



बैंक ऑफ बड़ौदा **Bank of Baroda**

BCC:ISD:105/16/288

Date: 13.05.2013

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 31st March 2013 – Reporting under Clause 41, 19 & 20 of LA

Further to our letter No. BCC:ISD:105/16/261 dated 2nd May 2013 we advise that the Board of Directors of our Bank at its meeting held today:

1. Considered and approved the Audited Financial Results (Standalone & Consolidated) of the Bank for the quarter / financial year ended 31st March 2013 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. 21.50 (Rupees Twenty one fifty paise) per equity share (equity shares of Rs. 10/- each fully paid-up) for the F.Y. 2012-13 subject to necessary approvals and declaration at the ensuing Annual General Meeting of the shareholders of the Bank. The dividend payment date is 8th July 2013.

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,


R. K. Bansal
Chief Group Compliance Officer

Encl. - As Above 

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

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

फोन / Phone : 91 22 6698 5812/5846 • फैक्स / Fax : 91 22 2652 6660

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

Audited Financial Results for the quarter / year ended 31st March, 2013

(₹ in lacs)

Sr. No.	Particulars	Quarter ended (Standalone)			Year ended (Standalone)		Year ended (Consolidated)	
		31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
		Audited	Reviewed	Audited	Audited	Audited	Audited	Audited
1	Interest earned (a)+(b)+(c)+(d)	9071.57	8844.92	8118.52	35196.65	29673.72	36442.06	30488.49
	(a) Interest /discount on advances/bills	6516.36	6485.32	6073.88	25887.05	22369.41	26611.35	22866.01
	(b) Income on investments	1984.10	1897.92	1639.98	7493.39	6184.73	7887.88	6435.99
	(c) Interest on balances with Reserve Bank of India and other inter bank funds	413.13	403.21	232.93	1443.02	837.43	1538.39	901.69
	(d) Others	157.98	58.47	171.73	403.19	282.15	404.44	284.80
2	Other Income	1190.93	840.59	897.79	3630.63	3422.33	4510.62	4100.42
3	Total Income (1 + 2)	10262.50	9685.51	9016.31	38827.28	33096.05	40952.68	34588.91
4	Interest Expended	6257.58	6004.02	5321.12	23881.39	19356.71	24486.41	19724.34
5	Operating Expenses (a) + (b)	1822.88	1425.51	1644.26	5872.11	5108.97	6231.73	5405.79
	(a) Employees cost	1139.30	798.15	1019.56	3449.65	2985.58	3615.95	3117.27
	(b) Other operating expenses	683.58	627.36	624.70	2422.46	2123.39	2615.78	2288.52
6	Total Expenditure (4+5) excluding provisions and contingencies	8080.46	7429.53	6965.38	29753.50	24465.68	30718.14	25130.13
7	Operating Profit before Provisions and Contingencies (3-6)	2182.04	2255.98	2050.93	9073.78	8630.37	10234.54	9458.78
8	Provisions (other than tax) and Contingencies	1598.40	1029.31	843.68	4167.92	2554.82	4965.29	3105.28
9	Exceptional Items (Refer Note no. 5)	37.31	12.44	10.74	74.63	49.75	74.63	49.75
10	Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	546.33	1214.23	1196.51	4831.23	6025.80	5194.62	6303.75
11	Tax expenses	(482.52)	202.61	(321.67)	350.51	1018.84	444.14	1087.46
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	1028.85	1011.62	1518.18	4480.72	5006.96	4750.48	5216.29
	Less: Minority Interest	NA	NA	NA	NA	NA	24.79	20.84
	Add: Share of earnings in Associates	NA	NA	NA	NA	NA	78.54	53.12
13	Extraordinary items (net of tax expenses)	-	-	-	-	-	-	-
14	Net Profit (+) / Loss (-) for the period (12-13)	1028.85	1011.62	1518.18	4480.72	5006.96	4804.23	5248.57
15	Paid-up equity share capital (Face Value of Rs.10 each)	422.52	412.38	412.38	422.52	412.38	422.52	412.38
16	Reserves excluding Revaluation Reserve	-	-	-	30442.66	25890.79	31741.89	26916.45
17	Analytical Ratios							
	i) Percentage of shares held by Government of India	55.41	54.31	54.31	55.41	54.31	55.41	54.31
	ii) Capital Adequacy Ratio (%)	13.30	12.66	14.67	13.30	14.67	13.51	14.97
	iii) Earnings Per Share							
	Basic and diluted EPS before and after Extraordinary items, net of tax expenses (not annualized) [in ₹.]	24.99	24.61	38.73	108.84	127.84	116.70	134.01
	iv) NPA Ratios							
	(a) Gross NPA	7982.58	7321.45	4464.75	7982.58	4464.75		
	Net NPA	4192.02	3363.23	1543.64	4192.02	1543.64		
	(b) % of Gross NPA	2.40	2.41	1.53	2.40	1.53		
	% of Net NPA	1.28	1.12	0.54	1.28	0.54		
	v) Return on Assets (annualized) %	0.79	0.84	1.41	0.90	1.24		
18	Public Shareholding							
	- No. of shares	18,78,43,804	18,78,43,804	18,78,43,804	18,78,43,804	18,78,43,804		
	- Percentage of shareholding	44.59	45.69	45.69	44.59	45.69		
19	Promoters and promoter group Shareholding	23,34,12,499	22,32,79,579	22,32,79,579	23,34,12,499	22,32,79,579		
	(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	23,34,12,499	22,32,79,579	22,32,79,579	23,34,12,499	22,32,79,579		
	- 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)	55.41	54.31	54.31	55.41	54.31		

