



बैंक ऑफ बड़ौदा **Bank of Baroda**

BCC:ISD:104/16/266

Date: 04.05.12

The Vice-President,  
(Fax No. 022- 2272 3719 / 1278 /3121/ 2037)  
Bombay Stock Exchange Ltd.,  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001  
BSE CODE : 532134

The Vice-President,  
(Fax No. 022- 2659 8237 / 38 /8347 /8348)  
National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra Kurla Complex  
Bandra (E), Mumbai – 400 051  
NSE CODE : BANKBARODA

Dear Sir/ Madam,

**Re: Bank of Baroda - Audited Financial Results for the fourth quarter / year ended 31<sup>st</sup> March 2012 – Reporting under Clause 41, 19 & 20 of LA**

Further to our letter No. BCC:ISD:104/16/238 dated 23<sup>rd</sup> April 2012 we advise that the Board of Directors of our Bank at its meeting held today:

1. Considered and approved the Audited Financial Results (Standalone) of the Bank for the quarter / financial year ended 31<sup>st</sup> March 2012 together with relevant Segment Reporting. A copy of the results (in prescribed format pursuant to Clause – 41 of the Listing Agreement) duly signed by the Chairman & Managing Director and Executive Directors of the Bank, is enclosed herewith along with the Auditors Report.
2. Recommended a dividend @ Rs. 17/- (Rupees Seventeen only.) per equity share (equity shares of Rs. 10/- each fully paid-up) for the F.Y. 2011-12 subject to necessary approvals and declaration at the ensuing Annual General Meeting of the shareholders of the Bank, which will be paid / dispatched by 9<sup>th</sup> July 2012.

We request you to take a note of the above pursuant to clause 41, 19 and 20 and other applicable clauses of the Listing Agreement.

The information may kindly be uploaded on your website.

Yours faithfully, .

  
K. Srinivasa Rao  
DGM – Secretary to Board

Encl. - As Above

बड़ौदा कार्पोरेट सेन्टर, सी-26, जी-ब्लॉक, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पू), मुंबई 400 051, भारत

Baroda Corporate Centre, C-26, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400-051, India.

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ई-मेल / E-mail : companysecretary.bcc@bankofbaroda.com • वेब / www.bankofbaroda.com



Audited Financial Results for the quarter/ year ended 31st March, 2012

(₹ in lacs)

