



बैंक ऑफ बड़ौदा **Bank of Baroda**

BCC:ISD:111:16:373

Date: 07th August 2019

The Vice-President, B S E Ltd., Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001 BSE CODE-532134	The Vice-President, National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051 CODE-BANKBARODA
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Dear Sir / Madam,

Re: Bank of Baroda - The South African Reserve Bank, Prudential Authority, cuts financial penalty from R11 Million to R400, 000 on Bank of Baroda, South Africa

We advise that the South African Reserve Bank, The Prudential Authority had imposed an administrative sanction, including a penalty of ZAR 11 Mn on 19th June, 2017 which was paid by the Bank in July 2017. The financial penalty comprised of a penalty of ZAR 1 Mn under Sec 45C (3)(e), for failure to comply with the cash threshold reporting (CTR) requirements in terms of Sec 28 of the FIC Act and a penalty of ZAR 10 Mn under Sec 45C (3)(e), for failure to formulate and implement adequate processes and working methods which would enable BOB to detect and report suspicious and unusual transactions in terms of section 29 of the FIC Act

The Bank preferred an appeal with the Appeal Board of the FIC, which in its decision dated 23.05.2018, set aside the penalty of ZAR 10 Mn related to identification and reporting of suspicious transactions and reduced the penalty related to CTR requirements from ZAR 1 Mn to ZAR 400,000.

The Prudential Authority filed an appeal with the North Gauteng High Court against the decision of the Appeal Board. The North Gauteng High Court, vide its judgment dated 06.05.2019 upheld the decision of the Appeal Board of FIC and, accordingly, an amount of ZAR 10,600,000, along with interest has been refunded by the Prudential Authority to the Bank.

We advise that the South African Reserve Bank, the Prudential Authority has now, in terms of disclosure requirements under Section 45C(11) of the FIC Act, on Tuesday, August 6, 2019, notified imposition of a financial penalty of R400,000, on Bank of Baroda, South Africa, for failure to comply with the cash threshold reporting requirement in terms of section 28 of the FIC Act, of South Africa.

We request you to take note of the above pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015 and upload the information on your website.

Yours faithfully,

K. Venkateswarlu
GM - Chief Coordination
Secretary to Board