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**Sub: Q4 / Year ended 31.03.2025 Earnings Conference Call
with Analysts / Investors – Transcript.**

With reference to above and pursuant to the applicable provisions of SEBI (LODR) Regulations, 2015, we herewith enclose the transcript of post results Earnings Conference Call Q4/year ended 31.03.2025 held on 09.05.2025.

The transcript of Q4/year ended 31.03.2025 Earnings Conference Call is uploaded on Bank's website and the same can be accessed through below link:

<https://bankofindia.co.in/analyst-conference-call-transcript>

This is for your information and records.

भवदीय Yours faithfully,



(Rajesh V Upadhya)
कंपनी सचिव Company Secretary

Classification: Public

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**“Bank of India
Q4 FY’25 Earnings Call”
May 09, 2025**

Management Team Represented by

Shri Rajneesh Karnatak, Managing Director & CEO

Shri P R Rajagopal, Executive Director

Shri Subrat Kumar, Executive Director

Shri Rajiv Mishra, Executive Director

Moderator

Ladies and gentlemen,

Good evening. I welcome all the Analysts who have joined us today in this auditorium as well as those who have joined virtually from different cities across India. We are pleased to announce Bank of India's financial results for Q4 FY25. As you all can see, our Top Management, represented by our Managing Director, Shri Rajneesh Karnatak ji, and all our Executive Directors, Shri P R Rajagopal, Sri Subrat Kumar and Sri Rajiv Mishra all have joined us on the stage. Thank you all gentlemen for joining us. We will now begin this Analyst's briefing.

To start with, I'd like to invite Sri Rajnish Karnatak ji, our MD Sir, to please address this gathering, after which we will be taking on the Question & Answer session. Thank you, Sir.

Shri Rajneesh Karnatak, MD & CEO

Thank you, madam. Ladies and gentlemen, good evening, and welcome to today's Analyst Meet, both physically and virtually. I'm told that there are certain Analysts who are there virtually also.

As I share with you, the financial results of the Bank for Q4 FY25, as well as for the full year FY 2025, it is my pleasure to welcome each one of you for the interaction today. Thank you for joining us in spite of your busy schedules. While we continue to brace ourselves for the global trade dynamics and the recent tariff measures and the geopolitical tension comes as a pressure on demand, moderating consumer sentiments and reversing market trends. However, IMF growth projection of 6.2% for India's GDP, rising forex reserves, record GST collections, and lower inflations have given hope. The shifting of customer basis from traditional to digital natives, easy credit access, digitized financial services, dissemination are few of the many areas which are now defining the prospects.

The key focus area of our Bank will be enhancing customer experience through all channels and acquisition of new customers consistently by providing innovative and niche services. This will lead to fortification of low cost deposits like CASA and retail term deposits for sustainable credit growth. My speech would be in four parts for this coverage today. The first part being the new initiatives that the Bank has taken over the last quarter.

So we have started the Star Digital Business Loan for the MSME borrowers, a digital product which has been rolled out for underwriting loans up to Rs. 1 crore in MSME space for borrowers based on the GST turnover. The second is a new scheme, Udyami Vanita, has been introduced for women entrepreneurs with embedded benefits. The third is the Star Yuva Udyami, which is a scheme which has been started to provide loan assistance up to Rs. 1 crore for young entrepreneurs for age up to 35 years. Green deposit scheme has also been introduced for raising green deposit funds under the scheme, which will be deployed for financing of green assets. Renewable energy has also been identified as a champion sector within the Bank.

The second part is with respect to the IT and Cyber Security. Cyber security centre of excellence, we have developed the centre to foster collaboration, training, and continuous improvement in cyber resilience. Proactive attack surface management, which is the ASM, has also been done up. It identifies unknown vulnerabilities, shadow IT and misconfigurations before attackers do so. Centralized threat intelligence platform also has been set up. It enables automated correlation, real time alerts, and contextual threat analysis. As part of our NexTech, Bank has opened 24 x 7 resiliency operating centre, which is the ROC, for quick response and recovery from disruptions of Bank's applications, including the CBS platform, e platform, mobile banking applications, etc., due to natural disasters, system outages, cyber attacks, etc.,

The third part is with respect to business. Here, global business of the Bank has grown by 12.02% on a YoY basis from Rs.13.23 lakh crores in March '24 to Rs.14.82 lakh crores in March '25 with the incremental growth of nearly Rs.1,59,000 crores. Global advances of the Bank have increased by 13.74% on a YoY basis from Rs. 5.85 lakh crores in March '24 to Rs.6,66,000 crores in March '25 with the incremental growth of more than Rs.80,000 crore

Global deposits, they have increased by 10.65% on a YoY basis from Rs.7,37,000 crores in March '24 to Rs.8,16,000 crores in March '25 with the incremental growth of Rs.78,000 crore plus. Domestic gross advances have increased by 14.45% on a YoY basis from Rs.4.92 lakh crores in March '24 to Rs.5.64 lakh crores in March '25. RAM advances have increased by a good number of 18.37% on a YoY basis from Rs.2.73 lakh crores in March '24 to Rs.3.23 lakh crores in March '25, constituting 57% of our total advance book of the bank. Domestic deposits have increased by 11.21% on a YoY basis from Rs.6.30 lakh crores in March '24 to Rs.7 lakh crores in March '25. Our CASA has increased on a YoY basis from Rs.2.70 lakh crores in March '24 to Rs.2.80 lakh crores in March '25 with the incremental growth of more than Rs.10,000 crores in March '25, and the CASA ratio stood at a healthy number of more than 40%.

Now with respect to profitability and asset quality, our operating profit has improved by 17% on a YoY basis and stood at more than Rs.16,000 crores in FY '25 as against

Rs.14,000 crores plus as on FY '24. And in Q4 FY 25, it stood at Rs.4,885 crores, witnessing a YoY growth of 37%. Net profit has increased by 46% on a YoY basis and stood at Rs.9,219 crores for FY25 against Rs.6,318 crores in FY24. And for Q4 FY25, it was at Rs.2,626 crores, witnessing a growth of nearly 82% in the net profit. Global NIM of the Bank is now at 2.82% as against 2.97% in FY24.

