

# **Key Information Summary**

## **Bank of Baroda (New Zealand) Limited**

for the year ended 31 March 2011

**Prepared under Registered Bank Disclosure Statement (Full and Half-Year – New Zealand Incorporated Registered Banks) Order 2008**

## Introductory statement for customers

The purpose of this key information summary is to provide customers and potential customers with information about the financial condition of their bank.

The information contained in this key information summary is explained in the Reserve Bank publication *Your bank's disclosure statement – what's in it for you?* That publication can be obtained from the Reserve Bank.

## Corporate information

The full name of the registered bank is Bank of Baroda (New Zealand) Limited (the **Bank**).

The ultimate parent bank of the Bank is Bank of Baroda, India, an Indian incorporated bank (**BOB**), which is domiciled in India. BOB is not a New Zealand registered bank and is not subject to regulatory oversight by the Reserve Bank.

The Bank was incorporated on 27 May 2008. The Bank was registered as a bank on 1 September 2009. The Bank commenced trading on 21 June 2010.

## Credit rating

The credit rating of the Bank is as follows:

| Rating Agency    | Type of Rating                                   | Current Rating | Outlook | Qualifications | Rating Change in the Last 2 Years |
|------------------|--|----------------|---------|----------------|-----------------------------------|
| Fitch IBCA, Inc. | Long-term foreign currency Issuer Default Rating | BBB-           | Stable  | Nil            | Nil                               |

## No New Zealand government deposit guarantee

The Bank does not have a guarantee under the New Zealand deposit guarantee scheme as at 27 June 2011.

## Profitability

|  | Audited<br>31 March 2011<br>\$'000 | Audited<br>31 March 2010<br>\$'000 |
|--|------------------------------------|------------------------------------|
| Net profit/(loss) after taxation for the year ended 31 March 2011  | 194                                | (6,676)                            |
| Net profit/(loss) after taxation for the year ended 31 March 2011 as a percentage of the average of total assets | 0.4%                               | (16.8%)                            |

## Size

|  | Audited<br>31 March 2011<br>\$'000 | Audited<br>31 March 2010<br>\$'000 |
|--|------------------------------------|------------------------------------|
| Total assets   | 52,922                             | 40,102                             |
| The percentage change in total assets from 1 April 2010 to 31 March 2011 | 32.0%                              | 2.5%                               |

## Capital adequacy

|   | Audited<br>31 March 2011<br>\$'000 | Audited<br>31 March 2010<br>\$'000 |
|---|------------------------------------|------------------------------------|
| Tier One Capital as a percentage of risk weighted exposures | 230.9%                             | 452.7%                             |
| Reserve Bank of New Zealand minimum Tier One Capital ratio  | 4%                                 | 4%                                 |
| Total Capital as a percentage of risk weighted exposures    | 230.9%                             | 452.7%                             |
| Reserve Bank of New Zealand minimum Total Capital Ratio     | 8%                                 | 8%                                 |

## Asset quality

|  | Audited<br>31 March 2011<br>\$'000 | Audited<br>31 March 2010<br>\$'000 |
|--|------------------------------------|------------------------------------|
| Total individually impaired assets (before allowances for credit impairment loss and net of interest held in suspense) | Nil                                | Nil                                |
| Total individually impaired assets expressed as a percentage of total assets   | Nil                                | Nil                                |
| Total individual credit impairment allowance   | Nil                                | Nil                                |
| Total individual credit impairment allowance expressed as a percentage of total assets                                 | Nil                                | Nil                                |
| Total collective credit impairment allowance   | 32                                 | Nil                                |
| Non-financial assets acquired through the enforcement of security  | Nil                                | Nil                                |

## Peak credit exposure concentrations

|   | Audited<br>31 March 2011<br>\$'000 | Audited<br>31 March 2010<br>\$'000 |
|---|------------------------------------|------------------------------------|
| The number of individual non-bank counterparties or groups of closely related counterparties of which a bank is not the parent to which the Banking Group <sup>1</sup> has a peak end-of-day aggregate credit exposure which equals or exceeds 10% of the Banking Group's equity. | Nil                                | Nil                                |
| The number of individual bank counterparties or groups of closely related counterparties of which a bank is the parent to which the Banking Group has a peak end-of-day aggregate credit exposure which equals or exceeds 10% of the Banking Group's equity.                      | 1 (20-29%)<br>2 (50-59%)           | 1 (100-109%)                       |

The information disclosed under this section "Peak credit exposure concentrations" excludes exposures to connected persons and to the central government of any country with a long-term credit rating of A- or A3 or above, or its equivalent.