Not Applicable

- 1 The above financial results have been reviewed by the Audit Committee of Board in their meeting held on 12th May 2013 and approved by the Board of Directors in their meeting held on 13th May 2013. The same have been subjected to audit 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.
- 2 The above results for the quarter / full year ended 31st March, 2013 have been prepared following the same accounting policy as those followed in the annual financial statements for the year ended 31st March, 2012.
- 3 The figures for the quarter ended 31st March, 2013 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 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 Rs.365.98 crores during the year ended 31st March 2013. The unamortized pension fund liability of ₹731.96 crores will be charged proportionately in accordance with the directions contained in the said circular.
- 5 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 ₹186.58 crores (after adjusting claim received from DICGC) on account of the said take over, the Bank has charged ₹37.31 crores to the Profit and Loss Account during the quarter and ₹74.63 crores during the year ended 31st March, 2013. As approved by RBI vide letter no. DBOD.No.BP.1311/21.04.048/2010-11 dated 25th July 2011 the balance amount of Rs.62.20 crores will be charged upto Financial Year 2013-14.
- 6 The financial results for the quarter / year ended 31st March, 2013 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. The Bank has made provision @ 20% on the Secured Sub-standard Advance as against the Regulatory requirement of 15%. Further the bank has made an additional adhoc provision of Rs. 136.75 Crores during the quarter/year ended 31st March 2013 in certain non performing domestic advance accounts.
- 7 During the year bank has allotted 1,01,32,920 equity shares of ₹10/- each at a premium of ₹828.85 per share, to Government 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 ₹850 crores.
- 8 Non Performing Loan Provisioning Coverage Ratio (Including technical write off) is 68.24% as on 31st March, 2013.
- 9 The Board of Directors has proposed a dividend of 215% i.e. ₹21.50 per share (on face value of ₹10/-) which is subject to approval of shareholders.
- 10 Details of Investor's complaints for the quarter ended 31st March, 2013: Pending at Beginning - Nil; Received - 76; Disposed off - 76; Closing - Nil
- 11 Statement of Assets & Liabilities is as under:-

	As on 31st Mar 2013 (Standalone)	As on 31st Mar 2012 (Standalone)
	Audited	Audited
CAPITAL & LIABILITIES		
Capital	422.52	412.38
Reserves and Surplus	31546.92	27064.47
Deposits	473883.34	384871.11
Borrowings	26579.28	23573.05
Other Liabilities and Provisions	14703.38	11400.46
TOTAL	547135.44	447321.47
ASSETS		
Cash and Balances with Reserve Bank of India	13452.08	21651.46
Balances with Banks and Money at Call and Short Notice	71946.83	42517.08
Investments	121393.72	83209.40
Advances	328185.76	287377.29
Fixed Assets	2453.12	2341.51
Other Assets	9703.93	10224.73
TOTAL	547135.44	447321.47

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

Part A - Business Segments

(₹ In lacs)

