Bank of India

Relationship beyond banking

Head Office : Star House, C - 5, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

Unaudited financial Results for the Quarter / Nine Months ended 31st Dec, 2014

₹ in Lakhs

Sr. No.	Particulars	Quarter ended (Unaudited)			Nine months ended (Unaudited)		Year Ended
		Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
		31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
1	Interest earned (a)+(b)+(c)+(d)	**1,086,776**	**1,109,306**	**976,916**	**3,226,508**	**2,754,969**	**3,791,010**
	(a) Interest/ discount on advances/bills	801,320	809,378	701,669	2,364,360	1,983,853	2,711,928
	(b) Income on Investments	235,498	238,812	220,659	702,449	622,036	840,496
	(c) Interest on balances with RBI and other inter bank funds	49,934	61,110	54,591	159,637	149,031	200,337
	(d) Others	24	6	(3)	62	49	38,249
2	Other Income	107,969	100,639	109,713	311,055	337,816	429,184
3	TOTAL INCOME (1 + 2)	**1,194,745**	**1,209,945**	**1,086,629**	**3,537,563**	**3,092,785**	**4,220,194**
4	Interest expended	808,760	806,234	705,012	2,376,771	1,976,647	2,707,957
5	Operating expenses (i)+(ii)	**199,447**	**190,157**	**167,219**	**554,670**	473,453	**669,947**
	(i) Employees cost	128,819	113,477	98,867	349,553	284,800	399,115
	(ii) Other operating expenses	70,628	76,680	68,352	205,117	188,653	270,832
6	TOTAL EXPENDITURE (4)+(5) (excluding Provisions and Contingencies)	**1,008,207**	**996,391**	**872,231**	**2,931,441**	**2,450,100**	**3,377,904**
7	OPERATING PROFIT (3-6) (Profit before Provisions and Contingencies)	**186,538**	**213,554**	**214,398**	**606,122**	642,685	**842,290**
8	Provisions (other than tax) and Contingencies	158,072	96,343	140,374	343,723	333,058	487,785
9	Exceptional items						
10	Profit (+) /Loss (-) from Ordinary Activities before tax (7-8-9)	**28,466**	**117,211**	**74,024**	**262,399**	**309,627**	**354,505**
11	Tax expense	11,128	38,611	15,442	85,893	92,451	81,578
12	Net Profit(+)/Loss(-) from Ordinary Activities after tax(10-11)	**17,338**	**78,600**	**58,582**	**176,506**	**217,176**	**272,927**
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit(+)/Loss(-) for the period (12-13)	**17,338**	**78,600**	**58,582**	**176,506**	**217,176**	**272,927**

₹ in Lakhs

Sr. No.	Particulars	Quarter ended (Unaudited)			Nine months ended (Unaudited)		Year Ended
		Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
		31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
15	Paid-up equity share capital (Face value ₹ 10/-)	64,300	64,300	64,300	64,300	64,300	64,300
16	Reserves excluding Revaluation Reserves						
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India	66.70%	66.70%	66.70%	66.70%	66.70%	66.70%
	(ii) Capital Adequacy Ratio (Basel II)	11.21%	11.50%	10.66%	11.21%	10.66%	10.76%
	(ii) Capital Adequacy Ratio (Basel III)	10.68%	10.97%	10.84%	10.68%	10.84%	9.97%
	(iii) Earnings per Share (EPS)						
	a) Basic and diluted EPS before Extraordinary items (net of tax expense) for the period, for the year to date and for the previous year (Not to be annualised) (₹)	2.70	12.24	9.66	27.48	36.23	44.74
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (Not to be annualised) (₹)	2.70	12.24	9.66	27.48	36.23	44.74
	(iv) (a) Amount of gross non-performing assets	1,669,366	1,412,709	1,002,309	1,669,366	1,002,309	1,186,860
	(b) Amount of net non-performing assets	1,006,130	910,135	614,708	1,006,130	614,708	741,723
	(c) Percentage of gross NPAs	4.07%	3.54%	2.81%	4.07%	2.81%	3.15%
	(d) Percentage of net NPAs	2.50%	2.32%	1.75%	2.50%	1.75%	2.00%
	(v) Return on Assets (Annualised)	0.11%	0.49%	0.42%	0.37%	0.56%	0.51%
18	Public Shareholding						
	Number of Shares	213,895,500	213,895,500	213,895,500	213,895,500	21,38,95,500	213,895,500
	Percentage of shareholding	33.30%	33.30%	33.30%	33.30%	33.30%	33.30%
19	Promoters and Promoter Group Shareholding						
	(a) Pledged/Encumbered						
	Number of Shares	Nil	Nil	Nil	Nil	Nil	Nil
	Percentage of shares (as a percentage of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	Percentage of shares (as a percentage of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil
	(b) Non-encumbered						
	Number of Shares	428,367,513	428,367,513	428,367,513	428,367,513	42,83,67,513	428,367,513
	Percentage of shares (as a percentage of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
	Percentage of shares (as a percentage of the total share-capital of the company)	66.70%	66.70%	66.70%	66.70%	66.70%	66.70%