<sup>1</sup> **Banking Group** means the Bank and its subsidiaries. As at the date of this key information summary, the Bank does not have any subsidiaries.

## Credit exposure to connected persons

|  | Audited<br>31 March 2011<br>\$'000 | Audited<br>31 March 2010<br>\$'000 |
|--|------------------------------------|------------------------------------|
| The peak end-of-day aggregate credit exposure (of a non-capital nature and net of individual credit impairment allowance) to connected persons expressed as an amount.                                 | 2,329                              | Nil                                |
| The peak end-of-day aggregate credit exposure (of a non-capital nature and net of individual credit impairment allowance) to connected persons expressed as a percentage of tier one capital.          | 5.8%                               | 0%                                 |
| The peak end-of-day aggregate credit exposure (of a non-capital nature and net of individual credit impairment allowance) to non-bank connected persons expressed as an amount.                        | Nil                                | Nil                                |
| The peak end-of-day aggregate credit exposure (of a non-capital nature and net of individual credit impairment allowance) to non-bank connected persons expressed as a percentage of tier one capital. | 0%                                 | 0%                                 |

The information disclosed under this section "Credit exposure to connected persons" is net of individual credit impairment allowance and excludes advances to connected persons of a capital nature.

The limits on aggregate credit exposure to connected persons and to non-bank connected persons in the Bank's conditions of registration have been complied with by the Bank at all times for the year ended 31 March 2011.

### Availability of general disclosure statement

A copy of the Bank's most recent general disclosure statement will be provided immediately at no charge to any person requesting a copy, if the request is made to 114 Dominion Road, PB No. 56580, Post Code 1446, Auckland. Otherwise, it is available, within five working days of request and free of charge, at any branch.

A copy of the Bank's most recent general disclosure statement is also available online at [www.barodanzltd.co.nz](http://www.barodanzltd.co.nz)



## ***Independent Auditors' Report***

To the shareholder of Bank of Baroda (New Zealand) Limited

### ***Report on Regulatory Requirements***

We have examined the Key Information Summary on pages 1 to 3. The information in the Key Information Summary has been extracted from Bank of Baroda (New Zealand) Limited's General Disclosure Statement for the year ended 31 March 2011. We have audited the financial statements and the supplementary information (excluding the supplementary information relating to capital adequacy) and reviewed the supplementary information relating to capital adequacy of Bank of Baroda (New Zealand) Limited (the 'Bank'), as contained within the General Disclosure Statement for the year ended 31 March 2011, on which we issued unqualified opinions dated 27 June 2011.

### ***Directors' Responsibility***

The Directors are responsible for the preparation and presentation of the Key Information Summary in accordance with Clause 20 of the Registered Bank Disclosure Statement (Full and Half-Year – New Zealand Incorporated Registered Banks) Order 2008 (the 'Order').

### ***Auditors' Responsibility***

In accordance with Clause 19(1) of the Order, we are responsible for examining the Key Information Summary presented by the Directors for compliance with the Order, and for reporting our findings to you.

We have examined the information contained in the Key Information Summary and compared it to the corresponding information contained in the General Disclosure Statement for the year ended 31 March 2011.

We carry out other assignments on behalf of the Bank in the area of other assurance services. In addition, certain partners and employees of our firm may deal with the Bank on normal terms within the ordinary course of trading activities of the Bank. These matters have not impaired our independence as auditors of the Bank. We have no other interests in the Bank.

### ***Opinion***

Based on our examination of the Key Information Summary, in our opinion:

- (i) the Key Information Summary has been prepared in accordance with the Order; and
- (ii) the information contained in the Key Information Summary has been properly taken from the information contained in the General Disclosure Statement for the year ended 31 March 2011.

For a better understanding of the scope of our examination of Bank of Baroda (New Zealand) Limited's General Disclosure Statement, and of the Banking Group's financial position, financial performance and cash flows for the year ended 31 March 2011, this report should be read in conjunction with Bank of Baroda (New Zealand) Limited's General Disclosure Statement for the year ended 31 March 2011.

### ***Restriction on Distribution or Use***

This report is made solely to the Bank's shareholder, as a body. Our work has been undertaken so that we might state to the Bank's shareholder those matters which we are required to state to them in a report from the auditor and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank's shareholder as a body, for this report, or for the opinions we have formed.

Chartered Accountants  
27 June 2011

Auckland