Sr. No.	Particulars	Quarter ended (Standalone)			Year ended (Standalone)		Year ended (Consolidated)	
		31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
		Audited	Reviewed	Audited	Audited	Audited	Audited	Audited
1	Segment Revenue							
	(a) Treasury Operations	2623,63	2342,13	1920,04	9199,48	7325,07	9352,38	7453,90
	(b) Wholesale Banking	3900,39	3685,16	3468,96	15026,66	13132,60	15095,11	13185,19
	(c) Retail Banking	2479,63	2465,02	2380,90	9604,56	8488,31	9887,97	8730,83
	(d) Banking & Other Operations	1258,85	1193,20	1246,41	4996,58	4150,07	6617,22	5218,99
	Total Revenue	10262,50	9685,51	9016,31	38827,28	33096,05	40952,68	34588,91
2	Segment Results							
	(a) Treasury Operations	361,86	231,28	548,47	1070,13	887,72	1119,50	925,50
	(b) Wholesale Banking	(511,65)	(34,55)	(632,42)	(103,95)	965,87	(92,52)	980,42
	(c) Retail Banking	1002,75	745,19	792,13	3085,71	2782,37	3144,72	2849,50
	(d) Banking & Other Operations	42,38	617,92	920,75	2221,71	2959,73	2545,30	3173,47
	Total	895,34	1559,84	1628,93	6273,60	7595,69	6717,00	7928,89
	Unallocated Expenditure	349,01	345,61	432,42	1442,37	1569,89	1468,64	1592,86
	Profit before Tax	546,33	1214,23	1196,51	4831,23	6025,80	5248,36	6336,03
	Provision for Tax	(482,52)	202,61	(321,67)	350,51	1018,84	444,14	1087,46
	Net Profit	1028,85	1011,62	1518,18	4480,72	5006,96	4804,22	5248,57
3	Capital Employed							
	(a) Treasury Operations	8526,91	8281,64	6369,46	8526,91	6369,46	8794,21	6572,36
	(b) Wholesale Banking	8927,57	8447,52	8612,31	8927,57	8612,31	9132,71	8784,66
	(c) Retail Banking	4278,82	4581,67	3879,71	4278,82	3879,71	4468,65	4041,00
	(d) Banking & Other Operations	9923,42	9709,39	8330,39	9923,42	8330,39	10566,99	8828,24
	(e) Unallocated	312,72	358,33	284,98	312,72	284,98	319,21	290,04
	Total Capital Employed	31969,44	31378,55	27476,85	31969,44	27476,85	33281,77	28516,30

Part- B : Geographic Segments

(₹ In lacs)

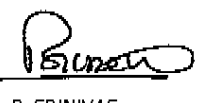
Sr. No.	Particulars	Quarter ended (Standalone)			Year ended (Standalone)		Year ended (Consolidated)	
		31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
		Audited	Reviewed	Audited	Audited	Audited	Audited	Audited
1	Revenue							
	(a) Domestic	9045,22	8493,21	7880,74	33876,70	29063,31	35196,20	30048,39
	(b) International	1217,28	1192,30	1135,57	4950,58	4032,74	5756,48	4540,52
	Total	10262,50	9685,51	9016,31	38827,28	33096,05	40952,68	34588,91
2	Assets							
	(a) Domestic	381404,32	340171,80	319459,76	381404,32	319459,76	386487,80	323453,13
	(b) International	165731,12	148391,20	127861,71	165731,12	127861,71	172900,53	133958,87
	Total	547135,44	488563,00	447321,47	547135,44	447321,47	559388,33	457412,00

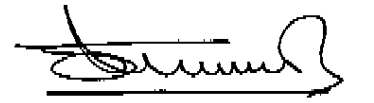
Notes on Segment Reporting :

- As per guidelines of RBI on compliance with Accounting Standards, The Bank has adopted "Treasury Operations", Wholesale, Retail and " Banking & Other 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.


 RANJAN CHAWAN
 EXECUTIVE DIRECTOR


 SUDHIR KUMAR JAIN
 EXECUTIVE DIRECTOR


 P. SRINIVAS
 EXECUTIVE DIRECTOR


 S. S. MUNDRA
 CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai
 Date : 13th May, 2013

Laxminiwas Neeth & Co Chartered Accountants	Brahmayya & Co Chartered Accountants	Ray & Ray Chartered Accountants
S K Mittal & Co Chartered Accountants	N B S & Co Chartered Accountants	KASG & Co Chartered Accountants

Independent Auditors Report

To

The Shareholders of Bank of Baroda

Report on the Financial Statements.

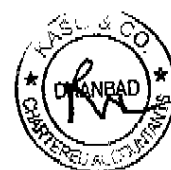
1. We have audited the accompanying financial statements of Bank of Baroda as on 31st March, 2013, which comprise the Balance Sheet as on 31st March, 2013, and Profit and Loss Account and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. Incorporated in these financial statements are the returns of 20 branches audited by us, 1848 branches audited by branch auditors and 49 foreign branches audited by local 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 2408 branches (including 1 Offshore business unit) which have not been subjected to audit. These unaudited branches account for 6.86 per cent of advances, 12.43 per cent of deposits, 6.17 per cent of interest income and 13.24 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 the Banking Regulation Act 1949, Reserve Bank of India guidelines from time to time and 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 entity'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.

