



बैंक ऑफ बड़ौदा **Bank of Baroda**

BCC:ISD:107/16/244

Date: 11th May 2015

The Vice-President,
B S E Ltd.,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001
BSE CODE : 532134
"E-mail:corp.relations@bseindia.com"

The Vice-President,
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai - 400 051
NSE CODE : BANKBARODA
"Email : cmlist@nse.co.in"

Dear Sir/ Madam,

Re: Bank of Baroda - Audited Financial Results for the fourth quarter / year ended 31st March 2015 - Reporting under Clause 41 & 20 of LA

Further to our letter No. BCC:ISD:107/16/226 dated 27th April 2015, 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 2015, 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 Managing Director & CEO and Executive Director of the Bank, is enclosed herewith along with the Auditors' Report.
2. Recommended a dividend @ **Rs.3.20 (Rupees Three & Paise Twenty only) per equity share** of the face value of Rs. 2/- each fully paid-up, for the F.Y. 2014-15, subject to declaration at the ensuing 19th Annual General Meeting of the Shareholders of the Bank, proposed to be held at Vadodara on Wednesday, 24th June 2015.

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

The information may kindly be uploaded on your website.

Yours faithfully,

M. L. Jain

DGM-Company Secretary
& Compliance

Encl. - As Above



Bank of Baroda

Head Office: Baroda House, P B No.506, Mandvi, Baroda- 390006

Corporate Office: C-26, G-Block, Bandra Kuria Complex, Bandra (E), Mumbai- 400051

Audited Financial Results for the Quarter/Year ended 31st March, 2015

(₹ In Lacs)

Sr. No.	Particulars	Quarter Ended (Standalone)			Year ended (Standalone)		Year Ended (Consolidated)	
		31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
		Audited	Reviewed	Audited	Audited	Audited	Audited	Audited
1	Interest earned (a)+(b)+(c)+(d)	10761.93	10717.99	10288.59	42963.55	38939.71	44914.96	40462.90
	(a) Interest /discount on advances/bills	7539.62	7715.29	7316.18	30802.68	27878.09	31669.36	28656.55
	(b) Income on investments	2628.76	2463.57	2199.96	9701.07	8695.99	10603.54	9293.97
	(c) Interest on balances with Reserve Bank of India and other inter bank funds	286.63	366.65	495.50	1549.79	1533.86	1717.63	1671.25
	(d) Others	306.92	172.48	276.95	910.01	831.77	924.43	841.13
2	Other Income	1295.46	1090.35	1326.26	4402.00	4462.74	5449.27	5555.15
3	Total Income (1 + 2)	12057.39	11808.34	11614.85	47365.55	43402.45	50364.23	46018.05
4	Interest Expended	7590.26	7431.85	7164.27	29776.32	26974.36	30546.61	27604.43
5	Operating Expenses (a) + (b)	1773.60	2037.45	1871.03	7674.13	7074.87	8604.41	7530.09
	(a) Employees cost	928.24	1119.78	1039.89	4261.35	4139.73	4476.97	4334.61
	(b) Other operating expenses	845.36	917.67	831.14	3412.78	2935.14	4127.44	3195.48
6	Total Expenditure (4+5) excluding provisions and contingencies	9363.86	9469.30	9035.30	37450.45	34049.23	39151.02	35134.52
7	Operating Profit before Provisions and Contingencies (3-6)	2693.53	2339.04	2579.55	9915.10	9353.22	11213.21	10883.53
8	Provisions (other than tax) and Contingencies	1817.50	1262.25	1153.15	4494.50	3793.71	5229.98	4824.94
9	Exceptional Items	-	-	15.55	-	62.20	-	62.20
10	Profit (+)/Loss (-) from Ordinary Activities	876.03	1076.79	1410.85	5420.60	5497.31	5983.23	5996.39
11	Tax expenses	277.68	742.81	253.58	2022.17	956.23	2150.54	1065.15
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	598.35	333.98	1157.27	3398.43	4541.08	3832.69	4931.24
	Less: Minority Interest	NA	NA	NA	NA	NA	38.69	35.68
	Add: Share of earnings in Associates	NA	NA	NA	NA	NA	117.73	105.17
13	Extraordinary items (net of tax expenses)	-	-	-	-	-	-	-
14	Net Profit (+) / Loss (-) for the period (12-13)	598.35	333.98	1157.27	3398.43	4541.08	3911.73	5000.73
15	Paid-up equity share capital (Face Value of ₹2 each)	443.56	430.68	430.68	443.56	430.68	443.56	430.68
16	Reserve excluding Revaluation Reserve	-	-	-	38404.49	34502.39	40573.71	36349.21
17	Analytical Ratios							
	i) Percentage of shares held by Government of India	57.53	56.26	56.26	57.53	56.26	57.53	56.26
	a Capital Adequacy Ratio (%) - Basel-II	13.33	12.94	12.87	13.33	12.87	13.90	13.41
	b Capital Adequacy Ratio (%) - Basel-III	12.60	12.42	12.28	12.60	12.28	13.07	12.71
	iii) Earnings Per Share							
	Basic and diluted EPS before and after Extraordinary items, net of tax expenses (not annualized) [in ₹.]	2.79	1.56	5.41	15.83	21.48	18.22	23.65
	iv) NPA Ratios							
	(a) Gross NPA	16261.45	15452.96	11875.90	16261.45	11875.90		
	Net NPA	8069.49	8291.25	6034.76	8069.49	6034.76		
	(b) % of Gross NPA	3.72	3.85	2.94	3.72	2.94		
	% of Net NPA	1.89	2.11	1.52	1.89	1.52		
	v) Return on Assets (annualized) %	0.35	0.20	0.74	0.49	0.75		
18	Public Shareholding							
	- No. of shares	93,92,19,020	93,92,19,020	93,92,19,020	93,92,19,020	93,92,19,020		
	- Percentage of shareholding	42.47	43.74	43.74	42.47	43.74		
19	Promoters and promoter group Shareholding	127,22,76,886	120,78,56,415	120,78,56,415	127,22,76,886	120,78,56,415		
	(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	127,22,76,886	120,78,56,415	120,78,56,415	127,22,76,886	120,78,56,415		
	- 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)	57.53	56.26	56.26	57.53	56.26		

