Deloitte Haskins & Sells **Chartered Accountants** 19th Floor, Shapath-V, S.G. Highway, Ahmedabad 380 015, Gujarat.	**SMSR & Co. LLP** Chartered Accountants A-005, Ground Floor, Western Edge-II, Off. Western Express Highway, Borivali (E), Mumbai 400 066, Maharashtra.

Dated: 2 January 2019

To

The Board of Directors, **Bank of Baroda** Baroda Corporate Centre, 2nd Floor, C-26, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051, Maharashtra.	**The Board of Directors,** **Dena Bank** Dena Corporate Centre, C-10, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051, Maharashtra.

Sub: Recommendation of the fair equity share exchange ratio for the proposed amalgamation of Dena Bank with Bank of Baroda

Dear Madam / Sir,

We refer to the engagement / appointment letters whereby,

- Bank of Baroda (hereinafter referred to as "BoB") has appointed Deloitte Haskins & Sells (hereinafter referred to as "DHS") vide the award letter dated 30 November 2018 (Ref: BCC:CA & T:110/370) and engagement letter with effect from 17 December 2018; and

- Dena Bank (hereinafter referred to as "Dena") has appointed SMSR & Co. LLP (hereinafter referred to as "SMSR") vide the award letter dated 9th November 2018 (Ref: DB/ HO/ IRC/ 399/2018)

for recommendation of the fair equity share exchange ratio (hereinafter referred to as ("Fair Equity Share Exchange ratio") for the proposed amalgamation of Dena Bank with Bank of Baroda (hereinafter jointly referred to as "Banks") on a going concern basis with effect from the proposed Appointed Date 1 April 2019 or such other date as approved by the Banks and Government of India/ other relevant authorities.

The Fair Equity Share Exchange ratio for this report refers to number of equity shares of face value of INR 2/- each of BoB, which would be issued to the equity shareholders of Dena pursuant to the proposed amalgamation.

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DHS and SMSR are hereinafter jointly referred to as "Valuers" or "we" or "us" and individually referred to as "Valuer" in this joint Fair Equity Share Exchange ratio report ("Share Exchange Ratio Report" or the "Report").

SCOPE AND PURPOSE OF THIS REPORT

Bank of Baroda was founded in 1908. It had reported consolidated total revenue and profit / (loss) after tax of INR 541,249 million and INR (18,871) million respectively, for the year ended 31 March 2018. It is a nationalized bank with Government of India holding 63.74% equity stake and balance stake is held by institutional and public shareholders as at 30 September 2018. BoB has 5,534 branches in India and 106 offices globally as of 30 September 2018. Additionally, Bank of Baroda has subsidiaries engaged in debit / credit cards business, share trading & broking business, asset management business and a joint venture in life insurance business.

Dena Bank was founded on 26 May 1938. It had reported consolidated total revenue and profit / (loss) after tax of INR 1,00,957 million and INR (19,232) million respectively, for the year ended 31 March 2018. It is a public sector Bank, nationalized on 19 July 1969. Government of India is holding 80.74% equity stake and balance stake is held by institutional and public shareholders as on 30 September 2018. Dena Bank has 1,858 branches in India as of 30 September 2018.

The equity shares of Bank of Baroda and Dena Bank are listed on the National Stock Exchange and the Bombay Stock Exchange. Both the Banks offer commercial, transactional and electronic banking products and services.

On 17 September 2018, the Government of India proposed an amalgamation of Bank of Baroda, Vijaya Bank and Dena Bank. The said proposal was accorded in principle approval by the Board of Directors of Dena Bank and Bank of Baroda respectively. with effect from the proposed Appointed Date of 1 April 2019 or such other date as approved by the Banks and other relevant authorities pursuant to regulations under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and relevant SEBI regulations .The proposal envisages, inter alia, the amalgamation of Dena Bank (hereinafter referred to as "Dena") into BoB, whereby equity shares of BoB will be issued to the shareholders of Dena. (hereinafter referred to as "Proposed Amalgamation").

