Operator: Good evening, everyone, and welcome to the analysts' meet to announce Bank Of Baroda's financial results for the quarter ended September 30, 2026. Thank you all for joining us. We have with us today our MD and CEO, Dr. Debadatta Chand, and we are also joined by the bank's executive directors and our CFO. We will start with introductions, followed by a short PPT, followed by Chand sir's opening comments, and then we will move on to the Q&A session. Chand sir, I would request you to please continue.

Debadatta Chand – MD & CEO: Thank you, Firoza. Again, good evening to all my analyst friends who have joined the call today. Thank you very much for joining the call regarding the bank's financial results for the September quarter.

Let me introduce the management team. I am D. Chand, MD and CEO, Bank Of Baroda. With me, we have Mr. Lalit Tyagi, who is the Executive Director. He looks after corporate credit, international banking, and treasury. We also have Mr. Sanjay Mudaliar, who is the Executive Director. He looks after IT, retail assets, and a couple of other functions of the bank. We have Mr. Lal Singh, Executive Director. He looks after recovery, the HR vertical, and the MSME and agriculture verticals of the bank. We also have Madam Beena Vaheed. She looks after most of the compliance control functions, including the finance function, the CFO desk, and the retail liability business of the bank. As you know, we have the CFO, Mr. I.V.L. Sridhar, with us.

I would hand it over to Mr. Sridhar for a short PPT, and then I will come back with my comments on the results. Mr. Sridhar?

I.V.L. Sridhar – CFO: Thank you, sir. Good evening, everyone. It is my privilege to present before you the financial highlights of Bank Of Baroda for the quarter and half year ended September 30, 2026.

As at the end of Q2 FY2027, the bank's global business has crossed a milestone of 32 lakh crore and stands at 32.58 lakh crore, registering year-on-year growth of 17.2%. Our global advances have grown by 18.3%, with domestic advances growing by 13.5% and international advances by 39.7%. Within the advances book, the bank has continued to focus on RAM advances. Our organic retail book grew by 18.6%, agriculture loans by 19%, and organic MSME by 21.3%. Corporate loans have grown by 6.3% year-on-year. Within the retail segment, we have seen smart growth across the portfolio, with auto loans growing by 27.8% year-on-year, mortgage loans by 20.3%, home loans by 14.6%, education loans by 9.9%, and personal loans by 6.8%.

In terms of deposit growth, our total deposits have grown by 16.4% year-on-year, with international deposits growing by 14.9% year-on-year and domestic deposits by 16.6%. Domestic CASA deposits have grown by 10.4%, and term deposits have registered growth of 20.5% year-on-year. As of September 30, 2026, the bank's domestic credit-deposit ratio has reduced by 323 bps and stands at 80.08%. The bank's domestic CASA ratio stands at 36.37%.

With regard to our profitability metrics, our operating profit for the quarter stands at 11,430 crores, registering year-on-year growth of 50.9%. This is the highest-ever operating profit posted by the bank. Our net profit for the quarter grew by 38.8% year-on-year and stands at 6,532 crore. Again, this is the highest-ever quarterly profit posted by the bank. Return on assets stands at 1.26%,

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improving by 19 bps year-on-year. Return on equity stands at 19.28% for Q2 FY2027, increasing by 363 bps year-on-year.

With regard to our profitability metrics for the half year, our operating profit for the quarter stands at 19,557 crore, registering growth of 23.7% year-on-year. Our net profit stands at 7,810 crore. Return on assets stands at 75 bps for the half year. Return on equity stands at 11.63% for the half year.

With regard to the key ratios, our yield on advances increased by 4 bps sequentially and stands at 7.41% for the quarter. It stands at 7.39% for the half year. The bank's cost of deposits for the quarter stands at 4.71%, and the same is at 4.68% for the half year. Our net interest margin stands at 2.74% for the quarter and 2.76% for the half year.