Segment Information
Part A: Business Segments

₹ in Lakhs

Particulars	Quarter ended (Unaudited)			Nine months ended (Unaudited)		Year Ended
	Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
Segment Revenue						
a) Treasury Operations	327,334	328,685	304,110	965,733	892,884	1,172,647
b) Wholesale Banking Operations	552,698	540,091	482,973	1,665,691	1,399,227	2,001,528
c) Retail Banking Operations	318,399	343,207	297,146	911,991	800,861	1,011,811
d) Unallocated	482	566	3,718	2,358	3,853	41,024
Total	**1,198,913**	**1,212,549**	**1,087,947**	**3,545,773**	**3,096,825**	**4,227,010**
Less : Inter Segment Revenue	4,167	2,604	1,318	8,210	4,040	6,816
Income from Operations	**1,194,746**	**1,209,945**	**1,086,629**	**3,537,563**	**3,092,785**	**4,220,194**
Segment Results						
a) Treasury Operations	37,325	47,031	29,619	133,092	173,565	162,842
b) Wholesale Banking Operations	1,639	52,101	(18,734)	129,815	61,570	127,032
c) Retail Banking Operations	2,768	15,028	78,580	27,397	118,200	93,201
d) Unallocated	(13,266)	3,051	(15,439)	(27,905)	(43,708)	(28,570)
Total	**28,466**	**117,211**	**74,024**	**262,399**	**309,627**	**354,505**
Less : i) Other Un-allocable expenditure				-	-	
ii) Un-allocable income				-	-	
Total Profit Before Tax	**28,466**	**117,211**	**74,024**	**262,399**	**309,627**	**354,505**
Provision for Tax	**11,128**	**38,611**	**15,442**	85,893	92,451	81,578
Net Profit	**17,338**	**78,600**	**58,582**	**176,506**	**217,176**	**272,927**
Segment Assets						
a) Treasury Operations	18,837,903	18,236,575	16,054,710	18,837,903	16,054,710	17,067,291
b) Wholesale Banking Operations	31,452,129	31,727,023	28,233,891	31,452,129	28,233,891	29,263,952
c) Retail Banking Operations	10,127,166	9,517,849	8,545,424	10,127,166	8,545,424	9,541,611
c) Unallocated	1,078,894	1,139,544	815,179	1,078,894	815,179	1,446,166
Total	**61,496,092**	**60,620,991**	**5,36,49,204**	**61,496,092**	**5,36,49,204**	**57,319,020**
Segment Liabilities						
a) Treasury Operations	17,955,821	17,366,861	15,237,628	17,955,821	15,237,628	16,389,174
b) Wholesale Banking Operations	30,026,898	30,281,354	26,886,158	30,026,898	26,886,158	28,085,889
c) Retail Banking Operations	9,647,697	9,054,796	8,097,605	9,647,697	8,097,605	9,173,299
c) Unallocated	709,265	772,328	696,294	709,265	696,294	678,349
Total	**58,339,681**	**57,475,339**	**50,917,685**	**58,339,681**	**50,917,685**	**54,326,711**
Capital Employed						
(Segment Assets - Segment Liabilities)						
a) Treasury Operations	882,083	869,715	817,082	882,083	817,082	678,117
b) Wholesale Banking Operations	1,425,231	1,445,669	1,347,733	1,425,231	1,347,733	1,178,062
c) Retail Banking Operations	479,469	463,052	447,819	479,469	447,819	368,312
c) Unallocated	369,628	367,216	118,885	369,628	118,885	767,817
Total	**3,156,411**	**3,145,652**	**2,731,519**	**3,156,411**	**2,731,519**	**2,992,309**

