DBS

DBS Bank Ltd., India

BALANCE SHEET AS AT 31 MARCH 2017

DBS Bank Ltd., India

INDEPENDENT AUDITOR'S REPORT TO THE INDIA MANAGEMENT COMMITTEE OF DBS BANK LTD., INDIA

Report on the Financial Statements

We have audited the accompanying financial statements of **DBS BANK LTD., INDIA** ("the Bank"), which comprise the Balance Sheet as at 31 March 2017, the Profit and Loss Account and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Bank's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Companies Act, 2013 (the "Act"), in so far as applicable to banks, and the Guidelines issued by the Reserve Bank of India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's 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, the auditor considers internal financial controls relevant to the Bank's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Bank's Management, and 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 and the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Bank as at 31 March 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act and Section 30 of the Banking Regulation Act, 1949, based on our audit, we report to the extent applicable that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and found them to be satisfactory.
   b) In our opinion, the transactions of the Bank which have come to our notice have been within the powers of the Bank.
   c) As explained in paragraph 2 below, the financial accounting systems of the Bank are centralised and, therefore, accounting returns are not required to be submitted by the branches.
   d) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books.
   e) The Balance Sheet, the Profit and Loss Account, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   f) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable to banks.
   g) With respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, refer to our Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Bank's internal financial controls over financial reporting.
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Bank has disclosed the impact of pending litigations on its financial position in its financial statements;
      ii. The Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
      iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Bank.
      iv. The disclosure with respect to holdings or dealings in Specified Bank Notes, as defined in the Notification S.O. 3407(E) dated the 8 November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 as required under amendment to Schedule III to the Companies Act, 2013, is not applicable as the financial statements of the Bank are prepared under section 29 and Third Schedule of the Banking Regulation Act, 1949.
2. We report that during the course of our audit we have visited and performed select relevant procedures at 6 branches. Since the Bank's key operations are automated, with the key applications largely integrated to the core banking systems, it does not require its branches, to submit any financial returns. Accordingly our audit is carried out centrally at the Head Office and Central Processing Units, based on the necessary records and data required for the purposes of the audit being made available to us.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.117365W)

Rukshad N. Daruvala
Partner
(Membership No. 111188)

Mumbai, 29 May 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of the auditor's report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of **DBS BANK LTD., INDIA** ("the Bank") as at 31 March, 2017 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Bank's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013, the Banking Regulation Act, 1949 and the guidelines issued by the Reserve Bank of India.

Auditor's Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A bank's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and other applicable regulations. A bank's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the bank are being made only in accordance with authorisations of management of the bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the bank's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.117365W)

Rukshad N. Daruvala
Partner
(Membership No. 111188)

Mumbai, 29 May 2017

DBS Bank Ltd., India

BALANCE SHEET AS AT 31 MARCH 2017

(Currency: Indian rupees in thousands)

	Schedule	31 Mar 2017	31 Mar 2016
CAPITAL AND LIABILITIES			
Capital	1	32,113,534	32,113,534
Reserves and surplus	2	14,051,501	12,061,730
Deposits	3	269,909,652	234,275,293
Borrowings	4	57,815,001	115,363,613
Other liabilities and provisions	5	71,530,887	44,640,072
Total		**445,420,575**	**438,454,242**
ASSETS			
Cash and balances with Reserve Bank of India	6	19,882,499	9,927,571
Balances with banks and money at call and short notice	7	26,962,433	41,082,246
Investments	8	102,481,286	155,839,572
Advances	9	218,382,258	176,530,995
Fixed assets	10	580,580	740,446
Other assets	11	77,131,519	54,333,412
Total		**445,420,575**	**438,454,242**
Contingent liabilities	12	3,881,912,201	3,710,021,248
Bills for collection		87,712,584	67,950,971
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	18		

Schedules referred to above form an integral part of these financial statements

As per our report of even date attached.

For Deloitte Haskins & Sells **For DBS Bank Ltd., India**

Chartered Accountants

Rukshad N. Daruvala
Partner
Membership No: 111188

Surojit Shome
Chief Executive Officer, India

Rajesh Prabhu
Managing Director and Chief Financial Officer

Mumbai
29 May, 2017

Mumbai
29 May, 2017

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

(Currency: Indian rupees in thousands)

	Schedule	31 Mar 2017	31 Mar 2016
INCOME			
Interest earned	13	25,779,291	20,918,759
Other income	14	6,226,691	2,800,086
Total		**32,005,982**	**23,718,845**
EXPENDITURE			
Interest expended	15	18,533,812	13,390,135
Operating expenses	16	8,250,060	6,026,943
Provisions and contingencies	17	5,094,116	4,216,169
Total		**31,877,988**	**23,633,247**
PROFIT			
Net Profit for the year		127,994	85,598
Profit brought forward		(2,680,450)	(2,745,416)
Total		**(2,552,456)**	**(2,659,818)**
APPROPRIATIONS			
Transfer to Statutory Reserve		31,998	21,400
Transfer (from)/to Investment Reserve Account		(176,906)	(768)
Capital retained in India for CRAR purposes		-	-
Balance carried over to Balance Sheet		(2,407,548)	(2,680,450)
Total		**(2,552,456)**	**(2,659,818)**

Schedules referred to above form an integral part of these financial statements

As per our report of even date attached.

For Deloitte Haskins & Sells **For DBS Bank Ltd., India**

Chartered Accountants

Rukshad N. Daruvala
Partner
Membership No: 111188

Surojit Shome
Chief Executive Officer, India

Rajesh Prabhu
Managing Director and Chief Financial Officer

Mumbai
29 May, 2017

Mumbai
29 May, 2017

DBS Bank Ltd., India

CASH FLOW STATEMENT

(Currency: Indian rupees in thousands)

		31 Mar 2017	31 Mar 2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Profit/(Loss) before taxation and extraordinary items		231,805	143,803
Adjustments for:			
Depreciation on Fixed Assets		384,653	367,807
(Profit) /Loss on sale and write off of Fixed assets		28,762	(23)
Foreign exchange (loss) on revaluation of subordinated debt		(365,300)	-
Provision/(Write back) for :			
Standard Assets/Derivatives		187,454	32,308
Depreciation on Investments		415,712	1,804
Contingent credit		18,288	(296)
Country risk		13,357	17,122
Non Performing Assets (including write offs net of write backs)		4,355,494	4,107,026
Employee Benefits including bonus		11,378	(91,774)
Operating profit before working capital changes		5,281,603	4,577,777
(Increase) in Term Deposits with Banks		(12,224,000)	(6,725,500)
(Increase) /Decrease in Investments (excluding HTM investments)		52,942,574	(20,675,790)
(Increase) in Advances		(46,226,140)	(22,188,994)
(Increase)/Decrease in Other Assets		(21,598,811)	3,295,286
Increase in Deposits		35,634,359	60,325,728
Increase/(Decrease) in Other liabilities and provisions		28,541,499	(3,486,954)
		42,351,084	15,121,553
Income Tax Paid		(1,303,108)	(1,218,046)
Net cash from operating activities	**A**	41,047,976	13,903,507
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets (net of write off)		(317,311)	(559,926)
Proceeds from sale of Fixed Assets		12	56
(Increase)/Decrease in Capital Work in Progress		63,750	(19,282)
Net cash used in investing activities	**B**	(253,549)	(579,152)
CASH FLOWS FROM FINANCING ACTIVITIES			
Additional Capital from Head Office		-	6,674,673
Increase / (Decrease) in Borrowings		(57,183,312)	23,310,508
Repayment of subordinated debt to Head Office		-	(7,773,700)
Net cash from / (used in) financing activities	**C**	(57,183,312)	22,211,481
Net increase / (decrease) in cash and cash equivalents	**(A+B+C)**	(16,388,885)	35,535,836
Cash and cash equivalents at the beginning of the year		44,284,317	8,748,481
Cash and cash equivalents at the end of the year		27,895,432	44,284,317
Net increase/(decrease) in cash and cash equivalents		(16,388,885)	35,535,836
Notes: Cash and cash equivalents represent			
Cash and balances with Reserve Bank of India (refer schedule 6)		19,882,499	9,927,571
Balances with banks and money at call and short notice (refer schedule 7)		26,962,433	41,082,246
Less: Deposits not considered as cash and cash equivalents as per AS-3			
Margin Deposit - Maturity greater than 90 days		(143,000)	(100,000)
Term Deposits with Banks - Maturity greater than 90 days		(18,806,500)	(6,625,500)
Total		27,895,432	44,284,317

As per our report of even date attached.

For Deloitte Haskins & Sells
Chartered Accountants

Rukshad N. Daruvala
Partner
Membership No: 111188

Mumbai
29 May, 2017

For DBS Bank Ltd., India

Surojit Shome
Chief Executive Officer, India

Rajesh Prabhu
Managing Director and Chief Financial Officer

Mumbai
29 May, 2017

DBS Bank Ltd., India

(Currency: Indian rupees in thousands)

Schedules to financial statements as at 31 March 2017

(Currency: Indian rupees in thousands)

	31 Mar 2017	31 Mar 2016
1 CAPITAL		
Amount of deposit kept with the RBI under Section 11(2)(b) of the Banking Regulation Act, 1949 (Face Value)	**5,510,000**	5,200,000
Opening Balance	**32,113,534**	25,438,861
Add: Additional capital received from Head Office during the year (refer schedule 18 note [6])	-	6,674,673
Total	**32,113,534**	**32,113,534**
2 RESERVES AND SURPLUS		
A Statutory Reserve		
Opening Balance	**3,724,779**	3,703,379
Additions during the year	**31,998**	21,400
Deductions during the year	**-**	-
	3,756,777	3,724,779
B Capital Reserve (refer schedule 18 note [5])		
Opening Balance	**5,096**	5,096
Additions during the year	**-**	-
Deductions during the year	**-**	-
	5,096	5,096
C Investment Reserve Account (refer schedule 18 note [64])		
Opening Balance	**251,674**	252,442
Additions during the year	**-**	-
Deductions during the year	**176,906**	768
	74,768	251,674
D Capital retained in India for CRAR purposes		
Opening Balance	**10,760,095**	10,760,095
Additions during the year (refer schedule 18 note [64])	**1,861,777**	-
Deductions during the year	**-**	-
	12,621,872	10,760,095
E (Debit)/ Credit balance in Profit and Loss Account	**(2,407,548)**	(2,680,450)
F Deferred Tax Reserve	**536**	536
Total	**14,051,501**	**12,061,730**
3 DEPOSITS		
A (I) Demand Deposits		
(i) From banks	**2,835,318**	1,531,280
(ii) From others	**14,678,712**	12,748,807
	17,514,030	14,280,087
(II) Saving Bank Deposits	**7,821,384**	4,606,863
(III) Certificate of Deposits	**1,973,279**	-
(IV) Term Deposits		
(i) From banks	**28,773,095**	6,623,000
(ii) From others	**213,827,864**	208,765,343
	242,600,959	**215,388,343**
Total	**269,909,652**	234,275,293
B (i) Deposits of branches in India	**269,909,652**	234,275,293
(ii) Deposits of branches outside India	-	-
Total	**269,909,652**	**234,275,293**
4 BORROWINGS		
I Borrowings in India		
(i) Reserve Bank of India	-	59,810,000
(ii) Other banks	-	5,560,000
(iii) Other institutions and agencies	**13,630,871**	5,036,994
	13,630,871	70,406,994
II Borrowings outside India	**27,323,130**	27,730,319
III Subordinated Debt*	**16,861,000**	17,226,300
Total	**57,815,001**	**115,363,613**
Secured borrowings included in I, II and III above	**13,630,871**	64,846,994

* Subordinated debt in the nature of long term borrowings in foreign currency from Head Office.

	31 Mar 2017	31 Mar 2016
5 OTHER LIABILITIES AND PROVISIONS		
I Bills Payable	**435,732**	408,792
II Inter Office adjustments (net)	**-**	-
III Interest Accrued	**1,953,470**	1,931,672
IV Contingent Provision against Standard Advances	**896,101**	809,367
V Contingent Provision against Derivatives exposures	**230,507**	154,519
VI Others (including provisions)*	**68,015,077**	41,335,722
Total	**71,530,887**	**44,640,072**

* includes provision for unhedged foreign currency exposure amounting to INR 178,297 thousand (previous year – INR 153,565 thousand)

	31 Mar 2017	31 Mar 2016
6 CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I. Cash in hand (including foreign currency notes)	**62,563**	51,940
II. Balances with Reserve Bank of India		
(i) In Current Accounts	**10,819,936**	9,875,631
(ii) In Other Accounts	**9,000,000**	-
	19,819,936	9,875,631
Total	**19,882,499**	**9,927,571**
7 BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE		
I In India		
(i) Balance with Banks		
(a) In Current Accounts	**71,532**	44,272
(b) In Other Deposit Accounts $	**18,949,500**	6,725,500
	19,021,032	6,769,772
(ii) Money at Call and Short Notice		
(a) with Banks	**-**	1,000,000
(b) with other institutions	**-**	1,179,851
	-	2,179,851
II Outside India		
(i) In Current Accounts	**732,831**	2,716,366
(ii) In Other Deposit Accounts	**-**	-
(iii) Money at Call and Short Notice	**7,208,570**	29,416,257
	7,941,401	32,132,623
Total	**26,962,433**	**41,082,246**

$ Includes Fixed Deposits placed under lien towards exchange traded derivatives of INR 143,000 thousand (Previous Year – INR 100,000 thousand)

	31 Mar 2017	31 Mar 2016
8 INVESTMENTS		
Investments in India in		
(i) Government securities *	**81,138,244**	137,425,791
(ii) Other approved securities	**-**	-
(iii) Shares**	**863,169**	107,157
(iv) Debentures and Bonds***	**10,934,096**	6,206,427
(v) Subsidiaries and Joint Ventures	**-**	-
(vi) Others (Certificate of Deposits, Commercial Papers and Security Receipts of Asset Reconstruction Companies)	**9,545,777**	12,100,197
Total	**102,481,286**	**155,839,572**
Gross Investments in India	**102,921,030**	155,863,604
Less: Provision for depreciation	**439,744**	24,032
Net Investments in India	**102,481,286**	**155,839,572**

* Includes :

(A) Securities pledged as margin with CCIL (Clearing Corporation of India Limited) INR 8,183,183 thousand (Previous Year: INR 4,807,382 thousand)

(B) Securities held u/s 11(2)(b) with Reserve Bank of India INR 5,316,106 thousand (Previous Year: INR 5,035,125 thousand)

(C) Securities pledged as collateral for LAF (Liquidity Adjustment Facility) / MSF (Marginal Standing Facility) Nil (Previous Year: INR 61,811,248 thousand)

(D) Securities kept as margin for RTGS (Real Time Gross Settlement) INR 16,298,943 thousand (Previous Year: INR 18,256,792 thousand)

(E) Securities pledged as collateral with CCIL for Market repo INR 13,311,081 thousand (Previous Year: INR 4,846,429 thousand)

** Represents shares received on conversion of debt and interest due thereon.

*** Includes Optionally Convertible Debentures received on conversion of debt.

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DBS Bank Ltd., India

(Currency: Indian rupees in thousands)