In terms of asset quality, the asset quality of the bank continues to remain robust. Our GNPA ratio has improved by 38 bps year-on-year and stands at 1.78%. Our net NPA ratio has also reduced by 20 bps and stands at 0.37%. The bank's balance sheet continues to be robust, with a healthy provision coverage ratio. PCR with TWO, that is, technical write-off, improved by 144 bps year-on-year to 94.65%. Our slippage ratio for Q2 2027 has reduced by 22 bps and stands at 0.69%. It has also reduced by 23 bps year-on-year for the half year and stands at 0.67%. The bank has made prudent provisioning to strengthen the balance sheet. Therefore, the credit cost for Q2 stands at 55 bps. The credit cost for the half year stands at 42 bps. Credit cost without prudential provisioning for the quarter would have been 18 bps.

Then, coming to our SMA and collection efficiency, our CRILC SMA 1 and 2 as a percentage of our standard advances reduced to 6%—0.06% as of September 2026, as against 0.39% for June 2025. Our collection efficiency excluding agriculture remains robust at 99.2%.

In terms of our capital adequacy, our capital adequacy position continues to be strong, with CET1 at 14.20%, Tier 1 at 14.70%, and CRAR at 16.61%. Our quarterly average LCR remains healthy at approximately 133.6%.

Over to you, Firoza.

Operator: Thank you, sir. Chand sir, I would request you to make your opening remarks, please.

Debadatta Chand – MD & CEO: Once again, thanks to all my analyst friends. I would like to give a couple of qualitative statements here. You would have seen the growth, which is one of the strongest in many years. Possibly, we would have seen similar growth somewhere in 2023; otherwise, the growth has been one of the strongest.

This growth has obviously been supported by the FCNR(B) window, which received a huge boost because of FCNR(B). Let me give you some data excluding FCNR(B), because that is a number you will be interested to know. The global business, which is at 32.58 lakh crore, excluding FCNR(B) on both the liability and asset sides, is at 31.20 lakh crore, which is still on a scale that gives growth of 12.3%, excluding FCNR(B) on both the asset and liability sides.

Similarly, if I exclude the FCNR(B) impact on both deposits and advances, global deposit growth was still at 11.2%, and global advances growth was at 13.5%, which was clearly in line with the

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guidance that we had given earlier. As we said, we have raised almost USD 8.08 billion through FCNR(B). Rather prudently, we have not used the liquidity generated from FCNR(B) for an immediate reduction in call deposits or any other form of deposit. Rather, we have prudently parked this deposit. I would use the term “stored deposit” to describe it, to take care of future liquidity requirements for both the busy season and the December and March quarters.

CASA is again one of the strong points. We have been growing in both quarters now; in June and September, growth has been more than 10%. I have been emphasizing for a long time that we should have a high focus on the CASA percentage, and you would have seen the CASA this time at 37.37%, precisely because we have raised a significant FCNR(B) deposit, which has gone into term deposits. So, even though 37.37% is an absolutely good number in the market, if you exclude FCNR(B), it would be in excess of 38.36%. Our focus on CASA will continue. By articulating this number, I want to again emphasize that our focus on CASA will continue in terms of service delivery, product bundling, and multiple other service delivery points, so that CASA remains one of the strong points as far as the bank is concerned.

NII growth, as you would have seen, has been positive at 9%, and 9.2% for the half year. This is something I am trying to give you as a glide path, saying that when you look at the margin of 2.74% for this quarter and 2.76%, since the repo rate was increased with effect from October 5, already 38% of the book, which is repo-linked, has seen an increase in interest income. We have also significantly repriced the non-MCLR book in the corporate segment in the recent past, particularly in the September quarter. The full benefit of that is going to be felt in the December quarter. The cost of deposits may have increased slightly, but because of the prevailing liquidity scenario, it is still contained. In that scenario, we are hopeful of achieving the higher band of the margin guidance of 2.75% to 2.95% going forward.