Slippage ratio stood at 1.36% in FY25 as against 1.58% in FY24. Slippage ratio was at 0.32% in Q4 of FY25. Credit cost has improved to 0.76% in FY25 as against 0.78% in FY24. Net interest income has increased by 6% on a YoY basis and stood at Rs.24,000 crore plus in FY25 as against Rs.23,000 crore plus in FY24. In Q4, the NII stood at Rs.6,063 crores as against Rs.5,937 crore in Q4 of FY24.

As regards to non-interest income is concerned, it has increased by 48% on a YoY basis and stood at Rs.8,994 crores in FY '25 as against Rs.6,095 crores in FY24. And for Q4 FY25 it stood at Rs.3,400 crore plus witnessing a YoY growth of nearly 96% as against Rs.1,700 crores in Q4 of the last financial year. There has also been improvement in the asset quality in the Bank in both gross NPA ratio and also the net NPA ratio. Gross NPA ratio has improved by 171 basis points to 3.27% in FY25, and net NPA ratio has improved by 40 basis point on a YoY basis to 0.82% only in FY25. As regards the PCR is there, the provision coverage ratio, it has improved to 92.39% in FY 25 as against 90.59%.

As on March 2025, Bank's CRAR has improved to 17.77% as against 16.96% in March '24. In tune with the growth of the global economy, the guidance for global advances growth will be at around 12% to 13%. The global deposit growth would be at around 11% to 12% for FY26. The key focus area will remain low cost deposit mobilization for protecting our NIM and increasing high yielding advances for consistent growth in business with emphasis on digital initiatives, improvement in the asset quality, and arresting the fresh slippages. The endeavour of the Bank will be in increasing efficiency and profitability along with focus on compliance and better corporate governance.

I would like to thank you all for your continued support. The floor is now open for discussions and Question and Answers. Thank you so much.

Moderator:

Thank you very much, Sir. We would like to proceed towards our Questions and Answers session.

Just, the instructions part, that is mandatory. Before we proceed, we would request you to kindly raise hands for the queries. One of our representatives shall hand over

a mic to you. Also kindly restrict questions to two at a time, allowing, everyone to interact. For subsequent questions, we'll come back to you later if time permits.

Please identify / introduce yourself, your organization before asking a question. For outstation Analyst's, those who have joined virtually, please send in your questions to our Adfactors team. Yes. Ajmera ji, kindly begin.

Mr. Ashok Ajmera:

I thought, first is always a compliment. So let the mic be there. Otherwise, it will not may not be heard to everyone.

Compliments to you, Sir, for a fantastic set of numbers and really a very good results because even in this difficult time where there was pressure on both deposit and credit side to most of the other Banks, you have performed much better, and maintained your guidance, what you had given rather little more on some of the fronts. I mean, if you talk about the asset growth side I mean, the credit side, you talk about the profitability side. Everywhere, the performance is fantastic. Having said that, I want some data points and some clarifications so as to now assess properly what is going to happen in FY26.

So, Sir, one is that on the credit side, credit growth, you know, our personal loan has been quite good. I mean, though in percentage terms, it may be small. So now with this, so many checks and balances coming on the personal loans, what are your plans and what kind of loans do we have? I mean, and what is the delinquency ratio on that personal loan book of Rs.12,670 crore?

And similarly on the NBFC front also, as compared to the last quarter, we have grown by Rs.6,000 crore. So there also whether they are all AAA, AA rated or we are moving down towards A or maybe BBB. BBB, I think, not there much. So on that and then on the profitability front, in order to assess the consistency, how much profit, has accrued because of the revaluation of NARCL SRs, which now is permitted to be valued at the fair market value. So because that may not be available to us in the current quarter or maybe next quarter that was something how much has been added to the profit.

And then overall on the other income side, I think it has grown, it is almost, doubled from Rs.1,747 crore to Rs.3,428 crore in this quarter. So whether this momentum is going to be maintained, like, on the recovery from written off accounts is Rs.1,143 crore as against Rs.391 crore in the last quarter. Similarly profit on the sale and revaluation of the investment coming to Rs.711 crore against Rs.266 crore. So of course, the investment book of every Bank is doing well, But going forward and with

this further two rate cuts, which are expected, I think we should have a bumper profit. How much is going to be added to the bottom line?

Some light if you can throw on that? And the last in this round, is on the I mean, we are just, whisker away from Rs.15 lakh crore business. I think it may be even achieved in this, April, June quarter also. So how much is the technology upgradation can be attributed to this growth and how far we have reached on our various models or delivery models on technology, and what kind of budget still do we have for that for further improvement and upgradation. So some colour on the technology side, Sir. And if time permits, some information on the recovery as I had asked. Thank you, Sir.

Shri Rajneesh Karnatak, MD & CEO

Thank you so much, Ajmera ji. Five questions you have asked. So most of the things are covered in the presentation.

So as regards to the personal loan book is concerned, you are right that the growth is more than 30% which you see over here. But, I would just like to clarify and give some data points on the personal loan book. One thing is as I've said last time also in the last Analyst presentation, that lot of guardrails we have already placed in the personal loan book where the CIC score is more than 760 where we are giving only to salary customer where we are also ensuring that the salary is coming into the Bank of India Saving account. Those kinds of guardrails we have already placed in, such kind of, loaning when we are doing that. With respect to the book is concerned, overall, as you know, the growth is 30%, right, as you rightly observed. But the base is low because of which the growth is also showing at 30%. So our outstanding is only Rs.12,000 crore plus. If you see the entire retail book of the Bank, it is Rs.1,33,000 crore. And the personal loan book is only 9% of that book, which is less than 10%. That is one point.

Second thing is that our global loan book is Rs.6,66,000 crores as on March '25. If you see the personal loan book out of that, it is less than 2%. In fact, it is at 1.80%. Now, if you see the stress within that, our NPA in the personal loan book as on 31st March is only Rs.136 crore, which is only 1.10% of the personal loan book. So that is the kind of NPA which is there.