It is in this connection, BoB and Dena have appointed DHS and SMSR respectively to submit a joint report on the Fair Equity Share Exchange ratio. This Report will be placed before the Board of Directors (the "Boards") of the respective Banks and produced before government, regulatory or judicial authorities, in connection with the Proposed Amalgamation to the extent mandatorily required under applicable laws of India.

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The scope of our services is to conduct a relative fair (and not absolute) valuation of the equity shares of the Banks and report on the Fair Equity Share Exchange ratio for the Proposed Amalgamation in accordance with generally accepted professional standards.

The Valuers have been appointed severally and not jointly and have worked independently in their analysis. The Valuers have received information and clarifications from their respective Banks. The Valuers have independently arrived at different values per share of the Banks. However, to arrive at the consensus on the Fair Equity Share Exchange ratio for the Proposed Amalgamation, appropriate minor adjustments / rounding off has been done in the values arrived at by the Valuers.

We have considered financial information up to 30 September 2018 (the "Valuation Date") in our analysis. We have taken into consideration current market parameters in our analysis and made adjustments for facts made known (past or future) to us till the date of this Report which will have a bearing on the valuation analysis. The managements of the Banks ("Managements") have informed us that the current valuation does not factor impact of any event which is unusual or not in normal course of business. Further, the Managements have informed us that all material information impacting the Banks have been disclosed to us.

The Managements have informed us that:

a) There would not be any capital variation in the banks till the Proposed Amalgamation becomes effective without approval of the shareholders and other relevant authorities other than on account of existing Employee Stock Purchase Scheme which would not be material;
b) None of the Banks would declare any dividend which are materially different than those declared in the past few years.
c) There are no unusual / abnormal events in the Banks since the last quarterly results were declared till the Report Date materially impacting their operating / financial performance.

We have relied on the above while arriving at the Fair Equity Share Exchange Ratio for the Proposed Amalgamation.

This Report is our deliverable in respect of our recommendation of the Fair Equity Share Exchange ratio for the Proposed Amalgamation.

This Report including, (for the avoidance of doubt) the information contained in it is absolutely confidential and intended only for the sole use and information of the respective Boards of the Banks and only in connection with the Proposed Amalgamation including for the purpose of obtaining regulatory approvals, as required under applicable laws of India, for the Proposed Amalgamation. Without limiting the foregoing, we understand that the Banks may be required to submit this Report to or share this Report with government, regulatory or judicial authorities, their professional advisors including merchant bankers providing fairness opinion on the Fair Equity Share Exchange ratio, in connection with the Proposed Amalgamation (together, "Permitted Recipients"). We hereby give consent to such disclosure of this Report, on the basis that the Valuers owe responsibility to the

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S. R. & Co LLP MUMBAI Chartered Accountants respective Banks that have engaged us, under the terms of their respective engagement, and no other person; and that, to the fullest extent permitted by law, Valuers accept no responsibility or liability to any other party, in connection with this Report. It is clarified that reference to this Report in any document and / or filing with Permitted Recipients, in connection with the Proposed Amalgamation, shall not be deemed to be an acceptance by the Valuers of any responsibility or liability to any person / party other than the Banks.

Our report can be used by the Banks only for the purpose, as indicated in this report, for which we have been appointed. The results of our valuation analysis and our report cannot be used or relied by the Banks for any other purpose or by any other party for any purpose whatsoever. We are not responsible to any other person / party for any decision of such person / party based on this report. Any person / party intending to provide finance / invest in the shares / business of the Banks / their holding companies / subsidiaries / associates / investee companies / other group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person / party (other than the Banks) chooses to place reliance upon any matters included in the report, they shall do so at their own risk and without recourse to the Valuers. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this report or any part thereof, except for the purpose as set out earlier in this report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.

This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

SOURCES OF INFORMATION

In connection with this exercise, we have used the following information:

- Annual reports for the year ended 31 March 2018 and earlier periods for the Banks;
- Unaudited reviewed results for the half-year ended 30 September 2018 for the Banks;
- Harmonized net worth of the Banks as at 30 September 2018, provided by the Banks, based on harmonization of accounting policies followed by the Banks as agreed between the Banks.
- Other relevant information and documents for the purpose of this engagement.