Not Applicable

Not Applicable

Notes forming part of the audited financial results for the Quarter/Year ended 31st March, 2015

- 1 The above financial results have been reviewed by the Audit Committee of Board in their meeting held on 10th May 2015 and approved by the Board of Directors in their meeting held on 11th May 2015. 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 / year ended 31st March 2015 have been prepared following the same accounting policy as those followed in the annual financial statements for the year ended 31st March, 2014, except with regard to change in depreciation on fixed assets in compliance with companies Act 2013 and forex contracts outstanding as at Balance Sheet date, Held for Trading are marked to market, resultant Profit/ Loss is included in Profit.
- 3 The figures for the quarter ended 31st March, 2015 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 ended 31st Mar 2015. The pension fund liability is now fully charged to Profit & Loss Account.
- 5 The financial results for the quarter / year ended 31st March 2015 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 additional ad-hoc provision of ₹340.56 Crores during the year (during the quarter -NIL-) in certain non performing domestic advance accounts.
- 6 As approved by the Board of the Bank in its meeting held on 6th November 2014, face value of the existing one equity share of ₹ 10/- each fully paid up is sub divided in to five equity shares of ₹2/- each fully paid up. The record date for the sub division was 23rd January 2015.
- 7 During the year Bank has allotted 6,44,20,471 shares of ₹ 2/- each fully paid up at a premium of ₹ 193.59 per share to the Government of India as approved by shareholders in the extra-ordinary General Meeting dated 26th January 2015 in accordance with (regulation 76 (1) of SEBI Disclosure Requirements) Regulations 2009 on preferential basis. Total amount received by Bank on this account is ₹ 1260 Crores
- 8 Non Performing Loan Provisioning Coverage Ratio is 64.99 % as on 31st March, 2015.
- 9 During the year the Bank has sold financial Assets with net book value of ₹185.54 Crores to Assets reconstruction companies on cash and Security receipt basis in accordance with RBI guidelines (during the quarter -NIL-). The security receipts are treated as non SLR Investments.
- 10 Tax expenses for the year ended March 2015 includes an amount of ₹ 374.86 Crores (during the quarter- nil-) levied by Dubai Income Tax Authorities, pertaining to earlier years. In addition, penalty of ₹ 38.44 Crores (during the quarter -nil-) was also levied by the tax authority, which is included in other operating expenses.
- 11 During the year penalty of ₹0.25 Crs(during the quarter -nil-) was levied by Reserve Bank of India on the Bank for non compliance of KYC norms. In overseas Operations, a penalty of ₹2.33 Crores (during the quarter -nil-) was paid to Central Bank of UAE for breach of wage protection system and ₹0.16 Crores (during the quarter -nil-) to Central Bank of China for breaching the short term debt limits.
- 12 In terms of RBI circular DBR.No.BP.BC.79/21.04.048/2014-15 dated 30.03.2015 Banks were allowed to utilise 50% of floating provision held by them as on 31.12.2014 for making specific provision for non performing assets. Bank has utilised the floating provision ₹425 Crores out of ₹850 crores held as at 31.12.2014 for making specific provision for NPAs.
- 13 An amount of ₹ 625 Crores has been provided during the year towards wage revision, due from 01.11.2012, pending final outcome of negotiation with IBA. Total provision towards wage revision as at 31.03.2015 is ₹1050 Crores.
- 14 The Board of Directors has proposed a dividend of ₹3.20 per share (face value ₹2/-) i.e. 160% subject to approval of shareholders.
- 15 Details of Investor's complaints for the quarter ended 31.03.2015: Pending at Beginning - Nil; Received -262; Disposed off - 262; Closing - Nil
- 16 Statement of Assets & Liabilities is as under:-