9 ADVANCES		
A (i) Bills purchased and discounted $	103,949,337	71,862,745
(ii) Cash credits, overdrafts and loans repayable on demand	86,849,877	76,416,060
(iii) Term Loans	27,583,044	28,252,190
Total	218,382,258	176,530,995
B (i) Secured by tangible assets *	72,538,359	65,403,824
(ii) Covered by Bank / Government Guarantees**	59,014,298	40,262,834
(iii) Unsecured	86,829,601	70,864,337
Total	218,382,258	176,530,995
C I Advances in India		
(i) Priority Sectors	62,799,127	52,360,181
(ii) Public Sectors	-	-
(iii) Banks	-	-
(iv) Others	155,583,131	124,170,814
II Advances outside India	-	-
Total	218,382,258	176,530,995

$ Net off Interbank Participation Certificates (IBPC) with risk participation
* includes secured by book debts and stocks
** includes advances covered by Letters of credit issued by other banks

10 FIXED ASSETS		
I Premises		
Cost on 31st March of the preceding year	-	-
Additions during the year	-	-
Deductions during the year	-	-
	-	-
Depreciation to date	-	-
Net book value of Premises	-	-
II Other Fixed Assets (including furniture and fixtures)		
Cost on 31st March of the preceding year	2,412,905	1,859,686
Additions during the year	317,311	559,926
Deductions during the year	(208,811)	(6,707)
	2,521,405	2,412,905
Depreciation to date	(1,949,417)	(1,744,801)
Net book value of Other Fixed Assets	571,988	668,104
III Capital work-in-progress	8,592	72,342
Total (I+II+III)	580,580	740,446

11 OTHER ASSETS		
(i) Inter Office adjustments (net)	-	-
(ii) Interest accrued	4,751,663	4,416,713
(iii) Tax paid in advance / Tax Deducted at Source (net of provisions)	4,179,726	2,876,617
(iv) Stationery & Stamps	-	-
(v) Deferred Tax Asset (refer schedule 18 note [35])	4,755,385	4,859,196
(vi) Non-banking assets acquired in satisfaction of claims	141,100	141,100
(vii) Others *	63,303,645	42,039,786
Total	77,131,519	54,333,412

* Includes MAT credit entitlement of INR 490,642 thousand (Previous Year – INR 490,642 thousand)

12 CONTINGENT LIABILITIES		
(i) Claims against the bank not acknowledged as debts	279,010	59,053
(ii) Liability for partly paid investments	-	-
(iii) Liability on account of outstanding foreign exchange contracts*	1,736,784,244	1,717,673,827
(iv) Liability on account of outstanding Currency and Interest Rate Swap, Option contracts and Interest Rate Derivatives *	2,071,953,662	1,929,978,366
(v) Guarantees given on behalf of constituents		
- in India	42,129,760	34,033,153
- outside India	12,605,009	17,773,671
(vi) Acceptances, endorsements and other obligations	17,814,871	10,497,812
(vii) Other items for which the Bank is contingently liable	345,645	5,366
Total	3,881,912,201	3,710,021,248

*represents notionals.

13 INTEREST EARNED		
(i) Interest / discount on advances / bills	13,108,388	10,935,543
(ii) Income on investments	11,055,311	9,361,273
(iii) Interest on balances with RBI and other inter-bank funds	804,451	242,104
(iv) Others	811,141	379,839
Total	25,779,291	20,918,759

14 OTHER INCOME		
(i) Commission, exchange and brokerage	1,863,657	2,184,028
(ii) Net Profit / (Loss) on sale of investments	2,206,129	388,668
(iii) Net Profit on sale of land, buildings and other assets	12	56
(iv) Net Profit / (Loss) on Foreign Exchange and Derivative transactions	2,103,533	79,130
(v) Income earned by way of dividends, etc. from subsidiaries/companies and/or joint ventures abroad/in India	-	-
(vi) Miscellaneous Income (refer schedule 18 note [64])	53,360	148,204
Total	6,226,691	2,800,086

15 INTEREST EXPENDED		
(i) Interest on Deposits	14,283,192	10,223,197
(ii) Interest on RBI / Inter-bank borrowings *	1,533,931	2,018,178
(iii) Others	2,716,689	1,148,760
Total	18,533,812	13,390,135

* including interest on Subordinated Debt

16 OPERATING EXPENSES		
(i) Payments to and provisions for employees	3,496,037	3,076,388
(ii) Rent, taxes and lighting	583,104	518,886
(iii) Printing and Stationery	30,299	25,858
(iv) Advertisement and publicity	209,100	127,979
(v) Depreciation on Bank's property	384,653	367,807
(vi) Auditor's fees and expenses	4,814	3,900
(vii) Law Charges	53,343	58,947
(viii) Postage, Telegram, Telephone, etc.	101,554	64,689
(ix) Repairs and maintenance	49,446	77,811
(x) Insurance	283,217	205,033
(xi) Brokerage charges	90,617	73,054
(xii) Professional Fees	338,183	195,606
(xiii) Head Office Expenses (refer schedule 18 note [64])	-	43,007
(xiv) Computerisation and related expenses	1,292,662	424,577
(xv) Travelling expenses	103,487	99,878
(xvi) Fixed assets written off	28,774	33
(xvii) Other Expenditure	1,200,770	663,490
Total	8,250,060	6,026,943

17 PROVISIONS AND CONTINGENCIES		
Provision /(Write-back of provision) for contingent credit	18,288	(296)
Provision for Non-Performing advances*	4,355,494	4,107,026
Provision for Standard Asset (including standard asset provisioning on current credit exposure for derivatives and Unhedged Foreign Currency Exposure)	187,454	32,308
Provision/(Write-back of provision) for Depreciation on Investments	415,712	1,804
Provision for Tax		
- Current Income-Tax (net of MAT credit entitlement of Nil (Previous Year: INR 490,642 thousand)	-	(268,875)
- Deferred Tax credit	103,811	327,080
Provision for Country Risk	13,357	17,122
Total	5,094,116	4,216,169

* Includes write offs INR 2,482,423 thousand (Previous Year – INR 1,252,291 thousand), provision for diminution in fair value of restructured advances INR 10,770 thousand (Previous Year – Nil), Loss on sale of NPA INR 238,223 thousand (Previous Year – Nil), loss on conversion of debt Nil (Previous Year – INR 100,466 thousand), provision for cases pertaining to change in ownership of borrowing entities (outside SDR scheme) Nil (Previous Year – INR 358,500 thousand), provision for SDR cases – INR 358,989 thousand (Previous Year – Nil) and net of write backs INR 3,902 thousand (Previous Year – INR 1,735 thousand).

Schedule 18

Significant Accounting policies and Notes to Accounts

1. Background

The accompanying financial statements for the year ended 31 March 2017 comprise the accounts of the India branches of DBS Bank Ltd. ('the Bank'), which is incorporated in Singapore. The India branches of the Bank as at 31 March 2017 are located at Mumbai, New Delhi, Bengaluru, Chennai, Pune, Kolkata, Nashik, Surat, Salem, Moradabad, Kolhapur and Cuddalore.

2. Basis of preparation

The financial statements have been prepared and presented under the historical cost convention, on an accrual basis of accounting, unless otherwise stated and in accordance with Generally Accepted Accounting Principles ('GAAP') in India, statutory requirements prescribed under the Banking Regulation Act, 1949, circulars and guidelines issued by the Reserve Bank of India ('the RBI') from time to time, the Accounting Standards ('AS') prescribed under Section 133 of the Companies Act 2013, to the extent applicable and current practices prevailing within the banking industry in India. The accounting policies have been consistently applied except for the changes in accounting policies disclosed in these financial statements.

3. Use of estimates

The preparation of financial statements, in conformity with GAAP, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets, liabilities, income and expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

4. Significant accounting policies

(i) Advances

Advances are classified as performing and non-performing based on the RBI prudential norms. Advances are stated net of bills rediscounted, inter bank participation certificate on risk sharing basis, specific loan provisions, write offs including the diminution in the fair value of restructured accounts. Provision for loan losses are made in respect of identified advances based on management's assessment of degree of impairment, subject to minimum provisioning levels prescribed by the RBI guidelines.

The Bank also maintains a general loan loss provision on Standard Advances (including restructured advances classified as standard) and Derivative Exposures at rates as prescribed by the RBI, and discloses the same in Schedule 5 ('Other liabilities and Provisions'). In addition, the Bank maintains provision for country risk and provision for diminution in the fair value of standard advances in accordance with the RBI guidelines and the same is included under Schedule 5 ('Other liabilities and Provisions') and Schedule 9 ('Advances') respectively.

In accordance with the RBI guidelines on Strategic Debt Restructuring (SDR) and change in ownership of borrowing entities (outside SDR scheme) ('outside SDR cases'), on conversion of debt to equity, the existing asset classification of the account, as on the reference date is continued for a period of 18 months from the reference date. On divestment of the Bank's holding in favour of a 'new promoter', the asset classification of the account is upgraded to 'Standard'. However, the quantum of provision held by the Bank against the said account as on the date of divestment is not reversed to the extent of outstanding loan of the account. The provision held by the Bank for these accounts is included under Schedule 9 ('Advances').

Receivables acquired under factoring are treated as a part of loans and advances and included under Schedule 9 ('Advances') under the head 'Bills Purchased and Discounted'.

(ii) Investments

Classification

Investments, are recognised on settlement date (i.e. value date) basis and are classified as Held for Trading ('HFT'), Available for Sale ('AFS') or Held to Maturity ('HTM') in accordance with the RBI guidelines.

In the financial statements, investments are disclosed under six categories as set out in Schedule 8 – Investments.

Acquisition Cost

In determining acquisition cost of an investment:

- Brokerage, Commission, etc. paid at the time of acquisition, are charged to Profit and Loss Account.
- Cost of investments is determined using First in First Out method.
- Broken period interest on debt instruments is accounted for in accordance with the RBI guidelines.

Disposal of Investments

Profit/Loss on sale of investments under the HFT and AFS categories are recognised in the Profit and Loss Account.

The profit from sale of investment under HTM category, net of taxes and transfer to statutory reserves is appropriated from "Profit and Loss Account" to "Capital Reserve Account". Loss on sale, if any, is recognised fully in the Profit and Loss Account.

Valuation

Investments classified under the HFT and AFS categories are valued at lower of acquisition cost or market value in aggregate for each category of investment, in accordance with the guidelines issued by the RBI and based on the rates as published by Primary Dealers Association of India ('PDAI') jointly with the Fixed Income Money Market and Derivatives Association of India ('FIMMDA'). Treasury Bills, Commercial Paper and Certificate of Deposits are held at carrying cost. Security receipts are valued as per the Net Asset Value provided by the issuing Asset Reconstruction Company (ARC) from time to time. Investments received in lieu of restructured advances are valued in accordance with the RBI guidelines. Any diminution in value on these investments is provided for and is not used to set off against appreciation in respect of other performing securities in that category. All other Non SLR investments are valued by applying the mark up above the corresponding yield on GOI securities as directed by the RBI. Net depreciation is recognised in the Profit and Loss Account and net appreciation, (if any) is ignored per category of investment classification. Consequent to revaluation, the book value of the individual security is not changed. Securities received on account of conversion of debt or unpaid interest into debt or equity instruments are classified under AFS and valued in accordance with the RBI guidelines. Depreciation on these instruments is not offset against the appreciation in any other securities held under the AFS category. Depreciation on equity shares acquired on SDR is distributed over a maximum period of four calendar quarters from the date of conversion of debt into equity.

In accordance with the RBI guidelines, the provision on account of depreciation in the HFT and AFS categories in excess of the required amount is credited to the Profit and Loss Account and an equivalent amount (net of taxes if any and net of transfer of Statutory Reserve as applicable to such excess provision) is appropriated to an Investment Reserve Account.

The provision required to be created on account of depreciation in the AFS & HFT categories is debited to the Profit and Loss Account and an equivalent amount (net of tax benefit, if any and net of consequent reduction in transfer to Statutory Reserves) is transferred from the Investment Reserve Account to the Profit and Loss Account.

Securities categorised under HTM are carried at acquisition cost, or at amortised cost if acquired at a premium over the face value. Such premium is amortised over the remaining period to maturity of the relevant security on a straight line basis.

Brokerage, commission, etc. paid at the time of sale is charged to the Profit and Loss Account.

Transfer of securities between categories

Reclassification of investments from one category to the other is done in accordance with the RBI guidelines and any such transfer is accounted for at the lower of acquisition cost / book value / market value, as on the date of transfer and depreciation, if any, on such transfer is fully provided for.

Accounting for Repurchase/Reverse-repurchase transactions

In accordance with the RBI guidelines, Repurchase/Reverse-repurchase transactions (including those under the Liquidity Adjustment Facility 'LAF' with the RBI) are accounted as collateralised borrowing and lending. The difference between the clean price of the first leg and the clean price of the second leg is recognised as interest expense/income over the period of the transaction.

(iii) Foreign Exchange

Transactions denominated in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Profit and Loss Account. Monetary assets and liabilities in foreign currencies are translated at the period end at the rates of exchange notified by the Foreign Exchange Dealers' Association of India ('FEDAI') and the resultant gain or loss is recognised in the Profit and Loss Account. Contingent liabilities denominated in foreign currencies are disclosed at the closing rate of exchange as notified by FEDAI.

(iv) Derivative transactions

Derivatives comprise of interest rate swaps, interest rate futures, cross currency swaps, forward contracts and options. Forward contracts linked to FCNR (B) deposits under swap window as per the RBI guidelines issued on September 6, 2013, forward contracts that are entered into for swapping sub-debt, cross currency swaps entered into to hedge long term deposits and placements are classified as hedges and rest are held for trading purposes.

Forward contracts held for trading purposes are revalued at rates notified by FEDAI for specified maturities and at interpolated rates of interim maturities. In case of forward contracts of greater maturities where exchange rates are not notified by FEDAI, are revalued at the forward exchange rates implied by the swap curves in respective currencies. The resulting profits or losses are included in the Profit and Loss Account as per the regulations stipulated by the RBI/ FEDAI.

Forward contracts classified as hedges are translated at the prevailing spot rate at the time of swap. The premium / discount on the swap arising out of the difference in the exchange rate of the swap date and the maturity date of the underlying forward contract is amortised over the period of the swap and it is recognised in the Profit and Loss Account.

Cross currency swaps entered into to hedge inter-bank deposits are accounted on an accrual basis.

Derivatives held for trading purposes are recognised at their fair values on inception and subsequently marked to market (MTM) on a daily basis. The resultant gain /

loss is recorded in the Profit and Loss Account. Unrealised gains or losses on these products are reflected in the Balance Sheet under Other Assets or Other Liabilities respectively.

Option contracts are marked to market using market values after considering the premium received or paid. The profit or loss on revaluation is recorded in the Profit and Loss Account and corresponding asset or liability is shown under Other Assets or Other Liabilities as the case may be. Premium received or premium paid is recognised in the Profit and Loss Account upon expiry or exercise of the option.

(v) Fixed Assets

Fixed Assets are stated at historical cost less accumulated depreciation as adjusted for impairment, if any. Cost includes cost of purchase and all expenditure like site preparation, installation costs and professional fees incurred on the asset before it is ready to use. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future benefit/functioning capability from/ of such assets.

Fixed assets individually costing less than INR 40 thousand are fully expensed in the year of purchase.