| Sr. No. | Particulars                                                                                               | Quarter Ended 31.03.2012 | Quarter Ended 31.12.2011 | Quarter Ended 31.03.2011 | Year Ended 31.03.2012 | Year Ended 31.03.2011 |
|---------|-----------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|-----------------------|-----------------------|
|         |                                                                                                           | Audited                  | Reviewed                 | Audited                  | Audited               | Audited               |
| 1       | Interest earned (a)+(b)+(c)+(d)                                                                           | 8118,52                  | 7671,99                  | 6334,16                  | 29673,72              | 21885,92              |
|         | (a) Interest /discount on advances/bills                                                                  | 6073,88                  | 5748,54                  | 4583,27                  | 22369,41              | 16183,76              |
|         | (b) Income on investments                                                                                 | 1639,98                  | 1646,16                  | 1318,40                  | 6184,73               | 4774,78               |
|         | (c) Interest on balances with Reserve Bank of India and other inter bank funds                            | 232,93                   | 221,23                   | 137,57                   | 837,43                | 494,50                |
|         | (d) Others                                                                                                | 171,73                   | 56,06                    | 294,92                   | 282,15                | 432,88                |
| 2       | Other Income                                                                                              | 897,79                   | 1149,33                  | 834,49                   | 3422,33               | 2809,18               |
| 3       | Total Income (1 + 2)                                                                                      | 9016,31                  | 8821,32                  | 7168,65                  | 33096,05              | 24695,10              |
| 4       | Interest Expended                                                                                         | 5321,12                  | 5016,48                  | 3720,28                  | 19356,71              | 13083,66              |
| 5       | Operating Expenses (a) + (b)                                                                              | 1644,26                  | 1196,65                  | 1502,56                  | 5108,97               | 4629,83               |
|         | (a) Employees cost                                                                                        | 1019,56                  | 674,03                   | 989,71                   | 2985,58               | 2916,78               |
|         | (b) Other operating expenses                                                                              | 624,70                   | 522,62                   | 512,85                   | 2123,39               | 1713,05               |
| 6       | Total Expenditure (4+5) excluding provisions and contingencies                                            | 6965,38                  | 6213,13                  | 5222,84                  | 24465,68              | 17713,49              |
| 7       | Operating Profit before Provisions and Contingencies (3-6)                                                | 2050,93                  | 2608,19                  | 1945,81                  | 8630,37               | 6981,61               |
| 8       | Provisions (other than tax) and Contingencies                                                             | 843,68                   | 836,74                   | 590,41                   | 2554,82               | 1331,29               |
| 9       | Exceptional Items (Refer Note no. 6)                                                                      | 10,74                    | 13,00                    | -                        | 49,75                 | -                     |
| 10      | Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)                                           | 1196,51                  | 1758,45                  | 1355,40                  | 6025,80               | 5650,32               |
| 11      | Tax expenses                                                                                              | (321,67)                 | 468,60                   | 61,05                    | 1018,84               | 1408,64               |
| 12      | Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)                                      | 1518,18                  | 1289,85                  | 1294,35                  | 5006,96               | 4241,68               |
| 13      | Extraordinary items (net of tax expenses)                                                                 | -                        | -                        | -                        | -                     | -                     |
| 14      | Net Profit (+) / Loss (-) for the period (12-13)                                                          | 1518,18                  | 1289,85                  | 1294,35                  | 5006,96               | 4241,68               |
| 15      | Paid-up equity share capital (Face Value of Rs.10 each)                                                   | 412,38                   | 392,81                   | 392,81                   | 412,38                | 392,81                |
| 16      | Reserve excluding Revaluation Reserve                                                                     | -                        | -                        | -                        | 25890,79              | 19408,24              |
| 17      | Analytical Ratios                                                                                         |                          |                          |                          |                       |                       |
|         | i) Percentage of shares held by Government of India                                                       | 54.31                    | 57.03                    | 57.03                    | 54.31                 | 57.03                 |
|         | ii) Capital Adequacy Ratio (%)                                                                            | 14.67                    | 13.45                    | 14.52                    | 14.67                 | 14.52                 |
|         | iii) Earnings Per Share                                                                                   |                          |                          |                          |                       |                       |
|         | Basic and diluted EPS before and after Extraordinary items, net of tax expenses (not annualized) [ in ₹.] | 38.73                    | 32.94                    | 35.51                    | 127.84                | 116.37                |
|         | iv) NPA Ratios                                                                                            |                          |                          |                          |                       |                       |
|         | (a) Gross NPA                                                                                             | 4464,75                  | 3895,08                  | 3152,50                  | 4464,75               | 3152,50               |
|         | Net NPA                                                                                                   | 1543,64                  | 1325,27                  | 790,88                   | 1543,64               | 790,88                |
|         | (b) % of Gross NPA                                                                                        | 1.53                     | 1.48                     | 1.36                     | 1.53                  | 1.36                  |
|         | % of Net NPA                                                                                              | 0.54                     | 0.51                     | 0.35                     | 0.54                  | 0.35                  |
|         | v) Return on Assets (annualized) %                                                                        | 1.41                     | 1.29                     | 1.51                     | 1.24                  | 1.33                  |
| 18      | Public Shareholding                                                                                       |                          |                          |                          |                       |                       |
|         | - No. of shares                                                                                           | 18784,38,04              | 16826,65,00              | 16826,65,00              | 18784,38,04           | 16826,65,00           |
|         | - Percentage of shareholding                                                                              | 45.69                    | 42.97                    | 42.97                    | 45.69                 | 42.97                 |
| 19      | Promoters and promoter group Shareholding                                                                 | 22327,95,79              | 22327,95,79              | 22327,95,79              | 22327,95,79           | 22327,95,79           |
|         | (a) Pledged/Encumbered                                                                                    |                          |                          |                          |                       |                       |
|         | - Number of shares                                                                                        | --                       | --                       | --                       | --                    | --                    |
|         | - Percentage of shares (as a % of the total shareholding of promoter and promoter group)                  | --                       | --                       | --                       | --                    | --                    |
|         | - Percentage of share (as a % of the total share capital of the bank)                                     | --                       | --                       | --                       | --                    | --                    |
|         | (b) Non-encumbered                                                                                        |                          |                          |                          |                       |                       |
|         | - Number of shares                                                                                        | 22327,95,79              | 22327,95,79              | 22327,95,79              | 22327,95,79           | 22327,95,79           |
|         | - Percentage of shares (as a % of the total shareholding of promoter and promoter group)                  | 100.00                   | 100.00                   | 100.00                   | 100.00                | 100.00                |
|         | - Percentage of share (as a % of the total share capital of the bank)                                     | 54.31                    | 57.03                    | 57.03                    | 54.31                 | 57.03                 |