Further, if I give you the colour on the SMA number also within the personal loan book, SMA 1, 2, both aggregate is only Rs.435 crore, which in percentage terms of this book is only 3.43%. So in a way, the personal loan book is behaving very healthy. The yield is also very good. The asset quality is also, as on date, is good and we are comfortable

with the present growth, which is happening in the personal loan book. Now, coming to the next point, which is the NBFC book.

Again, as you rightly said that, we have increased our portfolio. So our NBFC book, which was Rs.78,000 crore plus as on March '24, has increased to Rs.88,000 crore as on March '25 as per the presentation. So let me clarify with one data point. This Rs.88,000 crore constitutes three components. One is the domestic NBFC book, which is Rs.71,000 crore. Then there is international NBFC book, which is Rs.9,600 crores. And then there is a Treasury book of NBFC, which is Rs.7,600 crores, contributing total Rs.88,000 crores. And this NBFC book is constituting only 13% of our global loan book, wherein our global advances are Rs.6,66,000 crores. And if I give you the colour on the rating part of this entire NBFC book, A rated and above, accounts constitute 98% of the outstanding. So that is the colour.

The second thing that I would like to give on the NBFC book is with respect to the PSU and the Bank backed NBFC like PNB Housing Finance or LIC Housing Finance or CAN Housing Finance, that kind of thing. Here, if you see the total PSU and the bank backed NBFC's total exposure is 51%, which means that only 49% of our NBFC book is to the actual NBFCs. Remaining is either to the PSU NBFCs or the Bank backed NBFCs. So that kind of security and comfort level available is there with the Bank as far as the NBFC is concerned. Now, with respect to the profitability that we have taken, due to the RBI circular on the NARCL, that figure is at around, Rs.350 crore. How much it is Mr. Kumar?

Shri B. Kumar, General Manager & CFO

Sir, it is Rs.397.76 crore. It is mentioned in point no. 3 in Notes to Accounts.

Shri Rajneesh Karnatak, MD & CEO

OK. It is near to Rs.400 crore. Exactly, so entire money has not been taken into the P&L. It's a 50:50 ratio which is there. As regards to what will be the future in FY '26 on this NARCL, there are lot of discussions within our NPA book, which we are having with NARCL for shifting these accounts to NARCL. So this year also, in FY '26, we'll see good traction of accounts shifting into the NARCL and some, booking coming under that also. So next point was with respect to the other income growth.

Other income as you rightly observe that the major components of the other income for us have been with respect to the recovery in the written off accounts. Here, we have improved the recovery on a YoY basis by 61% from Rs.1,400 crore in FY '24 to now Rs.2,300 crore in this year. And the other thing is from profit on sale of and the revaluation of the investments, there the increase is more than 200%. From Rs.628 crore, it has gone up to Rs.1,800 crore. So on the Treasury front, Ajmera ji, at the time when the interest rates were high, we have kept a good book with us in the Treasury.

So now in this falling interest rate scenario, we are able to book profits out of that whenever we are selling. So this income is also accruing with respect to that. And the written off account, again, we have a specific scheme now in the Bank with respect to recovery in written off accounts, and the entire Bank is working on that OTS scheme with recovery of written off accounts. And we expect that more recoveries, the same way it has happened in FY '25. Similarly, it will happen in FY '26 for recovery in written off accounts.

See, Ajmera ji, at the present situation where there is so much global volatility and across the board issues, so we have decided that we will not be giving any guidance apart from the top line guidance, which I've already given in my speech with respect to the global deposit and the global advances. All other guidance we are keeping at a pause at present till there is more clarity on the emerging situation which is happening. So, nonetheless, I would only say on the recovery in written off accounts, whatever the number we have taken this year, Rs.2,300 crore plus, we have done that. That kind of number we would like to maintain in this financial year also. So as you are aware, being an Analyst yourself, there is lot of pressure on the NIMs and margins of the Bank. Not only for us, for the entire banking system. So as a banker from the Top Management side, we are very clear that in this financial year, only those banks will do well in FY '26 who do better non-interest income and who do better recoveries.

Because, margins will be under pressure as far as net interest income and net interest margins overall are concerned. So, we have to concentrate as a strategy on non-interest income and also on the recoveries, not only in written off account, but overall recoveries so that the overall profitability of the Bank improves in FY26. So as regards the business and technology part, you are right that, technology, we have invested a lot. Last year, we had taken a budget of around Rs.2,100 crores. Out of which, we have already spent up to 31st March 2025, nearly Rs.1,700 crores. And this year also, we have taken a budget for IT, digital and cyber security, a budget of Rs.2,000 crores. If I tell you the numbers which are there, so our digital loan book now has touched at around Rs.80,000 crores. That is another number which is now available with us. As on March '25, our digital book is around Rs.80,000 crore, which is 12% of our global advances. In retail, it is at around Rs.27,000 crores. In Agri, it is Rs.39,000 crore. This also includes the gold loans, which we are sanctioning through the digital method. Only the pledge of gold happens in the physical way. MSME, again, Rs.13,000 crore of book we have already built up over there. And as regard the journeys which are there, 22 journeys were there in the last year, which were digital.

And in this financial year, we have been able to have 29 journeys on the IT side, which are now digital, which is there in part of the presentation also, page number 39. It is there. So if you see the presentation also, last year, we had 22 journeys. This year, we are having 29 journeys. And, in liability side, there are 5 journeys which are digital.

If you remove them, then 24 journeys are there in Agriculture, Retail, and MSME. So in Agriculture, we have 6 journeys which are digital. In Retail, there are 10 journeys which are digital.

In MSME, there are eight journeys which are digital. All these kinds of automation are helping us in the Bank in not only operational efficiency, but also reducing the cost and freeing the staff at the branch level from all these kind of mundane works which used to happen and which is now being taken care by the digital platforms which are there and branches are now focusing more on, number one, marketing for liability and loan products. And number two, on the collection efficiency for recovering installment and other kinds of things. So we are very clear that the automation, whatever we are doing, leads to finally operational efficiency in the Bank and finally more income to the Bank. And one more data point that I would like to give you over here is with respect to our digital, that we have started earning income with respect to our Transactions Banking and the debit mandates which we are taking from NBFCs and Corporates and PSUs.

