



बैंक ऑफ़ बड़ौदा **Bank of Baroda**

BCC:ISD:110:16:252A

Date: 25th May 2018

Market Control Operations Department,
Singapore Exchange Securities Trading Limited,
2 - Shenton Way # 19-00, SGX Centre - 1
SINGAPORE 068804
E-Mail: sgxnet.services@sgx.com

Dear Sir/ Madam,

Re: Bank of Baroda - Outcome of the Board Meeting pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015 - Approval of Annual Financial Results FY 2017-18 & Approval of Capital Plan

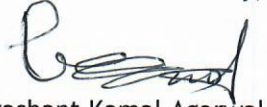
We advise the outcome of the Board Meeting as under:

The Board of Directors of Bank of Baroda at its meeting held today i.e. 25th May 2018 *interalia*:

1. Considered & approved the Standalone (Audited) / Consolidated (Audited) Annual Financial Results of the Bank together with relevant segment reporting, for the Quarter / Financial Year ended 31st March 2018 pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015. A copy of the Financial Results in prescribed format along with Auditor's Report is enclosed. A copy of Press Release is also enclosed.
2. Approved raising of additional capital fund up to Rs. 10,000/- crore upto 31.03.2019 and beyond if found expedient, comprising of Rs. 6,000/- crore by way of Common Equity Capital by various modes including QIP in suitable stages and Rs. 4,000/- crore by way of Additional Tier I / Tier II capital instruments with an option of inter-changeability, issued in India/Overseas in suitable tranches. This will be subject to applicable statutory/regulatory approvals.
3. Bank has not declared any dividend for the FY 2017-18.

We request you to upload the information on your website.

Yours faithfully,


Prashant Kamal Agarwal
Authorized Signatory

Encl. - As Above



बैंक ऑफ बड़ोदा Bank of Baroda

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

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

Audited Financial Results for the Quarter/ Year Ended 31st March 2018

(₹ in lacs)

Sr. No.	Particulars	Quarter Ended			Year Ended (Standalone)		Year Ended (Consolidated)	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
		Audited	Reviewed	Audited	Audited	Audited	Audited	Audited
1	Interest earned (a)+(b)+(c)+(d)	1103926	1130324	1087516	4364854	4219993	4605642	4447344
	(a) Interest /discount on advances / bills	745689	753268	678564	2906982	2752393	3010643	2848351
	(b) Income on investments	278071	272071	284989	1042016	1059633	1156664	1170902
	(c) Interest on balances with Reserve Bank of India and other inter bank funds	38269	42854	75359	241479	199086	262022	217114
	(d) Others	41897	62131	48604	174377	208881	176313	210977
2	Other Income	169590	167304	197728	665715	675806	799221	793678
3	Total Income (1 + 2)	1273516	1297628	1285244	5030569	4895799	5404863	5241022
4	Interest Expended	703700	690921	729330	2812677	2868652	2916048	2959573
5	Operating Expenses (a)+ (b)+ (C)	303267	241696	253897	1017337	929640	1132658	1034980
	(a) Employees cost	126849	111042	122224	460687	463777	490158	488866
	(b) Rent Taxes & Lighting	26843	25737	25767	101108	93998	106495	98913
	(c) Other operating expenses	149575	104917	105906	455542	371865	536005	447201
6	Total Expenditure (4+5) excluding provisions and contingencies	1006967	932617	983227	3830014	3798292	4048706	3994553
7	Operating Profit (3-6) before Provisions and Contingencies	266549	365011	302017	1200555	1097507	1356157	1246469
8	Provisions (other than tax) and Contingencies	667238	342651	262297	1479629	850238	1566724	944035
	of which provisions for Non-performing Asset	705253	315528	242507	1421172	767978	1433539	782403
9	Exceptional Items	0	0	0	0	0	0	0
10	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9)	(400689)	22360	39720	(279074)	247269	(210567)	302434
11	Provision for Taxes	(90455)	11182	24248	(35893)	108956	(19362)	124693
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	(310234)	11178	15472	(243181)	138313	(191205)	177741
	Less: Minority Interest	NA	NA	NA	NA	NA	5129	4000
	Add: Share of earnings in Associates	NA	NA	NA	NA	NA	7624	7757
13	Extraordinary items (net of tax expenses)	0	0	0	0	0	0	0
14	Net Profit (+) / Loss (-) for the period (12-13)	(310234)	11178	15472	(243181)	138313	(188710)	181498
15	Paid-up equity share capital (Face Value of ₹2 each)	53036	46209	46209	53036	46209	53036	46209
16	Reserve excluding Revaluation Reserve	--	--	--	3970807	3626520	4284959	3899789
17	Analytical Ratios							
	i) Percentage of shares held by Government of India	64.03	58.70	59.24	64.03	59.24	64.03	59.24
	ii) Capital Adequacy Ratio(%) -Basel-III	12.13	11.55	12.24	12.13	12.24	12.87	12.80
	a CET 1 Ratio (%)	9.23	8.28	8.98	9.23	8.98	10.08	9.64
	b Additional Tier 1 Ratio (%)	1.23	1.24	0.96	1.23	0.96	1.19	0.92
	iii) Earnings Per Share							
	Basic and diluted EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹.]	(13.44)	0.49	0.67	(10.53)	6.00	(8.17)	7.88
	iv) NPA Ratios							
	(a) Gross NPA	5648039	4848044	4271870	5648039	4271870	Not Applicable	Not Applicable
	Net NPA	2348265	1985215	1808018	2348265	1808018		
	(b) % of Gross NPA	12.26	11.31	10.46	12.26	10.46		
	% of Net NPA	5.49	4.97	4.72	5.49	4.72		
	v) Return on Assets (annualized) %	(1.77)	0.07	0.09	(0.34)	0.20		