Part B: Geographical Segments

₹ in Lakhs

Particulars	Quarter ended (Unaudited)			Nine months ended (Unaudited)		Year Ended
	Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
Revenue						
Domestic	1,071,757	1,083,015	969,175	3,162,721	2,775,705	3,784,629
International	122,988	126,930	117,454	374,842	317,080	435,565
Total	**1,194,745**	**1,209,945**	**1,086,629**	**3,537,563**	**3,092,785**	**4,220,194**
Assets						
Domestic	43,933,918	42,929,046	3,78,72908	43,933,918	3,78,72908	42,499,329
International	17,562,174	17,691,945	1,57,76296	17,562,174	1,57,76296	14,819,691
Total	**61,496,092**	**60,620,991**	**5,36,49204**	**61,496,092**	**5,36,49204**	**57,319,020**

Note: There are no significant Other Banking Operations carried on by the Bank.

Allocations of costs :

a) Expenses directly attributable to particular segment are allocated to the relative segment.

b) Expenses not directly attributable to specific segment are allocated in proportion to number of employees/business managed.

Summarised Balance Sheet

Particulars	As at	
	Unaudited	Unaudited
	31.12.2014	31.12.2013
CAPITAL AND LIABILITIES		
Capital	64,300	64,300
Reserves and Surplus	3,092,111	2,667,219
Minority Interest	-	-
Deposits	53,021,340	4,54,13992
Borrowings	3,728,365	4,054,532
Other Liabilities and provisions	1,589,976	1,449,161
TOTAL	**61,496,092**	**5,36,49,204**
ASSETS		
Cash and balances with Reserve Bank of India	2,034,455	2,140,637
Balances with bank and money at call and short notice	4,886,860	3,966,168
Investments	12,509,181	1,08,25348
Advances	40,263,580	3,51,72485
Fixed Assets	583,953	297,532
Other Assets	1,218,063	1,247,034
TOTAL	**61,496,092**	**5,36,49,204**

NOTES:

1. The financial results for the quarter ended 31st December, 2014 (quarter)/nine month ended 31st December, 2014 (period) have been arrived at on the basis of the same accounting policies as those followed in the preceding financial year ended 31st March, 2014.

2. The above financial results have been reviewed by the Audit Committee of Board at their meeting held on 11th February 2015 and approved by the Board of Directors at their meeting held on 12th February, 2015. The same has been subjected to Limited Review by the Statutory Central Auditors of the Bank, in line with the guidelines issued by Reserve Bank of India and as per the requirement of listing agreement with stock exchanges.

3. The financial results for the quarter/period have been arrived at after considering extant guidelines of Reserve Bank of India (RBI) on prudential norms for Income Recognition and Asset Classification and Provisioning. All other usual and necessary provisions including wage revision and income tax have been made on estimated basis.

4. The Provisions for employee benefits pertaining to pension, gratuity, leave encashment and other employee benefits have been made on the basis of actuarial valuation carried out as at 31st December 2014,which till last year was being estimated on the basis of annual Actuarial Valuation. Further, the Bank has been advised by the Actuary that the present mortality table (LIC 1994-96) being used by the Actuary to determine retirement benefits of Bank's employees' is appropriate considering the profile of employees' of the Public Sectors Banks.