Depreciation is provided on a straight line basis over the estimated useful life of the asset. The useful life as prescribed in Schedule II to the Companies Act, 2013 is considered as the maximum useful life. The Bank, pursuant to the Companies Act, 2013, has carried out a technical assessment of the useful life of its assets taking into account changes in environment, changes in technology, the utility and efficacy of the asset in use. Pursuant to this policy, depreciation is provided at the following useful life which is lower than or equal to the corresponding useful life prescribed in Schedule II:

Assets	Useful life
Office Equipment	5 years
Computers (Hardware and Software)	3 years
Furniture and Fixtures	5 years
Motor Vehicles	5 years

Leasehold Improvements is depreciated over the useful life of the lease or useful life, whichever is less.

Depreciation for the entire month is charged for the month in which the asset is purchased. Depreciation on assets sold during the year is charged to the Profit and Loss Account on a pro-rata basis up to the month prior to the month of sale.

The Bank assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, is provided in the Profit and Loss Account to the extent the carrying amount of assets exceeds their estimated recoverable amount.

(vi) Non-Banking assets acquired in satisfaction of claims

These assets are carried at net realisation value at inception. Subsequent recognition is calculated at lower of recorded value or subsequent net realisable value. Net realisable value is determined based on independent professional valuation reports.

(vii) Employee Benefits

Short term benefits

Employee benefit, payable wholly within twelve months of receiving employee services are classified as short- term employee benefits. These benefits include salaries, bonus and special allowance. The undiscounted amount of short- term employee benefits to be paid in exchange for employee services are recognised as an expense as the related service is rendered by employees.

Post-retirement benefits

(a) ***Provident Fund***: The Bank has its own trust for Provident Fund for the benefit of its employees. Contributions to the Provident Fund are recognised on an accrual basis and charged to the Profit and Loss Account. The Banks's liability towards provident fund (for interest portion) being a defined benefit plan is accounted for on the basis of an independent actuarial valuation done at the year end and actuarial gains / losses are charged to the Profit and Loss Account as applicable.

(b) ***Gratuity***: The Bank has a Gratuity Fund for its employees under the Group Gratuity cum Life Assurance Scheme of the Life Insurance Corporation of India ('LIC'). The Bank has further opted for unit linked plan for the purpose of gratuity. In terms of the revised Accounting Standard 15, provision is made towards Gratuity based on an actuarial valuation done by an independent actuary as at the year end, using the Projected Unit Credit Method. The fair value of the Fund's assets is compared with the gratuity liability, as actuarially determined, and the shortfall if any is provided for. Actuarial gains/losses are recognised in the Profit and Loss Account.

(c) ***Compensated Absences***: The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as a long- term employee benefit. The Bank records an obligation for such compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of independent actuarial valuation using Projected Unit Credit Method.

(viii) Employee share based payment:

The eligible employees of the Bank have been granted stock awards under various plans, of equity shares of the ultimate holding company, DBS Group Holding Ltd. As per the various plans, these stock awards vest in a graded manner over a period of two to four years. In accordance with the Guidance note on 'Share based payments' issued by the Institute of Chartered Accountants of India ('ICAI'), all the schemes are classified as equity settled schemes. The Bank has adopted fair value method of accounting for the shares whereby the fair value is computed based on the market value of the shares at the date of grant. The fair value of the shares awarded is amortised to the Profit and Loss Account in a graded manner over the vesting period of the shares.

(ix) Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as Operating Leases. Operating Lease payments are recognised as an expense in the Profit and Loss Account over the lease term on straight line basis in accordance with the AS - 19, Leases.

(x) Revenue Recognition

Income is recognised on an accrual basis in accordance with contractual arrangements except in case of interest on non-performing assets, Strategic Debt Restructuring (SDR) and Scheme for Sustainable Structuring of Stressed Assets (S4A), which is recognised on receipt basis as per the RBI norms.

Unrealised interest which is converted into Funded Interest Term Loan (FITL) has a corresponding credit in "Sundry Liabilities Account (Interest Capitalisation)". Interest on FITL is recognised on receipt basis.

Income on non-coupon bearing discounted instruments and instruments which carry a premia on redemption is recognised over the tenor of the instrument on a straight line basis.

Fee income is recognised at the inception of the transaction except in cases of fee income from issue of guarantees, buyer's credit, letter of credit and mortgages which is recognised over the life of the instrument instead of recognising the same at the inception of the transaction.

(xi) Taxation

Provision for tax comprises of current tax and net change in deferred tax assets and liability during the year. The Profit and Loss Account of India branches of DBS Bank Limited are drawn up in accordance with the Banking Regulation Act, 1949 (BR Act). The BR Act requires to draw up accounts of only banking business of the India branches. Accordingly, the income recognition and consequent current tax provision represent the estimated liability of income-tax after considering relief for unassessed brought forward unabsorbed losses of the banking business of the India branches of DBS Bank Limited on a standalone basis. Deferred tax adjustments reflect the changes in the deferred tax assets or liabilities during the year.

Deferred taxation is provided on timing differences between the accounting and tax statement on income and expenses. Deferred tax assets / liabilities are reviewed at each Balance Sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised. Deferred tax assets and liabilities are measured using the tax rates that have been enacted or substantially enacted by the Balance Sheet date.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the bank will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the bank

(xii) Net Profit / (Loss)

Net profit / (loss) is computed after:

- Provision for loan losses / write offs, provision for devolved off balance sheet exposure to NPA customer, country risk provision, general loan loss provision on standard assets and derivatives (including provision for unhedged foreign currency exposures), provision for diminution in fair value of Restructured Loans;
- Provision for diminution in the value of investments;
- Provision for income tax;
- Provision for deferred taxation;
- Charge for head office administrative expenses for the year; and
- Other usual and necessary provisions.

(xiii) Provisions, Contingent Liabilities and Contingent Assets

In accordance with AS 29, Provisions, Contingent Liabilities and Contingent Assets, provision is recognised when the Bank has a present obligation as a result of past events where it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value (other than employee benefits) and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure of contingent liability is made when there is:

(Currency: Indian rupees in thousands)

- a possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Bank; or
- a present obligation arising from a past event which is not recognised as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent liabilities on account of foreign exchange contracts, derivative transactions, guarantees, acceptances, endorsements and other obligations denominated in foreign currencies are disclosed at closing rates of exchange notified by FEDAI.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

(xiv) Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances with Reserve Bank of India and Balances with Other Banks / institutions and money at Call and short Notice (including the effect of changes in exchange rates on cash and cash equivalents in foreign currency).

(xv) Segment Reporting

The disclosure relating to segment information is in accordance with AS-17, Segment Reporting and as per guidelines issued by the RBI.

(xvi) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xvii) Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

5. Capital Reserve

Capital Reserves disclosed in Schedule 2 includes bank balances and fixed assets transferred by the erstwhile Development Bank of Singapore Ltd., Mumbai Representative Office to the Bank upon closure of the Representative Office.

6. Capital

The Bank follows the RBI guidelines for calculation of capital adequacy under BASEL III requirements. Credit Risk is calculated using the Standardised Approach, Operational Risk is calculated using the Basic Indicator Approach and Market Risk is computed in accordance with the RBI guidelines with minimum capital requirement being expressed in terms of two specific charges – Specific Market Risk and General Market Risk. The capital adequacy ratio of the Bank, calculated as per Basel III requirement is set out below:

Particulars	As at 31 Mar 2017	As at 31 Mar 2016
Common Equity Tier 1 (CET1) capital ratio (%)	**11.62%**	13.01%
Tier 1 capital ratio (%)	**11.62%**	13.01%
Tier 2 capital ratio (%)	**4.87%**	5.63%
Total Capital ratio (CRAR) (%)	**16.49%**	18.64%
Amount of equity capital raised	**-**	6,674,673
Amount of Additional Tier 1 capital raised	**-**	-
Amount of Tier-2 capital raised	**-**	-
Of which		
Debt capital instrument	**-**	-

During the year the Head Office of the Bank has infused additional CET1 amounting to Nil (Previous Year – INR 6,674,673 thousand).

7. Investments

Particulars	As at 31 Mar 2017	As at 31 Mar 2016
Value of investments (*)		
Gross value of investments	**102,921,030**	155,863,604
Less: Provision for depreciation	**439,744**	24,032
Net value of investments	**102,481,286**	155,839,572
Movement in Provisions held towards depreciation on investments		
Opening balance	**24,032**	22,228
Add: Provisions made during the year	**415,712**	1,804
Less: Write back of excess provisions during the year to Profit and Loss account	**-**	-
Closing Balance	**439,744**	24,032

(*) All investments are held in India.

8. Repo / Reverse Repo Transactions

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	As at 31 March
Securities sold under Repos				
i) Government securities	- (-)	89,006,970 (67,012,100)	35,160,889 (27,339,172)	13,630,871 (67,012,100)
ii) Corporate debt securities	- (-)	- (-)	- (-)	- (-)
Securities purchased under Reverse Repos				
i) Government securities	- (-)	43,204,866 (17,745,600)	8,248,370 (2,395,533)	9,000,000 (1,131,400)
ii) Corporate debt securities	- (-)	- (-)	- (-)	- (-)

(Figures in brackets indicate previous year numbers)

Note: The above includes LAF deals done with the RBI and CCIL

9. Non – Statutory Liquidity Ratio (SLR) Investment Portfolio

Issuer composition of Non – SLR Investments as at 31 March 2017 is stated below:

No.	Issuer	Amount	Extent of "private placement"	Extent of "below investment grade" securities	Extent of "unrated" Securities	Extent of "unlisted" securities
(i)	Public Sector Undertakings	1,250,000 (201,405)	1,250,000 (201,405)	- (-)	- (-)	- (-)
(ii)	Financial Institutions*	5,842,391 (5,588,106)	5,842,391 (5,588,106)	- (-)	- (-)	- (-)
(iii)	Banks	- (5,596,024)	- (5,596,024)	- (-)	- (-)	- (-)
(iv)	Private Corporates	9,265,862 (6,117,278)	9,265,862 (6,117,278)	- (-)	1,010,973 (130,073)	121,183 (-)
(v)	Subsidiaries / Joint ventures	- (-)	- (-)	- (-)	- (-)	- (-)
(vi)	Others#	5,071,251 (935,000)	5,071,251 (935,000)	- (-)	2,512,600 (-)	5,071,251 (935,000)
(vii)	Provision held towards depreciation	86,463 (24,032)				
	Total	**21,343,041 (18,413,781)**	**21,429,504 (18,437,813)**	**- (-)**	**3,523,573 (130,073)**	**5,192,434 (935,000)**

(Figures in brackets indicate previous year numbers)

* includes investments in NBFC issuances

\# Others represent investments in security receipts of an asset reconstruction company.

10. Non performing Non – SLR Investments

Non performing Non – SLR Investments as at 31 March 2017 are as under

Particulars	As at 31 Mar 2017	As at 31 Mar 2016
Opening balance	**130,073**	45,532
Additions during the year since 1st April	**540,951**	84,541
Reductions during the above period	**-**	-
Closing balance	**671,024**	130,073
Total provisions held	**64,485**	22,916

11. Derivatives – Interest Rate Swap / Forward Rate Agreements

The Bank deals in Interest Rate Swaps / Forward Rate Agreements (FRAs).

Particulars	As at 31 Mar 2017	As at 31 Mar 2016
Notional principal of Interest Rate Swaps	**1,727,803,095**	1,561,510,797
Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	**7,360,439**	5,152,411
Collateral required by the bank upon entering into swaps	**-**	-
Concentration of credit risk arising from the swaps (exposure to banking industry)	**67.83%**	84.73%
The fair value of the swap book asset / (liability)	**123,901**	(45,399)

In terms of the guidelines issued by the RBI, the following additional information is disclosed in respect of outstanding Interest Rate Swaps / FRAs as at year end:

(Currency: Indian rupees in thousands)

Benchmark	Terms	31 March 2017		31 March 2016	
		Nos.	Notional Principal	Nos.	Notional Principal
6 Month MIFOR	Pay Fixed Receive Floating	**260**	**127,560,000**	254	122,490,000
6 Month MIFOR	Receive Fixed Pay Floating	**231**	**128,290,000**	208	128,130,000
CAD CDOR 3M	Pay Fixed Receive Floating	**1**	**485,921**	1	512,300
CAD CDOR 3M	Receive Fixed Pay Floating	**1**	**485,921**	1	512,300
EUR Libor 6 months	Pay Fixed Receive Floating	**1**	**910,909**	-	-
EUR Libor 6 months	Receive Fixed Pay Floating	**1**	**910,909**	-	-
OIS 1Y CMP	Pay Fixed Receive Floating	**189**	**216,350,000**	269	350,637,020
OIS 1Y CMP	Receive Fixed Pay Floating	**241**	**283,909,460**	300	318,517,446
OIS 6 months	Pay Fixed Receive Floating	**-**	**-**	47	12,688,679
OIS 6 months	Receive Fixed Pay Floating	**-**	**-**	64	21,292,866
OIS 6M COM	Pay Fixed Receive Floating	**600**	**219,701,927**	424	159,589,227
OIS 6M COM	Receive Fixed Pay Floating	**568**	**204,863,611**	335	131,855,263
USD BS Libor 1 month 3 months	Pay Floating Receive Floating	**6**	**5,071,270**	2	3,551,268
USD BS Libor 1 month 6 months	Receive Floating Pay Floating	**3**	**489,618**	4	848,064
USD BS Libor 3 months	Pay Floating Receive Floating	**25**	**31,550,966**	19	6,688,347
USD Libor 1 month	Pay Fixed Receive Floating	**4**	**4,575,600**	2	1,481,683
USD Libor 1 month	Receive Fixed Pay Floating	**4**	**4,575,600**	2	1,481,683
USD Libor 3 months	Pay Fixed Receive Floating	**55**	**55,232,370**	62	53,579,060
USD Libor 3 months	Pay Floating Receive Floating	**1**	**145,913**	3	430,339
USD Libor 3 months	Receive Fixed Pay Floating	**58**	**55,495,823**	64	53,492,100
USD Libor 6 months	Pay Fixed Receive Floating	**188**	**209,305,633**	142	107,699,698
USD Libor 6 months	Receive Fixed Pay Floating	**80**	**177,891,644**	65	85,675,741
USD Libor 6 months	Receive Floating Pay Floating	**-**	**-**	3	357,713
Total		**2,517**	**1,727,803,095**	2,271	1,561,510,797

All interest rate swaps have been entered into with reputed counter parties under approved credit lines and are in the nature of trading.

These interest rate swaps / FRAs are accounted for as per the accounting policy set out in schedule 18 note 4 (iv).

The above information does not include interest rate contracts with Cap and floor feature.

12. Exchange Traded Interest Rate Derivatives

Particulars	31 Mar 17	31 Mar 16
(i) Notional principal amount of exchange traded interest rate derivatives undertaken during the year:		
(a) NSE 10Y 7.59%	**17,135,688**	565,400
(b) NSE 10Y 7.72%	**-**	17,411,600
(c) NSE 10Y 8.4%	**-**	1,600,000
(d) NSE 13Y 7.88%	**-**	1,160,800
(e) NSE 6Y 8.27%	**-**	207,200
(ii) Notional principal amount of exchange traded interest rate derivatives outstanding as on 31st March (a) NSE 10Y 7.59%	**-**	565,400
(iii) Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective'	**-**	565,400
(iv) Mark to market value of exchange traded interest rate derivatives outstanding and not 'highly effective'	**-**	83

13. Disclosure on Risk Exposure in Derivatives

Qualitative Disclosures

The Bank undertakes transactions in derivative contracts either in the role of a user or as a market maker. The Bank ensures that by undertaking such transactions, additional risk assumed (if any) is within the limits governed by the relevant policies and guidance under the Integrated Risk Framework and as approved by the Risk Committee.