Segment reporting for the Quarter / Year Ended 31st March 2018

Part A-Business Segments

(₹ In Lacs)

(₹ In Lacs)

Sr. No.	Particulars	Quarter Ended			Year Ended (Standalone)		Year Ended (Consolidated)	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
		Audited	Reviewed	Audited	Audited	Audited	Audited	Audited
1	Segment Revenue							
	(a) Treasury Operations	387770	412537	472764	1677799	1757151	1767457	1834605
	(b) Wholesale Banking	483976	452734	484868	1870692	1882497	1926890	1939958
	(c) Retail Banking	388359	399710	308242	1436020	1196705	1507243	1266190
	(d) Other Banking Operations	13411	32647	19370	46058	59446	203273	200270
	Total Revenue	1273516	1297628	1285244	5030569	4895799	5404863	5241023
2	Segment Results							
	(a) Treasury Operations	25646	68972	121550	264156	477184	297381	526097
	(b) Wholesale Banking	(388100)	(29596)	(112794)	(449085)	(287970)	(431281)	(282312)
	(c) Retail Banking	32311	23188	66253	144045	244463	159176	255566
	(d) Other Banking Operations	9483	24111	13853	33594	43850	43817	52707
	Total	(320660)	86675	88862	(7290)	477527	69093	552058
	Unallocated Expenditure	80029	64316	49141	271784	230257	277165	245867
	Profit before Tax	(400689)	22359	39721	(279074)	247270	(208072)	306191
	Provision for Tax	(90455)	11181	24248	(35893)	108956	(19362)	124693
	Net Profit	(310234)	11178	15473	(243181)	138314	(188710)	181498
3	Segment Assets							
	(a) Treasury Operations	26809912	26103465	28324071	26809912	28324071	27877959	29304722
	(b) Wholesale Banking	31134207	28437821	29102091	31134207	29102091	31715604	29665570
	(c) Retail Banking	13011177	12618437	10975447	13011177	10975447	13470923	11358532
	(d) Other Banking Operations	-	-	-	-	-	6,67,944	468942
	(e) Unallocated	1044681	1122704	1085933	1044681	1085933	1048062	1124285
	Total Assets	71999977	68282427	69487542	71999977	69487542	74780492	71922051
4	Segment Liabilities							
	(a) Treasury Operations	25194064	24549962	26681255	25194064	26681255	26141983	27549928
	(b) Wholesale Banking	29257732	26745393	27414150	29257732	27414150	29740656	27889169
	(c) Retail Banking	12226986	11867473	10338863	12226986	10338863	12632081	10678373
	(d) Other Banking Operations	-	-	-	-	-	6,26,350	4,40,861
	(e) Unallocated	981718	1055888	1022949	981718	1022949	982799	1056963
	Total Liabilities	67660500	64218716	65457217	67660500	65457217	70123869	67615294
5	Capital Employed							
	(a) Treasury Operations	1615848	1553503	3970807	1615848	3970807	1735976	1754793
	(b) Wholesale Banking	1876475	1692428	1687941	1876475	1687941	1974948	1776401
	(c) Retail Banking	784191	750964	636583	784191	636583	838842	680159
	(d) Other Banking Operations	-	-	-	-	-	41594	13
	(e) Unallocated	62963	66816	0	62963	0	65263	67323
	Total Capital Employed	4339477	4063711	6295331	4339477	6295331	4656623	10

Part- B : Geographic Segments

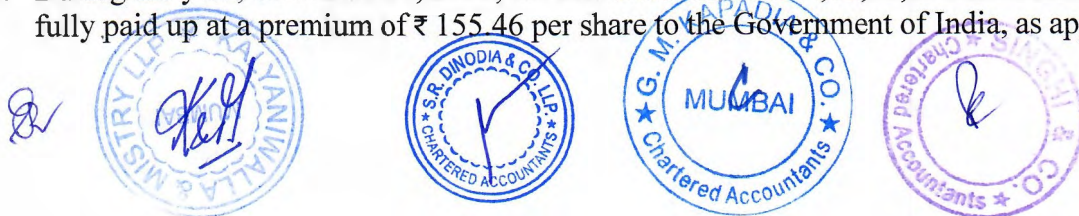
Sr. No.	Particulars	Quarter Ended			Year Ended (Standalone)		Year Ended (Consolidated)	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
		Audited	Reviewed	Audited	Audited	Audited	Audited	Audited
1	Revenue							
	(a) Domestic	1147047	1171113	1153320	4534256	4378754	4779777	4597670
	(b) International	126469	126515	131924	496313	517045	625086	643353
	Total	1273516	1297628	1285244	5030569	4895799	5404863	5241023
2	Assets							
	(a) Domestic	55328716	51944946	49240063	55328716	49240063	56908076	50546114
	(b) International	16671261	16337481	20247479	16671261	20247479	17872416	21375937
	Total	71999977	68282427	69487542	71999977	69487542	74780492	71922051

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Notes forming part of the audited financial results for the Quarter/Year Ended March 31, 2018.