Through that also in this financial year, we have already earned more than Rs.300 crores. So that is the kind of income we have started getting through the automation which we have done in the last two years. So we are very much cognizant of the fact that whatever the investment that we are making in technology for IT and digital, we get back the returns by way of business and finally the other income and the incomes which come for the P&L of the Bank. Thank you.

Moderator:

Thank you very much, Sir. Thank you very much, Ajmera ji.

Mr. Arjun, Baroda BNP Paribas MF

Arjun from Baroda BNP Paribas Mutual Fund. So I actually wanted to check on the, Advances growth and, guidance on that, but I do understand you are holding that back, But just on the corporate front, if you could share a little bit more on the pipeline that we have there, and, what is the nature of entities that are broadly looking for that, and maybe is it greenfield or brownfield or how exactly is that?

Shri Rajneesh Karnatak, MD & CEO

So as far as the corporate credit growth is concerned, so overall, global credit growth, we have already said that it will be around 12% to 13%. That is the guidance we are giving. So as regards the pipeline is concerned, we have a pipeline as on 31st March when we speak. The pipeline is at around Rs.74,000 crore, which includes not only corporate, but also RAM Advances. So RAM Advances pipeline is around Rs.12,000 crores.

And international and corporate book, it is around Rs.62,000 crore. So this Rs.74,000 crore constitutes around 11% of our total global loan book. So that is the kind of pipeline that we are having. And we are very confident. This year, we have grown at around 9.50% on a YOY basis in the corporate book.

So in this financial year also, we are, very much confident that we'll be able to grow in a double digit as far as the corporate book is concerned. So lot of sectors we are funding, we are totally agnostic to any sector. If the promoter is good and if, the entity is fine and the industry is doing fine, we are going and lending in that industry. However, I can say that there are a lot of emerging segments and sectors where we are lending, particularly with respect to data centers, with respect to warehousing, facilities, with respect to solar, PV modules, with respect to renewable energy also, and battery manufacturing also and also Electric Vehicles. So, these are the new emerging areas where we have started funding apart from the traditional industry, which is steel, textile and all those kinds of things where normal expansions, brownfield projects are coming and either we are the sole lender or we are part of the consortium or under multiple banking. So quite good traction now Bank of India is having through our Large Corporate Branches. Apart from that, one more data point is that we have already opened Emerging Corporate Branches, which are now 20 in number where, again, we are focusing on advances up to Rs.250 crores. There also, we are seeing lot of traction and proposals have started coming. And margins are also better over there. The fact is that the emerging corporates typically borrow because they are normally BBB rated. So we are lending them on MCLR rate. So the margins are better over there. Processing fee also, we are able to get better. LC BG charges are also better over there. Forex income is also better over there.

So there also, we are targeting to focus on new emerging corporate clients who get added to the Bank of India portfolio.

Mr. Arjun, Baroda BNP Paribas MF

Got it. Sir, Thank you. Well understood. Secondly, I just wanted to check. I think the MSME GNPA's have gone down from around some Rs.10,000 crore to around Rs.7,500 crore. If you could share what has been driving this improvement. Is there any regional or maybe sectoral colour to this?

Shri Rajneesh Karnatak, MD & CEO

So sectoral GNPA's in MSME, frankly speaking, it is a combination of two things. One is the advances which is growing in MSME book because the denominator is growing. Right? So we have grown our advances in the MSME book, number one.

Number two, we have been able to curtail our SMAs in this book and the delinquencies which are there. So both the things together have contributed to the lower GNPA number in the MSME book. That is, frankly, the reason why. And lot of underwriting, guardrails we have already placed in our MSME book right from sourcing of the MSME account until the underwriting which happens and, till the monitoring which happens and the collection efficiency for the term loans in MSME which happen. So we have underwriting centers, more than 150 underwriting centers in the Bank for MSME advance, which we call the SMECC's underwriting centers, where Credit Officers are now placed.

So credit underwriting has improved, number one. Number two, we are doing lot of DSA activities for MSME also through one of our subsidiaries, which is Bank of India Shareholding. We have got the RBI approval. So that marketing is happening through that, our own subsidiary.

Third is the collection efficiency. For that, we have now put Zonal Collection Centers in our 69 Zones who take care of the collection efficiencies for these MSME term loans whenever they are not getting due installments. So that also good traction we are seeing so that the delinquency does not happen. So all these things together, the ring fencing that we have done on this MSME portfolio, we are seeing a good traction, not only with respect to growth, but also on the asset quality side.

Mr. Arjun, Baroda BNP Paribas MF

So just, lastly, again, on the asset quality front, there's been recently a judgment on this Bhushan Power and Steel account. With regards to that, how do we look at this NCLT and, recoveries horizon changing? Would there be a material impact? And if so, how is the Bank placed over there?

Shri Rajneesh Karnatak, MD & CEO

So, specifically, on this account, if I could say for Bank of India, see, we had sold this account to ARC. So there is no impact of the judgment, per se on Bank of India Balance Sheet and P&L.

So that is one clarification that I would like to give, number one. Number two, with respect to the judgment which has come, all the COC lenders which are there, we are not part of that, but I am told that all the lenders together are working on it, and, they would be filing some Review Petition with the court.

Moderator:

Thank you very much. Gauri, can you just put in through Mr. Aditya Vikram? He has joined virtually.

Mr. Aditya Vikram

Sir thank you for taking my question, Sir. The first part of the question is that sequentially, the credit cost has increased this particular quarter. Can you through give some colour as to why that has happened? Is this seasonal in nature?

Shri Rajneesh Karnatak, MD & CEO

Yes. Credit cost, if you see the year on year basis, our credit cost was 0.78% in March '24, it has come down to 0.76% in March '25, it has come down by two basis points. However, I agree that the credit cost has gone up on a quarterly basis, sequential quarter basis, and it was 0.84%. But overall, the credit cost has come down, to 0.76% as on March '25.

