



बैंक ऑफ महाराष्ट्र
Bank of Maharashtra
भारत सरकार का उद्यम
एक परिवार एक बैंक

Bank of Maharashtra

Investor Presentation



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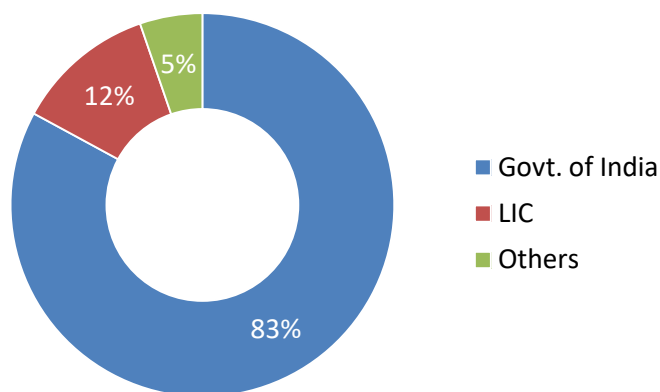
- ▶ Bank of Maharashtra : An Introduction
- ▶ Key Summary
- ▶ Financials Overview

Bank of Maharashtra: An Introduction

Snapshot

- **Bank of Maharashtra ("BoM")** is a public sector bank founded in the year 1935 and based in Pune, Maharashtra
- It offers diversified products and services to corporates, small and medium enterprises, retail and agricultural customers
- Right from its inception, the focus of the Bank has been to assist small business enterprises, traders, self-employed and other common men
- Bank had 1,883 branches with strong presence of 61% in Maharashtra; 1,850 ATMs and 13,071 employees across verticals as on Sep. 30, 2017
- CRAR under Basel III stood at 11.28% with Tier 1 of 9.00% and CET1 including CCB of 7.17%

Shareholding (as on September 30, 2017)

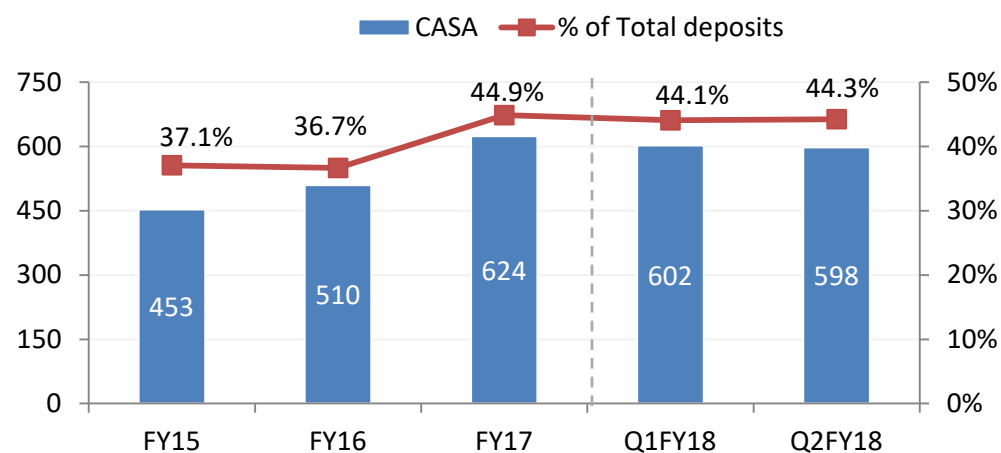


Note: CRAR – Capital Risk Adequacy Ratio, CASA – Current Account Savings Account

Financials

INR bn	FY15	FY16	FY17	Q1FY18	Q2FY18
Total Income	136.7	140.7	135.7	32.1	33.0
NII	38.8	38.8	31.7	6.9	9.6
Operating Profit	23.6	23.5	18.3	5.3	6.9
PAT	4.5	1.0	(13.7)	(4.1)	(0.2)
Gross Advances	1012.1	1,112.4	1,015.4	971.0	929.7
Gross Investments	328.2	363.3	388.4	405.6	374.7
Gross Deposits	1,221.2	1,389.9	1,390.5	1366.3	1351.0

CASA Deposits

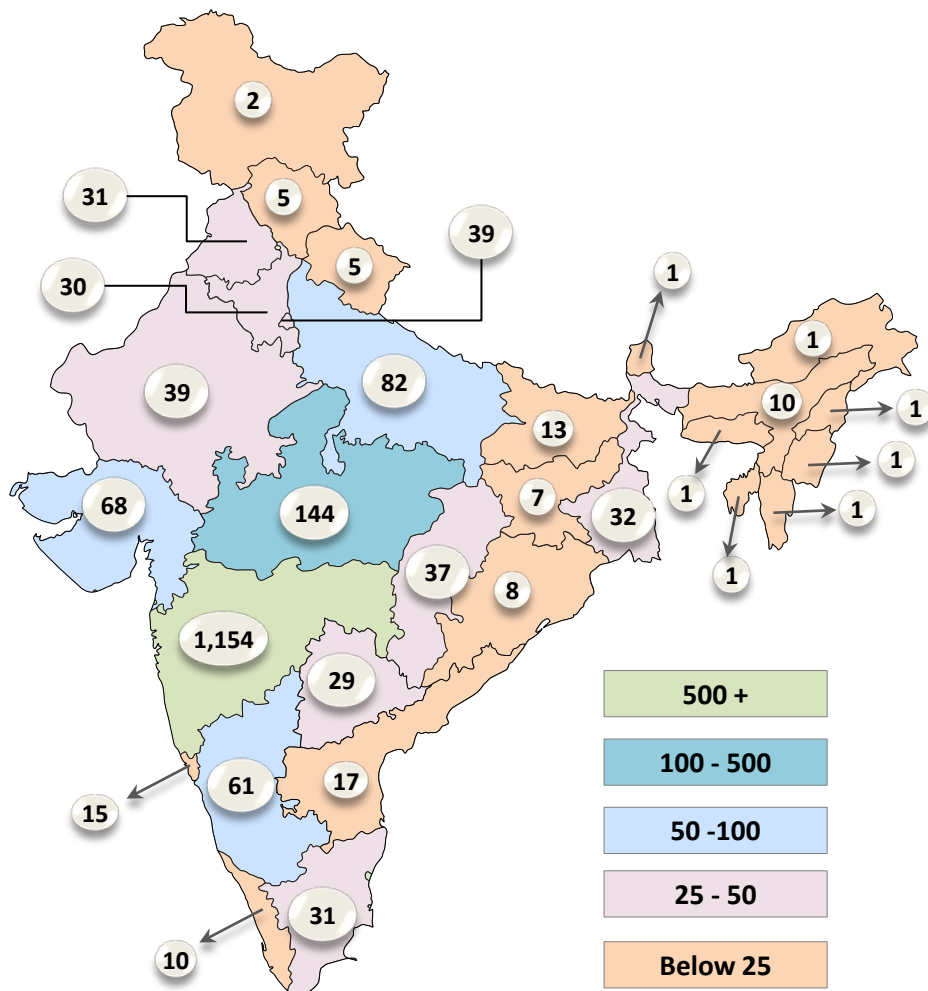


Key Summary

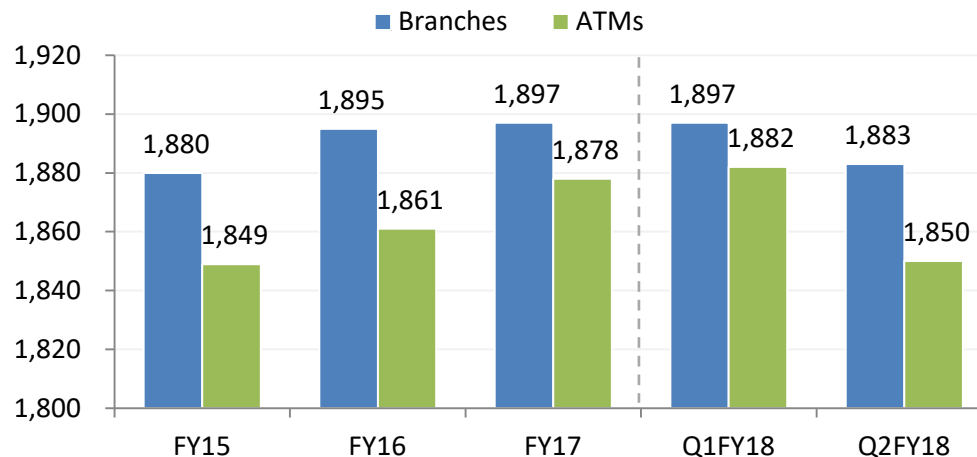
1	Wide Distribution Network with pan-India presence	
2	Increasing focus on retail loans	
3	Focused approach towards retail distribution	
4	Healthy and diversified liability profile	
5	Turnaround of non performing assets	
6	Strategy for improving asset quality and recovery	
7	Comfortable Capitalization	
8	Strong capital support from Government	
9	Improving Cost to Income ratio and better operating metrics	
10	Reduction in operating expenditure	
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Wide Distribution Network with pan India presence