- Notes forming part of the Audited financial results for the quarter/ year ended 31st March, 2012

- 1 The above financial results have been reviewed by the Audit Committee of the Board in their meeting held on 3rd May, 2012 and approved by the Board of Directors in their meeting held on 4th May, 2012.
- 2 The above results for the year ended 31st March, 2012 have been prepared following the same accounting policy as those followed in the annual financial statements for the year ended 31st March, 2011.
- 3 The figures for the quarter ended 31st March, 2012 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figure between audited figures in respect of the full financial year and the reviewed year to date figures upto the end of the third quarter of the relevant financial year.
- 4 In accordance with the Accounting Standard (AS) 15 (Revised) "Employee Benefits" issued by the Institute of Chartered Accountants of India and based on actuarial valuation, out of transitional liability as on 31st March, 2007 aggregating to ₹ 901.00 crores, a proportionate sum of ₹ 45.05 crores has been charged to the Profit and Loss Account during the quarter and ₹180.20 crores during the year ended 31st March, 2012. The entire amount of transitional liability now stands provided as on 31st March, 2012.
- 5 In accordance with RBI circular no. DBOD.BP.BC.80/21.04.018/2010-11 dated 9th February, 2011, out of the additional pension fund liability as on 31st March, 2011 of ₹1829.90 crores towards serving employees who exercised option for pension, a proportionate sum of ₹91.50 crores has been charged to the Profit and Loss Account during the quarter and ₹365.98 crores during the year ended 31st March, 2012. The unamortized pension fund liability of ₹ 1097.93 crores will be charged proportionately in accordance with the directions contained in the said circular.
- 6 The Bank has taken over specified Assets & Liabilities of The Memon Co-operative Bank Ltd on 18th April, 2011 as per approval granted by RBI vide letter no. UBD.CO.MEROER No. 7814/09.16.901/2010.11 dated 4th March, 2011. Out of the deficit of ₹ 149.25 crores on account of the said take over, the Bank has proportionately charged ₹10.74 crores to the Profit and Loss Account during the quarter and ₹49.75 crores during the year ended March 31, 2012. The balance amount of ₹ 99.50 crores will be charged proportionately over the remaining period till Financial Year 2013-14, as approved by RBI vide letter no. DBOD.No.BP.1311/21.04.048/2010-11 dated 25th July, 2011.
- 7 The financial results for the quarter/ year ended 31st March, 2012 have been arrived at after considering provision for Non Performing Assets, Standard Assets, Restructured Assets and depreciation/ provision for Investments on the basis of prudential norms and specific guidelines issued by RBI. During the year, the Bank has made provision @ 20% on the Secured Sub-standard Advance as against the Regulatory requirement of minimum 15%. Further the Bank has made an additional ad-hoc provision of ₹342.79 crores for the quarter/ year ended March 31, 2012 in certain non performing domestic advance accounts.
- 8 During the year bank has allotted 1,95,77,304 equity shares of ₹10/- each at a premium of ₹830.10 per share, to Life Insurance Corporation of India, as approved by the shareholders in an Extra-Ordinary General Meeting in accordance with regulation 76 (1) of SEBI (Issue of Capital & Disclosure Requirements) Regulations 2009, on preferential basis. The total amount received by the Bank on this account is ₹1644.69 crores.
- 9 Non Performing Loan Provisioning Coverage Ratio (including technical write off) is 80.05 % as on 31st March, 2012.
- 10 The Board of Directors has proposed dividend of ₹17/- per share (on facevalue of ₹10/-) which is subject to compliance of Section 15 of Banking Regulation Act, 1949 and consequential notification to be issued to this effect by the Government of India under Section 53 of Banking Regulation Act, 1949 and approval of the shareholders.
- 11 Details of Investor's complaints for the quarter ended 31st March, 2012: Pending at Beginning - Nil; Received - 90; Disposed off - 90; Closing - Nil
- 12 Statement of Assets & Liabilities is as under:-