1. The above financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors in their respective meetings held on May 25, 2018. The same have been subjected to an audit by the Statutory Central Auditors of the Bank.
2. The above results for the quarter/year ended March 31, 2018 have been prepared, following the same accounting policies as those followed in the annual financial statements for the year ended March 31, 2017, except as mentioned in note (7) below.
3. The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
4. The financial results for the quarter/full year ended March 31, 2018 have been arrived at after considering provision for Non-Performing Assets, Standard Assets, Standard Derivative Exposures, Restructured Assets and depreciation / Provision for Investments on the basis of prudential norms and specific guidelines issued by the RBI. As a consistent practice, the Bank has made a provision of 20% on the Secured Sub-standard Advances as against the regulatory requirement of 15%. In addition to the above, provision is made on non-fund based facilities of NPA borrowers by applying 50% credit conversion factor (CCF). The provision is based on the asset class of the fund based facility of the borrower. Also 100% provision is made on certain class of non-performing retail advances.
5. RBI Circular DBOD.NO.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 on Basel III Capital Regulations read together with RBI circular no DBR.NO.BP.BC.80/21.06.201/2015-16 dated March 31, 2015 on Prudential Guidelines on Capital Adequacy and Liquidity Standards Amendments requires banks to make applicable Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel- III framework. These details are being made available on our website "www.bankofbaroda.com". These disclosures have not been subjected to audit by the auditors.
6. In compliance with the RBI circular No.DBR.No.BP.BC.64/21.04.048/2016-17 dated April 18, 2017, the bank has made an additional provision of ₹ 667 Lakhs for the quarter ended March 31, 2018 and ₹142,34 Lakhs for the year ended March 31, 2018, in respect of standard advances to stressed sectors of the economy.
7. Due to change in the method of appropriation of recovery in NPA accounts, where recoveries are now being adjusted against charges, interest reversed, unapplied interest and lastly against principal as against the earlier method of adjusting recoveries against principal, expenses and unapplied interest, additional income of Rs.91571 lakhs (net of tax and provisions of Rs.66421 lakhs) for the quarter and Rs.149671 lakhs (net of tax and provisions of Rs.108565 lakhs) for the year ended March 31, 2018 has been recognised.
8. During the year, on March 27, 2018, the Bank has allotted 34,13,56,534 shares of ₹ 2/- each fully paid up at a premium of ₹ 155.46 per share to the Government of India, as approved by



the shareholders in the Extra-Ordinary General Meeting held on March 13, 2018 in accordance with SEBI (ICDR) Regulations, 2009 on preferential basis. Total amount received by the Bank on this account is ₹ 5,375,00 lakhs.

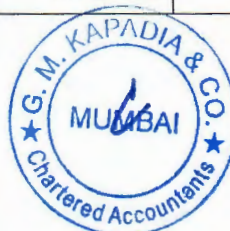
9. As per RBI directions for initiating Insolvency Process - Provisioning Norms vide letter No. DBR.No.BO.15199/21.04.048/2016-17 dated June 23, 2017 in respect of 10 borrowal accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank was required to make additional provision. Similarly, as per RBI direction vide letter No. DR.No.BP.1906/21.04.049/2017-18 dated August 28, 2017 in respect of 18 borrowal accounts covered under the process of IBC, the Bank was required to make additional provision. Further, as per RBI communication No. DBR.No.BP. 8756/21.04/2017-18 dated April 2, 2018 with respect to spreading the provisions covered in Ist and IInd list under the provisions of IBC, the Bank has availed the option of dispensation available, and as a result the additional provision of Rs.309,37 lakhs has been made as on March 31, 2018 (instead of Rs.829,23 lakhs).
10. Pursuant to the Accounting Standard-10 (revised) on Property Plant & Equipment an amount of Rs.35898 lakhs related to depreciation of revalued portion of fixed assets has been transferred from the Revaluation Reserve to Revenue Reserve

11. Statement of Assets & Liabilities is as under: -

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	As on March 31, 2018	As on March 31, 2017	As on March 31, 2018	As on March 31, 2017
	Audited	Audited	Audited	Audited
<u>CAPITAL & LIABILITIES</u>				
Capital	53036	46209	53036	46209
Reserves and Surplus	4286441	3984116	4603587	4260548
Minority Interest	-	-	27252	23253
Deposits	59131482	60167517	60745137	61725687
Borrowings	6257197	3061144	6485982	3124200
Other Liabilities and Provisions	2271821	2228556	2865498	2742154
TOTAL	71999977	69487542	74780492	71922051
<u>ASSETS</u>				
Cash and Balances with Reserve Bank of India	2269964	2278021	2403499	2391513
Balances with Banks and Money at Call and Short Notice	7019774	12768970	7338776	13019986
Investments	16318453	12963054	17513723	14071643
Advances	42743183	38325922	43794126	39226230
Fixed Assets	536739	575837	553228	592968
Other Assets	3111864	2575738	3177140	2619711
TOTAL	71999977	69487542	74780492	71922051

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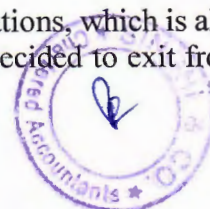
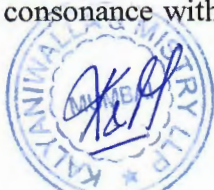
12. RBI vide letter RBI/2017-18/131: DBR. No.BP.BC.101/21.04.048/2017-18 dated February 12, 2018 issued a revised framework on Resolution of Stressed Assets and withdrew the existing guidelines/instructions on resolution of stresses assets such as framework for revitalizing Distressed Assets, Corporate Debt Restructuring Scheme, Flexible Structuring of Existing Long Term Project Loans, Strategic Debt Restructuring Scheme (SDR), Change in Ownership outside SDR, and Scheme for Sustainable Structuring of Stressed Assets (S4A), etc. with immediate effect. Accordingly, the Joint Lenders Forum (JLF) as an institutional mechanism for resolution of stressed accounts also stands discontinued. Under the revised framework, the stand-still benefits for accounts where any of these schemes had been invoked but not yet implemented were revoked and accordingly these accounts have been classified as per the extant RBI prudential norms on Income Recognition and Asset Classification.
13. RBI vide letter DBR No. BP 9730/21.04.018/2017-18 dated 27.04.2018 permitted banks to spread the additional liability on account of the enhancement in gratuity limits over four quarters beginning with the quarter ended March 31, 2018. The Bank has availed the relaxation permitted and has provided an amount of ₹9,700 lakhs being one fourth of the liability during the quarter ended March 31, 2018. The balance of ₹29,100 lakhs has been deferred to the subsequent three quarters.
14. In compliance with the Risk Assessment Report (RAR) of RBI for the year 2016-17:
- Reclassification of standard loans as Non-Performing and reclassification of NPAs amounting to ₹ 42,718,71 lakhs and additional provision on account of short provisions on existing NPAs amounting to ₹ 429,95 lakhs have been made. Details are as below:

Sr. No.	Particulars	Amount (₹ In Lakhs)
1.	Gross NPAs as on March 31,2017 as reported by the bank	42,718,71
2.	Gross NPAs as on March 31,2017 as assessed by RBI	45,637,41
3.	Divergence in Gross NPAs (2-1)	2,918,70
4.	Net NPAs as on March 31,2017 as reported by the bank	18,080,18
5.	Net NPAs as on March 31,2017 as assessed by RBI	20,341,38
6.	Divergence in Net NPAs (5-4)	2,261,20
7.	Provision for NPAs as on March 31,2017 as reported by the bank	23,183,67
8.	Provision for NPAs as on March 31,2017 as assessed by RBI	23,841,17
9.	Divergence in Net NPAs (8-7)	657,50
10.	Reported Net profit after Tax (PAT) for the year ended March 31, 2017	1383,13
11.	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2017 after taking into account the divergence in provisioning	953,18

** The net impact of the aforementioned retrospective slippages due to divergences noted by RBI has been duly rectified in the results for the year ended March 31, 2018*

- Overstatement of income/other assets due to improper debt-asset swap amounting to ₹ 8870 lakhs has been fully provided for.
15. Provisioning Coverage Ratio is 67.21% as on March 31, 2018. (March 31, 2017: 66.83%)
16. Details of Investor's complaints for the quarter ended March 31, 2018: Pending at Beginning: 0; Received: 165; Disposed off: 165; Closing: 0.
17. As a part of strategic initiatives for rationalization of International Operations, which is also in consonance with the Government of India directives, the Bank has decided to exit from

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certain geographies. During the year 2017-18, the Bank has initiated closure of its operations in the Kingdom of Bahrain, Bahamas and Republic of South Africa. The closure of these territories is at an advance stage. In the opinion of the Management, adequate provisions have been made in the books and the amounts stated in the financial statements are not less than at their realizable values. The impact of closure of operations in these territories on the business of the Bank is not significant.

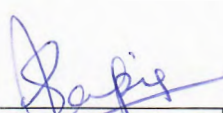
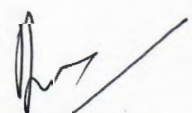
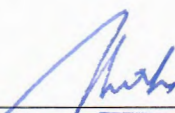
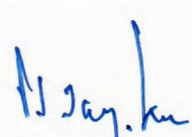
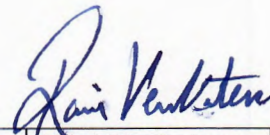
18. Notes on Segment Reporting

- a) As per the guidelines of the 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 the Institute of Chartered Accountants of India (ICAI).
- b) Segment revenue represents revenue from external customers.
- c) Capital employed for each segment has been allocated proportionate to the assets of the respective segment.

19. Notes on Consolidated Financial Statement (CFS):

- a) The above financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors in their respective meetings held on May 25, 2018. The same have been subjected to an audit by the Statutory Central Auditors of the Bank.
- b) The CFS are prepared in accordance with AS-21 "Accounting for Consolidated Financial Statements" AS-23 "Accounting for Investments in Associates" and AS-27 "Financial Reporting of Interest in Joint Venture" in the CFS.

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

				
Papia Sengupta	Ashok Kumar Garg	Mayank K Mehta	P S Jayakumar	Ravi Venkatesan
Executive Director	Executive Director	Executive Director	Managing Director & CEO	Chairman

Place: Mumbai
Date: May 25, 2018



Kalyaniwalla & Mistry LLP Chartered Accountants, Esplanade House, 29, Hazarimal Somani Marg, Mumbai – 400 001.	Singhi & Co. Chartered Accountants, 161, Sarat Bose Road, Kolkata – 700 026.
G M Kapadia & Co. Chartered Accountants, 1007, Raheja Chambers, 213, Nariman Point, Mumbai – 400 021	S. R. Dinodia & Co. LLP Chartered Accountants, K-39, Connaught Place, New Delhi – 110 001.

Independent Auditors Report

(On Financial Results for the quarter and year ended March 31, 2018 of the Bank of Baroda Pursuant to the Regulation 33 of the SEBI (Listings Obligations and Disclosure Requirement's) Regulations, 2015)

To,
The Board of Directors
Bank of Baroda

1. We have audited the accompanying financial results of the Bank of Baroda (the "Bank") for the year ended March 31, 2018 (the financial results), attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Incorporated in these statements are the returns of 20 branches, one Specialized Integrated Treasury Branch and 85 administrative offices audited by us, 2729 branches audited by statutory branch auditors and 16 foreign territories audited, one foreign territory reviewed by local auditors and one administrative office which is unaudited in the 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 by the Reserve Bank of India. Also incorporated in the Balance Sheet and the Profit and Loss Account are the returns from 2717 local branches, 77 local administrative offices and one foreign territory administrative office which have not been subjected to audit. The unaudited branches account for 8.78 per cent of advances, 20.81 per cent of deposits, 7.75 per cent of interest income and 17.01 per cent of interest expenses.

Management Responsibility

2. These financial results, which is the responsibility of the Bank's Management and approved by the Board of Directors, have been compiled from the related standalone financial statements for the year ended March 31, 2018, which are prepared in accordance with the provisions of Section 29 of the Banking Regulation Act 1949, the Accounting Standards issued by ICAI as applicable to banks, other accounting principles generally accepted in India and the guidelines issued by the Reserve Bank of India. Our responsibility is to express an opinion on the financial results based on our audit of such standalone financial statements.



