

## BANK OF BARODA

## Unaudited Financial Results for the Quarter/ Nine months ended 31st December, 2011

(₹. In lacs)

| Sr. No. | Particulars   | Quarter Ended | Quarter Ended | Quarter Ended | Nine Months Ended | Nine Months Ended | Year Ended  |
|---------|---|---------------|---------------|---------------|-------------------|-------------------|-------------|
|         |   | 31.12.2011    | 30.09.2011    | 31.12.2010    | 31.12.2011        | 31.12.2010        | 31.03.2011  |
|         |   | Reviewed      | Reviewed      | Reviewed      | Reviewed          | Reviewed          | Audited     |
| 1       | Interest earned (a)+(b)+(c)+(d)   | 76,71,99      | 72,51,44      | 56,66,15      | 215,55,20         | 155,51,77         | 218,85,92   |
|         | (a) Interest /discount on advances/bills  | 57,35,95      | 54,82,35      | 42,12,20      | 162,95,53         | 116,16,24         | 162,03,47   |
|         | (b) Income on investments   | 16,46,16      | 15,46,14      | 12,77,40      | 45,44,75          | 34,56,38          | 47,74,78    |
|         | (c) Interest on balances with Reserve Bank of India and other inter bank funds                            | 2,33,82       | 2,07,92       | 1,14,63       | 6,04,50           | 3,41,19           | 4,74,79     |
|         | (d) Others  | 56,06         | 15,03         | 61,92         | 1,10,42           | 1,37,96           | 4,32,88     |
| 2       | Other Income  | 11,49,33      | 7,34,34       | 6,76,15       | 25,24,54          | 19,74,69          | 28,09,18    |
| 3       | Total Income (1 + 2)  | 88,21,32      | 79,85,78      | 63,42,30      | 240,79,74         | 175,26,46         | 246,95,10   |
| 4       | Interest Expended   | 50,16,48      | 46,84,53      | 33,73,89      | 140,35,59         | 93,63,38          | 130,83,66   |
| 5       | Operating Expenses (a) + (b)  | 11,96,65      | 11,61,28      | 11,17,21      | 34,64,71          | 31,27,27          | 46,29,83    |
|         | (a) Employees cost  | 6,74,03       | 6,46,61       | 6,94,18       | 19,66,02          | 19,27,07          | 29,16,78    |
|         | (b) Other operating expenses  | 5,22,62       | 5,14,67       | 4,23,03       | 14,98,69          | 12,00,20          | 17,13,05    |
| 6       | Total Expenditure (4+5) excluding provisions and contingencies  | 62,13,13      | 58,45,81      | 44,91,10      | 175,00,30         | 124,90,65         | 177,13,49   |
| 7       | Operating Profit before Provisions and Contingencies (3-6)  | 26,08,19      | 21,39,97      | 18,51,20      | 65,79,44          | 50,35,81          | 69,81,61    |
| 8       | Provisions (other than tax) and Contingencies   | 8,36,74       | 4,83,35       | 3,04,06       | 17,11,14          | 7,40,88           | 13,31,29    |
| 9       | Exceptional Items (Refer Note no. 7)  | 13,00         | 13,00         | -             | 39,01             | -                 | -           |
| 10      | Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)   | 17,58,45      | 16,43,62      | 15,47,14      | 48,29,29          | 42,94,93          | 56,50,32    |
| 11      | Tax expenses  | 4,68,60       | 4,77,54       | 4,78,26       | 13,40,51          | 13,47,59          | 14,08,64    |
| 12      | Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)                                      | 12,89,85      | 11,66,08      | 10,68,88      | 34,88,78          | 29,47,34          | 42,41,68    |
| 13      | Extraordinary items (net of tax expenses)   | -             | -             | -             | -                 | -                 | -           |
| 14      | Net Profit (+) / Loss (-) for the period (12-13)  | 12,89,85      | 11,66,08      | 10,68,88      | 34,88,78          | 29,47,34          | 42,41,68    |
| 15      | Paid-up equity share capital (Face Value of Rs.10 each)   | 3,92,81       | 3,92,81       | 3,65,53       | 3,92,81           | 3,65,53           | 3,92,81     |
| 16      | Reserve excluding Revaluation Reserve (as per balance sheet of previous accounting year)                  | 193,57,82     | 193,57,82     | 134,19,61     | 193,57,82         | 134,19,61         | 193,57,82   |
| 17      | Analytical Ratios   |               |               |               |                   |                   |             |
|         | i) Percentage of shares held by Government of India   | 57.03         | 57.03         | 53.81         | 57.03             | 53.81             | 57.03       |
|         | ii) Capital Adequacy Ratio (%)  | 13.45         | 12.73         | 12.45         | 13.45             | 12.45             | 14.52       |
|         | iii) Earnings Per Share   |               |               |               |                   |                   |             |
|         | Basic and diluted EPS before and after Extraordinary items, net of tax expenses (not annualized) [ in ₹.] | 32.94         | 29.78         | 29.34         | 89.10             | 80.91             | 116.37      |
|         | iv) NPA Ratios  |               |               |               |                   |                   |             |
|         | (a) Gross NPA   | 38,95,08      | 34,02,10      | 27,70,25      | 38,95,08          | 27,70,25          | 31,52,50    |
|         | Net NPA   | 13,25,27      | 11,18,58      | 7,44,24       | 13,25,27          | 7,44,24           | 7,90,88     |
|         | (b) % of Gross NPA  | 1.48          | 1.41          | 1.32          | 1.48              | 1.32              | 1.36        |
|         | % of Net NPA  | 0.51          | 0.47          | 0.36          | 0.51              | 0.36              | 0.35        |
|         | v) Return on Assets (annualized) %  | 1.29          | 1.23          | 1.34          | 1.21              | 1.30              | 1.33        |
| 18      | Public Shareholding   |               |               |               |                   |                   |             |
|         | - No. of shares   | 16826,65,00   | 16826,65,00   | 16826,65,00   | 16826,65,00       | 16826,65,00       | 16826,65,00 |
|         | - Percentage of shareholding  | 42.97         | 42.97         | 46.19         | 42.97             | 46.19             | 42.97       |
| 19      | Promoters and promoter group Shareholding   | 22327,95,79   | 22327,95,79   | 19600,00,00   | 22327,95,79       | 19600,00,00       | 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 company)                                  | --            | --            | --            | --                | --                | --          |
|         | (b) Non-encumbered  |               |               |               |                   |                   |             |
|         | - Number of shares  | 22327,95,79   | 22327,95,79   | 19600,00,00   | 22327,95,79       | 19600,00,00       | 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            | 100.00      |
|         | - Percentage of share (as a % of the total share capital of the company)                                  | 57.03         | 57.03         | 53.81         | 57.03             | 53.81             | 57.03       |