|                                                        | (₹ In Lacs)              |                          |
|--------------------------------------------------------|--------------------------|--------------------------|
|                                                        | As on<br>31st March 2012 | As on<br>31st March 2011 |
|                                                        | Audited                  | Audited                  |
| <b>CAPITAL &amp; LIABILITIES</b>                       |                          |                          |
| Capital                                                | 412,38                   | 392,81                   |
| Reserves and Surplus                                   | 27064,47                 | 20650,73                 |
| Deposits                                               | 384871,11                | 305439,48                |
| Borrowings                                             | 23573,05                 | 22307,86                 |
| Other Liabilities and Provisions                       | 11400,46                 | 9606,30                  |
| <b>TOTAL</b>                                           | <b>447321,47</b>         | <b>358397,18</b>         |
| <b>ASSETS</b>                                          |                          |                          |
| Cash and Balances with Reserve Bank of India           | 21651,46                 | 19868,18                 |
| Balances with Banks and Money at Call and Short Notice | 42517,08                 | 30065,89                 |
| Investments                                            | 83209,40                 | 71396,59                 |
| Advances                                               | 287377,29                | 228676,36                |
| Fixed Assets                                           | 2341,51                  | 2299,72                  |
| Other Assets                                           | 10224,73                 | 6090,44                  |
| <b>TOTAL</b>                                           | <b>447321,47</b>         | <b>358397,18</b>         |

- 13 The figures of previous period/ year have been regrouped/ rearranged wherever necessary so as to make them comparable with those of the current period/ year.

## Part A - Business Segments

| (₹. In lacs) |                              |                                  |                                   |                                  |                               |                               |
|--------------|------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------|-------------------------------|
| Sr. No.      | Particulars                  | Quarter Ended 31.03.2012 Audited | Quarter Ended 31.12.2011 Reviewed | Quarter Ended 31.03.2011 Audited | Year Ended 31.03.2012 Audited | Year Ended 31.03.2011 Audited |
| 1            | Segment Revenue              |                                  |                                   |                                  |                               |                               |
|              | (a) Treasury Operations      | 1920,04                          | 2206,90                           | 1524,00                          | 7325,07                       | 5597,84                       |
|              | (b) Wholesale Banking        | 3468,96                          | 3398,66                           | 2869,14                          | 13132,60                      | 9840,82                       |
|              | (c) Retail Banking           | 2380,90                          | 2123,34                           | 1681,27                          | 8488,31                       | 5983,40                       |
|              | (d) Other Banking Operations | 1246,41                          | 1092,42                           | 1094,24                          | 4150,07                       | 3273,04                       |
|              | Total Revenue                | 9016,31                          | 8821,32                           | 7168,65                          | 33096,05                      | 24695,10                      |
| 2            | Segment Results              |                                  |                                   |                                  |                               |                               |
|              | (a) Treasury Operations      | 548,47                           | 373,13                            | 163,53                           | 887,72                        | 882,51                        |
|              | (b) Wholesale Banking        | (632,42)                         | 331,07                            | 444,75                           | 965,87                        | 1702,31                       |
|              | (c) Retail Banking           | 792,13                           | 648,85                            | (45,15)                          | 2782,37                       | 1341,07                       |
|              | (d) Other Banking Operations | 920,75                           | 824,55                            | 907,59                           | 2959,73                       | 2750,61                       |
|              | Total                        | 1628,93                          | 2177,60                           | 1470,72                          | 7595,69                       | 6676,50                       |
|              | Unallocated Expenditure      | 432,42                           | 419,15                            | 115,32                           | 1569,89                       | 1026,18                       |
|              | Profit before Tax            | 1196,51                          | 1758,45                           | 1355,40                          | 6025,80                       | 5650,32                       |
|              | Provision for Tax            | (321,67)                         | 468,60                            | 61,05                            | 1018,84                       | 1408,64                       |
|              | Net Profit                   | 1518,18                          | 1289,85                           | 1294,35                          | 5006,96                       | 4241,68                       |
| 3            | Capital Employed             |                                  |                                   |                                  |                               |                               |
|              | (a) Treasury Operations      | 6369,46                          | 6287,37                           | 5046,51                          | 6369,46                       | 5046,51                       |
|              | (b) Wholesale Banking        | 8612,31                          | 7494,35                           | 6833,07                          | 8612,31                       | 6833,07                       |
|              | (c) Retail Banking           | 3879,71                          | 3699,49                           | 3167,95                          | 3879,71                       | 3167,95                       |
|              | (d) Other Banking Operations | 8330,39                          | 7622,91                           | 5825,71                          | 8330,39                       | 5825,71                       |
|              | (e) Unallocated              | 284,98                           | 252,15                            | 170,30                           | 284,98                        | 170,30                        |
|              | Total Capital Employed       | 27476,85                         | 25356,27                          | 21043,54                         | 27476,85                      | 21043,54                      |