Kalyaniwalla & Mistry LLP Chartered Accountants	Singhi & Co Chartered Accountants
G M Kapadia & Co Chartered Accountants	S. R. Dinodia & Co. LLP Chartered Accountants

Auditor's Responsibility

3. 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 results are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial results. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial results, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Bank's preparation and fair presentation of the financial results in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management and evaluating the overall presentation of the financial results.
5. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us the financial results:
 - i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - ii) give a true and fair view in conformity with the aforesaid Accounting Standards, guidelines issued by the RBI and other accounting principles generally accepted in India of the net loss and other financial information of the Bank for the year ended March 31, 2018.

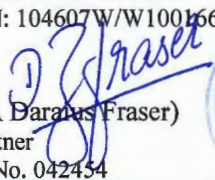
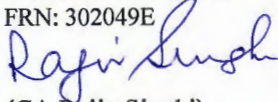
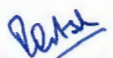
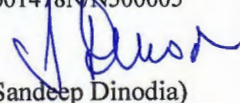
Emphasis of Matter

7. We draw your attention to Note No. 13 regarding unamortized balance of Rs. 29100 lakhs on account of additional liability towards gratuity deferred to subsequent three quarters by the Bank.
Our opinion is not modified in respect to the above.
8. The financial results for the quarter ended March 31, 2018 are the balancing figures between the audited figures for the full financial year and the published year to date figures up to the third quarter of the financial year which were previously subjected to a limited review.



Kalyaniwalla & Mistry LLP Chartered Accountants	Singhi & Co Chartered Accountants
G M Kapadia & Co Chartered Accountants	S. R. Dinodia & Co. LLP Chartered Accountants

9. The financial results of the Bank for the year ended March 31, 2017 were audited by other joint audit firms of the Bank, one of whom is the continuing audit firm. Those auditors have expressed an unmodified opinion vide their report dated May 18, 2017 on such financial statements.

For Kalyaniwalla & Mistry LLP Chartered Accountants FRN: 104607W/W100166  (CA Baran Fraser) Partner M. No. 042454 	For Singhi & Co. Chartered Accountants FRN: 302049E  (CA Rajiv Singhi) Partner M. No. 053518 
For G.M. Kapadia & Co. Chartered Accountants FRN: 104767W  (CA Rajen Ashar) Partner M. No. 048243 	For S.R. Dinodia & Co. LLP Chartered Accountants FRN:001478NN500005  (CA Sandeep Dinodia) Partner M. No. 083689 

Date: May 25, 2018

Place: Mumbai

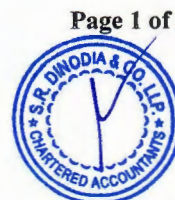
Kalyaniwalla & Mistry LLP Chartered Accountants, Esplanade House, 29, Hazarimal Somani Marg, Mumbai – 400 001.	Singhi & Co. Chartered Accountants, 161, Sarat Bose Road, Kolkata – 700 026.
G M Kapadia & Co. Chartered Accountants, 1007, Raheja Chambers, 213, Nariman Point, Mumbai – 400 021	S. R. Dinodia & Co. LLP Chartered Accountants, K-39, Connaught Place, New Delhi – 110 001.

Independent Auditors Report

(On Consolidated Financial Results for the quarter and year ended March 31, 2018 of the Bank of Baroda Pursuant to the Regulation 33 of the SEBI (Listings Obligations and Disclosure Requirement's) Regulations, 2015)

To,
The Board of Directors
Bank of Baroda

1. We have audited the accompanying consolidated financial results of the Bank of Baroda (the "Bank") and its subsidiaries, its joint ventures (the Group) and its associates, for the year ended March 31, 2018 ("the consolidated financial results"), attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 included in these consolidated financial results are:
 - a. returns of 20 branches, one Specialized Integrated Treasury Branch and 85 administrative offices audited by us, 2729 branches audited by statutory branch auditors and 16 foreign territories audited, one foreign territory reviewed by local auditors and one administrative office which is unaudited in the 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 by the Reserve Bank of India. Also incorporated in the Balance Sheet and the Profit and Loss Account are the returns from 2717 local branches, 77 local administrative offices and one foreign territory administrative office which have not been subjected to audit. The unaudited branches account for 8.78 per cent of advances, 20.81 per cent of deposits, 7.75 per cent of interest income and 17.01 per cent of interest expenses.
 - b. the audited financial statements of 9 (nine) subsidiaries, 6 (six) associates and 3 (three) joint ventures, audited by other Auditors;
 - c. Unaudited financial statements of 4 (four) Overseas Subsidiaries and 2 (two) domestic subsidiaries.



Kalyaniwalla & Mistry LLP Chartered Accountants	Singhi & Co Chartered Accountants
G M Kapadia & Co Chartered Accountants	S. R. Dinodia & Co. LLP Chartered Accountants

Management Responsibility

- These consolidated financial results are the responsibility of the Bank's Management and approved by the Board of Directors. These consolidated financial results have been compiled from the related standalone financial statements for the year ended March 31, 2018 and other financial information regarding subsidiaries, associates & joint ventures, which are prepared in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) as applicable to banks, other accounting principles generally accepted in India and the Guidelines Issued by the Reserve Bank of India. Our responsibility is to express an opinion on the consolidated financial results based on our audit of the consolidated financial statements.