Mr. Aditya Vikram

So but this has nothing to do with any seasonal stuff. Right? It has no seasonality attached to it.

Shri Rajneesh Karnatak, MD & CEO

No. It is not linked to any seasonality attached to it because that was a normal provisioning in the NPA accounts which has happened.

And in this slippage also, our slippage ratio is also at 1.36%. That includes one lumpy, PSU account, which had happened in this financial year in Q2 of this Financial Year. Had it not been there, both the credit cost and the slippage ratios would have been much, much better.

Moderator:

Next in line, virtually, is, Mr. Nitin S, Dharmawat. He's got a volley of questions. Nitin, I'll request you to restrict yourselves to only two questions, please.

Mr. Nitin Dharmawat, Aurum Capital:

Thank you for the opportunity. Thank you, Congratulations for an excellent set of numbers. My first question is, can you give a guidance? You said that you would like to give guidance only on the top line, but just wanted to understand, on Return on Assets, where do you see next year, because it still remains, below 1%. So that's my first question.

Shri Rajneesh Karnatak, MD & CEO

So Return on Assets, if you see our numbers, our ROA was 0.70% in March '24, which has now improved to 0.90%. Right? And, as far as the quarterly numbers on ROA is concerned, we have touched the number of 0.98% in March '25 on the ROA side.

So we wanted to touch 1%. We narrowly missed that number, but, nonetheless, we are well in target to that. And if you see sequentially, our ROA, it has been improving in the last four quarters. And, in December, it was 0.96%, now touching at 0.98%. Definitely, within the Top Management side, we are targeting that we should touch the ROA of 1% as soon as possible and sustain it at that number in the ensuing quarters.

Mr. Nitin Dharmawat, Aurum Capital:

Perfect, Sir. My next question is, Sir, Bank of India's name appeared in MTNL default list. So can you please clarify if we have done the complete provisioning for this or not? And what are the chances of recovery over here? Because last time, we discussed about it, and we mentioned that, there is a possibility that this will not go into a default list. But, nonetheless, it has gone. So what are the chances of recovery over there?

Shri Rajneesh Karnatak, MD & CEO

For this account, MTNL, we have already marked NPA in this account like all other lenders in the system. And, as regards, the resolution is concerned, yes, a lot of senior level talks are going on with respect to this account on resolution of the asset.

And we are expecting that in this financial year, FY26, some resolution in MTNL will come. And as regards the provision, we have made adequate provision as per the RBI IRAC norms, for the asset.

Mr. Nitin Dharmawat, Aurum Capital:

My next question is about CASA percentage. It has gone down to 40% now. So what is the trajectory you see, over here?

Shri Rajneesh Karnatak, MD & CEO

As regards CASA is concerned, you have rightly observed that it has gone down to 40%, and we were at 43% in March '24. As you are aware that there is lot of pressure on the resources and even more pressure on the CASA numbers. Nonetheless, we have been able to increase our CASA by nearly Rs.10,000 crores on YoY basis. And

as regards, from the Top Management side, I can only say that, we are very cognizant of the fact that we need to have a healthy CASA number, and we would like to protect our CASA percentage at around 40% in FY26 also.

And if you see our breakup slide on the domestic deposit, our bulk deposit is only 13.82%, which is less than 14%, which means that 86% of our domestic deposits, is either CASA or retail term deposits. So we would like to continue to maintain this number in this financial year also so that, we are able to get deposits at a lower rate and reduce the cost of deposit, thus protect our net interest income and net interest margins in FY '26.

Mr. Nitin Dharmawat, Aurum Capital:

Sir, my final question is about the corporate loan growth which continues to be lower. You mentioned about, new sectors where we are lending now.

So, any specific reason why it is lower? Do we see risk of NPAs and, that is why we are not growing in that sector aggressively or there is general slowdown or lower requirements of funds by the corporates? Can you elaborate that?

Shri Rajneesh Karnatak, MD & CEO

If you can see our credit number in slide No.8, you have rightly observed that the growth is on a lower side when compared to RAM advances. Retail, Agriculture and MSME, which are growing in double digit, and this one is growing at around single digit at around 9.60%.

We are very consciously trying to pace our corporate advances for the simple reason that all AAA and AA rated advances are asking for EBLR rates, which are external benchmark, where the yields are very less. And we want to build portfolio under MCLR kind of lending in corporate book where the yields are better and margins are better. So it's a conscious decision from us not to build that book to a large extent, in so that we protect our margins because AAA and AA rated corporates are getting very fine rates and that too at the EBLR linked rates.

Moderator:

Thank you, Nitin. Can we have next speaker?

Mr.Ashlesh, Kotak Securities

First question is, Sir, on the margin side, your yield on loans reported number has declined by some 28 basis points QoQ. Can you explain what is the reason? Because we have not seen such a sharp decline in any of the PSBs.

Shri Rajneesh Karnatak, MD & CEO

Yield on Advances. See, Yield on Advances, if you see on a YoY basis, they have improved. See, in FY '24, our yield on advances were 8.38%. It has improved to 8.46% in March '25. So it has improved by nearly, I would say around eight basis points. But you are right that, if you see on the quarter basis, sequentially, it has come down from 8.55% in December 24 to 8.27% in March '25. The simple reason for that is, again, because of the fact that, from February onwards, the Repo rate cut happened. You are aware.

And in this Q4 itself, immediately after the Repo cut, our book, which is nearly 50% of our book, which is external benchmark against the Repo, immediately on the next day, the 25 basis cut came, for our book. So two months, there the interest income went down by 25 basis points straight away. So that is a simple reason why the yield on advances came down in Q4. However, in overall during the year, we were able to protect it, and, we were able to be at around 8.46%. Another data point that I would like to give you over here is our weighted average lending rate, for the whole year, was 9.74%.

And our weighted average term deposit rate, the term deposit that we have taken during the year was at 7.09%. So if you see the difference between the two, the difference is around 2.65%. So that's a healthy difference we are trying to maintain, and this does not include CASA cost of deposit. This is only term deposit weighted average cost. So there again, as I said that by taking more of retail term deposits, we are trying to maintain, the cost of deposit at a lower side so that we are able to protect our margins, the net interest income, and the NIM in the ensuing quarters.