## Part- B : Geographic Segments

| (₹. In lacs) |                   |                                  |                                   |                                  |                               |                               |
|--------------|-------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------|-------------------------------|
| Sr. No.      | Particulars       | Quarter Ended 31.03.2012 Audited | Quarter Ended 31.12.2011 Reviewed | Quarter Ended 31.03.2011 Audited | Year Ended 31.03.2012 Audited | Year Ended 31.03.2011 Audited |
| 1            | Revenue           |                                  |                                   |                                  |                               |                               |
|              | (a) Domestic      | 7880,74                          | 7715,12                           | 6345,33                          | 29063,31                      | 21743,87                      |
|              | (b) International | 1135,57                          | 1106,20                           | 823,32                           | 4032,74                       | 2951,23                       |
|              | Total             | 9016,31                          | 8821,32                           | 7168,65                          | 33096,05                      | 24695,10                      |
| 2            | Assets            |                                  |                                   |                                  |                               |                               |
|              | (a) Domestic      | 319459,76                        | 291659,44                         | 267629,48                        | 319459,76                     | 267629,48                     |
|              | (b) International | 127861,71                        | 119729,91                         | 90767,70                         | 127861,71                     | 90767,70                      |
|              | Total             | 447321,47                        | 411389,35                         | 358397,18                        | 447321,47                     | 358397,18                     |

## Notes on Segment Reporting :

- As per guidelines of RBI on compliance with Accounting Standards, The Bank has adopted "Treasury Operations", Wholesale, Retail and "Other Banking Operations" as Primary business segments and "Domestic" and International as secondary / geographic segments for the purpose of compliance with AS-17 on Segment Reporting issued by ICAI.
- Segment revenue represents revenue from external customers.
- In determining the segment results, the funds transfer price mechanism followed by the bank has been used.
- Capital employed for each segment has been allocated proportionate to the assets of the segment.
- Results, Revenue and Capital Employed of International operations is included in other banking operations.

N. S. SRINATH  
EXECUTIVE DIRECTOR

R. K. BAKSHI  
EXECUTIVE

M. D. MALLYA  
CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai  
Date : 04.05.2012

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|                                                          |                                                    |                                                           |
|----------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------|
| <b>Khimji Kunverji &amp; Co</b><br>Chartered Accountants | <b>Brahmayya &amp; Co</b><br>Chartered Accountants | <b>Ray &amp; Ray</b><br>Chartered Accountants             |
| <b>S K Mittal &amp; Co</b><br>Chartered Accountants      | <b>N B S &amp; Co</b><br>Chartered Accountants     | <b>Laxminiwas Neeth &amp; Co</b><br>Chartered Accountants |

### Auditors' Report

To  
The Shareholders of Bank of Baroda

- 1 We have audited the accompanying financial statements of Bank of Baroda as at March 31, 2012, which comprise the Balance Sheet as at March 31, 2012, and Profit and Loss Account and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. Incorporated in these financial statements are the returns of 20 branches audited by us, 45 foreign branches audited by local auditors and 2,746 branches audited by branch auditors. The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India. Also incorporated in the Balance Sheet and the Profit and Loss Account are the returns from 1,138 branches which have not been subjected to audit. These unaudited branches account for 1.36 per cent of advances, 3.96 per cent of deposits, 1.14 per cent of interest income and 3.60 per cent of interest expenses.