Auditor's Responsibility

- We conducted our audit in accordance with the Standards on Auditing issued by the ICAI. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free from material misstatement.
- An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial results. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the consolidated financial results, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the bank's preparation and fair presentation of the consolidated financial results in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management and evaluating the overall presentation of the consolidated financial results.
- We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- In our opinion and to the best of our information and according to the explanations given to us, and on consideration of the reports of the other auditors, the consolidated financial results:



Kalyaniwalla & Mistry LLP Chartered Accountants	Singhi & Co Chartered Accountants
G M Kapadia & Co Chartered Accountants	S. R. Dinodia & Co. LLP Chartered Accountants

(i) include the financial results of the following entities

I. Subsidiaries

- a) The Nainital Bank Limited
- b) Bob Cards Limited
- c) Bob Capital Markets Limited
- d) Baroda Global Shared Services Limited
- e) Baroda Sun Technologies
- f) Bank of Baroda (Uganda) Limited
- g) Bank of Baroda (Kenya) Limited
- h) Bank of Baroda (Botswana) Limited
- i) Bank of Baroda (New Zealand) Limited
- j) Bank of Baroda (Ghana) Limited
- k) Bank of Baroda (Guyana) Inc
- l) Bank of Baroda (UK) Limited
- m) Bob (UK) Ltd (Non-Functional)
- n) Bank of Baroda (Tanzania) Limited
- o) BOB (Trinidad And Tobago) Ltd

II. Joint Ventures

- a) India Infradebt Limited
- b) India First Life Insurance Company Limited
- c) India International Bank (Malaysia) Bhd.

III. Associates

- a) Baroda Uttar Pradesh Gramin Bank
- b) Baroda Rajasthan Kshetriya Gramin Bank
- c) Baroda Gujrat Gramin Bank
- d) Baroda Pioneer Assets Management Co. Limited
- e) Baroda Pioneer Trustee Company Private Limited
- f) Indo Zambia Bank Limited

(ii) Out of the above, the financial results of the following entities have not been audited and are consolidated based on Management certification:

- a) The Nainital Bank Limited
- b) Baroda Sun Technologies Limited
- c) Bank of Baroda (Botswana) Limited
- d) Bank of Baroda (New Zealand) Limited
- e) Bob (UK) Ltd (Non-Functional)
- f) Bob (Trinidad And Tobago) Limited

(iii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and



Kalyaniwalla & Mistry LLP Chartered Accountants	Singhi & Co Chartered Accountants
G M Kapadia & Co Chartered Accountants	S. R. Dinodia & Co. LLP Chartered Accountants

- (iv) give a true and fair view in conformity with the aforesaid Accounting Standards, guidelines issued by the RBI and other accounting principles generally accepted in India of the net loss and other financial information of the Bank as at March 31, 2018 as well as for the year ended as on that date.

Emphasis of Matter

7. We draw attention to Note No. 13 regarding unamortized balance of Rs. 29100 lakhs on account of additional liability towards gratuity deferred to subsequent three quarters by the bank.

Our opinion is not modified in respect to the above.

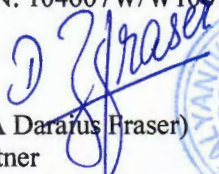
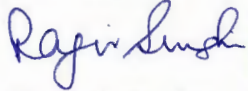
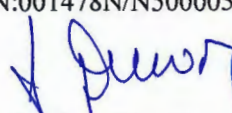
Other Matters

8. Incorporated in the consolidated financial results are:
- Financial statements of 4 (four) overseas subsidiaries which have not been audited by us, whose financial statements reflect total assets of Rs. 208838 lakhs as at March 31, 2018 and total revenue of Rs. 11486 lakhs for the year then ended. The Consolidated Financial Statement also includes the group's share of net profit of Rs. 542 lakhs for the year ended March 31, 2018 as considered in the consolidated financial statements in respect of 1 (one) overseas associate, whose financial statements have been audited by another auditor. The financial statements of 4 (four) overseas subsidiaries and 1 (one) joint venture have been drawn up upto December 31, 2017 and included in the Consolidated Financials Statement, the Management has certified that no significant changes have taken place during the period from January 01, 2018 to March 31, 2018. These financial statements have been audited by other 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.
 - Financial Statements of 3 (three) domestic subsidiaries and 2 (two) domestic joint ventures, whose financial statements reflect total assets of Rs. 923284 lakhs as at March 31, 2018 and total revenue of Rs. 183982 lakhs for the year then ended. The consolidated financial statements also include the group's share of net profit of Rs. 7082 lakhs for the year ended March 31, 2018. These financial statements have been audited by other auditors whose reports 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.



Kalyaniwalla & Mistry LLP Chartered Accountants	Singhi & Co Chartered Accountants
G M Kapadia & Co Chartered Accountants	S. R. Dinodia & Co. LLP Chartered Accountants

- c. Financial statements of 4 (four) overseas subsidiaries and 2 (two) domestic subsidiaries whose financial statements reflect total assets of Rs. 1014164 lakhs as at March 31, 2018 and total revenue of Rs. 76511 lakhs for the year then ended 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, is based solely on such unaudited financial statements. In our opinion and according to the information and explanation given to us by the Management, these financial statements are not material to the Group.
9. The consolidated financial results of the Bank for the year ended March 31, 2017 were audited by other joint audit firms of the Bank, one of whom is the continuing audit firm. Those auditors have expressed an unmodified opinion vide their report dated May 18, 2017 on such consolidated financial results.

For Kalyaniwalla & Mistry LLP Chartered Accountants FRN: 104607W/W100166  (CA Dararus Fraser) Partner M. No. 042454 	For Singhi & Co. Chartered Accountants FRN: 302049E  (CA Rajiv Singh) Partner M. No. 053518 
For G.M. Kapadia & Co. Chartered Accountants FRN: 104767W  (CA Rajen Ashar) Partner M. No. 048243 	For S.R. Dinodia & Co. LLP Chartered Accountants FRN:001478N/N500005  (CA Sandeep Dinodia) Partner M. No. 083689 

Date: May 25, 2018
Place: Mumbai



बैंक ऑफ बड़ौदा Bank of Baroda

DECLARATION OF AUDIT REPORT WITH UNMODIFIED OPINION

We hereby declare that Auditors Report on Standalone Annual Accounts of the Bank for the Financial Year ended 31st March, 2018 contain unmodified opinion.