	As on 31st March 2015 Audited	As on 31st March 2014 Audited
CAPITAL & LIABILITIES		
Capital	443,56	430,68
Reserves and Surplus	39391,79	35555,00
Deposits	617559,52	568894,39
Borrowings	35264,28	36812,97
Other Liabilities and Provisions	22329,40	17811,49
TOTAL	714988,55	659504,53
ASSETS		
Cash and Balances with Reserve Bank of India	22488,60	18629,09
Balances with Banks and Money at Call and Short Notice	125864,55	112248,82
Investments	122319,72	116112,66
Advances	428065,14	397005,81
Fixed Assets	2874,85	2734,12
Other Assets	13375,69	12774,03
TOTAL	714988,55	659504,53

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

Segment reporting for the Quarter /Year ended 31st March, 2015

Part A - Business Segments

(₹ In Lacs)

Sr. No.	Particulars	Quarter Ended			Year Ended (Standalone)		Year Ended (Consolidated)	
		31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
		Audited	Reviewed	Audited	Audited	Audited	Audited	Audited
1	Segment Revenue							
	(a) Treasury Operations	3711,92	3455,94	3173,05	13905,38	12534,14	14562,86	13066,95
	(b) Wholesale Banking	5174,26	5363,42	5275,15	21465,60	19850,58	22025,24	20363,60
	(c) Retail Banking	3110,44	2987,34	3070,56	11932,16	10920,45	12488,89	11367,59
	(d) Other Banking Operations	60,77	1,64	96,09	62,41	97,28	1287,25	1219,91
	Total Revenue	12057,39	11808,34	11614,85	47365,55	43402,45	50364,24	46018,05
2	Segment Results							
	(a) Treasury Operations	790,63	785,56	388,85	3332,69	2256,24	3563,83	2455,10
	(b) Wholesale Banking	(113,48)	60,82	727,34	936,42	2079,88	1120,41	2276,22
	(c) Retail Banking	501,39	785,70	511,19	3005,45	2472,28	3144,22	2600,93
	(d) Other Banking Operations	48,23	1,30	74,66	49,53	75,59	173,26	149,95
	Total	1226,77	1633,38	1702,05	7324,09	6883,99	8001,72	7482,20
	Unallocated Expenditure	350,74	556,59	291,19	1903,49	1386,68	1939,45	1416,32
	Profit before Tax	876,03	1076,79	1410,86	5420,60	5497,31	6062,27	6065,88
	Provision for Tax	277,68	742,81	253,59	2022,17	956,23	2150,54	1065,15
	Net Profit	598,35	333,98	1157,27	3398,43	4541,08	3911,73	5000,73
3	Capital Employed							
	(a) Treasury Operations	15127,87	14776,74	13502,34	15127,87	13502,34	16035,05	14286,87
	(b) Wholesale Banking	18740,38	18179,36	17318,62	18740,38	17318,62	19485,84	17978,83
	(c) Retail Banking	5548,14	5694,61	4775,11	5548,14	4775,11	5937,31	5100,99
	(d) Other Banking Operations	-	-	-	-	-	127,31	78,74
	(e) Unallocated	418,96	446,27	389,61	418,96	389,61	432,14	401,39
	Total Capital Employed	39835,35	39096,98	35985,68	39835,35	35985,68	42017,65	37846,82