Regarding profit, Mr. Sridhar has told you that there is positive growth in NII. The operating profit of 11,430 crore is one of the highest ever in the bank. On the profit side, there is also a one-off impact from the NSE sale. The NSE sale generated a cash profit of 1,349 crore. At the same time, there is a valuation gain. If you exclude the entire impact of NSE from profitability, operating profit is still strong at 7,749 crore. In that way, if you look at the net profit, again, 6,652 crore, 532 crore, this is after, as Mr. Sridhar said, prudential provisioning that we have made in the balance sheet to buffer it against the future impact of ECL and similar other impacts.

We have taken roughly 1,300 crore of provisioning on NPAs and standard assets. These are need-based, specific prudential provisions, plus we have taken roughly 3,000 crore of contingency provisioning, typically to take care of fluctuations in bond prices and equity prices in the investment book. I think 2,500 crore is already floating provision that we are holding in the books. This is our effort to strengthen the balance sheet, both in terms of the availability of provisions and ensuring that the bank is in a position to absorb any future impact of ECL or any other impact.

Asset quality continued to be very strong. If you look at all the numbers, I am not going to discuss all of them, but this includes the slippage ratio, credit cost excluding prudential provisioning at 0.18, CRILC data, CRILC SMA 1 and 2 at 0.06, and the improvement in collection efficiency. Slippages have been lower than in the last quarter, Q1, and also lower than in the same quarter last year. Recoveries have been better than in the same quarter last year and also the previous quarter.

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Therefore, asset quality continued to be pristine. However, the increase in provisions, as I said, is not because of an asset quality issue; it is because of prudential provisioning. Let us be very clear on that. Otherwise, the bank's asset quality is very strong, and this quarter also the asset quality is very strong. The increase in provisions is because of prudential provisioning.

A couple of things that I would like to highlight before I close are that bob World 2 is a new app that we have talked about earlier, and this app has multiple new features powered by AI. There is also a voice feature that is unique to mobile banking as of today. At the same time, there is a personal finance manager. I think the app has come in a totally different form and is also persona-based. In that way, this is one of the developments during the quarter that I wanted to highlight. At the same time, for cybersecurity, we have a mascot called Cyber Biru, which is also creating the right digital literacy among the customer base.

At the same time, we have also ventured into two new entities that we announced earlier: BOB Securities and Gilt Edge Limited for the PD and DCM businesses, and also the pension fund business. Let me again articulate the guidance now.

Management: The credit guidance we had given earlier was 12% to 14%; we have increased the guidance to 13% to 15%. So, as against 12% to 14%, we are now projecting 13% to 15%. Earlier, we had said that deposits would grow by 10% to 12%; we are now projecting 11% to 13%. We continue to maintain the NIM guidance of 2.75% to 2.95%, but as I articulated, I think there is an upside to the margin going forward as far as Q3 and Q4 are concerned, based on the prevailing interest rates and the asset-liability structure we have.

Credit cost continues to be less than 0.6. This quarter it is 0.55, but excluding prudential provisioning, it is at 0.18. Slippage is better than in Q1 FY27, at 0.69, but we continue to maintain guidance of 1 to 1.25.

Let me again articulate the ROA guidance. Last time, I put the ROA guidance on hold, considering that in June we had a significant dip in profitability because of the settlement issue. This quarter, ROA is 1.26. For the next three quarters, Q2, Q3, and Q4, we expect ROA to be more than 1. On a full-year basis, because we had a lower ROA in June, we are still hopeful of achieving an ROA close to 1. As we go forward, we will articulate more on ROA. However, for Q2, Q3, and Q4, based on the current profitability metrics, I think ROA will be above 1. ROE continues to be strong; although we are at 19.28%, the guidance is 15% to 16%.

With this, I conclude my initial remarks. We are now open for questions and answers.

Operator: Thank you, sir. If you have a question, please raise your hand, and we will come to you. You may also type your question in the Q&A box. In the interest of time, I would request you to limit your questions to two, and we will come back to you if there is more time.

The first question is from Mr. Ashok Ajmera.