Derivative exposures are subject to Market Risk Control and Risk Appetite Limits separately calibrated for the Trading and Banking books. These entity level limits are administered at Head Office and monitored by Head Office as well as locally. Appetite Limit is for Expected Shortfall. Control Limits are for sensitivities to interest rates and FX rates, as well as Risk Class Contribution grids, which measure first order, as well as higher order risks for interest rate and FX products, including options. The setting of the Risk Appetite Limit takes into consideration the Bank's risk bearing capacity, level of business activity, operational considerations, market volatility and utilisation. The limit calibration process is dynamic and aims to consistently maintain and enhance the relevance of the various applicable limits as risk capacity, risk consumption and market behaviour changes. Carved out of the control limits at entity level are granular business level sensitivity limits for interest rates at desk / trader book and tenor levels for each currency and for FX at desk / trader book level for each currency.

All derivative trades entered by the Bank are undertaken in the trading book except for forward contracts entered for swapping sub-debt which are held in banking book. The Bank has also entered into inter-bank deposits and uses cross currency swaps to manage the risk arising from them. Such currency swaps too are held in the banking book.

All Derivative contracts are valued on a mark-to-market basis with appropriate market curves tagged for respective currencies except for Forward contracts in banking book which are translated at the prevailing spot rate at the time of swap. The premium / discount on the Banking Book swap arising out of the difference in the exchange rate of the swap date and the maturity date of the underlying forward contract is amortised over the period of the swap and it is recognised in the Profit and Loss Account. Cross-currency swaps entered into to hedge inter-bank deposits are accounted for on accrual basis.

The Bank has a Credit Risk Management unit which is responsible for setting up counterparty limits for all transactions including derivatives on the basis of the counter-party's control structure. While setting up these limits, the Bank follows rigorous appraisal principles and procedures similar to those for loan limits. Typically, these exposures remain unsecured in line with market, wherein customers do not make available collateral against derivative or foreign exchange limits. Additionally, the Bank independently evaluates the Potential Credit Exposure ('PCE') on account of all derivative transactions, wherein limits are separately specified by product and tenor.

The Bank applies the Current Exposure method to assess credit risk associated with Derivatives and Foreign Exchange contracts. Credit risk on a contract is computed as the sum of its mark-to-market value if positive and its potential future exposure which is calculated based on its notional value and its residual maturity. The Bank has made an income reversal on such current credit exposures in accordance with the RBI Circular DBR.No.BP.BC.2 /21.04.048/2015-16 dated 01 July 2015.

Quantitative Disclosures

Sr. No	Particular		31 Mar 2017 Currency Derivatives #	31 Mar 2017 Interest Rate Derivatives@
1	**Derivatives (Notional Principal Amount)**			
	(a)	- For Hedging **	**36,311,608**	**-**
	(b)	- For Trading	**2,044,623,203**	**1,727,803,095**
2	**Marked to Market Positions**			
	(a)	- Asset	**50,266,341**	**7,360,439**
	(b)	- Liability	**54,005,842**	**7,236,538**
3	**Credit Exposure**		**127,960,239**	**23,044,857**
4	**Likely impact of 1% change in interest rates (100*PV01)**			
	(a)	- On Hedging Derivatives **	**(456,880)**	**-**
	(b)	- On Trading Derivatives	**(1,581,223)**	**1,099,901**
5	**Maximum & Minimum of 100*PV01 observed during the year**			
	(a)	- On Hedging ** : Maximum	**(50,027)**	**-**
		Minimum	**(548,615)**	**-**
	(b)	- On Trading : Maximum	**(1,240,750)**	**1,900,756**
		Minimum	**(1,698,776)**	**983,071**

(Currency: Indian rupees in thousands)

			31 Mar 2016	
Sr. No		Particular	Currency Derivatives #	Interest Rate Derivatives@
1		**Derivatives (Notional Principal Amount)**		
	(a)	- For Hedging **	57,109,310	-
	(b)	- For Trading	2,028,466,686	1,562,076,197
2		**Marked to Market Positions**		
	(a)	- Asset	33,477,320	5,152,511
	(b)	- Liability	28,885,249	5,197,827
3		**Credit Exposure**	108,608,511	17,765,452
4		**Likely impact of 1% change in interest rates (100*PV01)**		
	(a)	- On Hedging Derivatives **	(81,007)	-
	(b)	- On Trading Derivatives	(1,289,859)	1,893,800
5		**Maximum & Minimum of 100*PV01 observed during the year**		
	(a)	- On Hedging ** : Maximum	(20,627)	-
		Minimum	(122,225)	-
	(b)	- On Trading : Maximum	(511,972)	2,025,533
		Minimum	(1,348,780)	653,553

Currency Derivatives includes Foreign Exchange contracts.

@ Interest rate derivatives include Interest rate futures.

** The hedges pertain to contracts which are linked to FCNR (B) deposits under swap window as per the RBI guidelines issued on September 6, 2013, forward contracts that are entered into for swapping sub-debt and cross currency swaps for hedging inter-bank deposits accepted and placed which are held in banking book.

14. Non-Performing Assets (Funded)

		Particulars	31 Mar 17	31 Mar 16
(i)		Net NPA to Net Advances (%)	**2.12 %**	4.34 %
(ii)		Movement in Gross NPAs		
	(a)	Opening Balance	**16,327,054**	12,838,723
	(b)	Additions during the year **	**6,019,036**	6,406,823
		Sub Total (A)	**22,346,090**	19,245,546
		Reductions during the year		
	(a)	Up gradations	**100,000**	-
	(b)	Recoveries #	**4,415,822**	1,565,735
	(c)	Technical/ Prudential write-offs	**1,167,427**	657,708
	(d)	Write-offs	**8,279,007**	695,049
		Sub Total (B)	**13,962,256**	2,918,492
		Gross NPAs as on 31 Mar (A-B)	**8,383,834**	16,327,054
(iii)		Movement in provisions for NPAs		
	(a)	Opening Balance	**8,660,992**	6,263,488
	(b)	Provisions made during the year * @	**2,767,771**	4,385,755
	(c)	Write off / Write back of excess provisions	**7,669,586**	1,988,251
	(d)	Closing Balance	**3,759,177**	8,660,992
(iv)		Movement in Net NPAs		
	(a)	Opening Balance	**7,666,062**	6,575,235
	(b)	Additions during the year	**3,251,265**	4,170,791
	(c)	Reductions during the year	**6,292,670**	3,079,964
	(d)	Closing Balance	**4,624,657**	7,666,062

* Includes an amount of INR 228,583 thousand (Previous Year: INR 745,000 thousand) pertaining to provision for restructured accounts classified as NPA.

Includes an amount of for which security receipt of INR 2,512,600 thousand (Previous Year: Nil) and equity shares of INR 217,787 thousand have been received on sale / conversion of debt (Previous Year: INR 76,034 thousand).

** Includes fresh NPA of INR 6,011,101 thousand (Previous Year: INR 6,130,154 thousand)

@Includes provision on fresh NPA of INR 2,431,225 thousand (Previous Year: INR 1,959,363 thousand)

15. Non-Performing Assets (NPA) provisioning coverage ratio

The NPA provisioning coverage ratio of the Bank including technical write off was 51.58% as on 31 March 2017 (Previous Year: 62.28%).

16. Non-Performing Assets (Mark to Market on derivative deals)

Basis the guidelines issued by the RBI vide notification DBOD.No.BP. BC.31/21.04.157/2012-13 dated 23 July 2012, Crystallised Receivables – Positive MTM on terminated derivative deals overdue for more than 90 days and Positive MTM on Live deals for NPA Customers have been reported under “Schedule 11 - Other Assets” after netting of the “Suspense crystallised receivables” and “Suspense account Positive MTM”. The Gross value of crystallised receivables as on 31 March 2017 is Nil (Previous Year: INR 482,709 thousand) and the Net value is Nil (Previous Year: Nil).

17. Concentration of Gross NPA’s

Particulars	31 Mar 17	31 Mar 16
Total Exposure to top four NPA accounts*	**6,065,840**	8,685,673

* This includes receivables on derivative products of INR 42,354 thousand (Previous Year INR 17,625 thousand).

18. Sector-wise Gross NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	31 Mar 17	31 Mar 16
Agriculture & allied activities	**-**	-
Industry (Micro & small, Medium and Large)	**5.51%**	12.53%
Services	**1.46%**	2.67%
Personal Loans	**-**	-

For the purpose of this disclosure, the bank has compiled the data which has been relied upon by the auditor.

19. Concentration of Deposits

Particulars	31 Mar 17	31 Mar 16
Total Deposits of twenty largest depositors	**135,686,195**	117,736,198
Percentage of Deposits of twenty largest depositors to Total Deposits of the Bank	**50.27%**	50.26%

20. Concentration of Advances*

Particulars	31 Mar 17	31 Mar 16
Total Advances* # to twenty largest borrowers	**114,875,150**	94,024,127
Percentage of Advances to twenty largest borrowers to Total Advances of the Bank	**29.75%**	28.32%

*Advances have been computed as per the definition of Credit Exposure including derivatives as prescribed in the RBI’s Master Circular DBR.No.Dir.BC.12/13.03.00/2015-16 dated 01 July 2015.

Excludes advances covered by banks guarantees and derivative exposures with Banks and Clearing Corporation of India Limited as counterparties.

21. Concentration of Exposures**

Particulars	31 Mar 17	31 Mar 16
Total Exposure** # to twenty largest borrowers/customers	**119,625,150**	94,265,566
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the Bank on borrowers/customers	**29.36%**	27.34%

**Exposures are computed based on Credit and Investment exposure as prescribed in the RBI’s Master Circular DBR.No.Dir.BC.12/13.03.00/2015-16 dated 01 July 2015.

Excludes advances covered by banks guarantees and derivative exposures with Banks and Clearing Corporation of India Limited as counterparties and investment in government securities.

22. Overseas Assets, NPAs and Revenue

As the Bank is a branch of a foreign bank, this disclosure is not applicable.

23. Off Balance Sheet Sponsored Special Purpose Vehicles

The Bank did not have any off balance sheet sponsored Special Purpose Vehicle as at 31 March 2017 (Previous Year: Nil).

(Currency: Indian rupees in thousands)

24. Loan restructuring

Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
Asset Classification		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
Details																					
1 Restructured Accounts as on 01 April 2016	No. of borrowers	1	-	2		3	-	-	-	-	-	1	-	3	-	4	2	-	5	-	7
	Amount outstanding	1,384,732	-	4,189,307		5,574,039	-	-	-	-	-	100,081	-	505,024	-	605,105	1,484,813	-	4,694,331	-	6,179,144
	Provision thereon	155,000	-	2,183,626		2,338,626	-	-	-	-	-	6,770	-	385,145	-	391,915	161,770	-	2,568,771	-	2,730,541
2 Fresh restructuring	No. of borrowers	-	-	1		1	-	-	-	-	-	-	-	-	-	-	-	-	1	-	1
	Amount outstanding	-	-	*1,427,073		1,427,073	-	-	-	-	-	-	-	-	-	-	-	-	1,427,073	-	1,427,073
	Provision thereon	-	-	688,056		688,056	-	-	-	-	-	-	-	-	-	-	-	-	688,056	-	688,056
3 Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Downgradations of restructured accounts during the FY	No. of borrowers	1	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	-	1
	Amount outstanding	1,384,732	-	-	-	1,384,732	-	-	-	-	-	-	-	-	-	-	1,384,732	-	-	-	1,384,732
	Provision thereon	155,000	-	-	-	155,000	-	-	-	-	-	-	-	-	-	-	155,000	-	-	-	155,000
6 Write-offs of restructured accounts during the FY	No. of borrowers	-	-	2	-	2	-	-	-	-	-	1	-	2	-	3	1	-	4	-	5
	Amount outstanding	-	-	@5,429,053	-	5,429,053	-	-	-	-	-	#100,081	-	$505,024	-	605,105	100,081	-	5,934,077	-	6,034,158
	Provision thereon	-	-	2,684,355	-	2,684,355	-	-	-	-	-	6,770	-	385,145	-	391,915	6,770	-	3,069,500	-	3,076,270
7 Restructured Accounts as on 31 March 2017	No. of borrowers	-	-	1		1	-	-	-	-	-	-	-	^1	-	1	-	-	2	-	2
	Amount outstanding	-	-	187,327		187,327	-	-	-	-	-	-	-	-	-	-	-	-	187,327	-	187,327
	Provision thereon	-	-	187,327		187,327	-	-	-	-	-	-	-	-	-	-	-	-	187,327	-	187,327

Note: Amount o/s represents Funded outstanding

*During the year there was a downgrade in one borrower from standard to doubtful category.

@Includes reduction in outstanding balance on account of cash recoveries of INR 272,664 thousand and conversion of debt into equity shares of INR 163,349 thousand, preference shares of INR 54,438 thousand and security receipts of INR 1,545,098 thousand for 3 borrowers.

#Represents account restructured under S4A Scheme (refer schedule 18 note - 60).

$ Includes reduction in outstanding on account of cash recoveries of INR 118,538 thousand.

^ represents an account with credit balance, wherein the Bank has received temporary credit.

(Currency: Indian rupees in thousands)

Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
Asset Classification		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
Details																					
1 Restructured Accounts as on 01 April 2015	No. of borrowers	1	-	-	-	1						1	1	2	-	4	2	1	2	-	5
	Amount outstanding	1,286,430	-	-	-	1,286,430	-	-	-	-	-	100,210	488,516	36,864	-	625,590	1,386,640	488,516	36,864	-	1,912,020
	Provision thereon	155,000	-	-	-	155,000	-	-	-	-	-	6,770	244,258	36,864	-	287,892	161,770	244,258	36,864	-	442,892
2 Fresh restructuring	No. of borrowers	-	-	2		2	-	-	-	-	-	-	-	1	-	1	-	-	3	-	3
	Amount outstanding	98,302	-	4,356,807**		4,455,109	-	-	-	-	-	-	-	498,227	-	498,227	98,302	-	4,855,034	-	4,953,336
	Provision thereon	-	-	2,282,394		2,282,394	-	-	-	-	-	-	-	369,348	-	369,348	-	-	2,651,742	-	2,651,742
3 Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	1	-	-	1	-	1	-	-	1
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	488,516*	-	-	488,516	-	488,516	-	-	488,516
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	244,258	-	-	244,258	-	244,258	-	-	244,258
6 Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	167,500#	-	167,500	-	-	-	-	-	129	-	30,067***	-	30,196	129	-	197,567	-	197,696
	Provision thereon	-	-	98,768	-	98,768	-	-	-	-	-	-	-	21,067	-	21,067	-	-	119,835	-	119,835
7 Restructured Accounts as on 31 March 2016	No. of borrowers	1	-	2	-	3	-	-	-	-	-	1	-	3	-	4	2	-	5	-	7
	Amount outstanding	1,384,732	-	4,189,307	-	5,574,039	-	-	-	-	-	100,081	-	505,024	-	605,105	1,484,813	-	4,694,331	-	6,179,144
	Provision thereon	155,000	-	2,183,626	-	2,338,626	-	-	-	-	-	6,770	-	385,145	-	391,915	161,770	-	2,568,771	-	2,730,541

Note: Amount o/s represents Funded outstanding

* During the year, there was a downgrade in one of the restructured customer from substandard to doubtful and same is shown as part of Sub-standard under Others.