Pan India Branch Network

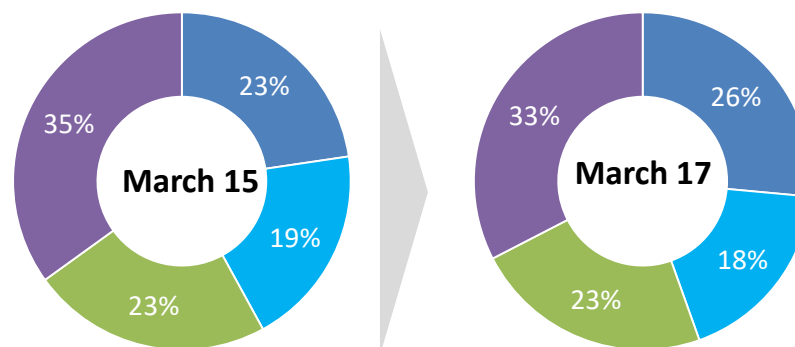


Branch & ATM Network



Branches spread across regions

■ Metro
 ■ Urban
 ■ Semi- Urban
 ■ Rural

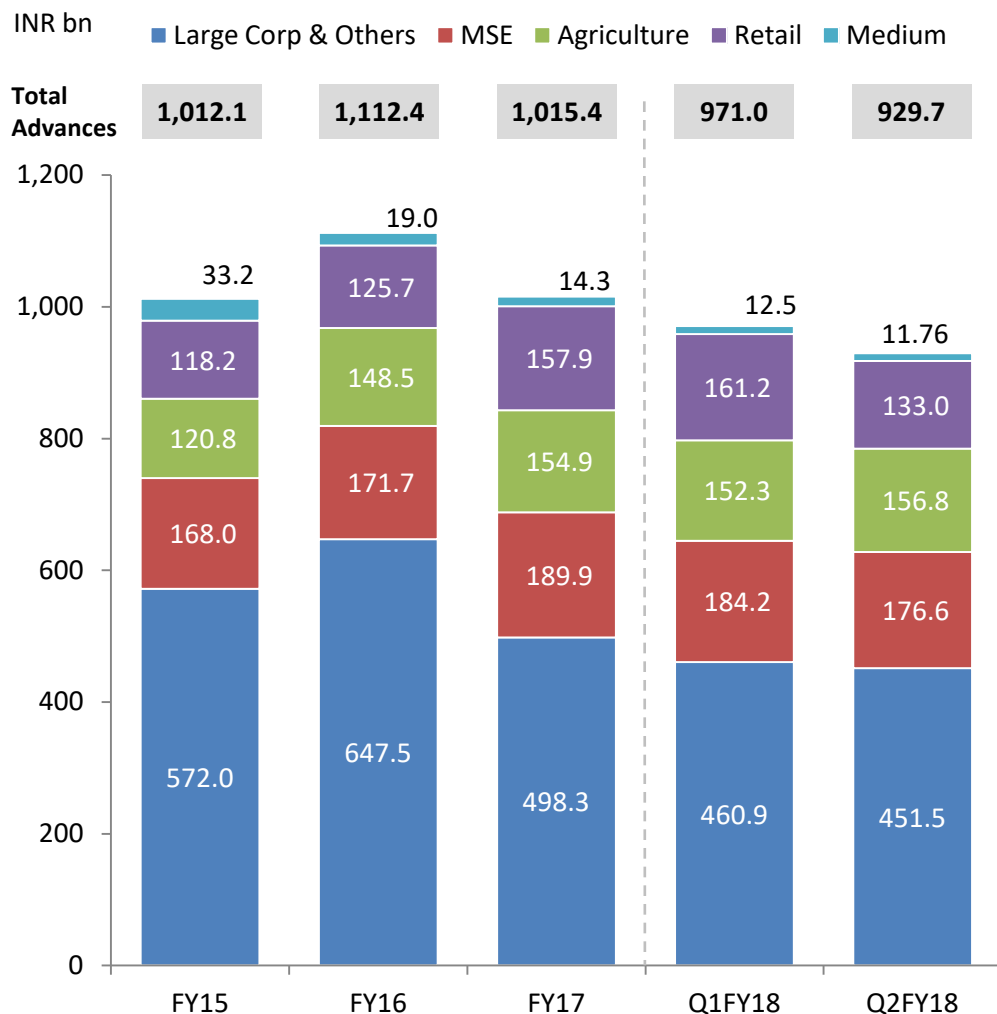


Bank of Maharashtra is a well-recognized and trusted brand with presence across 29 states and 5 union territories

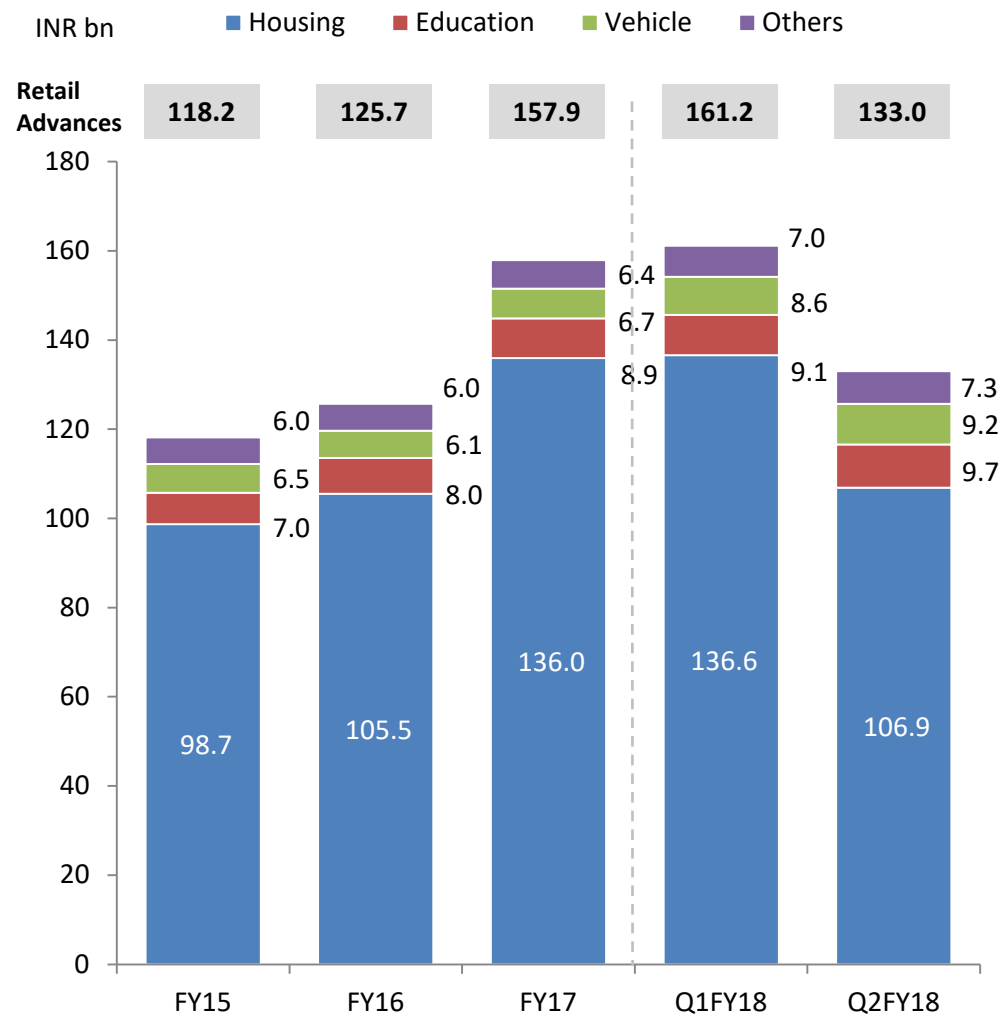
Number of branches as on September 30, 2017

Increasing focus on retail loan products

Total Advances



Retail Loans



Banks exposure to the Large corporate segment has decreased while the Retail loans has shown a growth of 25.7% in FY17

Focused approach towards retail distribution

Bank has developed strong client base and robust relationships with customers which it intends to leverage for enhancing retail presence

Bank has taken various initiatives to increase share of Retail loans

Launching array of new products for varied customer class

Setting up of 30 specialised retail loan processing across country to ensure quick turnaround

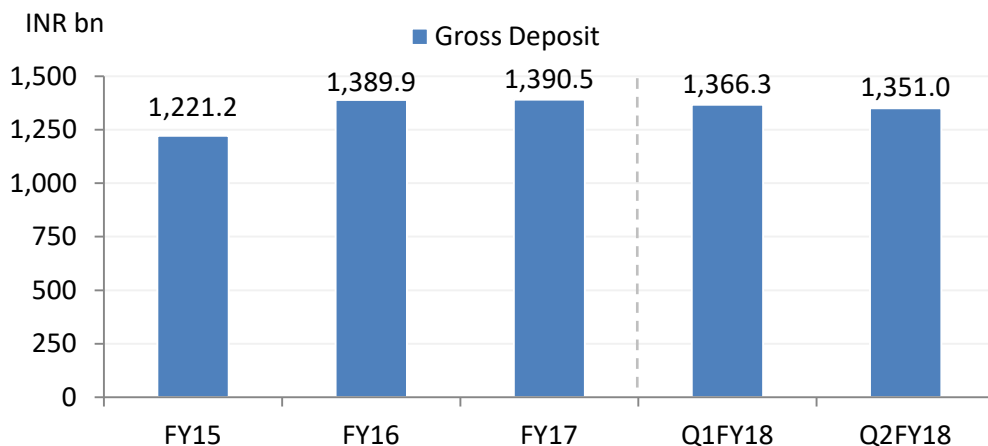
Organised focused campaigns for Housing Loans and Vehicle loans in festive seasons