G Ramesh

G Ramesh
Head (Corp. A/Cs & Taxation) and CFO

P S Jayakumar

P S Jayakumar
Managing Director & CEO

For Kalyaniwalla & Mistry LLP.
Chartered Accountants
FRN:104607W / W100166

D Z Fraser
(CA Daran Z Fraser)
(Partner)
M. No.042454

For Singhi & Co.
Chartered Accountants
FRN: 302049E

Rajiv Singh
(CA Rajiv Singhi)
(Partner)
M. No.053518

For G M Kapadia & Co.
Chartered Accountants
FRN: 104767W

Rajen Ashar
(CA Rajen Ashar)
(Partner)
M. No. 048243

For S R Dinodia & Co. LLP.
Chartered Accountants
FRN: 001478N/N500005

Sandeep Dinodia
(CA Sandeep Dinodia)
(Partner)
M. No.083689

Place: Mumbai

Date: 25th May 2018



बैंक ऑफ़ बड़ौदा Bank of Baroda

DECLARATION OF AUDIT REPORT WITH UNMODIFIED OPINION

We hereby declare that Auditors Report on Consolidated Annual Accounts of the Bank for the Financial Year ended 31st March, 2018 contain unmodified opinion.

G Ramesh

G Ramesh
Head (Corp. A/Cs & Taxation) and CFO

P S Jayakumar

P S Jayakumar
Managing Director & CEO

For Kalyaniwalla & Mistry LLP.
Chartered Accountants
FRN:104607W / W100166

D Z Fraser
(CA Daraius Z Fraser)
(Partner)
M. No.042454



For Singhi & Co.
Chartered Accountants
FRN: 302049E

Rajiv Singh
(CA Rajiv Singhi)
(Partner)
M. No.053518



For G M Kapadia & Co.
Chartered Accountants
FRN: 104767W

Rajen Ashar
(CA Rajen Ashar)
(Partner)
M. No. 048243



For S R Dinodia & Co. LLP.
Chartered Accountants
FRN: 001478N/N500005

Sandeep Dinodia
(CA Sandeep Dinodia)
(Partner)
M. No.083689



Place: Mumbai

Date: 25th May 2018

Press Release

BANK OF BARODA ANNOUNCES FINANCIAL RESULTS
FOR Q4 FY 2018 AND FY 2017-18

Highlights (Standalone Basis)

- Domestic credit registered YoY growth of 17.97% within which the retail loans growth was 42.44%.
- Domestic CASA ratio improves to 41.18% from 40.57% last quarter and 39.44% from last year.
- Operating Profit for Q4FY18 was INR 2,665 crore; adjusted to the accounting policy change on depreciation, it was flat compared to corresponding period last year.
- Net Interest Income (NII) for Q4 FY 18 increased by 11.73% YoY.
- Operating Income increased by 2.50% YoY.
- Bank posted net loss of INR 3,102 crore due to higher provisions on account of RBI guidelines on revised framework for stressed assets and large corporate slippages.
- PCR including TWO continues to be high and stood at 67.21% as on March 31, 2018. PCR excluding TWO stood at 58.42% as on March 31, 2017
- Recovery in TWO accounts increased from INR 172 crore in Q4 FY 17 to INR 254 crore in Q4 FY18 registering a growth of 47.67% YoY.
- Capital Adequacy Ratio of the Bank at 12.13% and CET-1 at 9.23% continues to be above regulatory norms.
- Bank's Transformation journey on track.

Bank of Baroda announced its audited results for the Q4 & FY 18, following the approval of its Board of Directors on May 25, 2018.

Results at a Glance (Standalone Basis)

All figures in INR crore

Particulars	Quarterly Results			Full Year Results		
	Q4 FY 18	Q4 FY 17	% Change	FY 18	FY 17	% Change
Total Income	12,735	12,852	(0.91)	50,306	48,958	2.75
Interest Income	11,039	10,875	1.51	43,649	42,200	3.43
Interest Expenses	7,037	7,293	(3.51)	28,127	28,687	(1.95)
Net Interest Income (NII)	4,002	3,582	11.73	15,522	13,513	14.87
Other Income	1,696	1,977	(14.21)	6,657	6,758	(1.49)
Operating Income (NII + Other Income)	5,698	5,559	2.50	22,179	20,271	9.41
Total Expenses	10,070	9,832	2.42	38,300	37,983	0.83
Operating Expenses	3,033	2,539	19.46	10,173	9,296	9.43
of which, Employee Cost	1,268	1,222	3.76	4,607	4,638	(0.67)
Operating Profit	2,665	3,020	(11.75)	12,006	10,975	9.39
Total Provisions	5,768	2,865	101.33	14,437	9,592	50.51
Of which Provision for NPA	7,053	2,425	190.85	14,212	7,680	85.05
Of which Provision for Tax	(905)	242	-	(359)	1,090	-
Net Profit	(3,102)	155	-	(2,432)	1,383	-

BUSINESS

- The Bank's **Total Business** stood at **INR 10,52,059 crore** as at March 31, 2018 up by **4.15 %** from **INR 10,10,186 crore** as at March 31, 2017.
- **Total Deposits** stood at **INR 5,91,315 crore** as at March 31, 2018 as against **INR 6,01,675 crore** as at March 31, 2017.
- **Domestic Deposits** stood at **INR 4,66,974 crore** as at March 31, 2018. up by **6.11%** from **4,40,092 crore** as at March 31, 2017. Low Cost **CASA Deposits (Domestic)** registered a growth of **10.79 %** YoY.
- Percentage of **CASA deposits to Total Domestic Deposits** as at March 31, 2018 was **41.18%**, up from **39.44%** as at March 31, 2017.
- **Total Advances** at **INR 4,60,744 crore** as at March 31, 2018 increased by **12.79 %** y-o-y from **INR 4,08,511 crore** as at March 31, 2017.
- **Domestic advances** grew by **17.97 %** to **INR 3,51,269 crore** as at March 31, 2018 from **INR 2,97,755 crore as at March 31, 2017**, driven by retail loan growth of **42.44%** and within retail loan, home loan growth of **48.20%**.
- The Bank's **International Business** contributed **22.33%** to the Bank's Total Business