** During the year there were 2 new additions cases of restructuring under CDR mechanism amounting to INR 4,356,807 thousand.

*** During the year, there was a part recovery of INR 21,067 thousand and INR 9,000 thousand is on account of conversion to equity shares.

Represents recovery on account of conversion to equity shares of INR 67,034 thousand and loss of conversion of INR 100,466 thousand.

25. Financial Assets sold to Securitisation / Reconstruction Companies for Asset Reconstruction

	Particulars	31 Mar 17	31 Mar 16
(i)	No. of accounts*	**15**	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC/RC	**4,144,223**	-
(iii)	Aggregate consideration	**3,906,000**	-
(iv)	Additional consideration realised in respect of accounts transferred in earlier years	-	-
(i)	Aggregate loss over net book value	**238,223**	-

* excludes write-off accounts sold and includes one account partially sold.

Details of security receipts received on account of sale of financial assets to Securitisation / Reconstruction Company for Asset Reconstruction is as under

Particulars	Backed by NPAs sold by the bank as underlying		Backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying		Total	
	31 Mar 17	31 Mar 16	31 Mar 17	31 Mar 16	31 Mar 17	31 Mar 16
Book value of investment in security receipts	**3,392,745**	935,000	**-**	-	**3,392,745**	935,000

26. Details of non-performing financial assets purchased/sold

There were no purchases or sales of non-performing financial assets from/to other banks during the year ended 31 March 2017 (Previous Year: Nil).

27. Provision for Standard Assets and Derivatives

Particulars	31 Mar 17	31 Mar 16
General Loan Loss Provision on Standard Assets (including standard asset provisioning on asset classified as standard restructured)	**896,101**	809,367
General Provision on Credit Exposures on Derivatives	**230,507**	154,519

28. Business Ratios

	Particulars	31 Mar 17	31 Mar 16
i	Interest Income to working funds	**5.77%**	5.91%
ii	Non-interest income to working funds	**1.39%**	0.79%
iii	Operating profits to working funds	**1.17%**	1.21%
iv	Return on Assets	**0.03%**	0.02%
v	Business (deposits plus advances) per employee	**420,245**	376,120
vi	Net Profit per employee	**117**	78

Notes:

1) Working funds are reckoned as average of total assets (excluding accumulated losses, if any) as reported to Reserve Bank of India in Form X under Section 27 of the Banking Regulation Act, 1949, during the 12 months of the financial year.
2) Return on Assets is with reference to average working funds (i.e. total of assets excluding accumulated losses, if any).
3) Business volume has been computed based on advances & deposits (excluding interbank deposits) outstanding as at the year-end.
4) Employee numbers are those as at the year-end.

(Currency: Indian rupees in thousands)

29. Exposure to Capital Market

Sr. No.	Particulars	31 March 17	31 March 16
(i)	Direct investments made in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
(ii)	Advances against shares, bonds, debentures or other securities or on clean basis to individuals for investment in shares (including IPO's/ESOPS), convertible bonds, convertible debentures and units of equity oriented mutual funds	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
(iv)	Advances for any other purposes to the extent secured by collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	**198,709**	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii)	Bridge loans to companies against expected equity flows/issues	-	-
(viii)	Underwriting commitments taken up in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to venture capital funds (both registered and unregistered)	-	-
	Total Exposure to Capital Market	**198,709**	-

Note: Securities received on account of restructuring of loan (except securities received under Scheme for Sustainable Structuring of Stressed Assets) is excluded from exposure to capital market.

30. Exposure to Real Estate Sector

Particulars	31 Mar 2017	31 Mar 2016
a) Direct Exposure	**18,999,719**	14,118,069
(i) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans eligible for inclusion in priority sector advances may be shown separately)	**9,776,129**	3,102,521
(ii) Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	**9,223,590**	11,015,548
(iii) Investments in Mortgage backed Securities (MBS) and other securitised exposures – a. Residential, b. Commercial Real Estate.	-	-
b) Indirect Exposure	**5,972,999**	3,364,807
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	**5,972,999**	3,364,807
Total Exposure to Real Estate Sector	**24,972,718**	17,482,876

Note: Excludes non-banking assets acquired in satisfaction of claims.

31. Risk Category Wise Country Risk Exposure

Provision for Country Risk Exposure in terms of the RBI master circular DBR. No.BP.BC.9/21.04.048/2015-16 dated 01 July 2015 is as follows:

Risk Category	Exposure (net) as at 31 March 2017	Provision held as at 31 March 2017	Exposure (net) as at 31 March 2016	Provision held as at 31 March 2016
Insignificant	**30,637,295**	**31,079**	49,711,994	26,239
Low	**13,919,222**	**8,517**	4,640,366	-
Moderate	**85,554**	**-**	2,611,582	-
High	**733,646**	**-**	161,511	-
Very high	**436**	**-**	2,934	-
Restricted	**-**	**-**	-	-
Off-credit	**-**	**-**	-	-
Total	**45,376,153**	**39,596**	57,128,387	26,239

Country risk provisions are held in addition to the provisions required to be held as per the asset classification status. In terms of the RBI circular, the provision is made for only those countries where the net funded exposure is not less than 1 percent of total assets. For exposures with contractual maturity of less than 180 days, 25% of the normal provision requirements are held.

32. Single Borrower (SBL) and Group Borrower (GBL) Exposure

There were no instances of exposure in excess of the prudential exposure limits during the current year for SBL (Previous year - Nil) and for GBL (Previous year Nil)

33. Unsecured Advances

There are no unsecured advances (Previous Year: Nil) for which Bank has taken charge over brand (intangible securities). The estimated value of the collateral is Nil. (Previous Year: Nil).

34. Penalties imposed by the RBI

During the financial year under review, no penalty has been levied by the RBI. (Previous Year: Nil).

35. Deferred Taxes

The composition of Deferred Tax Asset / (Liability) is:

Particulars	31 Mar 2017	31 Mar 2016
Deferred tax assets (A):	**4,755,757**	4,922,152
- Depreciation on fixed assets	**121,964**	66,176
- Provision on advances	**2,354,633**	4,300,334
- Disallowance u/s 43B of Income Tax Act 1961	**73,570**	28,213
- Provision for employee benefits	**40,879**	78,228
- Amortisation of fee income	**59,936**	41,471
- Carry forward Income tax losses	**1,892,866**	227,219
- Provision for country risk, outside SDR cases and contingent credit	**181,266**	180,511
- Others	**30,643**	-
Deferred tax liabilities (B):	**(372)**	(62,956)
- Amortisation of Club membership	**(372)**	(372)
- AS-19 Straight lining	**-**	(291)
- Provision u/s 36(1)(viia)	**-**	(62,293)
Net Deferred tax assets (A-B)	**4,755,385**	**4,859,196**

36. Subordinated Debt

The Bank has not raised any Subordinated Debt during the year ended 31 March 2017. (Previous Year: Nil).

37. Maturity profile of assets and liabilities

	31-Mar-17					
	1 Day	2-7 Days	8 – 14 Days	15 – 30 Days	31 Days – 2 Months	2 – 3 Months
Deposits	10,320,906	29,965,938	34,386,675	29,868,826	26,547,815	30,417,309
Advances	9,444,281	11,967,051	4,859,197	31,518,251	26,942,424	20,524,844
Investments	1,855,550	19,717,791	3,085,506	5,161,255	6,455,721	3,429,646
Borrowings	547,290	16,454,760	1,822,818	14,316,125	3,956,455	1,324,854
Foreign Currency Assets (*)	8,697,976	1,728,938	2,858,880	17,730,630	10,181,419	6,334,175
Foreign Currency Liabilities (*)	4,192,426	2,846,657	1,852,050	14,331,203	4,012,852	1,346,358

(Currency: Indian rupees in thousands)

	31-Mar-17 *(Contd...)*					
	3 – 6 Months	6 Months - 1 Year	1 – 3 Years	3 – 5 Years	Over 5 Years	Total
Deposits	36,800,229	27,178,177	26,564,233	16,668,915	1,190,629	269,909,652
Advances	49,282,406	22,173,860	22,292,787	6,064,744	13,312,413	218,382,258
Investments	13,688,945	2,722,454	10,104,648	4,753,574	31,506,196	102,481,286
Borrowings	2,531,699	-	16,861,000	-	-	57,815,001
Foreign Currency Assets (*)	22,370,270	5,044,914	1,626,378	17,098,398	1,323,225	94,995,203
Foreign Currency Liabilities (*)	2,700,962	3,085,172	23,754,979	176,292	1,880	58,300,831

(*) Foreign currency assets and liabilities exclude off-balance sheet assets and liabilities and consequent unrealised profit/ loss on the same.

The classification of assets and liabilities under the different maturity buckets are compiled by management on the same estimates and assumptions as used by the Bank for compiling the returns submitted to the RBI.

	31 March 2016					
	1 Day	2-7 Days	8 – 14 Days	15 – 28 Days	29 Days – 3 Months	3 – 6 Months
Deposits	4,800,500	23,558,053	26,039,895	31,957,690	68,418,028	5,713,680
Advances	12,903	2,809,295	2,636,218	6,244,895	24,549,011	13,260,264
Investments	81,361,010	4,829,714	2,559,956	8,955,120	12,554,184	1,279,978
Borrowings	738,842	57,458,101	13,980,353	9,868,682	14,553,178	1,538,157
Foreign Currency Assets (*)	32,718,864	2,310,633	3,646,873	6,373,982	3,833,799	8,657,573
Foreign Currency Liabilities (*)	4,566,221	2,571,107	4,021,685	9,878,665	9,921,125	1,731,216

	31 March 2016 *(Contd...)*				
	6 Months – 1 Year	1 – 3 Years	3 – 5 Years	Over 5 Years	Total
Deposits	37,268,646	30,168,556	5,285,871	1,064,374	234,275,293
Advances	22,826,943	89,568,021	6,144,571	8,478,874	176,530,995
Investments	9,202,735	8,545,996	3,829,620	22,721,259	155,839,572
Borrowings	-	-	17,226,300	-	115,363,613
Foreign Currency Assets (*)	1,368,850	20,565,824	6,050,482	782,637	86,309,517
Foreign Currency Liabilities (*)	34,660,686	8,173,215	17,278,452	1,115	92,803,487

(*) Foreign currency assets and liabilities exclude off-balance sheet assets and liabilities and consequent unrealised profit/ loss on the same.

The classification of assets and liabilities under the different maturity buckets are compiled by management on the same estimates and assumptions as used by the Bank for compiling the returns submitted to the RBI.

38. Segmental Reporting

As per the guidelines issued by the RBI vide DBOD.No.BP.BC.81/21.04.018/2006-07 dated April 18, 2007, the classification of exposures to the respective segments is being followed. With effect from 1st April 2012 due to internal reorganisation, Funding Management Unit (FMU) which was part of treasury was carved out as a separate business segment. Accordingly, the Bank has identified "Treasury", "Retail Banking" and "Corporate / Wholesale Banking" and "Funding Management Unit" as the primary reporting segments. The business segments have been identified and reported based on the organisation structure, the nature of products and services offered, the internal business reporting system and the guidelines prescribed by the RBI.

Treasury undertakes trading in bonds & other investment, derivatives trading and foreign exchange operations on the proprietary account and for customers. Revenues under this section primarily comprise fees, gains / losses from trading and interest income from the investment portfolio.

Retail Banking segment constitutes the business with individuals through the branch network and other delivery channels like ATM, Internet banking etc. This segment raises deposits from customers and provides fee based wealth management distribution services to such customers.

Corporate / Wholesale Banking caters to the Corporate and Institutional customers. This segment includes all advances to trusts, partnership firms, companies and statutory bodies, which are not included under "Retail Banking". These also include custody operations, payment and settlement operations and factoring advances. Small and medium enterprises are also included in Corporate / Wholesale Banking.

FMU results depicts the net impact of the internal fund transfer pricing (FTP) policy of the Bank whereby FMU charges a FTP to each respective business for the asset owned by them and provides a FTP credit for liabilities raised by each business. The capital of the bank resides with the FMU team.

Segment revenues stated below are aggregate of Schedule 13- Interest income and Schedule 14- Other income.

The segment expenses comprise funding costs (external and internal), personnel costs and other direct and allocated overheads.

Segment results are determined basis the segment revenue, segment cost and inter-unit notional charges / recoveries for cost of funds.

	Treasury & Markets	Corporate / Wholesale Banking	Retail Banking	Funding Management Unit	Total
Segmental Revenue (external revenue)	15,285,840 *(9,000,145)*	15,456,163 *(14,100,807)*	1,263,979 *(617,893)*	- *(-)*	32,005,982 *(23,718,845)*
Total Revenue					32,005,982 *(23,718,845)*
Results	3,883,894 *(779,818)*	(1,870,657) *(-130,719)*	(4,159,854) *(-2,743,723)*	2,378,422 *(2,238,427)*	231,805 *(143,803)*
Unallocated expenses					- *(-)*
(Loss) /Profit before tax and extraordinary items					231,805 *(143,803)*
Tax					103,811 *(58,205)*
Extraordinary profit/loss					- *(-)*
Net (Loss) / Profit after Tax					**127,994** ***(85,598)***

	Treasury & Markets	Corporate / Wholesale Banking	Retail Banking	Funding Management Unit	Total
Segment Assets	212,135,217 *(250,282,295)*	213,500,638 *(174,816,495)*	9,142,759 *(3,713,755)*	- *(-)*	434,778,614 *(428,812,545)*
Unallocated assets					10,641,961 *(9,641,697)*
Total Assets					445,420,575 ***(438,454,242)***
Segment Liabilities	139,727,970 *(157,933,013)*	112,354,530 *(97,770,765)*	146,192,482 *(138,196,280)*	- *(-)*	398,274,982 *(393,900,058)*
Unallocated Liabilities					980,558 *(378,920)*
Capital and Reserves					46,165,035 *(44,175,264)*
Total Liabilities					445,420,575 ***(438,454,242)***

(Figures in brackets and italics indicate previous year numbers)

The Bank does not have overseas operations and operates only in the domestic segment.

In computing the above information, certain assumption and estimate have been made by the management which have been relied upon by the auditors.

39. Related Parties

Related parties' disclosures under AS 18 include:

Ultimate Parent

DBS Group Holdings Ltd

Parent

DBS Bank Ltd., Singapore

Branches of Parent / Subsidiaries of Parent

- DBS Bank (Hong Kong) Limited
- DBS Bank Ltd., London
- DBS Bank Ltd., Tokyo
- DBS Bank Ltd., Taipei
- DBS Bank Ltd., Los Angeles
- DBS Bank (China) Limited
- PT Bank DBS Indonesia
- DBS Asia Hub 2 Private Limited

(Currency: Indian rupees in thousands)

Entity over which the Bank exercises control

- DBS Bank Employees' Provident Fund Trust

Key Management Personnel

- Surojit Shome: General Manager and Chief Executive

With regard to the RBI Circular No. DBOD.BP.BC No.7 /21.04.018/2015-16 dated 01 July 2015, the Bank has not disclosed details pertaining to related parties where under a category, there is only one entity. Accordingly, disclosures have only been made for transactions with "Branches of Parent / Subsidiaries of Parent".