5. Pending settlement of the proposed wage revision effective from November 2012, provision of ₹339.03 Crores for the period (Previous Period ₹170.00 Crores) including ₹178.00 Crores for the quarter (Previous quarter ₹40.00 Crores) has been made by the bank on estimated basis, based on the latest offer made by the IBA to unions. The aggregate provision held as on 31st December, 2014 is ₹678.54 Crores.

6. Considering the present stage of negotiation in respect of wage revision with employees' union and emerging trends in the banking industry, during the FY 2013-14, the Bank, in consultation with the Actuary, had adjusted the Salary Escalation Rate upwards by 20% i.e. from 5% to 6% to take care of future wage revision. The Bank considers that the Salary Escalation Rate of 6% is sufficient to cover liability that may arise on wage revision.

7. In accordance with the RBI circular no.DBOD.BP.BC.80/21.04.018/2010-11dated 9th February 2011:
   - ₹331.83 Crores for the period (Previous Period ₹331.83 Crores) including ₹110.61 Crores for the quarter (Previous quarter ₹110.61 Crores) has been charged to the Profit & Loss Account on proportionate basis towards additional liability of ₹2212.15 Crores (being amortised over 5 years beginning from 31st March 2011) on account of reopening of pension option for existing employees who had not opted for pension earlier calculated on actuarial basis. The balance amount of ₹110.60 Crores is being carried forward to be charged to Profit & Loss Account for future periods.

   - ₹64.34 Crores for the period (Previous Period ₹64.34 Crores) including ₹21.45 Crores for the quarter (Previous quarter ₹21.45 Crores) has been charged to the Profit & Loss Account on proportionate basis towards additional liability of ₹428.96 Crores (being amortised over 5 years beginning from 31st March 2011) on account of the enhancement of gratuity limits in Payment of Gratuity Act, 1972. The balance amount of ₹21.44 Crores is being carried forward to be charged to Profit & Loss Account for future periods.

8. The Bank has created floating provision for advances of ₹100 Crores for the period (Previous Period ₹Nil) including ₹Nil for the quarter (Previous quarter ₹Nil). This provision has been made without reference to any specific NPA and is in excess of the provision prescribed in Bank's accounting policy. The floating provision has been deducted from Gross NPAs to arrive at net NPAs.

9. Based on the available data and declaration from borrowers wherever received, the Bank has made provision of ₹50 Crores for the period (Previous period ₹Nil) including ₹Nil for the quarter (Previous quarter ₹Nil) on estimated basis in respect of Unhedged Foreign Currency Exposure to Bank's constituents.

10. The Bank has raised₹2500 Crores during the period (Previous period ₹Nil) including ₹Nil during the quarter (Previous quarter ₹Nil)by issue of unsecured, non-convertible, Additional Tier I, perpetual Basel III compliant bonds in the nature of debenture through private placement.

11. The Provision Coverage Ratio of the bank as at the end of the period is 56.62% (Previous period 63.77%), which was 56.32% as at the end of previous quarter and 58.68% as at the end of previous year.

12. The immediate impact, if any, of the cancellation of coal blocks on the bank's portfolio by way of security valuation and the impact, if any, of the penalty imposed by the Honourable Supreme Court on viability of the respective projects financed by the bank, has not been considered as the same is not ascertainable at this stage.

13. Information on Investor Complaints pursuant to Clause 41 of the Listing Agreement, for the quarter ended 31st December, 2014:

Pending as on 30th September, 2014	Received	Resolved	Pending as on 31st December, 2014
Nil	7	7	Nil

14. In terms of RBI Circular DBOD.BP.BC.2/21.06.201/2013-14 dated July 1, 2013 Banks are required to make disclosures related to the Composition of Capital with effect from 30th September 2013. Accordingly, Pillar 3 disclosures under Basel III Capital Regulations are being made available on Banks' website at the link http://www.bankofindia.co.in/english/Regdisclosuresec.aspx. These disclosures have not been subjected to a Limited review by the auditors.

15. Figures of the Previous Period have been regrouped / rearranged wherever considered necessary, to confirm to current period's classification.

(Arun Shrivastava)
Executive Director

(Mrs. V.R.Iyer)
Chairperson & Managing Director

Place: Mumbai
Date: 12th February, 2015