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

6. Matter of Emphasis

Without qualifying our opinion, we draw our attention to

- 1) Note No. B.1.3.3, which describes deferment of pension liability of the Bank to the extent of Rs 731.96 Crores as on 31st March, 2013 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 Institute of Chartered Accountant 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.
- 2) Note No C-8 of the Financial Statement, which describes that the unrecognized deficit aggregating Rs 62.20 crores as on 31st March, 2013, arising out of the take over of specified assets and liabilities from the Memon Cooperative Bank Limited to be charged off proportionately till the financial year 2013-14 as per approval received from Reserve Bank of India vide letter No. DBOD. No. BP. 1311 / 21.04.048 /2010-11 dated July 25, 2011.

7. Opinion

In our opinion, as shown by books of bank and to the best of our information and according to the explanations given to us:

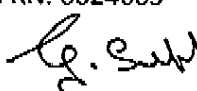
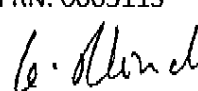
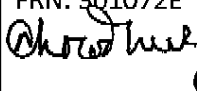
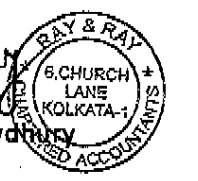
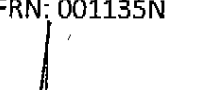
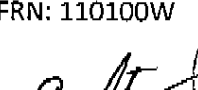
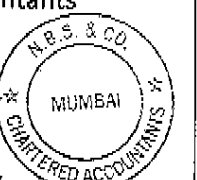
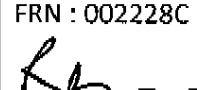
- i. The Balance sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of state of affairs of the Bank as on 31st March, 2013 in conformity with accounting principles generally accepted in India;



- ii. 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
- iii. 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 Statement of Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949.
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;
 - a. 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;
 - b. The transactions of the Bank, which have come to our notice have been within the powers of the Bank;
 - c. 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 Laxminiwas Neeth & Co Chartered Accountants FRN: 002460S  Garre Subba Rao Partner M. No: 019579 	For Brahmayya & Co Chartered Accountants FRN: 000511S  Jitendra Kumar Partner M.No. 201825 	For Ray & Ray Chartered Accountants FRN: 301072E  Amitava Chowdhury Partner M.No. 056060 
For S K Mittal & Co Chartered Accountants FRN: 001135N  S K Mittal Partner M.No. 008506 	For N B S & Co Chartered Accountants FRN: 110100W  Pradeep J Shetty Partner M.No : 046940 	For K A S G & Co Chartered Accountants FRN : 002228C  R K Agarwal Partner M.No. 073063 

Date: 13th May 2013

Place: Mumbai

M/s Laxminiwas Neeth & Co Chartered Accountants	M/s. Brahmayya & Co. Chartered Accountants	M/s Ray & Ray Chartered Accountants
M/s. S. K. Mittal & Co. Chartered Accountants	M/s N B S & Co Chartered Accountants	M/s KASG & Co Chartered Accountants

Independent Auditors' Report

To The Board of Directors of
Bank of Baroda

Report on the Consolidated Financial Statements

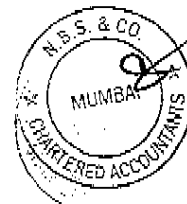
- 1) We have audited the accompanying consolidated financial statements of BANK OF BARODA ("the Group"), which comprise the Consolidated Balance Sheet as on 31st March, 2013, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, in which following are incorporated:
 - i) Audited Accounts of the Bank of Baroda (The Bank), audited by us, vide our audit report dated May 13, 2013.
 - ii) Audited Accounts of 11 Subsidiaries, 6 Associates and 2 Joint Ventures, audited by other Auditors,
 - iii) Unaudited Accounts of 1 Subsidiary and 1 Joint Venture.

Management's Responsibility for the Consolidated Financial Statements

- 2) Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Banking Regulation Act 1949, complying with Reserve Bank of India guidelines from time to time and accounting standards generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

- 3) Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.