### Management's Responsibility for the Financial Statements

- 2 Management is responsible for the preparation of these financial statements in accordance with accounting standards generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

- 3 Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
- 4 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

|                                                          |                                                    |                                                           |
|----------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------|
| <b>Khimji Kunverji &amp; Co</b><br>Chartered Accountants | <b>Brahmayya &amp; Co</b><br>Chartered Accountants | <b>Ray &amp; Ray</b><br>Chartered Accountants             |
| <b>S K Mittal &amp; Co</b><br>Chartered Accountants      | <b>N B S &amp; Co</b><br>Chartered Accountants     | <b>Laxminiwas Neeth &amp; Co</b><br>Chartered Accountants |

- 5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

- 6 Without qualifying our report, we draw attention to:
- Note No B-1.3.3 of financial statements, which describes deferment of pension liability of the Bank to the extent of ₹1,097.94 crores as on March 31, 2012 pursuant to the exemption granted by the Reserve Bank of India ('RBI') to the public sector banks from application of the provisions of Accounting Standard 15 (revised), Employee Benefits issued by the Institute of Chartered Accountants of India, vide its circular no. DBOD.BP.BC/80/21.04.018/2010-11 dated February 9, 2011, on Re-opening of Pension Option to Employees of Public Sector Banks; and
  - Note No C-8 of financial statement, which describes that the unrecognized deficit aggregating ₹99.50 crores as on March 31, 2012, arising out of the take-over of specified assets and liabilities from the Memon Co-operative Bank Limited to be charged off proportionately till financial year 2013-14 as per approval received from RBI vide Letter No. DBOD.No.BP.1311/21.04.048/2010-11 dated July 25, 2011.
- 7 In our opinion, as shown by books of bank, and to the best of our information and according to the explanations given to us:
- The Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of state of affairs of the Bank as at March 31, 2012 in conformity with accounting principles generally accepted in India;
  - The Profit and Loss Account, read with the notes thereon shows a true balance of profit, in conformity with accounting principles generally accepted in India, for the year covered by the account; and
  - The Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

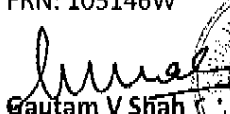
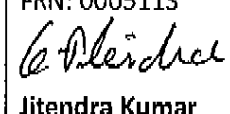
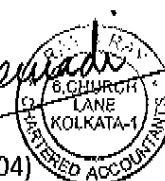
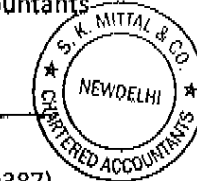
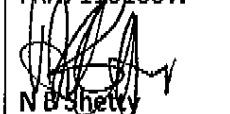
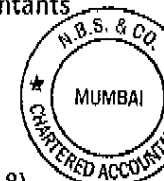
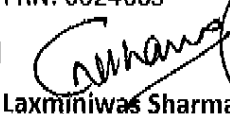
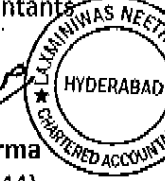
- 8 The Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949.

|                                                          |                                                    |                                                           |
|----------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------|
| <b>Khimji Kunverji &amp; Co</b><br>Chartered Accountants | <b>Brahmayya &amp; Co</b><br>Chartered Accountants | <b>Ray &amp; Ray</b><br>Chartered Accountants             |
| <b>S K Mittal &amp; Co</b><br>Chartered Accountants      | <b>N B S &amp; Co</b><br>Chartered Accountants     | <b>Laxminiwas Neeth &amp; Co</b><br>Chartered Accountants |

9 Subject to the limitations of the audit indicated in paragraph 1 to 5 above and as required by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/ 1980, and subject also to the limitations of disclosure required therein, we report that;

- i We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory;
- ii The transactions of the Bank, which have come to our notice have been within the powers of the Bank; and
- iii The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit.

10 In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the applicable accounting standards.

|                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| For Khimji Kunverji & Co<br>Chartered Accountants<br>FRN: 105146W<br><br>Gautam V Shah<br>Partner (F-117348)  | For Brahmayya & Co<br>Chartered Accountants<br>FRN: 000511S<br><br>Jitendra Kumar<br>Partner (F-201825)  | For Ray & Ray<br>Chartered Accountants<br>FRN: 301072E<br><br>A N Yennemadi<br>Partner (F-031004)                  |
| For S K Mittal & Co<br>Chartered Accountants<br>FRN: 001135N<br><br>Gaurav Mittal<br>Partner (F-099387)       | For N B S & Co<br>Chartered Accountants<br>FRN: 110100W<br><br>N B Shetty<br>Partner (F-016718)          | For Laxminiwas Neeth & Co<br>Chartered Accountants<br>FRN: 002460S<br><br>Laxminiwas Sharma<br>Partner (F-014244)  |

Mumbai  
Date: May 04, 2012