

BANK OF BARODA - MAURITIUS BRANCHES (INCLUDING OFFSHORE BANKING UNIT)
Statements of financial position

As at March 31, 2016

	2016 Rs'000	2015 Rs'000	2014 Rs'000
ASSETS			
Cash resources			
Cash and balances with central bank	609,371	2,943,720	1,521,798
Balances with banks	112,063	105,825	2,503
	721,434	3,049,545	1,524,301
Securities and other investments			
Investment securities			
-Held to maturity	2,485,375	1,515,278	2,114,193
-Available-for-sale	367,117	738,631	239,926
Placements	4,624,370	9,234,116	19,477,558
	7,476,862	11,488,025	21,831,677
Loans and advances			
Retail and personal	524,747	190,425	166,996
Business	5,714,795	11,726,664	15,054,807
Government	80,000	101,667	70,488
	6,319,542	12,018,756	15,292,291
Less: allowance for credit impairment losses	(243,988)	(280,731)	(162,211)
	6,075,554	11,738,025	15,130,080
Other			
Investment Properties	31,132	31,132	23,304
Property, plant and equipment	109,225	117,562	113,423
Deferred tax assets	26,796	28,843	6,596
Advanced tax	-	280	-
Other assets	67,223	131,592	263,283
	234,376	309,409	406,606
Total assets	14,508,226	26,585,004	38,892,664
LIABILITIES AND CAPITAL RESOURCES			
Deposits			
Personal	3,948,986	3,697,464	3,367,719
Business	2,020,911	3,087,630	8,706,582
Government	1,137,771	2,534,767	1,594,391
Banks	2,307,500	12,122,720	15,683,786
	9,415,168	21,442,581	29,352,478
Borrowings			
Borrowings from banks	3,594,437	3,668,752	8,132,012
Others			
Other liabilities	109,170	147,451	200,510
Current tax liabilities	18,687	-	5,309
Deferred tax liabilities	-	-	-
Retirement benefit obligations	17,620	16,114	13,826
	145,477	163,565	219,645
Capital resources			
Assigned capital	200,860	200,860	200,860
Reserves	554,922	588,353	413,390
Retained earnings	597,362	520,893	574,279
	1,353,144	1,310,106	1,188,529
Total equity and liabilities	14,508,226	26,585,004	38,892,664

These financial statements have been approved on 20th June 2016

Ravi Chaturvedi
Vice President

B.B. Ghagare
Chief Manager

BANK OF BARODA - MAURITIUS BRANCHES (INCLUDING OFFSHORE BANKING UNIT)
Statement of profit or loss and other comprehensive income

For the year ended March 31, 2016

	2016 Rs'000	2015 Rs'000	2014 Rs'000
Interest income			
Loans and advances	295,038	301,355	311,501
Investment securities	98,607	134,132	151,244
Placements with other banks	52,248	111,534	207,149
	<u>445,893</u>	<u>547,021</u>	<u>669,894</u>
Interest expense			
Deposits	(149,219)	(246,033)	(283,873)
Deposits and borrowings from banks	(189,772)	(226,494)	(202,197)
Others	(660)	(22)	(1,665)
	<u>(339,651)</u>	<u>(472,549)</u>	<u>(487,735)</u>
Net interest income	<u>106,242</u>	<u>74,472</u>	<u>182,159</u>
Other income			
Fee income and commissions	11,598	7,262	11,908
Net trading income	26,209	23,720	20,533
Other revenue	7,466	14,312	4,751
	<u>45,273</u>	<u>45,294</u>	<u>37,192</u>
Total operating income	<u>151,515</u>	<u>119,766</u>	<u>219,351</u>
Reversal of impairment charge/(Net allowance for credit impairment)	34,219	(94,913)	(31,876)
Net operating income	<u>185,734</u>	<u>24,853</u>	<u>187,475</u>
Operating expenses			
Salaries and human resource development	(36,706)	(34,881)	(32,460)
Pension contribution and other staff benefits	(6,358)	(6,666)	(6,436)
Depreciation	(9,481)	(5,951)	(5,343)
Other administrative expenses	(38,349)	(40,528)	(38,231)
Total operating expenses	<u>(90,894)</u>	<u>(88,026)</u>	<u>(82,470)</u>
Profit/(loss) before taxation	94,840	(63,173)	105,005
Tax expense	(21,315)	9,787	(8,846)
Profit/(loss) for the year	<u>73,525</u>	<u>(53,386)</u>	<u>96,159</u>
Other comprehensive income:			
<u>Items that are or may be reclassified to profit or loss:</u>			
Net gain/(loss) on available-for-sale financial assets	-	909	(374)
Exchange differences on translation	(29,410)	168,975	(27,491)
<u>Items that will never be reclassified to profit or loss:</u>			
Revaluation of property, plant and equipment	-	5,975	-
Other comprehensive (loss)/ income	<u>(29,410)</u>	<u>175,859</u>	<u>(27,865)</u>
Total comprehensive income for the year	<u>44,115</u>	<u>122,473</u>	<u>68,294</u>



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Bank of Baroda

BANK OF BARODA - MAURITIUS BRANCHES (INCLUDING OFFSHORE BANKING UNIT)