Part- B : Geographic Segments

(₹ In Lacs)

Sr. No.	Particulars	Quarter Ended			Year Ended (Standalone)		Year Ended (Consolidated)	
		31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
		Audited	Reviewed	Audited	Audited	Audited	Audited	Audited
1	Revenue							
	(a) Domestic	10770,33	10441,75	10294,20	41854,04	38421,82	43794,36	40106,45
	(b) International	1287,06	1366,59	1320,65	5511,51	4980,63	6569,88	5911,60
	Total	12057,39	11808,34	11614,85	47365,55	43402,45	50364,24	46018,05
2	Assets							
	(a) Domestic	464871,39	435507,52	427952,61	464871,39	427952,61	473707,41	435162,42
	(b) International	250117,16	221370,51	231551,92	250117,16	231551,92	260269,97	240951,69
	Total	714988,55	656878,03	659504,53	714988,55	659504,53	733977,38	676114,11

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.
- Capital employed for each segment has been allocated proportionate to the assets of the segment.
- The figures of previous period/ year have been regrouped/ rearranged wherever necessary so as to make them comparable with those of the current period.

K V Rama moorthy
Executive Director

Ranjan Bhawan
Managing Director & CEO

Place : Mumbai

Date : 11th May 2015

Khandelwal Jain & Co. Chartered Accountants	KASG & Co. Chartered Accountants	Wahi & Gupta Chartered Accountants
S R Goyal & Co Chartered Accountants	M B Agrawal & Co Chartered Accountants	Rodi Dabir & Co Chartered Accountants

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF BANK OF BARODA

To

**The Board of Directors,
Bank of Baroda**

- 1 We have audited the attached Consolidated Balance Sheet of Bank of Baroda (the "Group") as at March 31, 2015, the Consolidated Statement of Profit and Loss for the year ended on that date and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto, in which are incorporated:
- Audited Accounts of the Bank of Baroda (The Bank), audited by us, vide our audit report dated May 11, 2015;
 - Audited Accounts of 7 Subsidiaries, 2 Joint Ventures and 2 Associates, audited by other Auditors;
 - Unaudited accounts of 5 subsidiaries, 1 Joint Venture and 4 associates

Management's Responsibility for the Financial Statements

The Consolidated Financial Statements are the responsibility of the Bank's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding subsidiaries, associates & joint ventures. Our responsibility is to express our opinion on these Consolidated Financial Statements based on our audit.

- 2 These Consolidated Financial Statements have been prepared by the Bank in accordance with the requirements of AS 21 (Consolidated Financial Statements), AS 23 (Accounting for Investment in Associates in Consolidated Financial Statements) and AS 27 (Financial Reporting of Interest in Joint Ventures) issued by the ICAI and the guidelines issued by the Reserve Bank of India.

Auditor's Responsibility

- 3 We conducted our audit of the Consolidated Financial Statements in accordance with the Auditing Standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the Financial Statements are prepared, in all material respects, in accordance with an identified financial reporting



Khandelwal Jain & Co. Chartered Accountants	KASG & Co. Chartered Accountants	Wahi & Gupta Chartered Accountants
S R Goyal & Co Chartered Accountants	M B Agrawal & Co Chartered Accountants	Rodi Dabir & Co Chartered Accountants

framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

4 Incorporated in the Consolidated Financial Statements are:

- Financial statements of 4 overseas subsidiaries which have not been audited by us, whose financial statements reflect total assets of Rs. 10466.24 crores as at 31st March, 2015 and total revenue of Rs. 1060.82 crores and cash flows amounting to Rs. 209.31 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 got audited by them 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.
- 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. 10418.49 crores as at March 31, 2015 and total revenue of Rs. 2121.32 crores and cash flows amounting to Rs. 203.65 crores for the year then ended. The consolidated financial statements also include the Group's share of net profit of Rs. 2.25 crores for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of 2 associates, whose financial statement have been audited by other auditors, whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these domestic subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.
- Figures of 5 overseas subsidiaries and 1 overseas Joint Venture which have not been audited, whose financial statements reflect total assets of Rs. 2617.03 crores as at 31st March, 2015, total revenues of Rs. 141.91 crores and net cash out flows amounting to Rs.68.23 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 115.48 crores for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of 4 associates, whose financial statement have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements. In our opinion and according to the information and



Khandelwal Jain & Co. Chartered Accountants	KASG & Co. Chartered Accountants	Wahi & Gupta Chartered Accountants
S R Goyal & Co Chartered Accountants	M B Agrawal & Co Chartered Accountants	Rodi Dabir & Co Chartered Accountants

explanations given to us by the Management, these financial statements are not material to the Group.