Focusing on affordable housing segment

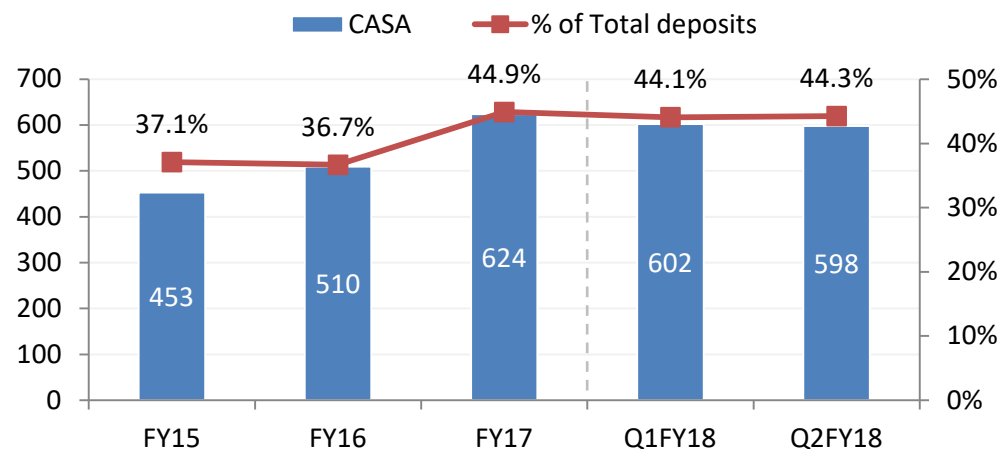
Arrangement with DSAs and automobile manufacturer and distribution channel partners like automobile dealers

Healthy and diversified liability profile

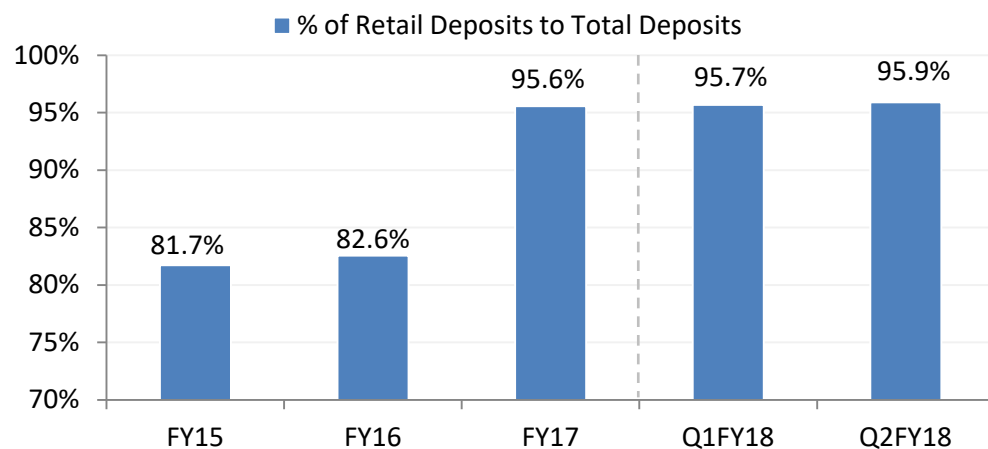
Gross Deposit



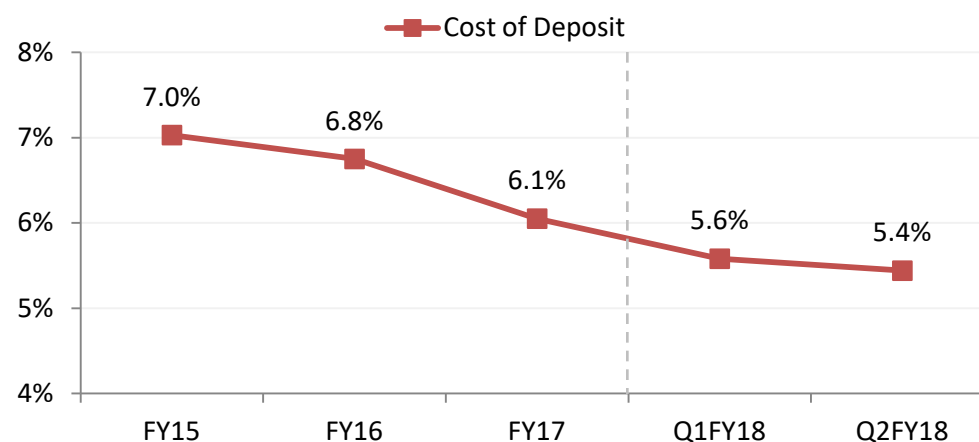
CASA ratio



Ratio of Retail Deposits to Total Deposits



Cost of Deposits



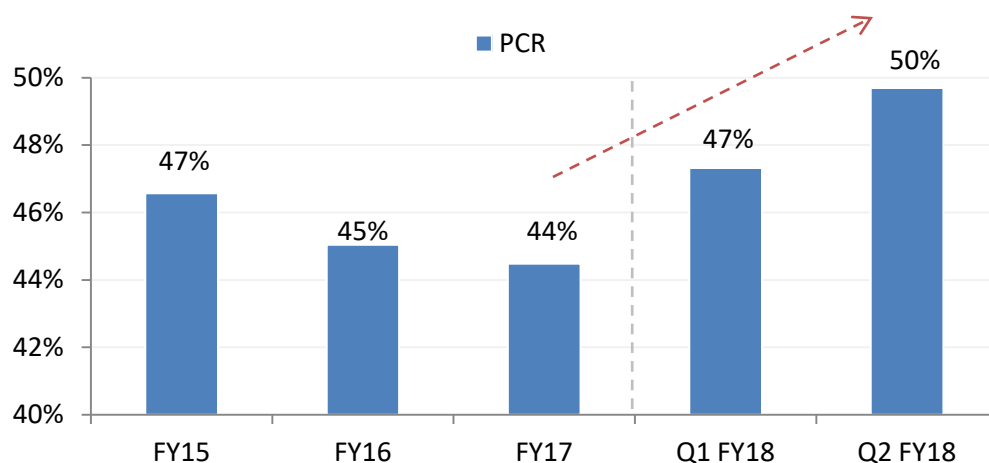
Bank has built a strong and granular customer base which has resulted in high CASA ratio and low Cost of Deposits

Turnaround of non performing assets

Movement of NPA

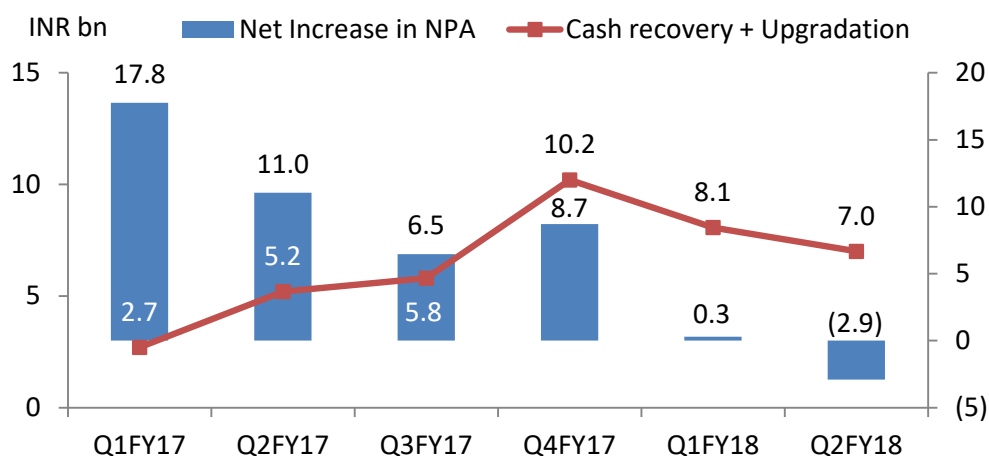
Figures in INR in billion	FY15	FY16	FY17	Q1FY18	Q2FY18
Opening Gross NPA	28.6	64.0	103.9	171.9	180.5
Less: Cash Recoveries	4.3	6.5	8.1	6.3	4.3
Less: Upgradation	4.0	1.9	1.5	1.8	2.7
Less Write Off	2.6	9.0	13.6	3.2	13.7
Total Reduction [A]	10.9	17.4	23.2	11.2	20.7
Add Slippages	46.2	56.2	90.3	16.3	10.3
Add Variation	0.1	1.0	0.9	3.6	2.3
Total Addition [B]	46.3	57.2	91.2	19.8	12.6
Gross NPA	64.0	103.9	171.9	180.5	172.4
Gross NPA [%]	6.33%	9.34%	16.93%	18.59%	18.54%
Net NPA	41.3	68.3	112.3	112.6	109.9
Net NPA [%]	4.19%	6.35%	11.76%	12.48%	12.68%