Ashok Ajmera: Thank you for giving me the opportunity. Congratulations, {? Chand ?}, and congratulations to the entire management of Bank Of Baroda for the fantastic quarter. These are very good numbers. Prima facie, on the record, even if you take FCNR(B), even if you take the NSE

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profit, whatever you say, the profit that appears on paper is credible. Operating profit of 11,430 crores is one of the highest. Total business has also reached 32.57 lakh crores. We are the first public sector bank after State Bank of India in terms of scale, and the gap between the next bank and our bank has increased substantially.

Barring that last quarter, when you had to take that one-time provisioning hit, the results for the entire quarter and the half year are fantastic. Congratulations for the same.

Having said that, I have a few observations, some clarifications, and some elaborations on points that you covered in your initial address. First, it is very good to know that you increased your credit growth target to 13% to 15%. If I take 15% growth for the whole of FY27, credit growth should be 2,14,000 crores.

Out of that, what we have done is that because the first quarter was somewhat negative in terms of credit growth, we achieved growth of 82,000 crore. Therefore, in order to achieve this target at the higher end, you need to achieve credit growth of 1,30,000 crores in the remaining six-month period.

So, first, how prepared are we for that? If we achieve this 15% growth, what is the pipeline and sanctioned pipeline, and from where do you see this business coming? How comfortable are you regarding credit adequacy in achieving these numbers?

A similar point applies to deposits also. Because of the lag in the first quarter, we have achieved only 96,000 crore. Therefore, substantial work will also be required on the deposit side to reach this target of 13%. If you could elaborate on that, looking at the numbers you have given.

Regarding NSE, I believe that the total profit from NSE, including the revaluation and the profit, is around 3,680 crore altogether. You said that operating profit otherwise would have been 7,750 crore. Is it correct that we received 3,680 crore either through revaluation or through profit booked from the NSE transaction, because of the listing of the National Stock Exchange? These are my observations and clarifications, sir.

Management: First of all, thank you so much, Mr. Ajmera, for complimenting the bank, its growth, its consistent business model, and its performance excluding the last quarter, as you already said. Thank you so much for that.

On credit growth, as you said, 1,30,000 is the kind of incremental credit that we need to achieve. You would have seen the numbers for both Q3 and Q4 of last year; they were almost similar numbers. In terms of our ability in the RAM book, we are expecting approximately 60,000 crore of incremental growth. At the same time, the pipeline in the corporate book is already 60,000 crore. As we move into the busy season in December and March, I think this is achievable, and quite achievable.

Secondly, I used the term liquidity. The entire liquidity generated from FCNR(B) has not been utilized as of today. This is stored liquidity for us as of today. In terms of funding credit, I think there are sufficient resources, which was not the case in earlier years. Therefore, on both fronts, I think the bank is quite comfortable achieving the numbers that we are guiding and increasing the growth

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guidance.

Regarding NSE, the full impact of both the cash profit and the valuation, as you said, is roughly 3,100-odd crore, or approximately 3,200 crore. Out of 3,200 crore, 1,600 crore is prudential provisioning that we have made in this quarter to buffer the balance sheet against the future impact of ECL and similar other activities. In that way, the balance sheet is cushioned. We have not taken the full benefit. The post-tax impact of the remaining portion would have been significantly lower. In that way, both operating profit and net profit from the core operating business model continue to be strong.

As I said earlier, consistency and sustainability are what the bank has been working toward for the last many years. In that way, I think the bank is well positioned, Mr. Ajmera. The business model is consistent, asset quality continues to be strong, and that is one of the strong points that will enable the bank to achieve its targets. Thank you.

Ashok Ajmera: Sir, you touched on ECL. In the last quarter, in response to a question or in your submission, you had said that there might be a 110 bps CRR impact, and in absolute terms it could be around 12,000-odd crores. Out of that, you had a buffer of 2,500 crore from the previous quarter itself.

Now, with MTM increasing and the overall interest rate going up, and with provisions also now required to increase for ECL provisioning in the HTM book, first, have you revised those numbers? Is there any revised calculation on that? Secondly, over and above the 2,500 crore, you said that you have already made additional buffer provisioning this quarter.

