

Independent Auditor's Certificate on utilization of Proceeds of BASEL III AT-1 Bonds in terms of Regulation 56(1)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,

The Board of Directors,

Bank of Baroda,

Baroda Corporate Centre,
C-26, G Block, Bandra Kurla Complex,
Bandra East, Mumbai, 400051

IDBI Trusteeship Services Ltd.

Asian building, Ground Floor,
17, R. Kamani Marg,
Ballard Estate, Mumbai-400001

Canara Bank,

ET & T Section, FM& S Wing,
Head Office, No. 112,
JC Road, Bangalore – 560002

Centbank Financial Services Limited,

3rd Floor(East Wing),
Central Bank of India MMO Building,
55 M.G. Road, Fort, Mumbai 400001

Catalyst Trusteeship Limited,

'GDA House', Plot No. – 85
Bhusari Colony (Right),
Paud Road, Pune - 411038

Introduction

1. This certificate is issued on specific request of Bank of Baroda (the "Bank"), having its Corporate office at Mumbai, Maharashtra in accordance with the terms of our engagement letter dated April 30, 2022 for submission of the same to IDBI Trusteeship Services Ltd ("IDBI" / "Debtenture Trustees") in terms of Regulation 56(1)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. The accompanying Statement (in **Annexure - I**) contains details of funds raised including the purpose of raising these funds as stated in the Information Memorandum for "private placement of unsecured, subordinated, perpetual, non-convertible, taxable Basel III compliant Additional Tier I



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Bonds” (the “Statement”), as required under Regulation 56(1)(a) of Listing Regulations, which we have initialled for identification purposes only.

Management's Responsibility

3. The preparation of the accompanying Statement is the responsibility of the Management of the Bank including the preparation and maintenance of all accounting and other relevant supporting records and documents. The Management of the Bank is responsible to prepare, maintain and extract the data pertaining to the utilisation of proceeds of Bonds issued on private placement basis. This responsibility includes the design, implementation and maintenance of internal control relevant to the undertaking of such transactions. The Management is also responsible for ensuring that the Bank complies with the requirements of, guidelines of Reserve Bank of India (RBI), applicable Accounting Standards, The Banking Regulation Act, 1949 and Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements, our responsibility is to express reasonable assurance in the form of an opinion based on our examination of books and records as to whether the Proceeds of unsecured, subordinated, perpetual, non-convertible, taxable Basel III compliant Additional Tier I bonds issued on private placement basis has been utilised for the purpose for which these funds were raised during the financial year ending March 31, 2022.
5. The financial statements for the financial year 2021-22 have been jointly audited by us on which we issued an unmodified audit opinion vide our report dated May 13, 2022. Our audit of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (“Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. In accordance with the requirements of Guidance Note, we have examined the underlying documents for issue of bonds and its intended purpose and performed the below procedures:
 - a) Obtained the date wise listing of bonds and their Information Memorandum issued during the financial year ending March 31, 2022;
 - b) Read the Information Memorandum to check their intended purpose;
 - c) Verified that the funds raised has been considered in the Additional Tier I Capital of the Bank as on March 31, 2022.; and
 - d) Obtained Management representations that the bonds issued have achieved their intended purpose.



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7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. Our scope of work did not include verification of compliance with other requirements of the Listing Regulations / any terms and conditions agreed while executing the issuance of Debenture Agreement, other circulars, notifications, etc, as issued by relevant regulatory authorities from time to time, and any other laws and regulations applicable to the Bank.

Opinion

9. Based on our examination and procedures performed as above and according to the information and explanation given to us by the Management, we report that the bonds of ₹ 2749.00 crores issued for the following purposes through Information Memorandum dated 24.11.2021 and 27.01.2022 during the financial year ending March 31, 2022 as per accompanying statement, have achieved the intended purpose:
 - a) Augmenting Tier I Capital (as the term is defined in the Basel III Guidelines) and over all capital of the Bank for strengthening its capital adequacy; and
 - b) Enhanced the long-term resources of the Bank.

The funds raised by the Bank are not meant for financing any particular project. The Bank has utilized the proceeds of the issue for its regular business activities.


Restriction on Distribution and Use

10. This certificate has been prepared at the request of the Bank solely for the purpose of enabling it to comply with the requirements of the SEBI Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For **R. Devendra Kumar & Associates**

Chartered Accountants

FRN: 114207W





(Anand Golas)

Partner

Mem. No. 400322

UDIN: 22400322AJGGGC9721

Place: Mumbai

Date : 19.05.2022

Annexure -I

Statement showing Bonds issued during FY 2021-22 and its intended purpose

Bank of Baroda has raised unsecured, subordinated, perpetual, non-convertible, taxable Basel III compliant Additional Tier I Bonds on private placement amounting to ₹ 2749.00 crores in 2- tranches during the financial year ending March 31, 2022 for following purposes:


- Augmenting Tier I Capital (as the term is defined in the Basel III Guidelines) and over all capital of the Bank for strengthening its capital adequacy; and
- Enhanced the long-term resources of the Bank.

Details of the above 2 tranches are as under:

Sr. No.	SERIES	Type	ISIN	AMOUNT (Rs. In Crs)	Coupon (%)	Date Of Information Memorandum	DATE OF ISSUE
1	SERIES-XVII	BASEL III	INE028A08265	1,997.00	7.95%	24.11.2021	26-Nov-21
2	SERIES-XVIII	BASEL III	INE028A08273	752.00	8.00%	27.01.2022	31-Jan-22
				2,749.00			

Funds raised have been utilised for the intended purpose. The funds raised by the Bank are not meant for financing any particular project. The Bank has utilized the proceeds of the issue for its regular business activities.

For **Bank of Baroda**


(S K Mohanty)
General Manager
Treasury Operations



For Identification

In terms of our separate report

For **R. Devendra Kumar & Associates**
Chartered Accountants

FRN: 114207W



(Anand Golas)

Partner

Mem. No. 400322



19 MAY 2022

Place: Mumbai

Date : 19.05.2022