Provisioning Coverage Ratio (PCR)



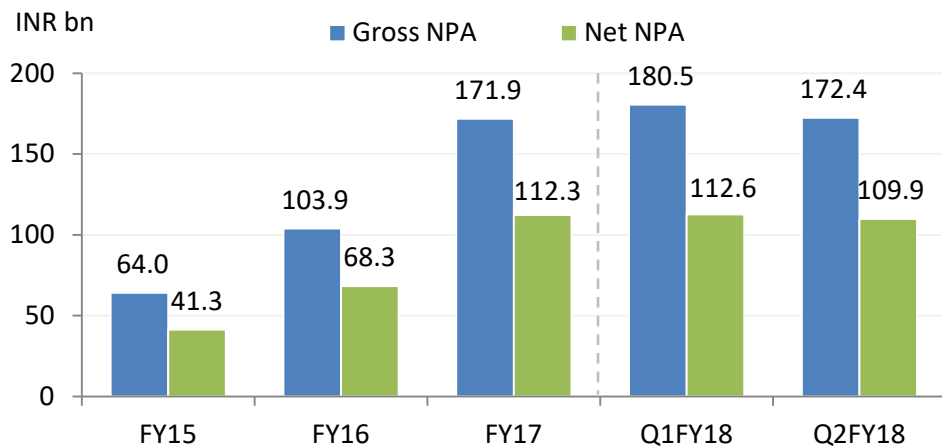
Note: Increase in NPA – Q-o-Q increase in NNPA

Cash recovery plus up-gradation and Increase in NNPA¹

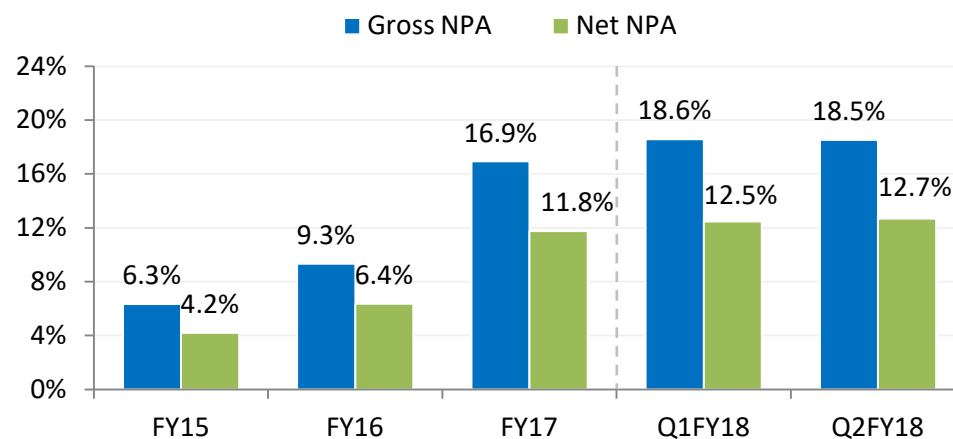


Turnaround of non performing assets

GNPA and NNPA

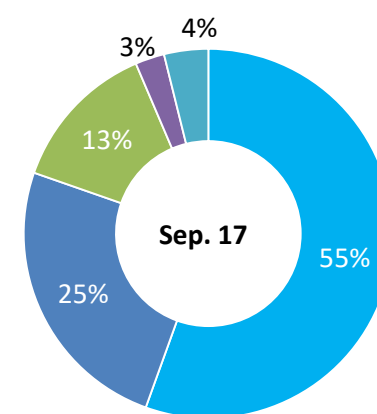
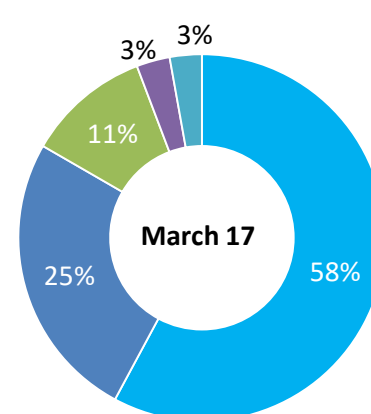
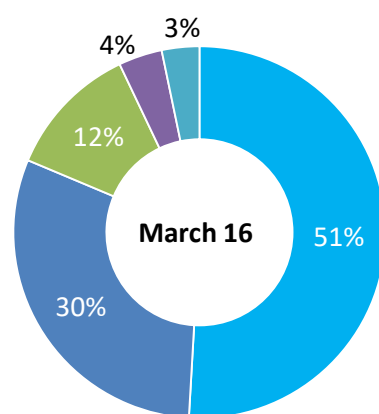
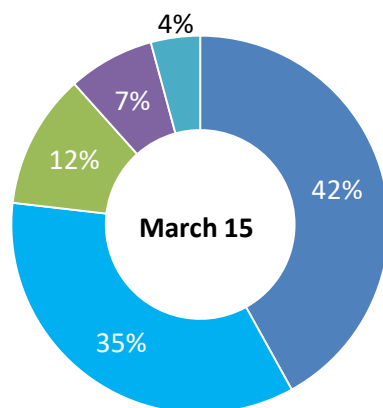


GNPA and NNPA (%)



Sector wise NPA breakup of Gross NPA

■ MSE ■ Large Corp & Others ■ Agriculture ■ Medium ■ Retail



Strategy for improving asset quality and recovery

Bank has taken multiple steps to curtail further slippages and improve the quality of assets

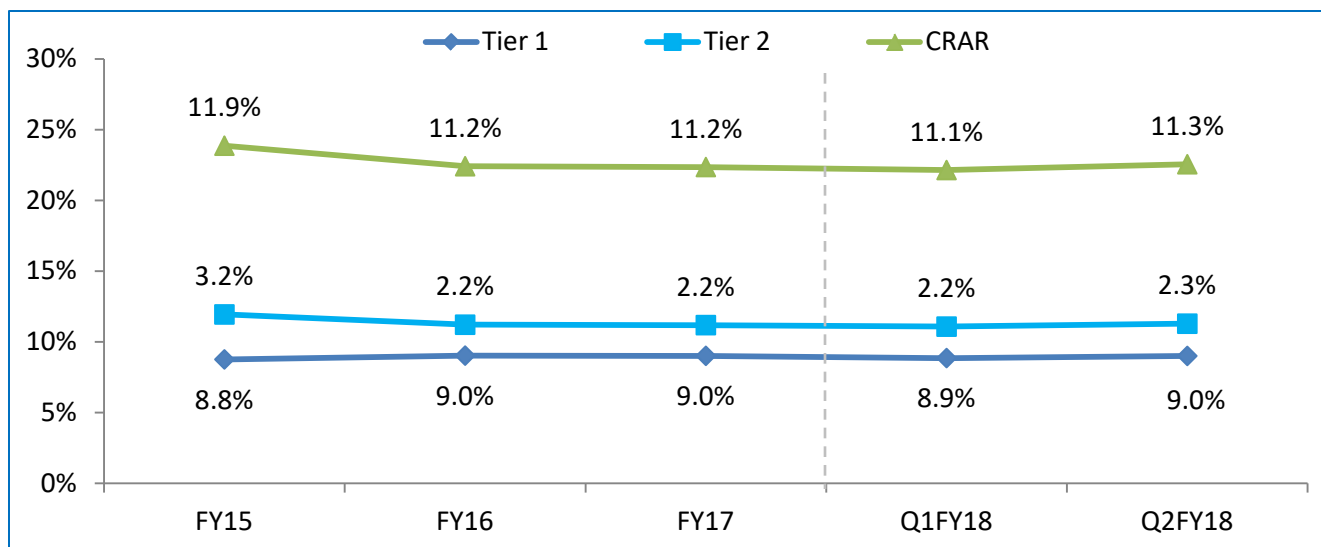


Bank has also implemented enhanced risk management procedures for evaluating loans

Comfortable Capitalization

Capital Adequacy (Basel III)

INR bn	FY15	FY16	FY17	Q1FY18	Q2FY18
Risk Weighted Assets	934.4	1,016.9	954.7	889.0	839.7
% of RWA to Gross Advances	92.3%	91.4%	94.0%	91.6%	90.3%
<i>Tier 1 Capital</i>	81.8	91.8	86.0	78.7	75.6
Tier 2 Capital	29.7	22.2	20.7	19.8	19.1
Total Capital Funds	111.5	114.0	106.7	98.5	94.7
Tier 1 Ratio	8.8%	9.0%	9.0%	8.9%	9.0%
Tier 2 Ratio	3.2%	2.2%	2.2%	2.2%	2.3%
CRAR	11.9%	11.2%	11.2%	11.1%	11.3%