Items / Related Party	31 Mar 2017	31 Mar 2016
Deposit	**245,454** **(655,449)**	655,449 (715,585)
Placement of Deposits	**31,764** **(6,989,654)**	5,079 (3,566,253)
Borrowings	**-** **(2,386,604)**	63 (1,408,082)
Guarantees / Derivatives / Forward Contracts	**3,869,103** **(6,350,391)**	4,570,409 (5,414,869)
Interest paid	**4,666**	67
Interest received	**4,303**	631
Rendering of services*	**12,982**	13,157
Receiving of services	**4,744**	-

** excludes service tax*

(Figures in brackets indicate maximum outstanding during the year)

Material related party transactions are given below:

A specific related party transaction is disclosed as a material related party transaction wherever it exceeds 10% of all related party transactions in that category. Following were the material transactions between the Bank and its related parties:

Acceptance of Deposits:

Deposit placed by DBS Asia Hub 2 Private Limited INR 243,385 thousand (Previous Year: INR 655,381 thousand)

Placement of Deposits:

Nostro deposit was placed with DBS Bank Ltd., China foreign currency equivalent of INR 14,565 thousand (Previous Year: INR 418 thousand), DBS Bank Ltd., London foreign currency equivalent of INR 11,007 thousand (Previous Year: INR 4,110 thousand) and DBS Bank (Hong Kong) Ltd foreign currency equivalent of INR 6,191 thousand (Previous Year: INR 550 thousand).

Guarantees / Derivatives / Forward Contracts:

Guarantees given on behalf of DBS Bank Ltd., London foreign currency equivalent of INR 2,526,296 thousand (Previous Year: 3,735,669 thousand). Guarantees given on behalf of DBS Bank Ltd., Taipei foreign currency equivalent of INR 1,035,743 thousand (Previous Year: INR 783,924 thousand). FX deal entered into with DBS Hong Kong foreign currency equivalent of INR 21,273 thousand (Previous Year: INR 40,937 thousand)

Interest paid:

Interest paid on term deposits to DBS Asia Hub 2 Private Limited INR 4,325 thousand (Previous Year: Nil). Interest on money market borrowing paid to DBS Bank Ltd., London foreign currency equivalent of INR 341 thousand (Previous Year: INR 67 thousand).

Interest received:

Interest on money market lending received from DBS Bank Ltd., London foreign currency equivalent of INR 4,303 thousand (Previous Year: INR 631 thousand).

Rendering of Services:

Income on rendering of employee services from DBS Asia Hub 2 Private Limited INR 7,346 thousand (Previous Year: INR 11,969 thousand)

Receiving of Services:

Direct Billing costs pertaining to DBS Bank (Hong Kong) Limited foreign currency equivalent of INR 293 thousand (Previous Year: NIL). Direct Billing costs pertaining to DBS Bank (China) Limited foreign currency equivalent of INR 4,451 thousand (Previous Year: NIL).

40. Operating Leases

Operating Leases are entered into for office premises, ATM premises and staff accommodation. The total of future minimum lease payments under non-cancellable operating leases as determined by the lease agreements for each of the following periods are as follows:

Particulars	31 Mar 2017	31 Mar 2016
Not later than one year	**336,059**	276,098
Later than one year and not later than 5 years	**1,168,194**	34,344
Later than five years	**75,525**	Nil

The lease payments for the year ended 31 March 2017 charged to the Profit and Loss Account amount to INR 482,049 thousand (Previous Year: INR 452,977 thousand).

The Bank has entered into operating lease arrangements for office premises, ATM's and residential premises for select bank staff.

Certain leases are cancellable on providing notice period of 1 month to 6 months and may be renewed for a further period from 1 year to 3 years based on mutual agreement of both the parties.

41. Employee Benefits

Provident Fund: The Bank's contribution to the Employees' Provident Fund during the year was INR 117,111 thousand (Previous Year: INR 104,310 thousand).

The defined benefit obligation of interest rate guarantee on exempt Provident Fund in respect of the employees of the Bank has been determined for the year ended 31 March 2017 based on the Guidance Note (GN 29) on Valuation of Interest Rate Guarantees on Exempt Provident Funds under AS 15 (Revised) issued by The Institute of Actuaries of India. The defined benefit obligation of interest rate guarantee as at 31 March 2017 based on actuarial valuation is INR 13,331 thousand (Previous Year: INR 7,136 thousand).

Table 1: Break-down of Liability to be recognised in the Balance Sheet

	Particulars	31 Mar 2017	31 Mar 2016
A	Value of the Interest Rate Guarantee	**25,795**	19,625
B	Accumulated Balance in the Provident Fund	**1,820,346**	1,477,508
C	Present Value of the Obligation (A+B)	**1,846,141**	1,497,133
D	Carrying Value of Plan Assets	**1,832,810**	1,489,997
E	**Liability recognised in the Balance Sheet (C – D)**	**13,331**	7,136

Table 2: Parameters of PF investment and obligations

	Particulars	31 Mar 2017	31 Mar 2016
I	Discount rate for the term of the obligation	**6.8%p.a.**	7.3%p.a.
II	Average historical yield on the investment portfolio	**8.75%p.a.**	8.8%p.a.
III	Discount rate for the remaining term to maturity of the investment portfolio	**6.8%p.a.**	7.3%p.a.
IV	Expected Investment Return	**8.4%-8.7%p.a.**	8.5%-9%p.a.
V	Guaranteed Rate of Return	**8.65%p.a.**	8.8%p.a.
VI	Salary escalation rate for the term of the obligation	**6%p.a.**	7%p.a.

Compensated Absences: The Bank has charged INR 11,805 thousand to the Profit and Loss Account towards provision for compensated absences during the year ended 31 March 2017. (Previous Year charge of INR 2,895 thousand).

Principal Actuarial Assumptions	31 Mar 2017	31 Mar 2016
Discount Rate (per annum)	**6.60%**	7.5%
Salary Escalation Rate (per annum)	**6%**	7%
Mortality	**IALM 2006-08 (Ultimate)**	IALM 2006-08 (Ultimate)
Withdrawal rate (per annum)	**20%**	17%

Gratuity: The Bank has charged INR 37,619 thousand towards provision held in the Gratuity Fund for the year ended 31 March 2017 (Previous Year charge of INR 47,891 thousand).

The following table gives the disclosures regarding the Gratuity Scheme in accordance with AS 15 (Revised) as notified by the Companies (Accounting Standards) Rules 2006.

(I)	Net Asset / (Liability) recognised in the Balance Sheet	31 Mar 2017	31 Mar 2016
	Present Value of obligations as at year end	**202,477**	176,358
	Fair Value of plan assets as at year end	**164,858**	136,625
	Net Asset / (Liability) recognised in the Balance Sheet	**(37,619)**	(39,733)

(II)	Changes in Defined Benefit Obligation during the Year	31 Mar 2017	31 Mar 2016
	Opening Defined Benefit Obligation (DBO)	**176,358**	144,059
	Interest cost	**13,227**	11,237
	Current Service Cost	**34,399**	32,024
	Past Service Cost	**-**	-
	Actuarial (Gain) / Losses	**8,040**	5,578
	Benefits Paid	**(29,547)**	(16,540)
	Closing Defined Benefit Obligation	**202,477**	176,358

(Currency: Indian rupees in thousands)

(III)	Changes in fair value of Plan Assets	31 Mar 2017	31 Mar 2016
	Opening Fair Value of Plan Assets	**136,625**	14,807
	Expected Return on Plan Assets	**10,257**	694
	Actuarial Gain / (Losses)	**7,790**	254
	Contributions by employer	**39,733**	137,410
	Benefits Paid	**(29,547)**	(16,540)
	Closing Fair Value of Plan Assets	**164,858**	136,625
	Estimated Employer Contributions for the next year	**65,000**	40,000
	Actual Return on Plan Assets	**18,047**	948

(IV)	Amount recognised in the Profit and Loss Account	31 Mar 2017	31 Mar 2016
	Current Service Cost	**34,399**	32,024
	Interest on Defined Benefit Obligation	**13,227**	11,237
	Expected Return on Plan Assets	**(10,257)**	(694)
	Net Actuarial Losses / (Gains) for the current year	**250**	5,324
	Amount recognised in the Profit and Loss Account	**37,619**	47,891

(V)	Asset Information	31 Mar 2017	31 Mar 2016
	Insurer Managed Funds (non unit-linked)	**1%**	5%
	Insurer Managed Funds (unit-linked)	**99%**	95%
	Total	**100%**	100%

(VI)	Experience adjustments	31 Mar 17	31 Mar 16	31 Mar 15	31 Mar 14	31 Mar 13
	Present Value of DBO	**202,477**	176,358	144,059	97,976	86,181
	Fair Value of Plan Assets Funded Status [Surplus/ (Deficit)]	**164,858** **(37,619)**	136,625 (39,733)	14,807 (129,252)	15,421 (82,555)	22,757 (63,424)
	Experience adjustment on Plan Liabilities : (Gain) / Loss	**10,517**	3,160	(513)	4,985	6,418
	Experience adjustment on Plan Asset : Gain	**7,380**	241	(342)	159	307

(VII)	Principal Actuarial Assumptions	31 Mar 2017	31 Mar 2016
	Discount Rate (per annum)	**6.6%**	7.5%
	Expected rate of return on assets (per annum)	**7.5%**	7.8%
	Salary Escalation Rate (per annum)	**6%**	7%
	Attrition Rate Expected average remaining working lives of employees Mortality Rate	**20%** **4 years** **IALM 2006-08 (Ultimate)**	17% 5 years IALM 2006-08 (Ultimate)

The estimate of future salary increase considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors.

In computing the above information, certain estimates have been made by the Bank's management, which have been relied upon by the auditors.

42. Employee share based payments

The Bank grants shares in its ultimate parent, DBS Group Holdings Ltd, to certain eligible employees. Upon settlement the shares are transferred to its employees. The shares are awarded to the eligible employees as per the current schemes which are set out below:

a. Restricted share plan - The shares awarded under the said plan to the eligible employees could be performance-based and/or time-based. Where time-based awards are granted, they will only vest after the satisfactory completion of time-based service conditions. A time-based award comprises two elements, namely, the main award and the retention (also known as "kicker") award.

Shares awarded vest in a graded manner whereby, thirty-three percent of the shares comprised in the main award will vest two years after the date of grant. A further thirty-three percent of the shares comprised in the main award will vest three years after the date of grant. The remainder thirty-four percent of the shares comprised in the main award, together with the shares comprised in the retention award, known as kicker will vest four years after the date of grant.

b. Chairman Recognition award – Eligible employees of the Bank are awarded ordinary shares for their excellent performance during the year. Shares awarded vest in a graded manner whereby thirty-three percent of the shares will vest two years after the date of grant, a further thirty-three percent of the shares comprised in the main award will vest three years after the date of grant and the remainder thirty-four percent of the shares will vest four years after the date of grant.

A reconciliation of employee share based payment movements in number of shares during the year ended 31 March 2017 is shown below:

Category	Year	No. of unvested shares as at 31 March 2016	Granted	Additional shares for rights issue	Vested	Lapsed	No. of unvested shares as at 31 March 2017
Restricted Share Plan	2013	22,924	-	-	21,418	1,506	-
	2014	69,856	-	-	20,251	27,250	22,355
	2015	31,993	-	-	9,796	1,150	21,047
	2016	55,550	-	-	-	1,287	54,263
	2017	-	94,288	-	-	-	94,288
Chairman's Recognition Award	2013	16,766	-	-	14,994	1,772	-
	2014	40,810	-	-	17,270	5,730	17,810
	2015	44,553	-	-	12,972	5,200	26,381
	2016	100,573	-	-	-	7,600	92,973
	2017	-	57,900	-	-	-	57,900

The weighted average fair value of shares awarded as shown above were in the range of SGD 13.31 – SGD 19.10.

A reconciliation of employee share based payment movements in number of shares during the year ended 31 March 2016 is shown below:

Category	Year	No. of unvested shares as at 31 March 2015	Granted	Additional shares for rights issue	Vested	Lapsed	No. of unvested shares as at 31 March 2016
Restricted Share Plan	2012	29,828	-	-	29,420	408	-
	2013	32,669	-	-	9,737	8	22,924
	2014	99,368	-	-	29,512	-	69,856
	2015	33,543	-	-	-	1,550	31,993
	2016	-	55,550	-	-	-	55,550
Chairman's Recognition Award	2012	15,722	-		11,341	4,381	-
	2013	41,133	-	-	13,951	10,416	16,766
	2014	71,600	-	-	20,900	9,890	40,810
	2015	47,753	-	-	-	3,200	44,553
	2016	-	100,573	-	-	-	100,573

The weighted average fair value of shares awarded as shown above were in the range of SGD 13.31 – SGD 19.10.

The charge to Profit and Loss Account for the year ended 31 March 2017 was INR 83,917 thousand (Previous Year: INR 83,591 thousand).

Asset on account of share based payment as at 31 March 2017 is INR 12,612 thousand (Previous Year liability: INR 16,382 thousand).

43. Complaints

In terms of the RBI Circular DBR.No.BP.BC.No.23 /21.04.018/2015-16 dated 1 July 2015, the details of customer complaints and Banking Ombudsman awards during the year are as under:

Particulars	31 Mar 17	31 Mar 16
No. of complaints pending at the beginning of the year	**8**	2
No. of complaints received during the year	**1,053**	535
No. of complaints redressed during the year	**1,058**	529
No. of complaints pending at the end of the year	**3**	8

The above disclosure is compiled by the management and relied upon by the auditors.

Particulars	31 Mar 17	31 Mar 16
No. of unimplemented awards at the beginning of the year	**-**	-
No. of awards passed by the Banking Ombudsmen during the year	**-**	-
No. of awards implemented during the year	**-**	-
No. of unimplemented awards at the end of the year	**-**	-

The above disclosure is compiled by the management and relied upon by the auditors.

(Currency: Indian rupees in thousands)

44. Impairment of Assets

There is no impairment of fixed assets and as such there is no provision required in terms of Accounting Standard 28 'Impairment of Assets'.

45. Contingent Liabilities

a) *Claims against bank not acknowledged as debt*

This includes liability on account of income tax demands raised against the Bank that are referred to various authorities. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, result of operations or cash flows

b) *Liability on account of forward exchange contracts/Liability on account of outstanding Currency and Interest Rate Swap, Option contracts and Interest Rate Derivatives*

The Bank enters into foreign exchange contracts, currency options/swaps, interest rate options/swaps and forward rate agreements on its own account and for customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. Currency swaps are commitments to exchange cash flows by way of interest/principal in two currencies, based on predetermined rates. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows. Forward Rate Agreements are agreements to pay or receive a certain sum based on a differential interest rate on a notional amount for an agreed period. A foreign currency option is an agreement between two parties in which one grants to the other the right, but not the obligation, to buy or sell a specified amount of currency at a specific price within a specified time period or at a specified future time. Interest Rate Futures is a standardised interest rate derivative contract traded on a recognised stock exchange to buy or sell a notional security or any other interest bearing instrument or an index of such instruments or interest rates at a specified future date, at a price determined at the time of the contract. The notional principal amounts of foreign exchange and derivatives contracts have been recorded as contingent liabilities.

c) *Guarantees given on behalf of constituents*

As a part of its banking activities, the Bank issues guarantees on behalf of its customers. Generally, guarantees represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfil its financial or performance obligations.

d) *Acceptances, endorsements and other obligations*

These include documentary credits issued by the Bank on behalf of its customers and bills drawn by the Bank's customers that are accepted or endorsed by the Bank.

e) *Other items for which the bank is contingently liable*

Other items represent amount payable against bills re-discounted, estimated amount of contracts remaining to be executed on capital account and value of investment traded on or before the Balance Sheet date with a settlement post Balance Sheet date and Depositor Education and Awareness Fund (DEAF).