However, when I look at standard advance provisioning, it has gone up to only 424 crore from negative 283 crore. Is the number you are referring to in addition to this? In the non-performing asset provision also, the figure is negative 381 crore, which is a reversal. So, 381 crore has been reversed and 424 crore is additional standard asset provisioning. Net-net, only 80-90 crore appears in the figures. Under which head has the extra provision or extra cushion been shown? What is the total quantum of the ECL requirement, as well as the provision that we hold?

Management: There are two heads here. One head relates to provisions for NPAs and bad debts. Since we have said that there is a prudential loss concept, we can make additional prudential provisioning for some specific assets on the NPA side. The 1,935 crore includes 1,300 crore of prudential provisioning on the NPA front, not standard asset provisioning.

The other 300 crore is a contingency provision. We made it under other provisions, which is the 403 number that you see. This provisioning is to take care of fluctuations in the valuation of investments, both on the bond and investment sides. Therefore, the 1,600 crore comprises 1,300 crore kept on the loan side, for NPAs, and another 300 crore as contingency provision on the investment side.

As you know, the market fluctuates, and particularly the valuation gain we received because of the particular scrip you are referring to can also move up and down. Therefore, we made a prudential contingency provision of 300 crore under other provisions.

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Ashok Ajmera: Okay, sir. Point well taken. On the technology front, and especially with regard to what is happening on the cybersecurity and digital banking sides, a lot of things are happening. Recently, another bank was affected in relation to Reserve Bank credit and transactions with them. Similarly, many new provisions are being introduced. The DPDP is also now to be implemented.

Overall, on the technology front, and considering the earlier bob incident, how prepared are we now to deal with all these future eventualities and contingencies? What is our preparedness for all such matters? How are we placed on the digital and technology fronts? What kind of budgets do we have, and what new journeys are we introducing? Are the systems in place to deal with these eventualities and risks, sir?

Management: You are right. One area that has received the attention of both management and the board is cybersecurity, particularly since the small incident that happened with us. We are looking not only at what is happening across the industry in India but also at what is happening outside India.

In terms of investment, following the incident that happened with us, we significantly strengthened the security architecture, the entire cybersecurity mechanism, systems, oversight, control, and governance. We have strengthened everything. It was almost a wake-up call for us to completely revamp everything that we had done until then.

Similarly, regarding the issue you are referring to, as of today we have almost 10% of operating profit earmarked for IT, and we have told the IT department that it can go up to 15%. In that way, we are hiring significantly for IT resources. You would have seen multiple newspaper reports regarding Bank Of Baroda hiring for IT.

We have done everything within our capabilities, and we are also discussing with large global technology companies how to strengthen this further. Having said that, the issue you are discussing is a burning issue that is affecting not only India but also the entire world. Therefore, we need to remain alert at all times. We are literally on edge in terms of how to manage the situation. However, I assure you that we are taking every possible measure within our capabilities to manage the current cybersecurity threat. Mr. Mudaliar, would you like to comment on anything specific regarding cybersecurity?

Mr. Mudaliar: Thank you, sir. You have mentioned almost everything. We have our preparedness in order. We have initiated a number of steps following the incident, and, considering the evolving scenario, we have maintained very close oversight of the entire infrastructure as well as the developing ecosystem.

We are making every effort and deploying the resources required to ensure that we and our customers are completely safe in this environment. Thank you.

Management: Thank you.

Operator: Thank you, sir. Thank you, Mr. Ajmera. The next question is from Kunal Shah. Kunal, can you unmute yourself, please?

Kunal Shah: Yes. Are you able to hear me?

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Operator: Yes, please go ahead.

Management: Yes.