5 Opinion

Based on our audit, consideration of reports of other auditors on separate financial statements, consideration of unaudited financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us read with paragraphs 4 and 5 above, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Consolidated Balance Sheet, of the state of affairs of the Bank, its Subsidiaries and interests in its Associates/ Joint ventures (Group) as on 31st March 2015;
- in the case of the Consolidated Statement of Profit & Loss, of the consolidated Profit of the "Group" for the year ended on that date, and
- in the case of Consolidated Cash Flow Statement, of the cash flows of the "Group" for the year ended on that date.

For Khandelwal Jain & Co Chartered Accountants FRN : 105049W   Shaileshkumar S Shah Partner M.No: 033632	For K A S G & Co Chartered Accountants FRN : 002228C   R K Agarwal Partner M.No: 073063	For Wahi & Gupta Chartered Accountants FRN: 002263N   Y. K. Gupta Partner M.No: 016020
For S R Goyal & Co Chartered Accountants FRN: 001537C   Ajay Kumar Atolia Partner M.No: 077201	For M B Agrawal & Co Chartered Accountants FRN: 100137W   M. B. Agrawal Partner M.No: 009045	For Rodi Dabir & Co Chartered Accountants FRN: 108846W   Dilip G Rodi Partner M.No: 035810

Date: 11th May 2015

Place: Mumbai

Khandelwal Jain & Co. Chartered Accountants	KASG & Co. Chartered Accountants	Wahi & Gupta Chartered Accountants
S R Goyal & Co Chartered Accountants	M B Agrawal & Co Chartered Accountants	Rodi Dabir & 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, 2015, which comprise the Balance Sheet as on 31st March, 2015, 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 and one Specialized Integrated Treasury Branch audited by us, 2282 branches audited by statutory branch auditors and 49 foreign branches audited by local auditors in respective countries. 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 2887 branches which have not been subjected to audit. These unaudited branches account for 5.15 per cent of advances, 12.22 per cent of deposits, 4.31 per cent of interest income and 14.59 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.



Khandelwal Jain & Co. Chartered Accountants	KASG & Co. Chartered Accountants	Wahi & Gupta Chartered Accountants
S R Goyal & Co Chartered Accountants	M B Agrawal & Co Chartered Accountants	Rodi Dabir & Co Chartered Accountants

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, but not for the purpose of expressing an opinion on effectiveness of the entity's internal control. 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. 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:

- 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, 2015 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

7. 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.

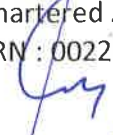


Khandelwal Jain & Co. Chartered Accountants	KASG & Co. Chartered Accountants	Wahi & Gupta Chartered Accountants
S R Goyal & Co Chartered Accountants	M B Agrawal & Co Chartered Accountants	Rodi Dabir & Co Chartered Accountants

8. 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;

- 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;
- The transactions of the Bank, which have come to our notice have been within the powers of the Bank;
- The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit;

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

For Khandelwal Jain & Co Chartered Accountants FRN : 105049W   Shaileshkumar S Shah Partner M.No: 033632	For K A S G & Co Chartered Accountants FRN : 002228C   K. K. Harodia Partner M.No: 034751	For Wahi & Gupta Chartered Accountants FRN: 002263N   Y. K. Gupta Partner M.No: 016020
For S R Goyal & Co. Chartered Accountants FRN: 001537C   Praveen Goyal Partner M.No: 074789	For M B Agrawal & Co Chartered Accountants FRN: 100137W   M. B. Agrawal Partner M.No: 009045	For Rodi Dabir & Co Chartered Accountants FRN: 108846W   Dilip G Rodi Partner M.No: 035810

Date: 11th May 2015

Place: Mumbai