## Notes forming part of the Unaudited financial results for the quarter/ nine months ended 31st December, 2011

- 1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 25th January, 2012. The same have been subjected to limited review by the Statutory Central Auditors of the Bank, in line with the guidelines issued by the Reserve Bank of India (RBI) and as per the requirements of the Listing Agreements with the Stock Exchanges.
- 2 There has been no change in the Accounting Policies adopted during the quarter/ nine months ended 31st December, 2011 as compared to those followed in the preceding financial year 2010-11.
- 3 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 at 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 (₹ 135.15 crores for the nine months). The unrecognized amount of ₹ 45.05 crores will be charged by the end of 31st March, 2012.
- 4 Provision for taxes, employee benefits and other provisions for contingencies have been considered on estimated basis.
- 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 (₹ 274.50 crores for Nine months). The unamortized pension fund liability of ₹ 1189.43 crores will be charged proportionately in accordance with the directions contained in the said circular.
- 6 The financial results for the quarter/ nine months ended 31st December, 2011 have been arrived at after considering provision for Non Performing Assets, Standard Assets and depreciation/provision for Investments on the basis of prudential norms issued by RBI. The Bank has made provision @ 20% on the Secured Sub-standard Advance as against the Regulatory requirement of 15% resulting in additional provision of ₹ 78.26 crores.
- 7 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 04th March, 2011. Out of the deficit of ₹ 156.06 crores on account of the said take over, the Bank has proportionately charged a sum of ₹ 13.00 crores being 1/12th of the said deficit to the Profit and Loss Account during the quarter (₹ 39.01 crores for nine months). The balance amount of ₹ 117.05 crores will be charged proportionately during 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.
- 8 Non Performing Loan Provisioning Coverage Ratio(including technical write off) is 80.51 % as on 31st December, 2011.
- 9 Details of Investor's complaints for the quarter ended 31st December, 2011: Pending at Beginning - Nil; Received - 101; Disposed off - 101; Closing - Nil
- 10 Statement of Assets & Liabilities is as under:-