Kunal Shah: Good. My first question relates to the overall utilization of FCNR. You said that it has still not been used either to repay bulk deposits and has been kept for future requirements. Should we now expect it to be utilized more? Could you broadly help us understand whether it will be used toward deposits or whether it will actually be used toward lending growth? This is again approximately 4% of the loan book, and if it gets utilized for growth, we should see slightly better momentum in the second half. That is my first question.

Second, on provisioning, I understand that you created the buffer, but that is again specific provisioning. Is it related to the same case as last quarter, because there was some news that the demand has now increased in that case? Is this specific provisioning toward that account, or is it purely ECL considered in NPA provisioning? Could you clarify that?

Thirdly, in terms of gold loans, there was hardly any growth this quarter. How are you pursuing loan growth? Overall, gold loan growth has also slowed sequentially. Last quarter it was around 8.5, while this quarter it is primarily flat. What is your approach toward gold loans? Thank you.

Management: Yes, thank you, {? Kunal ?}. Regarding deposits, as I used the term “stored deposit,” the deposit can perhaps be used for retiring bulk deposits if the bulk deposit market moves to a very elevated rate structure. Obviously, this deposit could be used to liquidate high-cost deposits or deposits repriced at elevated bulk rates. If not, it can be directed toward credit requirements.

The impact on the bank’s books would be the same. If you look at growth of, say, approximately 14% to 15% on the advances side, this money will be utilized in both ways. In that sense, the net impact on the books will be the same. What I meant by stored liquidity is that I have available liquidity to manage resource requirements for the quarter. In that way, we are well positioned on that count.

Secondly, the prudential provisioning is loan-asset-specific provisioning and has nothing to do with any account that you are referring to. Absolutely nothing. It is prudential provisioning created on multiple loan assets based on potential losses relating to specific prudential provisions. It has nothing to do with any other account that you are referring to.

Regarding gold, on an incremental basis, if you look at retail gold on a year-to-date basis, we have degrown. Agricultural gold is a stable gold business, which shows quarter-on-quarter growth of 8%. In that way, the GNPA of the gold loan book with us has declined. As of today, as far as we are concerned, we do not run a very large or significant book. However, we are mindful of the discussions taking place in the market regarding gold loans.

At the same time, we are considering how to pace our own gold loan book so that it does not put us under elevated stress. We are absolutely mindful of that.

Thank you.

Operator: Thank you, sir. The next question is from Ankit Bihani.

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Ankit Bihani: Hi, sir. Can you hear me?

Management: Yes, I can hear you, Ankit.

Ankit Bihani: Congratulations on the quarter. My question is on the FCNR liquidity front. If I look at your cash and investments, the sequential increase in the period-end balance sheet figures is around 18,000-odd crores, whereas we have mobilized 77,000 crore. We are highlighting that most of the liquidity is still with us. Is there something incorrect in my understanding?

Management: The bank's liquidity is a dynamic flow. You cannot capture everything in a single figure. There are multiple instruments in which you can park this asset. One is, as you rightly said, an increase in the investment book. Another is an increase in cash. Another possibility is that you put it into a short-term deposit. There are multiple ways in which you can park this deposit.

If you look at the reduction in bulk deposit outstanding, it is only around 10,000 crore compared with the last quarter. Therefore, the 77,000 crore has obviously not been used to liquidate that.

Secondly, under normal circumstances, when we conduct money-market operations, we typically borrow against SLR in multiple markets. That is not happening today because I have available liquidity. In that way, the entire 77,000 crore is with us. We have significant excess SLR to mobilize liquidity at any point in time.

These are the ways in which we need to park it. If you compare only the specific figures, you may not get a sense of where the money has gone, but the money is available within the bank to generate a similar amount of funding for asset growth.

Ankit Bihani: Okay, sure. Is there any interest on the IT refund this quarter? Also, for the revaluation of investments that we are seeing under the treasury line, is that related only to NSE, or is it something else? On the FCNR side, what kind of fee income would have been generated? Or would the operating expenses incurred to mobilize these deposits have largely neutralized that? Those were my questions, sir.

