic Yield on Advances	10.65	11.23	12.14	12.01	11.71
Overseas Yield on Advances	3.54	3.38	3.37	3.60	3.75

Investment Yields & NIMs: Q4, FY11 to Q4, FY12



Particular (in %)	Q4, FY11	Q1, FY12	Q2, FY12	Q3, FY12	Q4, FY12
Global Yield on Investment	7.45	7.47	7.58	7.67	7.53
Domestic Yield on Investment	7.60	7.59	7.72	7.79	7.69
Overseas Yield on Investment	4.34	4.86	4.24	4.90	3.84
Global NIM	3.45	2.87	3.07	2.99	2.96
Domestic NIM	4.16	3.39	3.67	3.51	3.44
Overseas NIM	1.41	1.37	1.42	1.64	1.68

Key Financial Ratios : FY12 versus FY11



- Return on Average Assets at **1.24%** [1.33% in FY11]
 - Earning per Share at **Rs 127.84** [Rs 116.37 in FY11]
 - Book Value per Share at **Rs 639.79** [Rs 504.43 in FY11]
 - Return on Equity (ROE) at **19.04%** [21.48% in FY11]
 - Capital Adequacy Ratio at **14.67%** with Tier I Capital at **10.83%**
 - Cost-Income Ratio declined from 39.87% to **37.55%** (Y-o-Y)
 - Gross NPA ratio at **1.53%** despite a severe industrial slowdown
 - Net NPA ratio at a decent **0.54%**
 - NPA Coverage at the healthy level of **80.05%** (including technical write-offs)
 - Incremental Delinquency Ratio contained at **1.44%** in FY12
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Consistent Improvement in Productivity Indicators ...



	Q1, FY12	Q2, FY12	Q3, FY12	Q4, FY12
Business per Employee (Rs cr)	12.65	12.98	13.53	14.66
Business per Branch (Rs cr)	157.45	160.27	162.85	169.80
Profit per Employee (Rs lakh)	10.26	11.39	12.27	14.00
Profit per Branch (Rs lakh)	119.30	131.54	137.77	153.39

Other Income in FY12 Vs FY11 ...



(Rs crore)	FY11	FY12	% Change (Y-O-Y)
Commission, Exchange, Brokerage	1,020.64	1,226.08	20.1
Incidental Charges	346.46	316.23	-8.7
Other Miscellaneous Income	210.97	253.85	20.3
Total Fee-Based Income	1,578.07	1,796.16	13.8
Trading Gains	443.70	606.67	36.7
Profit on Exchange Transactions	514.77	691.24	34.3
Recovery from PWO	272.66	328.25	20.4
Total Non-Interest Income	2,809.19	3,422.32	21.8

Other Income in Q4, FY12 Vs Q4, FY11....



(Rs crore)	Q4, FY11	Q4, FY12	% Change (Y-O-Y)
Commission, Exchange, Brokerage	326.27	344.69	5.6
Incidental Charges	104.72	87.63	-16.3
Other Miscellaneous Income	50.71	58.91	16.2
Total Fee-Based Income	481.70	491.23	2.0
Trading Gains	120.86	137.01	13.4
Profit on Exchange Transactions	146.05	163.16	11.7
Recovery from PWO	85.90	106.39	23.9
Total Non-Interest Income	834.50	897.79	7.6

Provisions & Contingencies: FY11 and FY12 ...



(Rs crore)	FY11	FY12	Absolute Change
Provision for NPA & Bad Debts Written-off	1,050.60	1,865.19	814.6
Provision for Depreciation on Investment	9.01	236.33	227.3
Provision for Standard Advances	223.85	448.17	224.3
Other Provisions (including Provision for staff welfare)	47.83	5.13	-42.7
Tax Provisions	1,408.64	1,018.84	-389.8
Total Provisions	2,739.93	3,573.66	833.7

Provisions & Contingencies: Q4, FY12 Vs Q4, FY11



(Rs crore)	Q4, FY11	Q4, FY12	Absolute Change
Provision for NPA & Bad Debts Written-off	424.39	926.19	501.8
Provision for Depreciation on Investment	34.58	-271.31	-305.9
Provision for Standard Advances	106.10	188.79	82.7
Other Provisions (including Provision for staff welfare)	25.34	0.01	-25.3
Tax Provisions	61.05	-321.67	382.7
Total Provisions	651.46	522.01	-129.5

Bank's Domestic Treasury Highlights: Q4 and Full Year, FY12



- Treasury Income stood at the healthy level of Rs 300.17 crore in Q4, FY12 and at Rs 1,297.41 crore in FY12
 - The Bank's Trading Gains Stood at Rs 137.01 crore in Q4, FY12 and at Rs 606.67 crore in FY12.
 - As of March 31, 2012, the share of SLR Securities in Total Investment was 86.30%
 - The Bank had 83.31 of SLR Securities in HTM and 15.92% in AFS at end-March 2012.
 - The per cent of SLR to NDTL as on 31st March, 2012 was 25.0%.
 - While the modified duration of AFS investments is 2.15 years; that of HTM securities is 4.91 years.
 - Total size of Bank's Domestic Investment Book as on 31st March, 2012 stood at Rs 79,819 crore.
 - Treasury's success could be attributed to fairly accurate projection of yield movements, close monitoring & management of liquidity and implementation of smart investment strategies.
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Highlights of Overseas Business: FY12