| (₹ In Lacs)  |                     |                     |
|--|---------------------|---------------------|
|  | As on<br>31.12.2011 | As on<br>31.12.2010 |
|  | Reviewed            | Reviewed            |
| <b>CAPITAL &amp; LIABILITIES</b>                       |                     |                     |
| Capital  | 3,92,81             | 3,65,53             |
| Reserves and Surplus                                   | 249,63,46           | 176,35,87           |
| Deposits   | 3492,05,91          | 2815,11,91          |
| Borrowings   | 246,36,59           | 188,15,74           |
| Other Liabilities and Provisions                       | 121,90,58           | 90,92,73            |
| <b>TOTAL</b>   | <b>4113,89,35</b>   | <b>3274,21,78</b>   |
| <b>ASSETS</b>  |                     |                     |
| Cash and Balances with Reserve Bank of India           | 177,93,28           | 154,23,79           |
| Balances with Banks and Money at Call and Short Notice | 390,93,28           | 255,23,19           |
| Investments  | 838,05,45           | 719,70,43           |
| Advances   | 2606,60,61          | 2072,08,77          |
| Fixed Assets   | 23,04,17            | 22,68,85            |
| Other Assets   | 77,32,56            | 50,26,75            |
| <b>TOTAL</b>   | <b>4113,89,35</b>   | <b>3274,21,78</b>   |

- 11 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/ NINE MONTHS ENDED 31ST DECEMBER, 2011

## Part A - Business Segments

(₹. In lacs)