Mr.Ashlesh, Kotak Securities

So to follow-up on the yield question, even if we account for this 25 basis points rate cut on 50% of the loan book, that can only explain about eight, nine basis points of decline. But the decline which you have reported is some 28 basis points. So, it seems like there might be a few other, variables also.

Shri Rajneesh Karnatak, MD & CEO

The variables in the sense that, see, 55% of the book is the EBLR. Right? So the outstanding that percentage we are seeing, this is the outstanding as on 31st March 2025, the chart we have prepared. But majority of the period, the outstanding loans were there in the external book only and not in the MCLR book. So MCLR book, in this quarter we had in the Q4 of this financial year, we had been able to grow in the month of March only where the interest income accrued. So majority of the interest income

in the loan book was coming from the external bench mark rates only where the cut happened, actually.

Mr. Ashlesh, Kotak Securities

Secondly, can you just explain again the accounting of the SR revaluation which you have done? You said 50% - 50%. But why would the entire revaluation not go under Treasury entirely? Just explain that.

Shri Rajneesh Karnatak, MD & CEO

Mr. Kumar, would you be able to explain this one? Why we have taken 50:50 while accounting SR revaluation?

Shri B. Kumar, General Manager & CFO

Sir, we will take it on a one to one basis.

Mr. Ashlesh, Kotak Securities

Lastly, can you elaborate on the status of a few of the State Government accounts which were under SMA last quarter? I believe they are from, Telangana.

Shri Rajneesh Karnatak, MD & CEO

If you see our SMA slide again, those SMA accounts are still there of that State Government. There are four accounts in that, which are there. The slide number is 24. So here, if you see, the number is, Rs.4,599 crores. Our, corporate SMA, which is there, which constitute four State Government accounts. And, either they are in SMA-1 or SMA-0. None of them is SMA-2 also as on 31st March 2025, and we are very confident that they would not slip. And this is the assurance which have been given to us by the Corporations. Number two, all of them are secured loans. And another additional point is that all the four accounts which are there of that State Government, they are all State Government guaranteed. So, we do not foresee any delinquency coming in those accounts, though they are having some cash flows issues and they are under SMA. But, we don't foresee any delinquencies coming there.

Moderator:

I'll ask one question, which has come from one analyst from UTI MF. Sir. He has congratulated you for the good results. His question is that the Bank has booked Rs.1,800 crore plus from sale of securities. What is the estimate for current year, and what is the plan to protect portfolio yield?

Shri Subrat Kumar, Executive Director

So, basically, this Treasury profit is dependent on the market conditions, which it was at, during that point of time. Yes, our endeavour will be to take advantage of the market and book the profit. I think, it's very difficult to give any guidance on the Treasury profit, because it is totally dependent on market conditions.

Mr. Sushil Choksey

Congratulations to Team Bank of India for a very stable numbers. So I understand you may not give any guidance on various parameters like ROA, etc. ROA, it's done fine. When country stabilizes and the market stabilizes.

Now all the challenges which you've taken on in the last twelve, twenty four months by rolling out products, technology, adoption of new practices, needs lot of challenges by human resources concerned. Now, what have we done in the Bank that emerges as a winner to adopt all the new technologies and new products that they show the profitability path and the gains fructified from all the initiatives.

Shri Rajneesh Karnatak, MD & CEO

So we have done lot of things as far as the PPT is concerned with respect to the process, people and the technology. So a lot of enablement and enablers have been done within the Bank with respect of lot of processes. Where we have lot of processes, we have streamlined them to make it business easy, not only for the customers, but also for doing the business at the branch level for the staff also. That is the first part. Second part is with respect to the people, we have done lot of reskilling and upskilling of the staff, given them lot of trainings and other kinds of things. And we have also tried to now post them at the right person at the right place so that the entire productivity we are able to capture as far as the business is concerned from the people side of it. Technology, as I already said that we have invested lot of money in technology from the last two, three years.

Nearly Rs.2,000 crore, we are investing every year. And out of which, we are spending nearly 80% to 85% of that technology part. So it is going not only for IT hardware and software, but also going for digital and also going for the cybersecurity part or even giving cyber protection and other kinds of protection to the customers in case they are our liability partners also. So that is one part. Other thing is that, now that we have established all that thing, so the three segmentation of our verticals, whether it is the business vertical, the support vertical, and control vertical, we have all made them business centers.

That is another thing which has been done. To just give you example, our Audit Department, which takes care of the audit of the branches, they have now also been given a task of finding the revenue leakage at the branch levels. Small, small charges, which are not debited in the loan accounts, and other kinds of things. So this year, we have been able to recover nearly Rs.200 crores through our audit department through revenue leakages, which happen in normal course of business. So this kind of Rs.200 crore has directly gone into the P&L of the Bank.

So this is another thing. And how we did that was, say, very simple that we gave more staff to the Audit Department. They had more resources available with them so that they had more manpower available with them when they were doing audit in the branches. So they were able to find those kinds of things. Another small thing on the technology part, just for example, I would put through transaction banking and direct debits mandates, which we are taking from the corporates and also from NBFCs for their collection. So there also, we have started getting charges for collections. This year, we have been able to earn nearly Rs.300 crores from such kind of activity. So this is another kind of income we have built up for the Bank, and we want to scale it up now in this financial year in FY26. So with all these kinds of things and as I said that all the business verticals, support and control verticals being in a way business centers for us. So everyone is now contributing either by way of profitability through income or by way of reducing the cost through controllable cost.

So both the sides it's happening, which is helping us improve not only the interest income, but also the other income. And on the third side, the third dimension being the controlling the cost also, which is overall helping us improve the profitability of the Bank, which you see in this Balance Sheet, we have been able to give operational profit, which is on a YoY basis. It has jumped by 17%, which is a very healthy number in this market. And net profit, we are touching Rs.9,000 crore of figure with a jump of YoY nearly 45%.