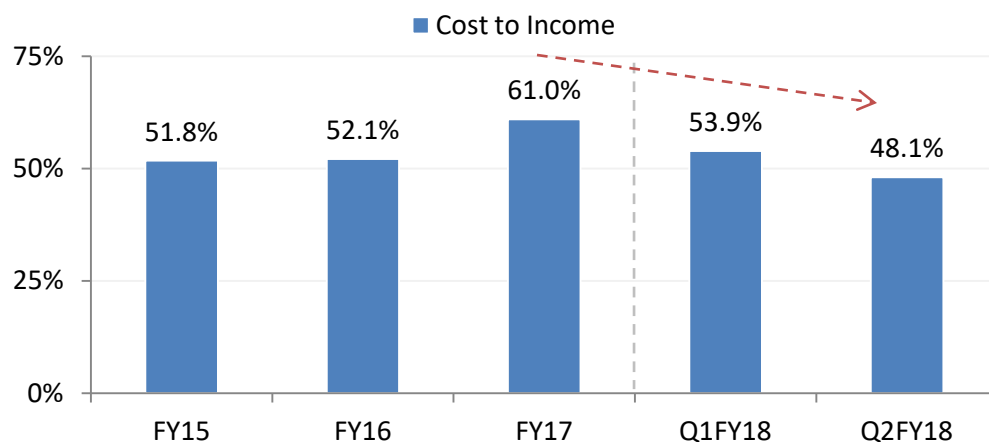
The Government of India,
from time to time, has been
providing support for
augmenting the Tier I
Capital of the Bank

Strong capital support from Government

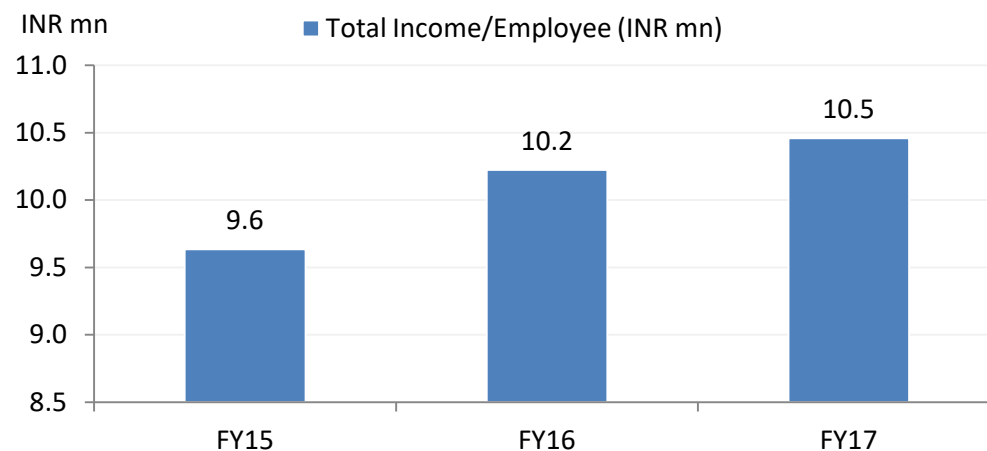
Year	Investor	Fund infusion (INR mn)	Particulars
August 2017	Issued to GOI	3,000	88,888,888 shares allotted to GOI (President of India) on Preferential basis
October 2015	Issued to GOI	3,940	105,150,787 shares allotted to GOI (President of India) on Preferential basis.
July 2014	Preferential allotment to GOI	5,880	133,363,574 shares allotted on conversion of PNCPS to GOI
December 2013	Preferential Issue of Shares to GOI	8,000	177,619,893 shares allotted to the GOI
March 2013	Preferential Issue of Shares to GOI	4,060	71,883,852 shares to the GOI on Preferential basis
March 2012	Preference Share Conversion to GOI	4,700	83,793,902 shares allotted to Government of India

Improving Cost to Income ratio and better operating metrics

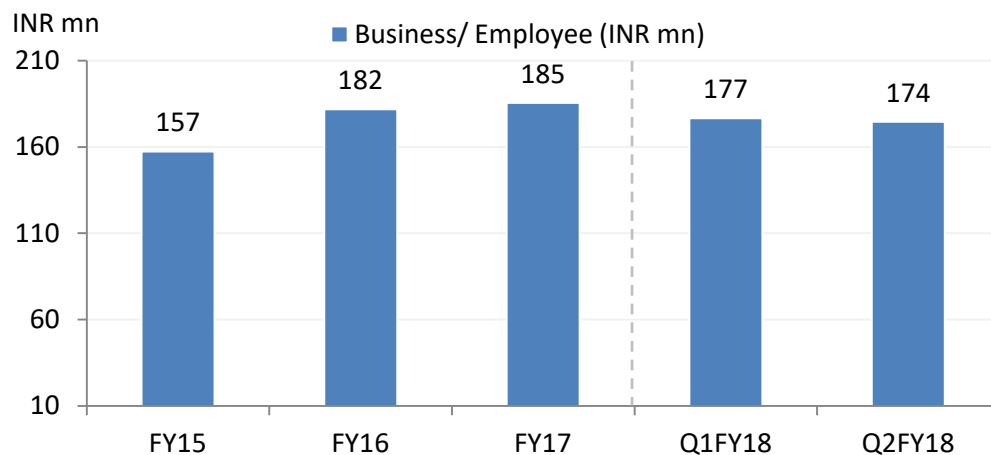
Cost to Income ratio



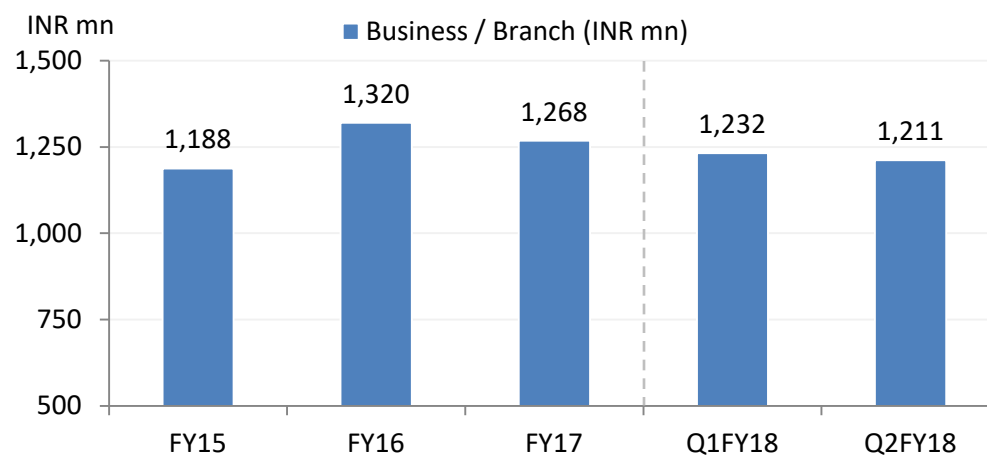
Total Income per Employee



Business¹ per Employee



Business¹ per Branch



Bank has undertaken various measures to ensure better operating metrics

Note: Business – Gross Deposits plus Gross Advances

Reduction in operating expenditure

Bank has undertaken measures for rationalization of Branch network and No. of Employees

Improving Branch efficiencies

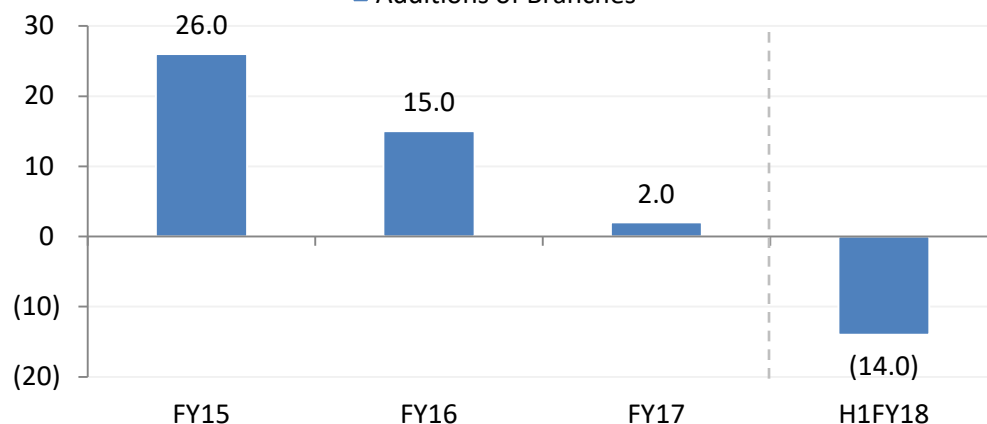
- Non-profitable branches to be closed/ relocated/ merged
- Merging branches in close vicinity in Metro and Urban areas
- Examining rental costs through space audit and relocating branches based on net savings in costs
- Rationalizing number of zones
 - During H1FY18, Bank has merged 14 Branches and 3 Zonal offices

Improving Employee efficiencies

- Number of Employees from FY15 to H1FY18 has come down by 1,118 employees
- Employees per Branch has decreased from around 7.5 per Branch to over 6.9 as on September 30, 2017