46. Disclosure under Micro, Small & Medium Enterprises Development Act, 2006

The Bank has a policy of payment to its vendors based on the agreed credit terms. Consequently, as per Bank's policy there have been no reported cases of delays in payments in excess of 45 days to Micro, Small and Medium Enterprises or of interest payments due to delays in such payments, during the year ended 31 March 2017 (Previous Year: Nil).

The above information takes into account only those suppliers who have responded to inquiries made by the Bank for this purpose.

For the purpose of this disclosure, the Bank has compiled the data, which has been relied upon by the auditor.

47. Movement in provisions

Disclosure of movement in provisions in accordance with AS 29 is set out below:

Particulars	31 Mar 17	31 Mar 16
Opening balance at the beginning of the year	**65,217**	65,217
Add : Provision made during the year	**-**	-
Less : Utilisation, write back of excess provisions during the year	**-**	-
Closing balance at the end of the year	**65,217**	65,217

Note: Provision represents potential claims/demand.

48. Technical Write-Offs

In terms of the RBI Circular DBR.BP.BC.No.8 / 21.04.018 / 2015-16 dated 1 July 2015, the details of technical write-offs and the recoveries made thereon during the year are as under:

Particulars	31 Mar 17	31 Mar 16
Opening balance of Technical/ Prudential written-off accounts	**3,995,266**	3,337,558
Add: Technical/ Prudential write-offs during the year	**1,167,427**	657,708
Sub-total (A)	**5,162,693**	3,995,266
Less: Recoveries made from previously technical/ prudential written-off accounts during the year (B)	**3,995,266***	-
Closing balance as at March 31 (A-B)	**1,167,427**	3,995,266

* includes amount of technical /prudential write-off accounts sold during the year

49. Unhedged Foreign Currency Exposure (UFCE)

The RBI has issued various guidelines advising banks to closely monitor the unhedged foreign currency exposures of their borrowing clients. However, the extent of unhedged foreign currency exposures of the entities continues to be significant and this can increase the probability of default in times of high currency volatility.

The RBI had, therefore, introduced incremental provisioning and capital requirements for bank exposures to entities with unhedged foreign currency exposures.

The process for ascertaining the amount of UFCE, estimating the extent of the likely loss, the riskiness of the unhedged positions, provisions thereof, etc. are to be done as per the RBI Circular DBOD. No. BP.BC. 85/21.06.200/2013-14 dated January 15, 2014. DBS India's policy Guidelines for Monitoring Unhedged Foreign Currency Exposures of Corporates, Provisioning & Capital requirements encompass the RBI guidelines in this regard.

This guideline indicates the definition of "unhedged foreign currency exposure" (as per the RBI) and how to estimate the extent of likely loss. Likely loss is defined as "The loss to the entity in case of movement in USD-INR exchange rate may be calculated using the annualised volatilities (currently pegged at 12.49% of notional by the RBI guidelines). Once the loss figure is calculated, it may be compared with the annual EBID of the corporate as per the latest quarterly results certified by the statutory auditors. This loss may be computed as a percentage of EBID. Higher this percentage, higher will be the susceptibility of the entity to adverse exchange rate movements. Therefore, as a prudential measure, all exposures to such entities (whether in foreign currency or in INR) would attract incremental capital and provisioning requirements (i.e., over and above the present requirements) as prescribed by the RBI.

As per the RBI guideline, the UFCE may be obtained from entities every quarter on self-certification basis, and preferably should be internally audited by the entity concerned. However, at least on an annual basis, UFCE information should be audited and certified by the statutory auditors of the entity for its authenticity. For this purpose, for cases with large UFCE where the likely loss to EBID is over 75% are tabled at the Credit Committee on a quarterly basis.

In terms of the RBI Circular DBOD.No.BP.BC. 85 /21.06.200/2013-14 dated 15 January 2014, the details of incremental provisioning and capital held by the Bank are as below:

Particulars	31 Mar 17	31 Mar 16
Incremental provision on account of UFCE	**178,297**	153,565
Incremental risk weighted assets on account of UFCE	**6,575,870**	6,187,833

50. Intra-Group Exposures

In terms of the RBI circular DBOD.No.BP.BC.96/21.06.102/2013-14 dated 11 February 2014, the disclosures on intra-group exposures are as below:

Particulars	31 Mar 17	31 Mar 16
Total amount of intra-group exposures	**5,572,562**	4,115,944
Total amount of top-20 intra-group exposures	**5,572,562**	4,115,944
Percentage of intra-group exposures to total exposure of the bank on borrowers /customers	**1.37%**	1.19%
Details of breach of limits on intra-group exposures and regulatory action thereon, if any.	**-**	-

Total Exposure has been computed basis the guidelines provided in the exposure norms circular.

Proprietary derivative position with head office is based on the information provided by the management which has been relied upon by the auditors.

51. Transfers to Depositor Education and Awareness Fund (DEAF)

In terms of the RBI circular DBR.No.BP.BC.No.23 /21.04.018/2015-16 dated 1 July 2015, there is transfer to DEAF during the year. Accordingly, the disclosures on DEAF are as below:

Particulars	31 Mar 17	31 Mar 16
Opening balance of amounts transferred to DEAF	**-**	-
Add : Amounts transferred to DEAF during the year	**887**	-
Less : Amounts reimbursed by DEAF towards claims	**-**	-
Closing balance of amounts transferred to DEAF	**887**	-

(Currency: Indian rupees in thousands)

52. Liquidity Coverage Ratio

The RBI vide its circular DBOD.BP.BC.No.120 / 21.04.098/2013-14 dated 9 June 2014, notified Basel III framework on Liquidity Standards covering Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards. As per the guidelines, following is the disclosure of information on Liquidity Coverage Ratio (LCR)

Particulars	30-Jun-2016		30-Sep-2016		31-Dec-2016		31 Mar 17	
	Total Unweighted Value (average *)	Total Weighted Value (average *)	Total Unweighted Value (average *)	Total Weighted Value (average *)	Total Unweighted Value (average *)	Total Weighted Value (average *)	Total Unweighted Value (average *)	Total Weighted Value (average *)
High Quality Liquid Assets								
1. Total High Quality Liquid Assets (HQLA) (A)		**60,703,135**		**57,362,752**		**73,955,287**		**79,412,958**
Cash Outflows								
2. Retail deposits and deposits from small business customers, of which:	**33,684,644**	**3,358,044**	**63,099,846**	**6,264,591**	**65,253,051**	**6,466,450**	**73,544,218**	**7,283,588**
(i) Stable deposits	208,406	10,420	907,877	45,394	1,177,106	58,855	1,416,678	70,834
(ii) Less stable deposits	33,476,238	3,347,624	62,191,969	6,219,197	64,075,945	6,407,595	72,127,540	7,212,754
3. Unsecured wholesale funding, of which:	**168,546,333**	**76,771,280**	**157,465,582**	**73,490,803**	**180,351,894**	**84,251,722**	**170,547,464**	**79,911,406**
(i) Operational deposits (all counterparties)	37,212,589	9,276,294	29,718,705	7,429,676	39,495,660	9,873,915	35,403,489	8,850,872
(ii) Non-operational deposits (all counterparties)	131,333,744	67,494,986	127,746,877	66,061,127	140,856,234	74,377,807	135,143,975	71,060,534
(iii) Unsecured debt	-	-	-	-	-	-	-	-
4. Secured wholesale funding		-		-		-		-
5. Additional requirements, of which	**23,880,718**	**5,049,615**	**22,778,163**	**5,688,832**	**25,186,513**	**5,682,314**	**23,311,067**	**5,785,954**
(i) Outflows related to derivative exposures and other collateral requirements	2,983,085	2,983,085	3,875,623	3,875,623	3,565,152	3,565,152	3,891,336	3,891,336
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	20,897,633	2,066,530	18,902,540	1,813,209	21,621,361	2,117,162	19,419,731	1,894,618
6. Other contractual funding obligations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
7. Other contingent funding obligations	**154,192,753**	**6,384,993**	**151,424,381**	**6,279,315**	**176,019,611**	**7,528,283**	**184,344,018**	**7,874,702**
8. **Total Cash Outflows (B)**		**91,563,932**		**91,723,540**		**103,928,769**		**100,855,650**
Cash Inflows								
9. Secured lending (e.g. reverse repos)	**1,124,403**	**-**	**943,887**	**-**	**1,931,777**	**-**	**2,476,707**	**-**
10. Inflows from fully performing exposures	**46,807,073**	**34,962,971**	**57,333,283**	**45,312,138**	**58,320,983**	**39,873,925**	**54,572,705**	**39,061,901**
11. Other cash inflows	**20,783,345**	**1,470,012**	**19,929,599**	**2,582,932**	**27,063,452**	**1,043,453**	**24,202,262**	**1,232,092**
12. **Total Cash Inflows (C)**		**36,432,983**		**47,895,071**		**40,917,378**		**40,293,993**
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
21. TOTAL HQLA		**60,703,135**		**57,362,752**		**73,955,287**		**79,412,958**
22. Total Net Cash Outflows (D = B-C)		**55,130,949**		**43,828,470**		**63,011,391**		**60,561,657**
23. Liquidity Coverage Ratio (%) (A)/(D)		**110.11%**		**130.88%**		**117.37%**		**131.13%**

* Average is calculated based on three month end data points for each quarter (June to December 2016). For March 2017 quarter average is calculated based on daily data points.

In computing the above information, certain assumption and estimate have been made by the management which have been relied upon by the auditors.

(Currency: Indian rupees in thousands)

Particulars	30-Jun-2015		30-Sep-2015		31-Dec-2015		31 Mar 16	
	Total Unweighted Value (average *)	Total Weighted Value (average *)	Total Unweighted Value (average *)	Total Weighted Value (average *)	Total Unweighted Value (average *)	Total Weighted Value (average *)	Total Unweighted Value (average *)	Total Weighted Value (average *)
High Quality Liquid Assets								
1. Total High Quality Liquid Assets (HQLA) (A)		**40,256,217**		**43,997,373**		**49,157,039**		**54,471,756**
Cash Outflows								
2. Retail deposits and deposits from small business customers, of which:	**63,905,165**	**6,374,565**	**59,453,472**	**5,920,987**	**21,713,135**	**2,168,328**	**22,675,063**	**2,263,330**
(i) Stable deposits	319,024	15,951	487,208	24,360	59,717	2,986	83,524	4,176
(ii) Less stable deposits	63,586,141	6,358,614	58,966,264	5,896,626	21,653,418	2,165,342	22,591,539	2,259,154
3. Unsecured wholesale funding, of which:	**116,042,710**	**54,560,241**	**115,064,444**	**55,441,881**	**137,441,615**	**65,352,553**	**160,786,977**	**70,662,412**
(i) Operational deposits (all counterparties)	21,822,985	5,432,095	19,095,732	4,737,202	25,724,738	6,393,075	33,464,377	8,327,027
(ii) Non-operational deposits (all counterparties)	94,219,725	49,128,146	95,968,712	50,704,679	111,716,877	58,959,478	127,322,600	62,335,385
(iii) Unsecured debt	-	-	-	-	-	-	-	-
4. Secured wholesale funding		-		-		-		-
5. Additional requirements, of which	**15,795,257**	**4,453,057**	**17,478,587**	**4,475,567**	**18,535,534**	**3,814,025**	**21,547,789**	**5,442,849**
(i) Outflows related to derivative exposures and other collateral # requirements	2,453,850	3,118,917	3,030,787	3,030,787	2,178,302	2,178,302	3,653,411	3,653,411
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	13,341,407	1,334,141	14,447,800	1,444,780	16,357,231	1,635,723	17,894,378	1,789,438
6. Other contractual funding obligations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
7. Other contingent funding obligations	**155,174,428**	**7,758,721**	**157,665,350**	**7,883,268**	**155,782,624**	**7,789,131**	**155,564,065**	**6,954,140**
8. **Total Cash Outflows (B)**		**73,146,585**		**73,721,702**		**79,124,037**		**85,322,731**
Cash Inflows								
9. Secured lending (e.g. reverse repos)	**617,107**	**-**	**-**	**-**	**1,903,281**	**-**	**692,019**	**-**
10. Inflows from fully performing exposures	**44,694,538**	**30,679,193**	**45,743,532**	**31,965,293**	**45,984,480**	**33,252,058**	**48,479,907**	**37,676,325**
11. Other cash inflows	**24,725,837**	**1,125,837**	**24,983,917**	**850,584**	**25,843,625**	**643,625**	**25,412,604**	**1,762,604**
12. **Total Cash Inflows (C)**		**31,805,030**		**32,815,877**		**33,895,683**		**39,438,928**
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
21. TOTAL HQLA		**40,256,217**		**43,997,373**		**49,157,039**		**54,471,756**
22. Total Net Cash Outflows (D = B-C)		**41,341,555**		**40,905,825**		**45,228,354**		**45,883,803**
23. Liquidity Coverage Ratio (%) (A)/(D)		**97.37%**		**107.56%**		**108.69%**		**118.72%**

Average is calculated based on three month end data points for each quarter (June 2015 to March 2016).

The largest absolute net 30-day collateral flow is arrived at using data of preceding 24 months for Mar'16, and the Mar'16 collateral flow is also considered for previous periods (Apr'15 to Feb'16).

In computing the above information, certain assumption and estimate have been made by the management which have been relied upon by the auditors.

Qualitative disclosure around LCR

The main LCR drivers for the Bank are as under (observed over 4 quarter end data):

31 Mar 2017	Average	Maximum	Minimum
HQLA	58,377,947	76,120,123	48,644,491
Total Cash Inflows	46,398,583	51,852,283	39,047,823
Total Cash Outflows	99,451,748	111,322,505	93,052,814
Total Net cash outflows	53,053,165	68,329,757	43,188,544

The main LCR drivers for the Bank are as under (observed over 3 month's daily data):

31 Mar 2016	Average	Maximum	Minimum
HQLA	44,624,081	52,430,808	35,773,341
Total Cash Inflows	40,933,987	60,642,656	31,323,403
Total Cash Outflows	78,769,476	93,101,662	69,855,125
Total Net cash outflows	37,835,489	47,317,940	32,459,006

The Bank's HQLA primarily consist of excess SLR maintained in the form of Government Securities /T-Bills, 9% of NDTL (as permissible by the RBI), 2% MSF (as permissible by the RBI), Corporate Bonds which classify as Level 2 Assets & Commercial Paper which classify as Level 2 assets.

The Bank primarily relies wholesale funding, in the form of term deposits. Further, the bank is gradually increasing its current account and savings account deposits over a period of time. The total deposits (current account, savings account and term deposits) comprise of 32% of retail clients (CBG) and 68% of corporate clients (IBG & SME).

The Bank primarily maintains margin for settlement of MTM arising from derivative deals. The same is managed on a daily basis and any top up if required is done. However, no major volatility is observed leading to liquidity risk.

The Bank monitors LCR daily on a combined basis (i.e. INR + FCY). Further the Bank raises deposits and borrowings in foreign currency which are swapped into INR and lent/invested thereafter.

The overall liquidity management is guided by ALCO which takes into account local as well as HO regulations. The relevant units (RMG MLR, CT and TLM) interact regularly with each other and respective HO counterparts as well to ensure consistency in policy framing and decision making conforming to standards set by the regulations in both the locations.