Mr. Sushil Choksey

All your answers are well accepted. Entire plan which you have rolled out is supporting your operational numbers. Now the balance sheet may grow, profit will grow. The human resource incentive, whether it's Top Management or the executives and the lower. If they work in tandem, it may grow at a higher number. Correct. So what is that aspirational side where the Bank is concerned?

Shri Rajneesh Karnatak, MD & CEO

Correct. We have a very structured PLI scheme in the system being a Public Sector Bank, which is a Performant Linked Incentive. So there are now two PLI schemes going on in the system, which is PLI-1 and PLI-2. Under PLI-1, it is for staff, which is

Classification: **Public**

up to Scale 3. That is based on the operational profit and up to 15 days of salary they get. So this year, we have got, 17% of operational profit, which means that 15 days of the salary, they will get as a PLI up to Scale 3 staff. Means Officers up to Scale 3, clerical staff, and the sub staff, which is there. So that they will be getting. We have provided that number in this balance sheet.

The other part is that DFS has already come out with a PLI-2 scheme, which is for Scale 4 and above up to the level of MD & CEO. Scale 4 and up to MD are mapped under that same structure, same scheme. There also, once the numbers are approved and everything is finalized by the DFS, that PLI will also be getting. So both the things together, we have already provided for in the balance sheet. In the P & L, you can see in the staff expenses because of which it has risen also.

So that kind of provision already we have taken and that kind of incentive will be coming to the staff. As you said that we should take care of the staff, that we have already provided.

Mr. Sushil Choksey

Sir, in view of the global trade related situation earlier. Then April has been a smart recovery where stock market was concerned. Now we are coming up with a new internal issues where India is concerned. This may end towards smart CASA balances emerging in May with the stress, which is visible, what is gonna happen whether it's a 24 hour event or a 2 week event, we are not aware. This may lead to a lot of CASA. Because people may stop consumption for some time. How we will take some initiatives where we garner higher CASA numbers or deposits to get a better market share.

Shri Rajneesh Karnatak, MD & CEO

See, in the COVID time also, when the COVID struck, everyone thought, even the bankers thought, where we will get the deposit and how we will get the deposit because COVID is there, lockdown is there. In fact, it worked to the contrary. The CASA balances, of the banking system just shot up in FY21 and the early part of FY22 in one or two quarters because of the fact that everyone started keeping their money in Saving and Current account for any kind of emergency and the CASA shot up in the system. So similarly, in this kind of situation, war like situation, everyone will keep their balances with Banks.

And as you rightly said, the CASA will shoot up. We have done lot of enablers within the system. Now, if I can tell you that, now we have additional one more GM in our Resources Department. So now in our Resources Department, which is the liability

department, is headed by a CGM, and now we have three General Managers sitting over there. One GM is taking care of the entire CASA piece.

One General Manager is taking care of the entire Government business, which includes the Central Government, State Government, and the PSU business, with respect to CASA, and term deposits and also the salary accounts which have to be done. And the third General Manager in the resource department is our CEBB department, which is the Customer Excellence and Branch Banking. So there, we are taking care of the customer service at the branch level and how better service can be given to the customers, particularly to the Saving and Current account holders. So if we are able to take care of this piece, where we are able to give better customer service and we become a differentiator among all other banks in giving better customer service and personalized customer service. There is no reason why the CASA balances of our Bank will not improve.

Mr. Sushil Choksey

Having known Bank of India presence well accepted in the trade community in the Western States led by Mumbai, the touch point was very high. Then we went down for various reasons - ten, twelve years back. We are showing a sign of recovery. Bank of India Stock Exchange Branch was very popular in early days. Cross selling was very well accepted for various things. In those time products were not existing.

But now today's world, every customer looking for cross sell. Correct. They want facilities, and they want support. Somebody may Bank with HDFC, but Bank of India is forgotten for various aspects. How are we emerging from those areas which Bank of India used to champion about?

Shri Rajneesh Karnatak, MD & CEO

So as you rightly said, we have been doing lot of activities as far as the product per customer is concerned. So we are very much at the Top Management side, whichever is, our GM, CGM's, whole time directors who are sitting in this room. We are very clear that we need to improve product per customer. That we are very clear. So our product per customer, if I share with you the number, it has increased by 46 basis point in the last two years. Through sale of various kinds of products that we are doing, not only through the physical banking which is happening, but also through the digital banking of mobile and Internet banking.

And now that we have our own Subsidiaries with respect to Mutual Fund and also SUD Life, which is selling insurance products. So lot of new traction is happening, and our Marketing Officers at each of the Zonal Office and the FGM Office are now clearly focused, and RMs are also there. And we are selling lot of products whether it is the

demat account, whether it is Mutual Fund, whether it is the NPS scheme, all kinds of products we are selling to our customers, and the product per customer has now started increasing. And with this engagement with the customer, we are now clearly able to see there are more balances in the saving accounts. And already, as I was telling earlier in the Press Meet also that we have identified 1,000 branches as HNI branches and also designated RMs to them. HNI customer, as a customer which has an average quarterly balance of 5 lakhs and we have given RM to them. So that kind of thing is there. So all these things are combining together and helping us improve our CASA balances, and it has grown last year, as I said, by nearly Rs.10,000 crore on a YoY basis at a time which was very challenging for the entire banking industry. If you see numbers of some of the Bank, the CASA is in fact has degrown in some of the Banks in absolute numbers. But for us, we have grown our CASA by nearly Rs.10,000 crore on a YoY basis.

Mr. Sushil Choksey

I wish that your Rs.10,000 crore is at least Rs.25,000 crore this year. And I hope all your initiatives support. But one recommendation that rather than only focusing for income from Bank of India led entity products, if all other products are sold, the customer may not Bank at two, three places and may bank with Bank of India. Correct. Thank you for answering all my questions, and good luck for the year.

Moderator:

Thank you very much, Sir. There are good number of questions coming up on WhatsApp, but most of them are answered by you at one point or the other, so I'm not taking it. Gauri and team to let them know that those are answered.