M/s Laxminiwas Neeth & Co Chartered Accountants	M/s. Brahmayya & Co. Chartered Accountants	M/s Ray & Ray Chartered Accountants
M/s. S. K. Mittal & Co. Chartered Accountants	M/s N B S & Co Chartered Accountants	M/s KASG & Co Chartered Accountants

- 4) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view 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 consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Matter of Emphasis

- 5) a) Note No.18 of Schedule-19, which describes deferment of liability of the Bank and its subsidiary, the Nainital Bank Ltd, relating to pension and gratuity to the extent of Rs. 746.32 crores as on 31st March, 2013 pursuant to the exemption granted by the Reserve Bank of India to the public sector banks from application of the provisions of AS 15 (revised), Employee Benefits, 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 Enhancement in Gratuity Limit- Prudential Regulatory Treatment.
- b) Note No.19 of Schedule-19, which describes that the unrecognized deficit aggregating Rs. 62.20 crores as on 31st March, 2013, 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.

Our opinion is not qualified in respect of Matter of Emphasis.

Opinion

- 6) In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements / consolidated financial statements of the subsidiaries and associates as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:



M/s Laxminiwas Neeth & Co Chartered Accountants	M/s. Brahmayya & Co. Chartered Accountants	M/s Ray & Ray Chartered Accountants
M/s. S. K. Mittal & Co. Chartered Accountants	M/s N B S & Co Chartered Accountants	M/s KASG & Co Chartered Accountants

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as on 31st March, 2013;
- (b) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

7) Incorporated in the Consolidated Financial Statements are:

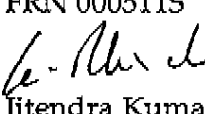
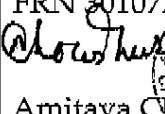
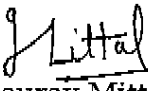
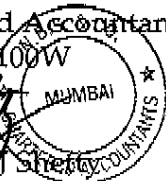
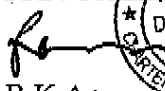
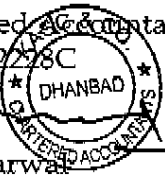
- a) (i) Figures of unaudited financial statements in respect of 1 international subsidiary namely Bank of Baroda (Botswana) Ltd, whose financial statements reflect total assets of Rs. 1018.44 crores as on 31st March, 2013 and total revenue of Rs. 75.68 crores and cash flows amounting to Rs. 23.24 crores for the year ended on that date
- (ii) Figures of unaudited financial statements in respect of 1 international Joint Venture namely India International Bank (Malaysia) Berhad, whose financial statements reflect proportionate of total assets Rs. 255.30 crores as on 31st December, 2012 and total revenue of Rs. 3.51 crores and cash flows amounting to Rs. 232.25 crores for the year ended on that date
- b) Financial statements of 8 international subsidiaries which have not been audited by us, whose financial statements reflect total assets of Rs. 6105.22 crores as on 31st March, 2013 and total revenue of Rs. 728.33 crores and cash flows amounting to Rs. 85.75 crores for the year then ended. The financial statements and other financial information of said subsidiaries and joint ventures have been audited by other auditors as per the requirement of respective local Generally Accepted Accounting Principles (GAAP). These financial statements have been converted as per the requirements of Indian GAAP by the management and audited by respective auditors and our opinion, in so far it relates to the amounts included in respect of those subsidiaries is based solely on the reports of those auditors and its conversion into Indian GAAP as stated above.



M/s Laxminiwas Neeth & Co Chartered Accountants	M/s. Brahmayya & Co. Chartered Accountants	M/s Ray & Ray Chartered Accountants
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- c) Figures of 3 domestic subsidiaries and 2 domestic joint ventures which have been audited by other auditors, whose financial statements reflect total assets of Rs. 6622.71 crores as on 31st March, 2013 and total revenue of Rs. 1386.95 crores and cash flows amounting to Rs. 343.81 crores for the year then ended.

Our opinion is not qualified in respect of other Matters.

FOR Laxminiwas Neeth & Co Chartered Accountants FRN 002460S  Dayaniwas Sharma Partner M.No. 216244 	FOR Brahmayya & Co. Chartered Accountants FRN 000511S  Jitendra Kumar Partner M.No. 201825 	FOR Ray & Ray Chartered Accountants FRN 301072E  Amitava Chowdhury Partner M.No. 056060 
FOR S. K. Mittal & Co. Chartered Accountants FRN 001135N  Gaurav Mittal Partner M.No. 099387 	FOR N B S & Co Chartered Accountants FRN 110100W  Pradeep Shetty Partner M.No. 046940 	FOR KASG & Co Chartered Accountants FRN 002258C  R K Agarwal Partner M.No. 073063 

Date: 13th May 2013

Place: Mumbai