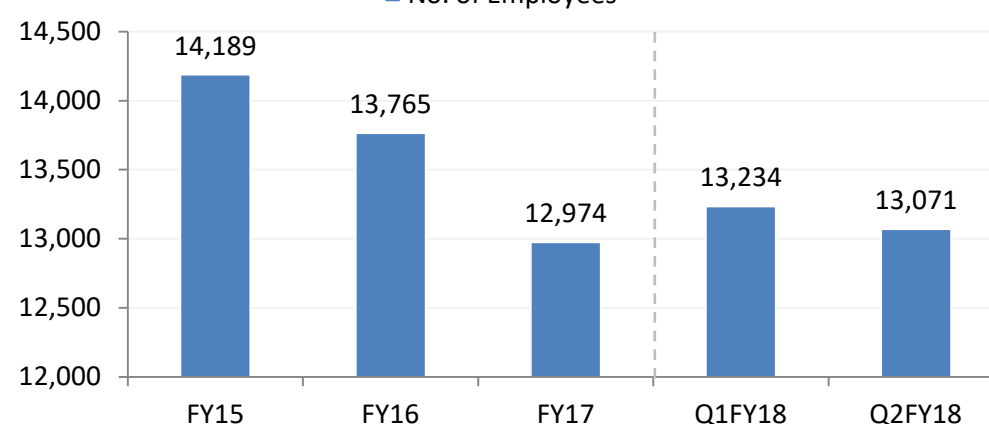
Net addition of Branches

■ Additions of Branches



Number of employees

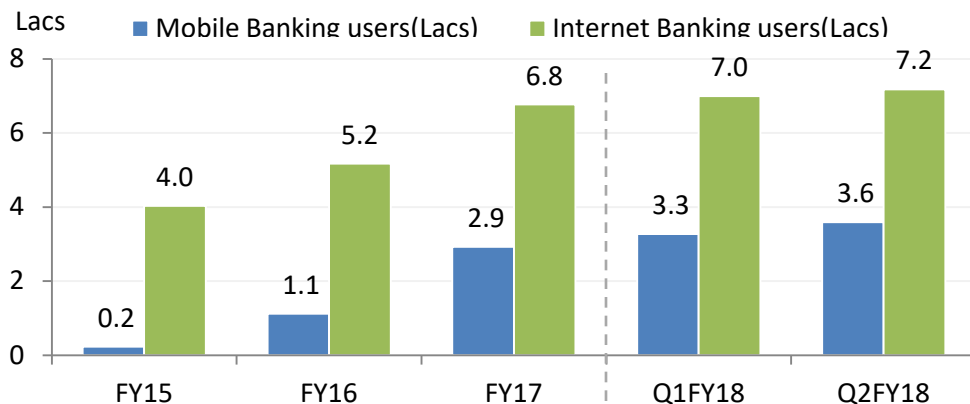
■ No. of Employees



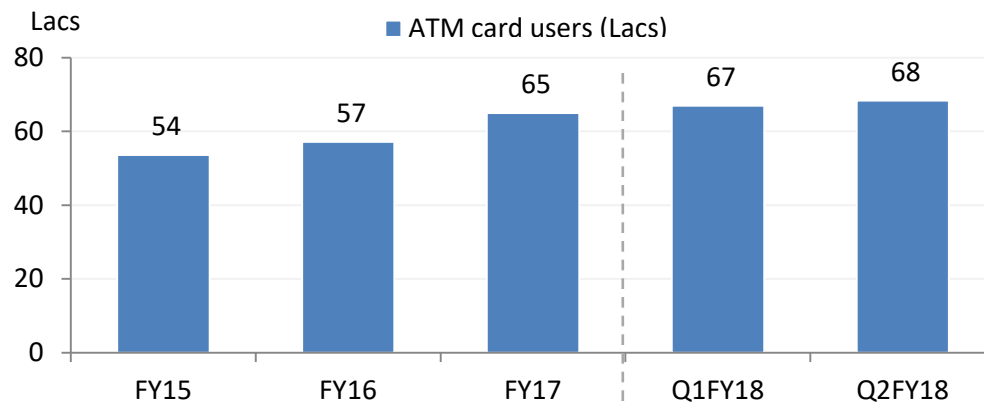
Bank has shown Q-o-Q improvement in Cost to Income ratio and has continued focus on improving operating efficiencies

Focus on IT and digital technology

Mobile & Internet Banking



ATM card users



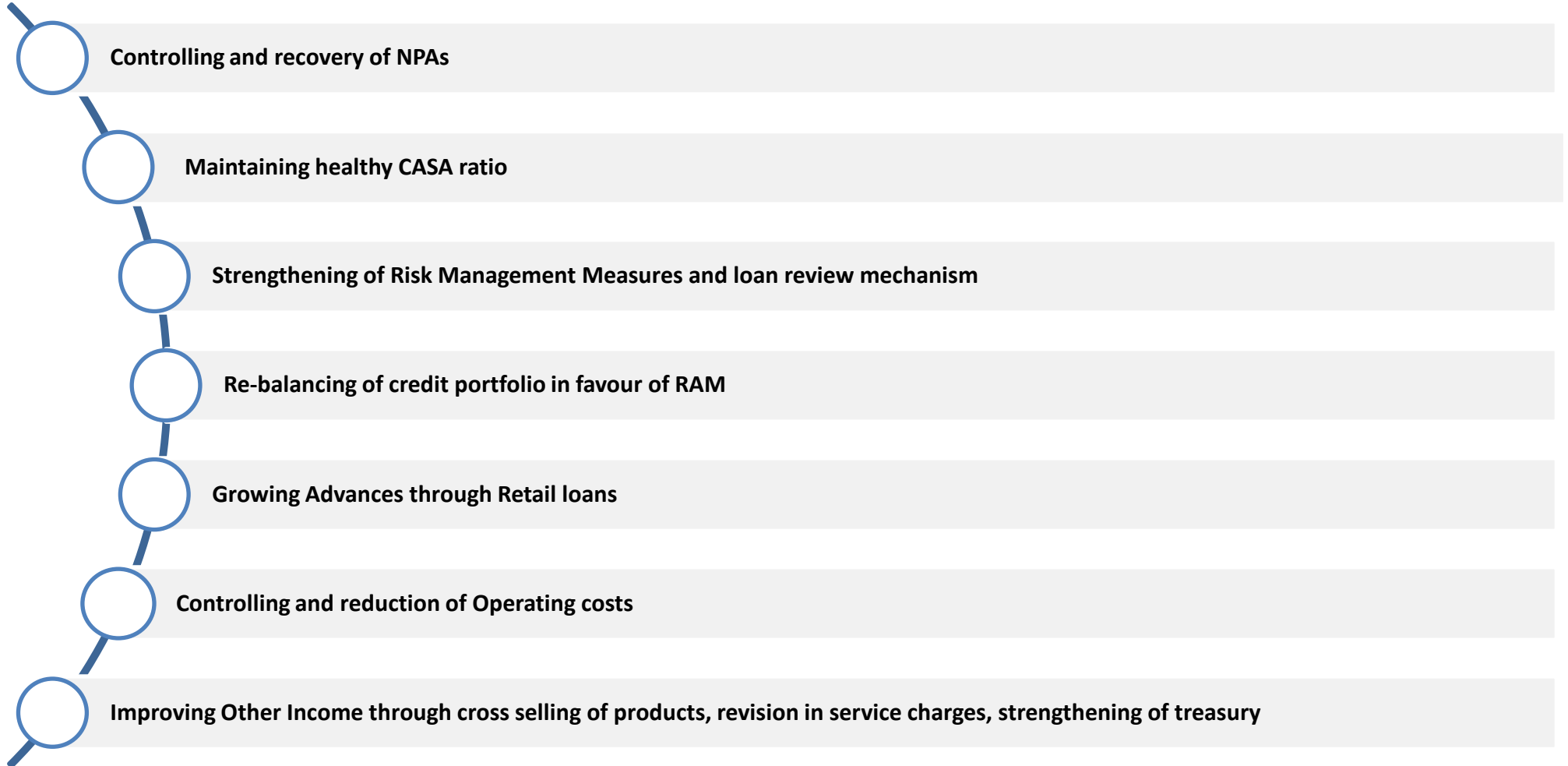
Bank's strategy towards IT and Digital Technology

1	Customer interfacing technology	Maha Connect	Robust Internet Banking platform with two factor authentication system ensured by 'Maha Secure'; has seen increasing number of internet banking users
		Maha Mobile	A convenient and customer friendly and secure mobile banking services
2	Internal systems	EFT Switch	Bank has developed its own EFT switch for reduced risk and host of value added services
		Credit Tracking systems	<ul style="list-style-type: none"> Implemented a Credit Proposal Trail Management System (CPTMS) to monitor movement and status of credit proposals at various levels Implementation of EWS

We are offering our services through BCs and Bank mitra's which gives access to millions of citizens in the 'Bottom of the pyramid'