| Sr.No.   | Particulars                   | Quarter Ended    | Quarter Ended    | Quarter Ended    | Nine Months      | Nine Months      | Year             |
|----------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|          |                               | 31.12.2011       | 30.09.2011       | 31.12.2010       | Ended            | Ended            | Ended            |
|          |                               | Reviewed         | Reviewed         | Reviewed         | Reviewed         | Reviewed         | Audited          |
| <b>1</b> | <b>Segment Revenue</b>        |                  |                  |                  |                  |                  |                  |
|          | (a) Treasury Operations       | 22,06,90         | 16,77,71         | 14,77,40         | 54,05,03         | 40,73,84         | 55,97,84         |
|          | (b) Wholesale Banking         | 33,98,66         | 32,45,51         | 26,05,32         | 96,63,64         | 69,71,68         | 98,40,82         |
|          | (c) Retail Banking            | 21,23,34         | 21,20,12         | 15,03,06         | 61,07,41         | 43,02,13         | 59,83,40         |
|          | (d) Other Banking Operations  | 10,92,42         | 9,42,44          | 7,56,52          | 29,03,66         | 21,78,81         | 32,73,04         |
|          | <b>Total Revenue</b>          | <b>88,21,32</b>  | <b>79,85,78</b>  | <b>63,42,30</b>  | <b>240,79,74</b> | <b>175,26,46</b> | <b>246,95,10</b> |
| <b>2</b> | <b>Segment Results</b>        |                  |                  |                  |                  |                  |                  |
|          | (a) Treasury Operations       | 3,73,13          | (44,06)          | 2,27,96          | 3,39,25          | 7,18,98          | 8,82,51          |
|          | (b) Wholesale Banking         | 4,58,98          | 5,57,37          | 5,66,61          | 17,40,68         | 13,27,73         | 15,25,49         |
|          | (c) Retail Banking            | 5,20,94          | 6,23,22          | 4,87,92          | 18,47,85         | 13,16,05         | 15,17,89         |
|          | (d) Other Banking Operations  | 8,24,55          | 8,80,89          | 9,06,69          | 20,38,98         | 18,43,03         | 27,50,61         |
|          | <b>Total</b>                  | <b>21,77,60</b>  | <b>20,17,42</b>  | <b>21,89,18</b>  | <b>59,66,76</b>  | <b>52,05,79</b>  | <b>66,76,50</b>  |
|          | Unallocated Expenditure       | 4,19,15          | 3,73,80          | 6,42,04          | 11,37,47         | 9,10,86          | 10,26,18         |
|          | <b>Profit before Tax</b>      | <b>17,58,45</b>  | <b>16,43,62</b>  | <b>15,47,14</b>  | <b>48,29,29</b>  | <b>42,94,93</b>  | <b>56,50,32</b>  |
|          | Provision for Tax             | 4,68,60          | 4,77,54          | 4,78,26          | 13,40,51         | 13,47,59         | 14,08,64         |
|          | <b>Net Profit</b>             | <b>12,89,85</b>  | <b>11,66,08</b>  | <b>10,68,88</b>  | <b>34,88,78</b>  | <b>29,47,34</b>  | <b>42,41,68</b>  |
| <b>3</b> | <b>Capital Employed</b>       |                  |                  |                  |                  |                  |                  |
|          | (a) Treasury Operations       | 62,87,37         | 64,12,06         | 46,06,16         | 62,87,37         | 46,06,16         | 50,34,42         |
|          | (b) Wholesale Banking         | 74,94,35         | 68,71,96         | 55,74,30         | 74,94,35         | 55,74,30         | 68,16,69         |
|          | (c) Retail Banking            | 36,99,49         | 35,19,37         | 28,32,39         | 36,99,49         | 28,32,39         | 31,60,36         |
|          | (d) Other Banking Operations  | 76,22,91         | 65,77,81         | 48,02,17         | 76,22,91         | 48,02,17         | 58,11,74         |
|          | (e) Unallocated               | 2,52,15          | 2,66,18          | 1,86,38          | 2,52,15          | 1,86,38          | 1,69,90          |
|          | <b>Total Capital Employed</b> | <b>253,56,27</b> | <b>236,47,38</b> | <b>180,01,40</b> | <b>253,56,27</b> | <b>180,01,40</b> | <b>209,93,11</b> |

## Part- B : Geographic Segments

(₹. In lacs)

| Sr.No.   | Particulars       | Quarter Ended     | Quarter Ended     | Quarter Ended     | Nine Months       | Nine Months       | Year              |
|----------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|          |                   | 31.12.2011        | 30.09.2011        | 31.12.2010        | Ended             | Ended             | Ended             |
|          |                   | Reviewed          | Reviewed          | Reviewed          | Reviewed          | Reviewed          | Audited           |
| <b>1</b> | <b>Revenue</b>    |                   |                   |                   |                   |                   |                   |
|          | (a) Domestic      | 77,15,12          | 70,37,04          | 56,00,27          | 211,82,57         | 153,98,55         | 217,43,87         |
|          | (b) International | 11,06,20          | 9,48,74           | 7,42,03           | 28,97,17          | 21,27,91          | 29,51,23          |
|          | <b>Total</b>      | <b>88,21,32</b>   | <b>79,85,78</b>   | <b>63,42,30</b>   | <b>240,79,74</b>  | <b>175,26,46</b>  | <b>246,95,10</b>  |
| <b>2</b> | <b>Assets</b>     |                   |                   |                   |                   |                   |                   |
|          | (a) Domestic      | 2916,59,44        | 2822,56,18        | 2447,10,17        | 2916,59,44        | 2447,10,17        | 2676,29,47        |
|          | (b) International | 1197,29,91        | 1050,31,10        | 827,11,61         | 1197,29,91        | 827,11,61         | 907,67,70         |
|          | <b>Total</b>      | <b>4113,89,35</b> | <b>3872,87,28</b> | <b>3274,21,78</b> | <b>4113,89,35</b> | <b>3274,21,78</b> | <b>3583,97,17</b> |

## Notes on Segment Reporting :

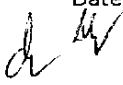
- As per guidelines of RBI on compliance with Accounting Standards, The Bank has adopted "Treasury Operations", Wholesale, Retail and "Other Banking Operations" as Primary business segments and "Domestic" and "International" as secondary / geographic segments for the purpose of compliance with AS-17 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 other banking operations includes figures relating to International operations.