We have also obtained the explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise from the Managements of the Banks. The Banks have been provided with the opportunity to review the draft report (excluding the recommended Fair Equity Share Exchange ratio) for this engagement to make sure that factual inaccuracies / omissions are avoided in our final report.

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SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the date of this Report and (iii) are based on the audited financial statements of the Banks as at 31 March 2018 and unaudited reviewed financial results for the two quarters comprised in the half year ended 30 September 2018. The Management has represented that the business activities of the Banks have been or would be carried out in the normal and ordinary course between 30 September 2018 and the Report date and that no material adverse change has occurred in their respective operations and financial position between 30 September 2018 and the Report date.

Valuation analysis and results are specific to the purpose of valuation and the Valuation Date mentioned in the Report and as agreed per terms of the respective engagements. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

Valuation analysis and results are specific to the date of this Report. A valuation of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular. This Report is issued on the understanding that the Managements of the Banks have drawn our attention to all the matters, which they are aware of concerning the financial position of the Banks and any other matter, which may have an impact on our opinion, on the Fair Equity Share Exchange ratio for the Proposed Amalgamation as on the Valuation Date. We have considered only circumstances existing at the Valuation Date and events occurring up to the Valuation Date. Events and circumstances may have occurred since the Valuation Date concerning the financial position of the Banks or any other matter and such events or circumstances might be considered material by the Banks or any third party. We have taken into account, in our valuation analysis, such events and circumstances occurring after the Valuation Date as disclosed to us by the Banks, to the extent considered appropriate by us based on our professional judgement. Further, we have no responsibility to update the Report for any events and circumstances occurring after the date of the Report. Our valuation analysis was completed on a date subsequent to the Valuation Date and accordingly we have taken into account such valuation parameters and over such period, as we considered appropriate and relevant, up to a date close to such completion date.

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of our respective engagements, we have carried out relevant analysis and evaluations through discussions, calculations and such

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other means, as may be applicable and available, we have assumed and relied upon, without independently verifying, (i) the accuracy of the information that was publicly available, sourced from subscribed databases and formed a substantial basis for this Report and (ii) the accuracy of information made available to us by the Banks. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our valuation does not constitute as an audit or review in accordance with the auditing standards applicable in India, accounting / financial / commercial / legal / tax / environmental due diligence or forensic / investigation services, and does not include verification or validation work. In accordance with the terms of our engagement letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical financials/financial information or individual assets or liabilities, , provided to us regarding the Banks / their holding / subsidiary / associates / joint ventures / investee companies. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in such historical financials / financial statements. Also, with respect to explanations and information sought from the Banks, we have been given to understand by the Banks that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the assumptions and information given by/on behalf of the Banks. The respective Managements of the Banks have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Banks and their impact on the Report.

The Report assumes that the Banks comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Banks will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited / unaudited reviewed balance sheets of the Banks / their holding / subsidiary / associates / joint ventures / investee companies, if any. Our conclusion of value assumes that the assets and liabilities of the Banks reflected in their respective latest balance sheets remain intact as of the Report date. No investigation of Dena's and BOB's claim to title of assets has been made for the purpose of this Report and Dena's and BOB's claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts.

Our Report is not to nor should it be construed as our opining or certifying the compliance of the Proposed Amalgamation with the provisions of any law / standards including banking, foreign exchange regulatory, accounting and taxation (including transfer pricing) laws / standards or as

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S R & Co LLP MUMBAI Chartered Accountants regards any legal, accounting or taxation implications or issues arising from such Proposed Amalgamation.

Our Report is not to nor should it be construed as our recommending the Proposed Amalgamation or anything consequential thereto / resulting therefrom. This Report does not address the relative merits of the Proposed Amalgamation as compared with any other alternatives or whether or not such alternatives could be achieved or are available. Any decision by the Banks / their shareholders / creditors regarding whether or not to proceed with the Proposed Amalgamation shall rest solely with them. This Report does not in any manner address, opine on or recommend the prices at which the securities of the Banks could or should transact at following the announcement / consummation of the Proposed Amalgamation. Our Report and the opinion / valuation analysis contained herein is not to nor should it, be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities or as providing management services or carrying out management functions. It is understood that this analysis does not represent a fairness opinion.