Way forward

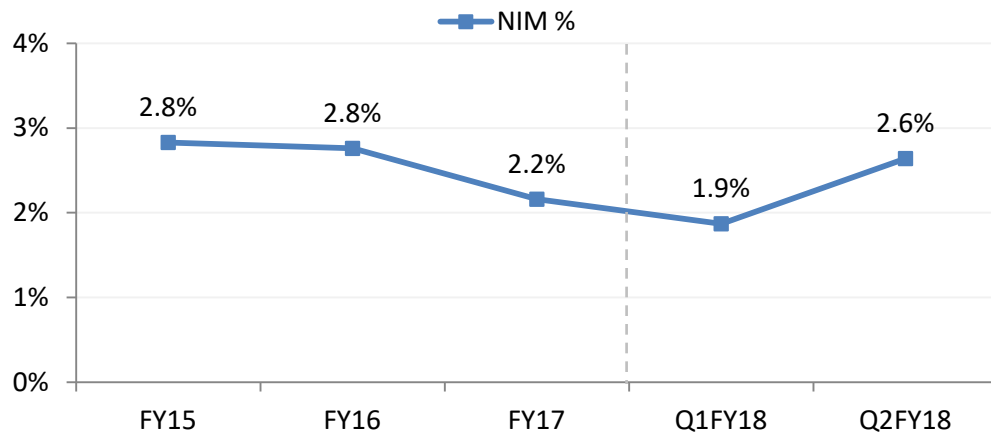
In a nutshell, Bank is on the path to achieving healthy financial position



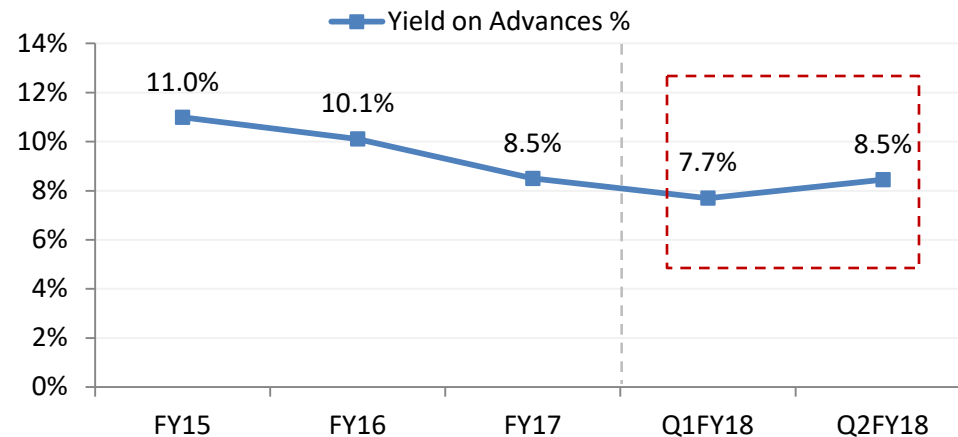
Financial Overview

Key ratios

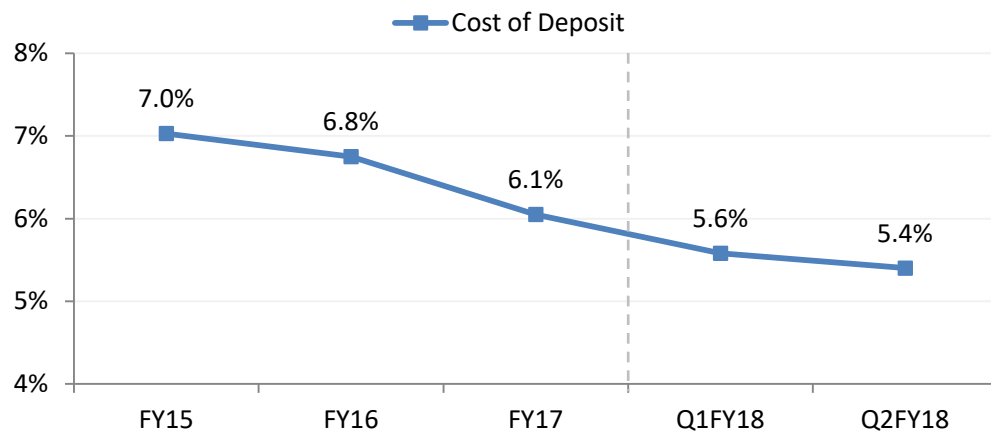
Net Interest Margin (NIM)