- As on 31st Mar, 2012, Bank had operations in 24 countries; it opened five new branches during FY12, notably, in Uganda (1), Kenya (2), UAE (1) and Guyana (1) taking the total tally to 89 offices
 - During FY12, Bank's "Overseas Business" contributed 28.3% to the Bank's Total Business, 20.7% to its Gross Profit and 34.0% to its Core Fee income
 - While the Cost-Income Ratio for Domestic Operations stood at 41.34% in FY12, it was more favourable at 17.03% for the Bank's Overseas Operations
 - While the Gross NPA (%) in Domestic Operations stood at 1.89% at end-March, 2012, that for Overseas Operations was lower at 0.68%
 - The Gross Profit to Avg. Working Funds (%) for Overseas Operations improved from 1.43% in FY11 to 1.58% in FY12
 - NIM as % of Interest Earnings Assets in Overseas Operations improved from 1.36% in FY11 to 1.54% in FY12
 - During FY12, Bank raised one year bilateral loan of US\$ 60 mln in Sept, FY12 and an unsecured short term bilateral loan of Euro 50 mln in Oct, FY12
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Capital Adequacy in FY12....



- The Bank's CRAR (Basel II) as on 31st Mar., 2012 was at 14.67%; of which Tier1 was at 10.83% and Tier 2 at 3.84%
 - The size of Bank's risk-weighted assets as on 31st March, 2012 was Rs 2,53,733.75 crore
 - The Bank proposes to maintain its CRAR in the band of 13.0% to 13.5% in the coming years (with the Tier 1 between 8.0% and 8.5%).
 - During FY12, the Bank allotted 1,95,77,304 equity shares of Rs 10/- each at a premium of Rs 830.10 per share, to Life Insurance Corporation of India, as approved by the shareholders in the Bank's Extra-Ordinary General Meeting in accordance with regulation 76 (1) of SEBI (Issue of Capital & Disclosure Requirements) Regulations 2009, on preferential basis.
 - The total amount received by the Bank on this account is Rs 1,644.69 crore
 - With this, the GOI holding in the Bank has come down from 57.03% to 54.30%.
 - The Bank has not raised any capital by way of bond issuances during FY12, as it was well capitalised throughout the year
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NPA Movement (Gross): FY12...



Particular	(Rs crore)
A. Opening Balance	3,152.50
B. Additions during FY12	3,443.31
Out of which, Fresh Slippages	3,291.43
C. Reduction during FY12	2131.06
Recovery	580.46
Upgradation	335.55
PWO & WO	1,215.05
Exchange Difference	0.00
NPA as on 31 st March, 2012	4,464.75
Recovery in PWO in FY12	328.25

Sector-wise Gross NPAs: FY12 versus FY11...



Sector	Gross NPA (%) FY11	Gross NPA (%) FY12
Agriculture	3.41	3.99
Large & Medium Industries	1.77	1.06
Retail	1.79	1.91
Housing	1.92	1.94
SSI (Mfg)	1.25	2.24
Total MSME	2.66	3.19
Overseas Operations	0.62	0.68

Cumulative Position of Restructured Assets



- During the past 48 months (1 Apr'08 to 31 Mar'12), the Bank has restructured 84,498 accounts in its domestic business amounting Rs 15,084.23 crore.
 - Within this, the loans worth Rs 8,514.91 crore were restructured in FY12
 - For the period of 48 months, out of the total amount restructured, Rs 11,336.82 crore (75.2%) belonged to wholesale banking, Rs 2,150.55 crore (14.2%) to SMEs, Rs 608.43 crore (4.0%) to retail and Rs 988.43 crore (6.6%) to agriculture sector.
 - About 88 accounts (of Rs 1 crore & above) restructured on/after 1st Apr, 2008 with aggregate outstanding of Rs 1,477.44 crore slipped to NPA after restructuring.
 - Industry-wise break-up shows that the Bank's restructured accounts are well spread over different sectors, the major ones being infrastructure, iron & steel, Services, etc.
 - During the year FY12, the Bank restructured 28 accounts in its overseas business amounting to Rs 613.78 crore
 - The cumulative outstanding of restructured loans in the Bank's overseas business stood at Rs 3,536.55 crore as on 31st Mar, 2012 covering 87 accounts.
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Sectoral Deployment of Credit in FY12 ...



Sector	% share in Gross Domestic Credit
Agriculture	14.1%
Retail	17.4%
SME	16.8%
Wholesale	38.7%
Misc. including Trade	13.0%
Total	100.0%

Bank's BPR Project - Navnirmaan.....