Except in respect of certain equity investments of the Banks, we have not conducted or provided an analysis or prepared a model for any individual assets / liabilities and have wholly relied on information provided by the Banks in that regard.

The fee for our valuation analysis and the Report is not contingent upon the results reported.

SMSR owes responsibility to only the Boards of Directors of Dena and DHS owes responsibility to only the Board of Directors of BOB that have respectively appointed us under the terms of our respective engagement / appointment letters and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Banks. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Banks, their directors, employees or agents. In no circumstances shall the liability of a Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Report will exceed the amount paid to such Valuer in respect of the fees charged by it for these services.

We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion. This Report is not a substitute for the third party's own due diligence / appraisal / enquiries / independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document

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given to third parties, other than in connection with the Proposed Amalgamation, without our prior written consent.

Any discrepancies in any table / annexure between the total and the sums of the amounts listed are due to rounding-off.

SHARE CAPITAL DETAILS OF THE BANKS

Bank of Baroda

As at 30 September 2018, the paid up equity share capital of BoB was INR 5,291 million consisting of 2,645,516,132 equity shares of face value of INR 2/- each fully paid up, which we have considered for the purpose of the present valuation analysis.

Dena Bank

As at 30 September 2018, the paid up equity share capital of Dena was INR 22,590 million consisting of 2,259,046,330 equity shares of face value of INR 10/- each fully paid up, which we have considered for the purpose of the present valuation analysis.

APPROACH – BASIS OF AMALGAMATION

The Proposed Amalgamation envisages amalgamation of Dena into BoB whereby equity shares of BoB will be issued to the equity shareholders of Dena.

Arriving at the Fair Equity Share Exchange ratio for the purposes of an amalgamation such as the Proposed Amalgamation, would require determining the relative fair values of each bank involved and of their equity shares. These values are to be determined independently but on a relative basis, and without considering the effect of the amalgamation.

The three main valuation approaches are the market approach, income approach and asset approach. There are several commonly used and accepted methods, within the market approach, income approach and asset approach, for determining the relative value of equity shares, which can be considered in the present case, to the extent relevant and applicable, and subject to the availability of detailed information, to arrive at the Fair Equity Share Exchange ratio for the purpose of the Proposed Amalgamation, such as:

1. Net Asset Value (NAV) Method under Asset Approach
2. Income Approach
    a) Discounted Cash Flow (DCF) Method
    b) Earnings Capitalization Value (ECV) Method

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3. Market Approach
    a) Market Price Method
    b) Comparable Companies Multiple (CCM) Method

It should be understood that the valuation of any entity or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Banks. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the Banks, and other factors which generally influence the valuation of the Banks and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of method of valuation has been arrived at using usual and conventional methods adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Asset Approach - Net Asset Value Method:
Under the asset approach, the net asset value method is considered, which is based on the underlying net assets and liabilities of the company, taking into account operating assets and liabilities on a book value basis and appropriate adjustments for, interalia, value of surplus / non-operating assets.

Income Approach: Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount. The value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

- **Discounted Cash Flow (DCF) Method:** Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.

  Such DCF analysis involves determining the following:

  Estimating future free cash flows:
  Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital – both debt and equity.

  Appropriate discount rate to be applied to cash flows i.e. the cost of capital:

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This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

- **Earnings Capitalization Value (ECV) Method:** This method involves determination of the maintainable earnings level of the company from their operations, based on past and / or projected working results. These earnings are then capitalized at a rate, which in the opinion of the valuer combines an adequate expectation of reward from the enterprise risk, to arrive at the value of the company.

Market Approach: Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

- **Market Price Method:** Under this method, the value of shares of a company is determined by taking the average of the market capitalization of the equity shares of such companies as quoted on a recognized stock exchange over reasonable periods of time where such quotations are arising from the shares being regularly and freely traded in an active market, subject to the element of speculative support that may be inbuilt in the market price. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share, especially where the market values are fluctuating in a volatile capital market. Further, in the case of a amalgamation, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

- **Comparable Companies Multiple (CCM) Method:** Under this method, one attempts to measure the value of the shares / business of a company by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business (based on past and / or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

In the present valuation analysis, it should be borne in mind that there are various macro and other factors which in the past years have resulted in significant volatility and fluctuations in the

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operations, working results, financial position and profitability of the Banks, which makes an arrival of maintainable profits of the Banks and a relative comparison of the same - based on their past performance an exercise fraught with considerable uncertainty and subjectivity. Further we have not been provided by the Banks with their projected results. In the circumstances, in the present valuation analysis, we have considered it appropriate to apply the NAV Method, Market Price Method and CCM Method, to arrive at the relative fair value of the shares of the Banks for the purpose of the Proposed Amalgamation.