Statements of Changes in Equity

For the year ended March 31, 2016

	Assigned Capital Rs'000	Statutory Reserve Rs'000	Fair value Reserve Rs'000	Revaluation Reserve Rs'000	Capital Reserve Rs'000	Translation Reserve Rs'000	Retained Earnings Rs'000	Total Equity Rs'000
At April, 2013	200,860	201,177	535	103,631	7,559	129,809	476,664	1,120,235
Total comprehensive income	-	-	(374)	-	-	(27,491)	96,159	68,294
Release to retained earnings	-	-	-	(1,456)	-	-	1,456	-
At March 31, 2014	200,860	201,177	161	102,175	7,559	102,318	574,279	1,188,529
Revaluation and other reserves						413,390		
At April, 2014	200,860	201,177	161	102,175	7,559	102,318	574,279	1,188,529
Total comprehensive income	-	-	909	5,975	-	168,975	(53,386)	122,473
Release to retained earnings	-	-	-	(896)	-	-	-	(896)
At March 31, 2015	200,860	201,177	1,070	107,254	7,559	271,293	520,893	1,310,106
Revaluation and other reserves						588,353		
At April, 2015	200,860	201,177	1,070	107,254	7,559	271,293	520,893	1,310,106
Total comprehensive income	-	-	-	-	-	(29,410)	73,525	44,115
Appropriation from retained earnings	-	-	7	-	-	-	(7)	-
Movement in revaluation reserve	-	-	(1,077)	(2,951)	-	-	2,951	(1,077)
At March 31, 2016	200,860	201,177	-	104,303	7,559	241,883	597,362	1,353,144
Revaluation and other reserves						554,922		

BANK OF BARODA - MAURITIUS BRANCHES (INCLUDING OFFSHORE BANKING UNIT)
Statements of cash flows

For the year ended March 31, 2016

	2016 Rs'000	2015 Rs'000	2014 Rs'000
Operating activities			
Net profit/ (loss) before tax	94,840	(63,173)	105,005
Adjustments for:			
Net allowance for credit impairment	(34,219)	94,913	31,876
Depreciation	9,481	5,951	5,343
Profit on disposal of plant and equipment	-	-	37
Retirement benefit obligations	1,506	2,107	2,170
Gain on fair value of investment property	-	(7,828)	-
Changes in operating assets and liabilities			
Net change in other assets	64,369	131,691	(100,842)
Net change in other liabilities	(38,281)	(53,934)	(35,132)
Net cash flows generated from operations	97,696	109,727	8,457
Payments for retirement benefits obligations	-	-	(820)
Tax paid	(550)	(18,715)	(14,649)
Net cash from/ (used in) operating activities	97,146	91,012	(7,012)
Investing activities			
(Purchase)/ redemption of investment securities	(598,583)	92,830	767,100
Net change in placements	4,609,746	10,243,442	(4,337,314)
Net change in loans and advances	5,699,214	3,273,535	(1,474,060)
Purchase of plant and equipment	(1,164)	(3,965)	(1,043)
Net cash generated from/ (used in) investing activities	9,709,213	13,605,842	(5,045,317)
Financing activities			
Net change in deposits from customers	(12,027,413)	(7,909,897)	42,122
Net change in borrowings with banks	(74,315)	(4,463,260)	5,773,375
Net cash (used in)/ generated from financing activities	(12,101,728)	(12,373,157)	5,815,497
Net (decrease)/ increase in cash and cash equivalents	(2,295,369)	1,323,697	763,168
Cash and cash equivalents at 1 April	3,049,545	1,524,301	793,534
Net foreign exchange difference	(32,742)	201,547	(32,401)
Cash and cash equivalents at 31 March	721,434	3,049,545	1,524,301



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REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF BANK OF BARODA -MAURITIUS BRANCHES (Including Offshore Banking Unit)

This report is made solely to the members of the **Bank of Baroda – Mauritius Branches (Including Offshore Banking Unit)** (the “Bank”) as a body in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Bank’s members those matters we are required to state to them in an auditors’ report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank and the Bank’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the financial statements

We have audited the financial statements of **Bank of Baroda - Mauritius Branches (Including Offshore Banking Unit)**, set out on pages 32 to 77 which comprise the statement of financial position as at 31 March 2016, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Bank Managers’ Responsibility for the Financial Statements

The Bank Managers are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the Companies Act 2001, the Banking Act 2004 and the Financial Reporting Act 2004. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depended on our professional judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered the internal control relevant to the Bank’s preparation and fair presentation of the financial statements in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the Bank’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the bank managers, as well as evaluating the overall presentation of the financial statements.

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



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REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF BANK OF BARODA -MAURITIUS BRANCHES (Including Offshore Banking Unit)

Opinion

In our opinion, the accompanying financial statements on pages 32 to 77 give a true and fair view, in all material respects, the financial position of the Bank as at 31 March 2016 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001 applicable to banks and the Financial Reporting Act 2004.

Report on other legal and regulatory requirements

Mauritus Companies Act

We have no relationship with, or interest in, the Bank or any of its subsidiaries, other than our capacity as auditors and tax advisers and arm's length dealings in the ordinary course of business.

We have obtained all the information and explanations that we have required.

In our opinion, proper accounting records have been kept by the bank as far as it appears from our examination of those records.

Banking Act 2004

In our opinion the financial statements have been prepared on a basis consistent with that of the preceding year and are complete, fair and properly drawn up comply with the Banking Act 2004 as well as the regulations and guidelines of the Bank of Mauritius.

The explanations or information called for or given to us by the Officers or Agents of the Bank were satisfactory.

Financial Reporting Act 2004

The Bank Managers are responsible for preparing the corporate governance report and making the disclosures required by Section 8.4 of the Code of Corporate Governance (the 'Code'). Our responsibility is to report on these disclosures.

In our opinion, the disclosures in the Corporate Governance Report comply with the requirements of the Code.

McMillan Woods
Ebene, Mauritius

Shareef Ramjan FCCA
Licenced by FRC

Date: 23 June 2016