•Project Navnirmaan has altogether -18- initiatives covering both Business Process Re-engineering and Organization Re-structuring, aimed at transforming the Bank's branches into a sales and service centres through sustained Centralization to make possible Sales growth, superior customer experience and alternate channel migration.

•The most important initiatives are:-

- Conversion of all metro and urban branches into Baroda Next within a timeline [-850- branches rolled out so far across -10- Zones and -45- Regions].

- Creation of automated and lean Back Offices like:

- City Back Office [Automated cheque processing introduced at Mumbai].

- Regional Back Office [-10- RBOs functioning (One in each Zone) –5- RBOs opened during current year] for CASA opening [No. of branches linked –1308] & issuance of Personalized Cheque Books [[No. of branches linked – 2120].

- Establishment of -2- Contact Centres [at Lucknow and Baroda].

- Introduction of frontline automation [viz. Queue Management System and Cheque deposit Machines] at select branches for customer convenience.

- Creation of an Academy of Excellence.

- Organization Restructuring

Bank's BPR Project - Navnirmaan.....



- *The initial impact of Baroda Next migration has been found to be rewarding both in terms of increased customer satisfaction and CASA growth.*
 - *The said impact has been sustained at 110 Baroda Next branches evaluated on (a) sales and (b) customer satisfaction during first stage of evaluation.*
 - *Another evaluation carried out recently on (a) Customer satisfaction [at -177-] and (b) Employee satisfaction [at -171] Baroda Next branches, shows significant improvement.*
 - *Further evaluation initiatives are on.*
 - *To sustain Sales Growth, a new Sales Operating Model has been rolled out in -150- branches in Mumbai, Surat, Baroda, Ahmedabad, Delhi and Kanpur.*
 - *Out of -15- Mid-corporate branches planned, -13- are already functional. -2- more are expected to be opened soon.*
 - *Further centralization initiatives are going to be piloted soon to enable the branches to become a "Sales-cum Service Outlet".*
 - *Bank's Hi-tech City branch, Hyderabad has been transformed into an e-branch.*
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Bank's HR Initiatives.....



- **Recruitment in FY12**

- *Focused hiring efforts on a sustained basis year on year, to cater to superannuation, sustained business growth and rapid Branch expansion*
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- **New Hiring in FY12: 3,250**

Probationary Officers	– <u>1,012</u> joined, another 25 are in the process of joining
Clerks	– <u>1,395</u> joined, another 100 are in the process of joining
Campus Recruitment	– <u>548</u> joined
Specialist officers	– <u>166</u> joined (in various disciplines)

- *Massive skill upgradation and several structured six-month long induction programmes were carried out for the new joiners during FY12 to develop various Banking skills, esp. in the specialised areas of Credit, Forex, Treasury, Soft Skills, etc.*
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Bank's HR Initiatives.....



Project Udaan:

- *A Large scale, comprehensive Leadership Development training covering almost 1,500 people (all branch heads of Urban / Metro Branches & AGMs/DGMs in the Bank)*
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Project Sparsh:

- *A focused HR transformation project – ‘SPARSH’ has been initiated by the Bank - to revamp its existing HR processes, structures and policies. Various initiatives like Talent management, Succession planning, Creating a Scientific Staffing Model & Manpower Planning,, Development and Capability Building, Performance Management, etc. have been undertaken during FY12*
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Baroda Manipal School of Banking:

- *A school is opened as an innovative and new channel of resourcing of trained manpower in the Bank. Around 180 students are being inducted into this school every quarter for a focused grooming and a one-year full-time PG course in Banking is tailored to the Bank's specific requirements.*
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Economic Outlook & Guidance.....



- *We expect India's industrial scenario to improve during FY13*
 - *The OECD Leading Index for India that leads industrial output growth, has trended higher and continues to point to a pick-up in output growth in the coming quarters.*
 - *Factors such as a cut in policy rates, lower input cost pressures, a modest pick-up in export demand and higher construction activity are likely to support higher industrial output growth in the coming quarters.*
 - *Despite persistence of inflationary risks, we expect Indian banking industry to achieve the indicative targets for Deposit growth (16.0%) and Credit Growth (17.0%) set by the RBI for FY13*
 - *The Bank will continue to expand its market share in both deposits & advances by growing 1.0% to 2.0% above the banking industry's average.*
 - *It will strategise its business in such a way that it would continue to deliver a ROAA of more than 1.20% and ROE of around 20.0%.*
 - *It will focus on regaining the lost momentum in CASA growth, as the interest rate cycle is getting reversed.*
 - *It will maintain CRAR between 13.0% to 13.5% and Tier 1 around 8.0% to 8.5% in the coming years.*
 - *It will maintain the Provision Coverage Ratio around 80.0% in line with its conservative approach towards provisioning.*
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Thank you.