OPERATING PERFORMANCE

- The Bank's **Total Income** at **INR 12,735 crore** in Q4 FY 18. **Net Interest Income** stood at **INR 4,002 crore** up by **11.73% YoY**. **Other Income** stood at **INR 1,696 crore**.
- Recovery in TWO accounts increased from **INR 172 crore** in Q4 FY 17 to **INR 254 crore** in Q4 FY 18 registering a growth of **47.67% YoY**.
- The Bank's **Total Expenses** stood at **INR 10,070 crore** in Q4 FY 18. The interest expenses stood at **INR 7,037 crore**.
- **Net Interest Margin (NIM)** during Q4 FY18 declined by 21 bps. Excluding impact of exceptional item, namely interest on Income Tax refund aggregating to INR 134.11 crore, the decline is 9 bps. NIM during FY18 improved by 24 bps, for both domestic and global, driven by reduction in cost of deposits.
- Cost to Income Ratio increased to **53.23%** during Q4 FY 18 from **45.67%** during Q4 FY 17. The increase is driven by one-time adjustment on account of higher depreciation as per the Accounting policy.

- Operating Profit was lower at INR 2,665 crore during quarter ended Mar'18, after adjusting for impact of accounting policy changes on depreciation, higher accrual on wage revision effective from Nov'17.
- As a consequence of increased expenses and higher credit loss provision, the Bank posted a net loss of INR 3,102 crore for the quarter ended Mar'18 as compared to profit of INR 155 crore. Consequentially, full year losses was INR 2,432 crore as compared to profit of INR 1,383 crore in FY17.

ASSET QUALITY

- **Gross NPA (GNPA)** of the Bank stood at **INR 56,480 crore** as on March 31, 2018 as compared to **INR 48,480 crore** as on December 31, 2017. Out of this, fresh slippage of **INR 4,274 crore** is on account of implementation of RBI's new guidelines on restructured assets.
- **GNPA ratio stood at 12.26% in March 2018 as compared to 11.31% in December 2017.**
- **Net NPA ratio stood at 5.49% in March 2018 as compared to 4.97% in December 2017.**
- Exposure in accounts under NCLT 1 list is **INR 7,158 crore** and NCLT 2 list is **INR 3,830 crore** as on March 31, 2018.
- Provision held in accounts under NCLT 1 and NCLT 2 list is **INR 3,950 crore (55.18%)** and **INR 2,114 crore (55.20%)** respectively.

CAPITAL ADEQUACY

Capital Adequacy Ratio of the Bank continues to be above regulatory norms. The **CRAR** on standalone basis (**Basel III**) was **12.13%** as at March 31, 2018. Out of this, the **Tier 1** capital was **10.46%** and **CET 1 Capital** was **9.23%**.

TRANSFORMATION OF THE BANK

The Business Transformation Exercise christened Project Navodaya initiated by the Bank in 2016 is making good progress and is evidenced in all sectors. The implementation of the program also positions us to execute on a timely basis the commitment to the PSB Reforms Agenda – EASE.

Bank continues to maintain on all financial inclusion program covering PMJDY, MUDRA and meeting the lending targets as it relates to all the priority sectors.

The 'Shared Services' centralized operations at GIFT City, Gandhinagar, Gujarat, has implemented a number of centralization projects covering deposit account opening, trade finance & forex transactions, and retail loans.

The Bank has launched new Centres of Excellence on IT and Analytics and these centres would support business growth and profitability.

New programs such as Supply Chain Finance, Cash Management, Digitised Trade Services and Financial Planning for retail customers is enabling the Bank to increase engagement with the customers.

New deposit account opening are paperless due to account opening through Tablets and this program is getting extended to other banking products for retail customers.

Document Management System launched for seamless safe-keeping and retrieval of old records digitally besides giving lean look to the branch's ambience.

We are confident that in FY2018-19, we would be able to double digit RoE.

May 25, 2018
Mumbai

About Bank of Baroda

Bank of Baroda ("The Bank") established on July 20, 1908 is an Indian state-owned banking and financial services organization, headquartered in Vadodara (earlier known as Baroda), in Gujarat, India.

Bank of Baroda is one of India's largest banks with a strong domestic presence spanning 5,467 branches and 9704 ATMs and Cash Recyclers supported by self-service channels. The Bank has a significant international presence with a network of 105 branches/ offices subsidiaries, spanning 23 countries. The Bank has wholly owned subsidiaries including BOB Financial Solutions Limited (erstwhile BOB Cards Ltd.) and BOB Capital Markets. Bank of Baroda also has joint ventures for life insurance with India First Life Insurance and for asset management with Baroda Pioneer Asset Management. The Bank owns 98.57% in The Nainital Bank. The Bank has also sponsored three Regional Rural Banks namely Baroda Uttar Pradesh Gramin Bank, Baroda Rajasthan Gramin Bank and Baroda Gujarat Gramin Bank.

Visit us at www.bankofbaroda.com

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Facebook: <https://www.facebook.com/officialbankofbarodaPage/>

YouTube: <https://bitly.bobYT>

For further details, please contact:

Mr. Sameer Narang
Chief Economist and
Head-Strategic Planning & Performance Budgeting
Bank of Baroda
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