Management: Regarding IT this quarter, I believe it is only {? 290 ?} crore, correct? That is not significant compared with earlier quarters, when we used to receive a substantial amount of IT refunds. In that way, it is minimal.

Regarding FCNR fee income, I do not think we have the data. Madam Beena, do you have anything on the FCNR fee side?

Beena: We will have to come back, sir. We will come back.

Management: We will come back to you, Ankit.

Thirdly, regarding treasury valuation, the valuation is considered for the book as a whole. As I told Mr. Ajmera, approximately 3,100 crore is the total effect of NSE. This consists of approximately 1,300 crore in cash profit, with the remaining amount being valuation. When we look at our valuation, the 1,800 crore is for the combined book, including NSE. Obviously, the NSE valuation has been higher than 1,800 crore, so that is the number you can—

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Ankit Bihani: Okay. Sure. Thank you.

Operator: Thank you, Ankit. The next question is from Jay Mundra.

Jay Mundra: Hi, good evening, sir, and congratulations on the rebound in earnings. My first question is on your provisioning stance. This quarter—

Management: Good evening, Jay.

Jay Mundra: Good evening, sir.

Management: Good evening.

Jay Mundra: This quarter you have created additional specific provision of 1,300 crore, but you could also have increased floating provisions [hesitates] toward ECL. This specific provision may or may not be used for ECL. What is the thought process behind utilizing specific provisions instead of creating provisions for ECL, which would definitely have been utilized for ECL?

Management: Regarding the ECL impact, there are two impacts. One is a one-time impact on CRAR, and the other is a recurring impact. I need to buffer myself against both the one-time impact and the recurring impact. The provision we have made will help us with the recurring impact.

Going forward, there may be geopolitical impacts as well. Therefore, the provision is available in the books. Floating provision can be adjusted only in a particular scenario, not in every scenario. That is how we have approached the prudential provisioning done this time.

One positive point you would also have seen is that we have made 300 crore of contingency provisioning to take care of valuation changes that may occur going forward. As you have seen, both the bond market and the equity market have experienced some correction. This is also an effort to prepare for the immediate Q3 impact, and we have made a contingency provision of 300 crore for that.

Jay Mundra: Are you saying that if you carry provisions above IRAC provisions, you can use those provisions on a recurring basis? Is that the implication—that if you carry more than IRAC, which is what we have done through the 1,300 crore, you can utilize it under ECL on a recurring basis because you have already provided more than IRAC?

Management: You can utilize that for ECL, and you can also utilize it for Q3 and Q4. It will depend on the headwinds that we see in the market. As a prudent measure, it has been created. Since we had a one-off because of NSE, we thought it prudent to create those provisions.

Jay Mundra: Right. Okay, sure. Secondly, regarding the drought situation, have you received any restructuring requests? What kind of restructuring requests do you see for Q3 and perhaps Q4 in select states that have experienced the impact of drought?

Management: Banks do not decide on drought-related restructuring. It is based on the SLBC, which, in consultation with the government, designs a scheme. As of today, we do not have any scheme from the states that have been affected by drought or inadequate rainfall. Once they announce a scheme, all banks, including us, will be guided by it.

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Jay Mundra: You would have made some preliminary assessment, though, or is it too early to say anything?

Management: It is too early.

Jay Mundra: Okay, sure. My last question is on ECL. If you have the data point, what are your SMA 0, SMA 1, and SMA 2 amounts in rupees crore, and what is your assessment of standard asset provisioning? We have done very well on specific provisions, which are 18 basis points, and last quarter was also minimal. If you were to make standard asset provisions under ECL, how much would that be? Also, what are the SMA 0, SMA 1, and SMA 2 amounts in rupees crore?

Management: Regarding the SMA 1 and 2 book as a whole, I cannot disclose it publicly, but I can assure you that, if I take the book as a whole, it is better this quarter than in the last quarter and better than in the same quarter last year. In that way, asset quality is in very good shape as of today, as we speak. Touchwood.

Regarding the other question, CFO, can you answer it?