Only two questions. One, by Mr.Vinay, an independent analyst. SMA one bucket for corporate loan is Rs. 3,357 crore. Has this been recovered since then? Has anything moved to NPA as of now?

Shri Rajneesh Karnatak, MD & CEO

As regards the SMA numbers as concerned, in the Corporate SMA book, it is Rs.4599 crores total number. Out of which, in the SMA-1 book, it is Rs.3,357 crore, and it constitutes, the, four accounts which are of state PSUs only. None of them has, become NPA, and as on date when we speak, they continue to be in the SMA category at SMA-0 or SMA-1.

Moderator

Thank you, Sir. Another one coming up from Mr. Jay.

He's also an independent analyst. His question is that there seems some mismatch on specific provisions. Is there any contingent or non specific provisions in Rs. 13.47 bn? Yields on advance, why such sharp dip of 28 basis points quarter on quarter? And, third is riskiness of corporate SMA-0, 1, 2 book.

Shri Rajneesh Karnatak, MD & CEO

On the SMA book, if I can continue with that, as I said in my earlier question also, while answering the question, all these SMA numbers of this State PSU are all secured advances, number one. And number two, all of them are covered through a State Government guarantee. And as I clarified earlier, none of them we foresee in this financial year to be slipping or become delinquent. That is as far as the SMA number is concerned. As regards the number on the Yield on advances side, why such a sharp dip of 28 bps? That has already been responded, by me.

Moderator

And, mismatch on specific provisions. Is there any contingent or nonspecific provisions.

Shri Rajneesh Karnatak, MD & CEO

For this, we will be responding to that separately on a one to one basis.

Moderator

Alright, Sir. If Mr., Bhavik Shah and Ashok Shah are there, we'll take them. Otherwise, one last question from the Analyst if anybody else is, there. Ajmera ji, do you want to say something?

Mr. Ashok Ajmera

Sir, just, again on the composition of, corporate and retail. We have come from 55.36% in 31st March 2024 to now 57.26% in Retail. So combination now is 58 : 42, as against 45 : 55. So going forward because we are one Bank which is still having a good corporate, presence. So and looking at the scenario when there is so much of competition, everybody is running for RAM for Retail and there are lot of competition. Are we open to look at increasing our Corporate book, you said it will be touching 10% or double digit. But, really, by focusing without thinking of the percentage, like, even goes up. Are we open for that to increase our corporate book with, of course, good rated accounts and this thing, or we are just close to bring it to 40 : 60 or 35 : 65 like others?

Shri Rajneesh Karnatak, MD & CEO

No. This ratio is just a benchmark number. So internally, we have kept that, RAM should be at around 58%, and, the corporate should be at around 42%. But we are totally open while we are doing corporate advances. If the yields are good, corporate is good, and we are able to get good profit out of that account and good income out of that account, we are totally open to funding that corporate. We have no issues with that. So when we are saying that we'll have a credit growth of a global credit growth of around 12% to 13% in this Financial Year, obviously, we have to grow credit. So we have to even take care of the repayments which will be happening in this financial year. So if you see our book, nearly 45% of our books are term loan also, in which there will be repayments. So, when the repayments are there, we not only have to take care of the incremental growth in credit, but also the payments which will come in the term loans. So, we are totally open to corporates wherever the opportunity is there, where margins are good. We'll be funding the corporates.

Mr. Ashok Ajmera

Why I am more specific about it is that because of the change of the definition of MSME. Many of the corporates have come down into some Mid corporates in the MSME, which go in your other than corporate percentage. So more efforts are required there to recoup even that loss of I mean, not loss of business, but going to the other category.

Shri Rajneesh Karnatak, MD & CEO

Yes. We are totally open to the building of that corporate book. You can, get that thing. Already we have opened 20 Emerging Corporate Credit Branches. That is for that specific reason only we have started those branches to have a portfolio in Bank of India with respect to Mid Corporate or Emerging Corporate customers who can be future corporates. So there we clearly see that there are good margins for the Bank, and we can go for sole banking and earn the entire income for ourselves by having their promoters' Saving accounts, CASA accounts, and even the employees' accounts, everything. So lot of opportunities of third party selling and cross selling is available with such kind of emerging corporates, and it is definitely part of our strategy.

Mr. Ashok Ajmera

And just last, sort of a point of information that based on its Supreme Court recent judgment on Bushan Steel. I mean, what is our status and, what is our quantum which we had recovered? And what are your views on that going forward?

Shri Rajneesh Karnatak, MD & CEO

I have already answered this question. See, in Bhushan Steel, we had the exposure in this account, and Bank of India had sold this account to ARC. So we are not at all impacted by this judgment because it's already sold, with no recourse basis. So we have nothing to say on this. But what I understand from the industry and the system is that, banks would be, who are under COC, meeting will be held shortly. Whoever is this COC members, and they may be going for some petition.

Moderator:

Sir, one last question from the virtual world also. It is from SBI Mutual Fund. The name is not being displayed. The question, first of all, he has congratulated you on the good set of numbers. And, the question is that, is the Bank having an offshore branch in GIFT City? What is Bank's plan for relative growth of GIFT City branch vis a vis other overseas branches? And how active is Bank in terms of non-deliverable products permitted by RBI to Entities operating in offshore locations?

Shri Rajneesh Karnatak, MD & CEO

We are very much having a GIFT city IBU branch. And if you see our presentation on page number 41, our IBU branch is having an advance composition of nearly 8% of our global advance book. So it's a very significant number, and it is the fourth largest branch for us in the international operations.

So lot of advances we are giving mostly to the Indian corporates through our IBU GIFT City branch. And a lot of other cross functional products also we are now looking at, from our IBU GIFT City branch, which ISKA is now approving for either for insurance or for mutual fund and other kind of things. So a lot of traction, we are having for our IBU GIFT City branch.

Moderator:

Thank you very much, Sir. Due to time constraint, we are not able to take further questions either from the virtual world or from here. I think nobody is here. Thank you very much, gentlemen, for, joining us this evening and for this enlightening session. Refreshments are outside, kindly join. The Press Release will be shared to you shortly by our Adfactor team. Thank you all. Thank you very much, and good day.