The values arrived at under such methods has been tabled in the next section of this Report.

Basis of Fair Equity Share Exchange ratio

The fair basis of the Proposed Amalgamation would have to be determined after taking into consideration all the factors, approaches and methods considered appropriate by the respective Valuers. Though different values have been arrived at under each of the above approaches / methods, for the purposes of recommending the Fair Equity Share Exchange ratio it is necessary to arrive at a single value for the shares of the Banks involved in a amalgamation such as the Proposed Amalgamation. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of the respective Banks but at their relative fair values to facilitate the determination of a Fair Equity Share Exchange ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approach / method.

In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by us and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. The determination of exchange ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single exchange ratio.

While we have provided our recommendation of the Fair Equity Share Exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Fair Equity Share Exchange ratio of the equity shares of BoB and Dena. The final responsibility for the determination of the exchange ratio at which the Proposed Amalgamation shall take place will be with the Board of Directors of the respective Banks who should take into account other factors such as their own assessment of the Proposed Amalgamation and input of other advisors.

The Fair Equity Share Exchange ratio has been arrived at on the basis of a relative fair equity valuation of BoB and Dena based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each Bank and the business dynamics and growth potentials

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of the businesses of these Banks, having regard to information base, key underlying assumptions and limitations.

We have independently applied methods discussed above, as considered appropriate, and arrived at our assessment of the value per equity share of BoB and Dena. To arrive at the consensus on the Fair Equity Share Exchange ratio for the Proposed Amalgamation, suitable minor adjustments / rounding off have been done in the values.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Fair Equity Share Exchange ratio for the Proposed Amalgamation whose computation is as under:

The Computation of Fair Equity Share Exchange ratio as derived by DHS, is tabulated below:

Valuation Approach	**Dena Bank**		**Bank of Baroda**	
	Value per Share (INR)	**Weight**	**Value per Share (INR)**	**Weight**
Asset Approach - Net Asset Value Method	32.1	10%	210.1	10%
Market Approach - Market Price Method	16.1	45%	136.7	45%
Market Approach - Comparable Companies Multiple Method	15.1	45%	165.7	45%
Relative Value per Share (INR)	17.3		157.1	
Fair Equity Share Exchange Ratio (rounded off)	0.110			

The Computation of Fair Equity Share Exchange ratio as derived by SMSR, is tabulated below:

Valuation Approach	**Dena Bank**		**Bank of Baroda**	
	Value per Share (INR)	**Weight**	**Value per Share (INR)**	**Weight**
Asset Approach - Net Asset Value Method	32.1	10%	203.7	10%
Market Approach - Market Price Method	16.1	45%	136.7	45%
Market Approach - Comparable Companies Multiple Method	15.1	45%	165.7	45%
Relative Value per Share (INR)	17.2		156.4	
Fair Equity Share Exchange Ratio (rounded off)	0.110			

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In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the following Fair Equity Share Exchange ratio for the Proposed Amalgamation of Dena Bank into Bank of Baroda:

110 (One Hundred and Ten) equity shares of Bank of Baroda of INR 2/- each fully paid up for every 1000 (One Thousand) equity shares of Dena Bank of INR 10/- each fully paid up.

Respectfully submitted,

Deloitte Haskins & Sells **Chartered Accountants** ICAI Firm Registration Number:117365W **Rukshad Daruvala** Partner Membership No: 111188 Date: 2 January 2019	**SMSR & Co. LLP** **Chartered Accountants** ICAI Firm Registration Number: 110592W/W100094 **Anil Bhattar** Partner Membership No: 045931 Date: 2 January 2019