Sridhar – CFO: Sir—

Jay Mundra: Sridhar sir, the question is: assuming 13% to 15% loan growth, what could the standard asset provisioning for Bank Of Baroda under ECL be?

Sridhar – CFO: This ECL framework represents a total change in the provisioning framework. Therefore, we cannot specify the numbers separately for standard and non-standard assets. The dispensation from RBI is that, as of the date of migration, we can adjust whatever additional requirement exists against reserves. They have also given us the benefit of spreading it over a period of 5 years. We will take advantage of that and proceed accordingly.

Jay Mundra: Okay, sir. I do not think I made it clear. I was not asking about the transition. Assuming that you were under ECL this quarter, and you had 8% or 7% quarter-on-quarter loan growth, what standard asset provisioning would you have made? You are running ECL accounts simultaneously. What would standard asset provisioning have been this quarter in rupees crore?

Management: Yes, Jay, we do compute it on an ongoing basis, but this is not articulated as of today. We are only discussing the book as a whole. Perhaps at a later stage, we will engage with you and provide greater clarity regarding this particular aspect.

Jay Mundra: Sure, sir. Thank you, and all the very best.

Management: Thank you very much.

Operator: Thank you, sir. We have a couple of questions in the chat box from Lavish Porwal. The first question is: “Recovery from TWO was Rs. 729 crores in the second quarter. Is there any guidance for the third quarter, fourth quarter, as well as for FY28 and FY29?” The second question is: “Can we see a similar absolute amount of fee income going forward, since the first quarter was muted?”

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Management: Lavish, our normalized average run rate for recovery from TWO is 750 crore, and we had said this earlier. Other than the one-off that you can see in recovery from TWO, we are still hopeful, based on what we can say—I will not call it a pipeline on the NPI side—that this run rate will be achieved in both Q3 and Q4. However, going beyond this financial year is slightly difficult to assess. We will articulate that at the appropriate time.

Regarding fee income, as you said, Q1 was depressed, but we have recovered. We are still lower than in Q2 of last year. This is one area where we are trying to optimize and work harder. That work will continue. I understand that there is significant scope for us to optimize fee income, considering the size of the book we carry. If you compare the same book with other banks, including private sector banks, there is a good opportunity in this area.

This is a work in progress, and this quarter has given us some positive outcomes. I am hopeful that we will continue on this journey. That is what I can say. Madam Beena, can you say anything about the fee side or any specific focus in this area?

Beena: We are reviewing our entire fee structure. Therefore, in the next two quarters, I think there should be an upside in this area, sir.

Management: Okay.

Operator: Thank you. The last question we will be able to take today is from Gaurav Jani. Gaurav, please unmute yourself.

Management: Yes, Gaurav.

Operator: Okay, I think Gaurav—Gaurav, are you there? Then the last question we will take will be from Aman. Aman, please unmute yourself.

Aman: Hi, sir. Thank you for the opportunity. I wanted to ask about the MTM impact of the increase in yields on the bond portfolio, both in the P&L and in the AFS reserve, for the quarter.

Management: We have provided the overall impact on bonds. Mr. Tyagi, do you have the information, or can we provide the data later?

Tyagi: Yes, sir. We would prefer to provide it later. I do not have it readily available right now.

Management: Aman, we will revert to you on this particular question.

Aman: Okay, sir. Thank you.

Operator: Okay, sir. I think that is—Gaurav has put up his question again. Gaurav, can you unmute yourself? Yes. No, sir, I think Gaurav is facing some issues. We will move to the vote of thanks by Sridhar sir.

Management: You are on mute, Mr. Sridhar.

Sridhar – CFO: Yes, sir. I would like to extend my sincere gratitude to all of you for joining us today for the [cut off]

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Management: announcement and discussion of the financial results. Should you have any further questions, please feel free to reach out to me or to our Investor Relations team. Thank you once again for your time and continued support. Have a great evening ahead. Thank you very much.

Management: Thank you all. Thank you very much.

Operator: Thank you.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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