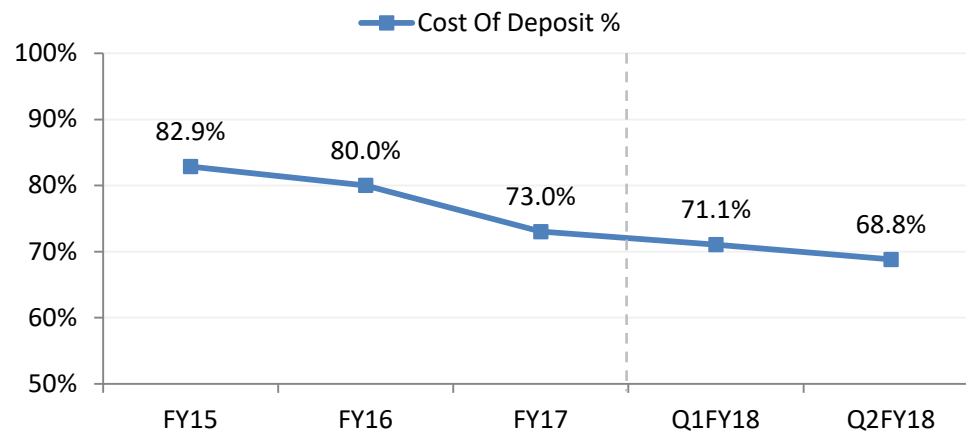
Yield on Advances



Cost of Deposit

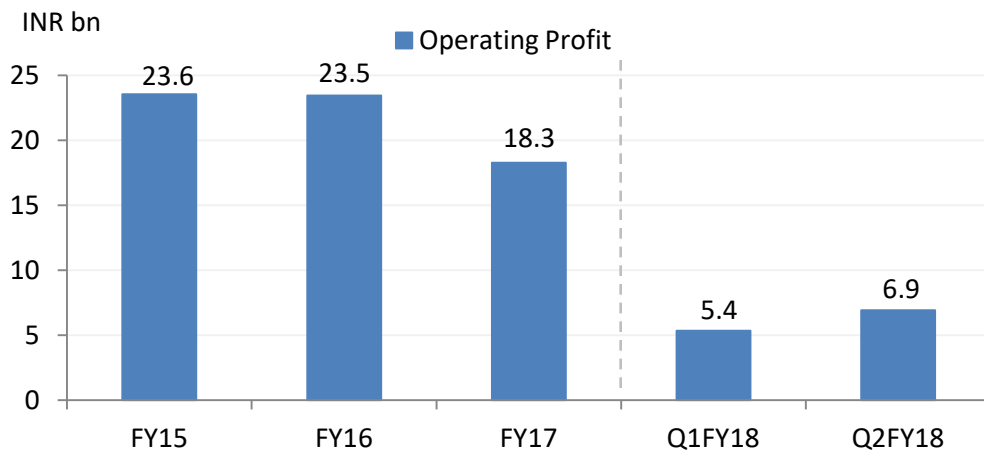


Credit to Deposit ratio

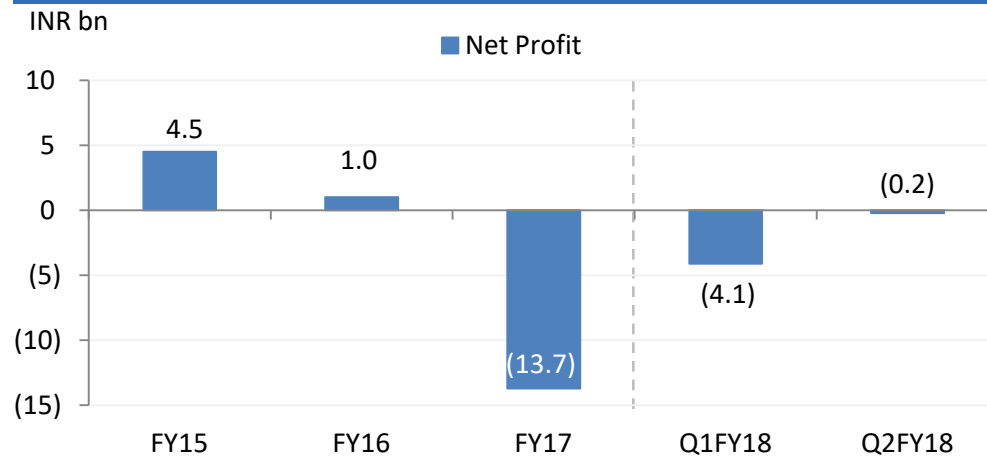


Key ratios

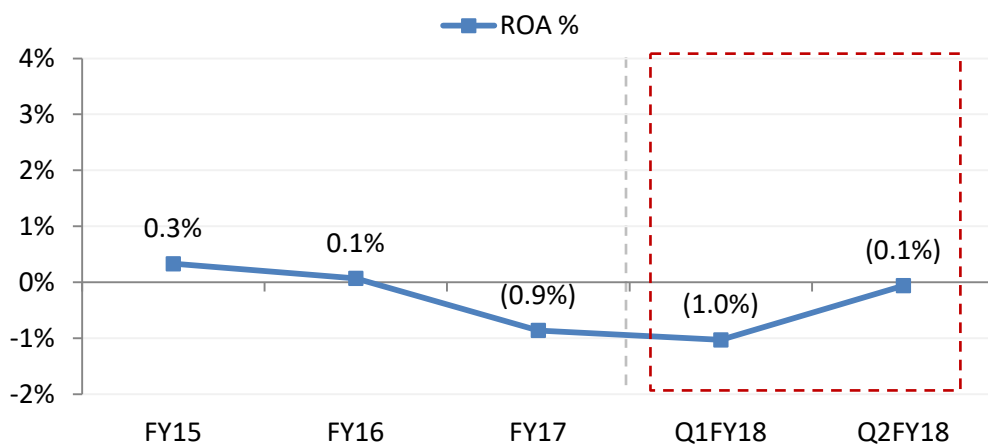
Operating profit



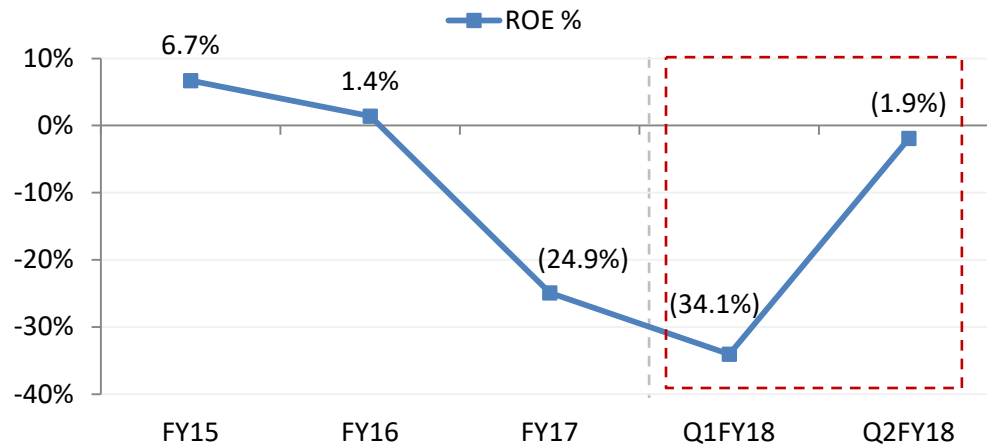
Net profit



RoA



RoE



Summary Financials

Figures in INR in billion	FY15	FY16	FY17	Q1FY18	Q2FY18
Interest Earned	126.7	130.5	120.6	27.5	29.3
Other Income	10.1	10.2	15.1	4.6	3.7
Total Income	136.7	140.7	135.7	32.1	33.0
Interest Expended	87.9	91.7	88.9	20.5	19.7
Operating Expenses	25.3	25.5	28.6	6.2	6.4
Total	113.2	117.3	117.4	26.8	26.1
Operating profit	23.6	23.5	18.3	5.3	6.9
Provisions & Contingencies	19.0	22.4	32.0	9.5	7.2
Total Expenses	132.2	139.7	149.4	36.2	33.3
Net Profit for the year	4.5	1.0	(13.7)	(4.1)	(0.2)
Figures in INR in billion	FY15	FY16	FY17	Q1FY18	Q2FY18
Capital	10.6	11.7	11.7	11.7	12.6
Reserves & Surplus	70.0	76.2	62.1	57.8	59.5
Deposits	1,221.2	1,389.9	1,390.5	1,366.3	1,351.0
Borrowings	111.3	92.3	81.4	63.4	58.4
Other Liabilities & Provisions	47.1	39.5	47.5	38.2	35.0
Total Liabilities	1,460.2	1,609.6	1,593.2	1,537.4	1,516.5
ASSETS:					
Cash and Balances with RBI	66.5	83.8	152.7	142.4	181.4
Balances with Banks, Money at call & short notice	1.0	9.4	13.7	1.7	10.2
Investments	327.7	362.3	385.9	402.9	371.9
Advances	986.0	1,075.6	955.2	902.5	866.6
Fixed Assets	14.3	16.9	15.9	15.6	15.2
Other Assets	64.7	61.5	69.9	72.3	71.1
Total Assets	1,460.2	1,609.6	1,593.2	1,537.4	1,516.5

Board of Directors



Ravindra R. Marathe

MD & CEO

Age: 59 years

Over 35 years of rich Banking experience in Corporate Strategic Planning, Credit Appraisal, Performance Budgeting, Economic Research, MIS, Environmental Scanning, and Data Warehouse functions. He also worked at exceptionally large branches having exposure to Corporate Credit and Trade Finance for over six years.



R. K. Gupta

Executive Director

Age: 57 years

More than 33 years of experience in Banking Industry out of which more than 30 years with DENA BANK. Appointed as Executive Director of Bank of Maharashtra on 31st December 2013. Previously, he was a Member of IBA Committee on SME.



Alekh C. Rout

Executive Director

Age: 57 years

Having a vast Banking experience of 34 years and core competence in the area of Corporate Credit, Commercial Banking, Human Resource, General Administration. Previously, he served as Chief General Manager (Commercial Banking) in State Bank of Bikaner and Jaipur before joining Bank of Maharashtra



Vandita Kaul

Government Nominee Director

Age: 51 years

Over 27 years of experience in the area of Finance, budgeting, IT Project Management, Operations and CRM, Social assistance, Development of backward areas and border areas, Irrigation, Urban development, E-Governance, Administration etc.



G. Sreekumar

Director - RBI Representative

Age: 56 years

Serves as Chief GM of Department of Government and Bank Accounts, RBI Central Office, Mumbai. He is working in RBI since 1986 and has worked in the areas of banking regulation and supervision, government banking, currency management, rural credit, and training.



R. Thamodharan

Shareholder Director

Age: 58 years

Currently serves as Nominee Director in M/s Tidel Park Ltd. Over 29 years experience in LIC of India holding following significant positions such as Executive Director, Managing Director and CEO of LIC International B.S.C.9 and Regional Manager Marketing



Archana Ravindrari Dholakia

Part time Non official Director

Age: 61 years

More than 32 years of experience in teaching, research and consulting at Universities and Institutions. Previously she Worked as Professor of Economics and Former Director at School of Social Sciences at Gujarat University. Distinguished Professor at Entrepreneurship Development Institute of India, Ahmedabad. She has published extensively in journals of national and international repute. Holds Ph.D (Economics)



Deendayal Agrawal

Part time Non official Director

Age: 49

Over 21 years of experience as Chartered Accountant. He is the Sr. Partner of the Practicing Chartered Accountant Firm i.e. M/s. Samsand & Associates, Delhi. Having a rich experience in Statutory Audit, Taxation, Internal Audit, Management Audit, Direct and Indirect tax matters, Economic and Capital Market issues etc., He is also a Director on the Board of few Private Companies/Foundations

Key management profiles



P. N. Deshpande
General Manager
 Present Portfolio : Chief
 Executive Officer, METCO



T. V. Ramanmurthy
General Manager
 Present Portfolio :
 Information Technology



R. H. Phadnis
General Manager
 Present Portfolio: CFO,
 Financial Management &
 Account, Inspection & Audit



M.C. Kulkarni
General Manager
 Present Portfolio : Risk
 Management



Rajkiran Bhoir
General Manager
 Present Portfolio : Resource
 Planning, First Appellate
 Authority RTI, Marketing &
 Publicity, Corporate
 Services & Security



C. K. Verma
General Manager
 Present Portfolio : Priority
 Sector Lending, Retail
 Banking, MSME, Cross
 Selling of Third Party
 Products, Pension & Other
 Government Business



R. B. Kshirsagar
General Manager
 Present Portfolio : Treasury
 & Credit Monitoring



N. Muniraju
General Manager
 Present Portfolio : Mumbai
 Zone



V. U. Mhaske
General Manager
 Present Portfolio :
 Agriculture, Convener SLBC,
 Financial Inclusion and
 Literacy, Rural
 Development, SHG, M-Seti,
 MARDEF



Nalini Shriraman
General Manager
 Present Portfolio : Credit
 (Large & Mid Corporate)



Nadendla Rambabu
General Manager
 Present Portfolio : Recovery
 & Legal

Annexure

Awards & accolades

Awards



12th "Banking Technology Excellence Awards 2015-16" organized by Institute for Development & Research in Banking Technology (IDRBT)

SKOCH AWARD 2016 in the field of Financial Inclusion



The IBA Runner-Up Award for the "Best Financial Inclusion Initiatives."

Best Bank Award for Financial Inclusion for Emerging Bank

Runner Up award – CSR & Business Responsibility Award for Emerging Bank



Financial Express India's Best Bank Award

Bank Grabbed 5 Awards in BFSI Awards by World HRD Congress



BEST BANK-PUBLIC SECTOR in BFSI Awards-2014 in recognition of the Best performances in Banking Category

" Greentech Fire Safety & Security Award 2013 by Greentech Foundation in Gold category



Thank you