  
N. S. SRINATH  
EXECUTIVE DIRECTOR

  
R. K. BAKSHI  
EXECUTIVE DIRECTOR

  
M. D. MALLYA  
CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai  
Date : 25.01.2012



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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 |

### Limited Review Report

The Board of Directors  
Bank of Baroda  
Mumbai

We have reviewed the accompanying statement of unaudited financial results of Bank of Baroda ('the Bank') for the quarter/ nine months ended December 31, 2011 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these unaudited financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement ('SRE') 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the Bank personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Since we have not conducted an audit, we do not express an audit opinion.

In the conduct of our Review, we have reviewed 20 branches and have relied on the review reports in respect of non-performing assets ('NPA') received from concurrent auditors of 403 branches. These review reports cover 65.73% percent of the domestic advances portfolio of the Bank and 52.54% percent of the domestic NPA. Apart from these reports, in the conduct of our review, we have also relied upon reports received from 28 overseas branches/ offices reviewed by the auditors specifically appointed for this purpose and various returns received from the branches of the Bank.

Without qualifying our report, we draw attention to:

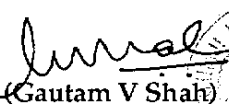





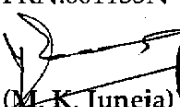

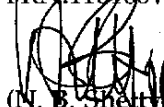
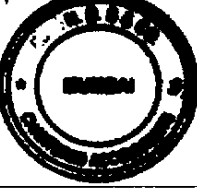
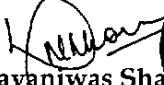

- (i) Note No.5 of unaudited financial results, which describes deferment of pension liability of the Bank to the extent of ₹1829.90 crores pursuant to the exemption granted by the Reserve Bank of India ('RBI') to the public sector banks from application of the provisions of Accounting Standard 15, Employee 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
- (ii) Note No.7 of unaudited financial results, which describes accounting for the deficit arising out of the take-over of specified assets and liabilities from Memon Co-operative Bank Limited aggregating ₹156.06 crores, proportionately over a period of three years as per approval received from RBI vide Letter No. DBOD.No.BP.1311/21.04.048/2010-11 dated July 25, 2011.

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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 |

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters.

|   |  |  |
|---|--|--|
| <b>For Khimji Kunverji &amp; Co.</b><br>Chartered Accountants<br>FRN:105146W<br><br><b>(Gautam V Shah)</b><br>(Partner)<br>M. No.117348<br> | <b>For Brahmayya &amp; Co.</b><br>Chartered Accountants<br>FRN:000511S<br><br><b>(Jitendra Kumar)</b><br>(Partner)<br>M. No.201825<br> | <b>For Ray &amp; Ray</b><br>Chartered Accountants<br>FRN:301072E<br><br><b>(A. N. Yennemadi)</b><br>(Partner)<br>M. No.031004<br>                     |
| <b>For S. K. Mittal &amp; Co.</b><br>Chartered Accountants<br>FRN:001135N<br><br><b>(M. K. Juneja)</b><br>(Partner)<br>M. No.13117<br>  | <b>For N B S &amp; Co.</b><br>Chartered Accountants<br>FRN:110100W<br><br><b>(N. B. Shetty)</b><br>(Partner)<br>M. No.16718<br>    | <b>For Laxminiwas Neeth &amp; Co.</b><br>Chartered Accountants<br>FRN:002460S<br><br><b>(Dayaniwas Shastry)</b><br>(Partner)<br>M. No.216244<br> |

Place : Mumbai

Date : January 25, 2012