53. **Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, the Bank has a CSR Committee. All the CSR projects undertaken by the Bank were planned in a participatory manner, in consultation with the CSR committee and the India Management Committee – IMC (wherever required). The Bank's CSR agenda/ vision is to actively contribute to the social and economic development of the communities including the communities in which

(Currency: Indian rupees in thousands)

DBS India operate and build a better, sustainable way of life for the weaker sections of society and raise the country's human development index. During the year, the Bank had negative average profits and hence no CSR expenditure has been debited (PY – NIL) to Profit & Loss account, towards CSR activities which are specified in Schedule VII of the Companies Act, 2013.

54. Sector-wise Advances

Sector	Current Year			Previous Year		
	Outstanding Total Advances **	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances **	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
A Priority Sector						
1 Agriculture and allied activities	-	-	-	-	-	-
2 Advances to industries sector eligible as priority sector lending	46,976,945	2,005,992	4.27%	37,526,966	2,725,220	7.26%
Of which Construction	-	-	-	1,325,100	-	-
3 Services	16,400,342	-	-	16,421,926	-	-
4 Personal loans	3,550	-	-	3,280	-	-
Of which Home Loans	3,550	-	-	3,280	-	-
Sub-total (A)	**63,380,837**	**2,005,992**	**3.16%**	**53,952,172**	**2,725,220**	**5.05%**
B Non Priority Sector						
1. Agriculture and allied activities	-	-	-	120,299	-	-
2. Industry	82,859,353	5,152,718	6.22%	78,843,504	11,853,093	15.03%
Of which Construction	9,544,691	-	-	11,215,817	712,551	6.35%
3. Services	67,264,673	1,225,124	1.82%	49,171,891	1,748,741	3.56%
Of which Commercial Real Estate	6,250,000	-	-	10,330,003	-	-
4. Personal loans*	8,654,110	-	-	3,265,891	-	-
Of which Home Loans	6,386,455	-	-	2,717,025	-	-
Of which Loans against Property	2,235,630	-	-	548,865	-	-
Sub-total (B)	**158,778,136**	**6,377,842**	**4.02%**	**131,401,585**	**13,601,834**	**10.35%**
Total (A+B)	**222,158,973**	**8,383,834**	**3.77%**	**185,353,757**	**16,327,054**	**8.81%**

* Personal loan includes home loans and loan against property

** Represent gross advances

55. Priority Sector Lending Certificates (PSLC)(Category-wise) sold and purchased during the year

Particulars	31 Mar 17	31 Mar 16
PSLC purchased during the year		
(i) PSLC – Agriculture	-	-
(ii) PSLC – SF/MF	-	-
(iii) PSLC – Micro Enterprises	-	-
(iv) PSLC – General	-	-
Total	**-**	**-**
PSLC sold during the year		
(i) PSLC – Agriculture	-	-
(ii) PSLC – SF/MF	-	-
(iii) PSLC – Micro Enterprises	310,000	-
(iv) PSLC – General	130,000	-
Total	**440,000**	**-**

56. Disclosures on Flexible Structuring of Existing Loans

There were no borrowers taken up for flexibility structuring during the year (Previous Year – Nil).

57. Disclosures on Strategic Debt Restructuring Scheme (accounts which are currently under the stand-still period)

The disclosure on Strategic Debt Restructuring Scheme (SDR) (accounts which are currently under the stand-still period) as on 31 March 2017 is as under

No. of accounts where SDR has been invoked	Amount outstanding as on the reporting date		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity has taken place	
	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA
3	3,681,027*	-	-	-	3,681,027*	-

*excludes equity shares amounting to INR 339,949 thousand

The disclosure on Strategic Debt Restructuring Scheme (SDR) (accounts which are currently under the stand-still period) as on 31 March 2016 is as under

No. of accounts where SDR has been invoked	Amount outstanding as on the reporting date		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity has taken place	
	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA
1	1,048,565	-	1,048,565	-	-	-

58. Disclosures on Change in Ownership outside SDR Scheme (accounts which are currently under the stand-still period)

There were no accounts as on the reporting date where Bank has decided to effect change in ownership outside SDR, which are currently under the stand-still period (Previous Year – Nil).

59. Disclosures on Change in Ownership of Projects Under Implementation (accounts which are currently under the stand-still period)

There were no project loan accounts during the year where Bank has decided to effect change in ownership. (Previous Year – Nil)

60. Disclosures on the Scheme for Sustainable Structuring of Stressed Assets (S4A)

The disclosure on S4A as on 31 March 2017 is as under

No. of accounts where S4A has been applied	Aggregate amount outstanding	Amount outstanding		Provision Held
		In Part A	In Part B	
Classified as Standard	107,280	107,280	-*	39,080
Classified as NPA	404,989	206,280	198,709	107,073

* The Bank has not received any shares under the scheme as the package is being formalised.

The disclosure on S4A as on 31 March 2016 is as under

No. of accounts where S4A has been applied	Aggregate amount outstanding	Amount outstanding		Provision Held
		In Part A	In Part B	
Classified as Standard	-	-	-	-
Classified as NPA	-	-	-	-

61. Divergence in the asset classification and provisioning

There is no instance of divergence in the asset classification and provisioning of advances based on the latest inspection report published by the RBI.

62. Provision pertaining to fraud accounts

The disclosure on provision pertaining to fraud accounts in accordance with the RBI circular DBR.No.BP.BC.92/21.04.048/2015-16 dated 18 April 2016 is as under

Particulars	31 Mar 17	31 Mar 16
No. of frauds reported during the year	**19**	6
Amount involved in fraud	**871**	711,156
Amount involved in fraud net of recoveries / write-offs as at the end of the year	**594**	-
Provisions held as at the end of the year	**-**	-
Amount of unamortised provision debited from "other reserves" as at the end of the year	**-**	**-**

(Currency: Indian rupees in thousands)

63. Implementation of Indian Accounting Standards (IndAS)

The Ministry of Corporate Affairs (MCA), Government of India has notified the Companies (Indian Accounting Standards) Rules, 2015 on 16 February 2015. Further, a press release was issued by the MCA on 18 January 2016 outlining the roadmap for implementation of Indian Accounting Standards (IndAS) converged with International Financial Reporting Standards (IFRS) for banks. Banks in India shall comply with the IndAS for financial statements for accounting period beginning from 1 April 2018 onwards, with comparatives for the period ending 31 March 2018. In preparedness towards achieving the same, the Bank had prepared proforma financials as per IndAS as on 30 September 2016 as per extant regulatory guidelines and submitted the same to the RBI. The Bank will continue its preparation towards migration to adopting IndAS as per regulatory requirement.

64. Other Disclosures

- The Bank did not hold any floating provision in its books as at 31 March 2017 (Previous Year: Nil).
- Deposits as reported in Schedule 3 include deposits kept by customers as margin against credit facilities INR 4,067,073 thousand (Previous Year: INR 3,717,649 thousand).
- The Bank has transferred an amount of INR 176,906 thousand from Investment Reserve account to Balance in Profit and Loss Account (Previous Year: INR 768 thousand). Pursuant to the approval received from the RBI, the Bank has transferred an amount of INR 1,861,777 thousand from 'Other Liabilities' to 'Capital Retained in India for CRAR purposes' (Previous Year: Nil).

  Apart from the above, there was no drawdown from reserves during the year ended 31 March 2017.
- The Bank did not issue any Letters of Comfort (LoC) during the year ended 31 March 2017 (Previous Year: Nil).
- The Bank has not financed any margin trading activities nor securitised any assets during the current year (Previous Year: Nil).
- The Bank did not deal in any Credit default swaps during the year ended 31 March 2017. (Previous Year: Nil).
- The Bank has not sold or transferred securities to/from HTM category during the year. (Previous Year: Nil)
- The Bank has earned an amount of INR 77,264 thousand in respect of Bancassurance business undertaken during the year ended 31 March 2017 (Previous Year: INR 55,369 thousand).
- The net book value of the fixed assets includes computer software of INR 120,575 thousand as at 31 March 2017. (Previous Year: INR 143,675 thousand).
- Head office expense is arrived after the reversal of previous year provision of Nil (Previous Year: INR 187,475 thousand).
- The Bank's compensation policies including that of CEO's, is in conformity with the FSB principles and standards. In accordance with the requirements of the RBI Circular No. DBR.NO.BC.72/29.67.001/2011-12 dated 13 January 2012, the Head Office of the Bank has submitted a declaration to the RBI confirming the above mentioned aspect.
- Receivables acquired under factoring (gross) as on 31 March 2017 amounts to INR 26,597,229 thousand (Previous Year: INR 13,693,505 thousand).
- During the year, the Bank has not credited any amount to Profit and Loss Account on account of assets acquired in satisfaction of claim (Previous Year: INR 134,712 thousand).
- There were no prior period items that have been debited / credited to Profit and Loss Account (Previous Year – Nil).
- Previous year's figures have been regrouped / rearranged, wherever necessary to conform to the current year's presentation.

For **DBS Bank Ltd., India**

Surojit Shome
Chief Executive Officer, India

Rajesh Prabhu
Managing Director and Chief Financial Officer

Mumbai
29 May, 2017

Basel III: Pillar 3 Disclosure as at 31 March 2017

(Currency: Indian rupees in million)

1. Scope of application

Qualitative Disclosures

DBS Bank Ltd., India ('the Bank') operates in India as a branch of DBS Bank Ltd., Singapore a banking entity incorporated in Singapore with limited liability. As at 31 March 2017, the Bank has a presence of 12 branches across 12 cities. The Bank does not have any subsidiaries in India nor any interest in Insurance Entities. Thus, the disclosures contained herein only pertain to the Bank.

a. List of group entities considered for consolidation

Name of the entity / Country of incorporation	Whether the entity is included under accounting scope of consolidation (yes / no)	Explain the method of consolidation	Whether the entity is included under regulatory scope of consolidation (yes / no)	Explain the method of consolidation	Explain the reasons for difference in the method of consolidation
Not Applicable					

b. List of group entities not considered for consolidation both under the accounting and regulatory scope of consolidation

Name of the entity / country of incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	% of bank's holding in the total equity	Regulatory treatment of bank's investments in the capital instruments of the entity	Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)
DBS Asia Hub 2 Private Limited	IT and Business Support Services to group entities	688.77 *	-	NA	704.89 *

*Per Audited Financial Statements as at 31st March 2016 since Statutory audit for year ended 31st March 2017 is under progress.

c. List of group entities considered for consolidation

Name of the entity / country of incorporation (as indicated in (i)a. above)	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)
Not Applicable			

d. The aggregate amount of capital deficiencies in all subsidiaries which are not included in the regulatory scope of consolidation i.e. that are deducted:

Name of the subsidiaries / country of incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	% of bank's holding in the total equity	Capital deficiencies
Not Applicable				

e. The aggregate amounts (e.g. current book value) of the bank's total interests in insurance entities, which are risk-weighted:

Name of the insurance entities / country of incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	% of bank's holding in the total equity / proportion of voting power	Quantitative impact on regulatory capital of using risk weighting method versus using the full deduction method
Not Applicable				

f. Any restrictions or impediments on transfer of funds or regulatory capital within the banking group:

There are no restrictions or impediments on transfer of funds or regulatory capital within the banking group.

2. Capital Adequacy

Qualitative disclosures

The CRAR of the Bank is 16.49% as computed under Basel III norms, which is higher than the minimum regulatory CRAR requirement (including CCB) of 10.25%.

The Bank's capital management framework is guided by the existing capital position, proposed growth and strategic direction. Growth opportunities have resulted in an increasing and continuing need to focus on the effective management of risk, and commensurate capital to bear that risk. The Bank carefully assesses its growth opportunities relative to the capital available to support them, particularly in the light of the economic environment and capital requirements under Basel III. The Bank maintains a strong discipline over capital allocation and ensuring that returns on investment cover capital costs.

	Particulars	31 Mar 17
A	Capital requirements for Credit Risk *(Standardised Approach)* *	28,763
B	Capital requirements for Market Risk *(Standardised Duration Approach)* *	
	- Interest rate risk	4,809
	- Foreign exchange risk	360
	- Equity risk	171
C	Capital requirements for Operational risk *(Basic Indicator Approach)* *	1,554
D	CET1 Capital Ratio (%)	11.62%
E	Tier1 Capital Ratio (%)	11.62%
F	Total Capital Ratio (%)	16.49%

* Capital required is calculated at 8% of Risk Weighted Assets for CVA, Market Risk and Operational Risk and at 10.25% of Risk Weighted Assets for others.

3. General Disclosures

As part of overall corporate governance, the Group Board has approved a comprehensive Integrated Risk Framework covering risk governance for all risk types and for all entities within the Group, including India. This framework defines authority levels, oversight responsibilities, policy structures and risk appetite limits to manage the risks that arise in connection with the use of financial instruments. On a day-to-day basis, business units have primary responsibility for managing specific risk exposures while Risk Management Group (RMG) exercises independent risk oversight on the Group as a whole. RMG is the central resource for quantifying and managing the portfolio of risks taken by the Group as a whole.

A) ***General Disclosures for Credit Risk***

Qualitative Disclosures

Credit Risk Management Policy

The credit policies and basic procedures of the Bank relating to its lending activities are contained in the Local Credit / Loan Policy of the Bank, Core Credit Policy at Singapore and the Credit Manual. These are based on the general credit principles, directives / guidelines issued by the RBI from time to time as well as instructions and guidelines of DBS Bank Ltd, Singapore (hereinafter referred to as 'the Head Office'). In the unlikely event of any conflict amongst the RBI guidelines and Head Office Guidelines, the more conservative policy / guideline is followed.

The Core Credit Policy and the Credit / Loan policy outlines the Bank's approach to Credit Risk Management and sets out the rules and guidelines under which the Bank would develop and grows its lending business. These policies provide guidance to the Bank's Corporate Banking, SME Banking and Financial Institutions Group to manage the growth of their portfolio of customer assets in line with the Bank's credit culture and profitability objectives, taking into account the capital needed to support the growth.

Supplementary policies to the main Core Credit Policy and the Credit / Loan policy have also been laid out, for certain types of lending and credit-related operations. These include subject specific policies relating to risk ratings, Default policy, Specialized Lending etc., as well as guidelines for Real Estate lending, NBFC lending, hedging of FX exposures, credit risk mitigation, sectoral and individual / group borrower limits, bridge loans, bill discounting, etc.

Responsibility for monitoring post-approval conditions resides with the Credit Control Unit (CCU), which reports in to Head of CCU in Singapore, with local oversight of the Senior Risk Executive (SRE) in India. The responsibility for risk reporting is with the Credit Risk - COO team which reports to the SRE in India. The Risk Based Supervision (RBS) submission to RBI contains further details on the same.

Advances are classified into performing and non-performing advances (NPAs) as per RBI guidelines. NPA's are further classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI.

Quantitative Disclosures

Credit Exposure

Particulars	31 Mar 17
Fund Based *	249,121
Non Fund Based **	211,572

* Represents Gross Advances and Bank exposures.

** Represents trade and unutilized exposures after applying credit conversion factor and Credit equivalent of FX/derivative exposures.

The Bank does not have overseas operations and hence exposures are restricted to the domestic segment.

Industry wise Exposures (Fund Based exposures)

Industry	31 Mar 17
Bank *	85,977
Infrastructure - Telecommunication	21,396
Gas/LNG (storage and pipeline)	16,777
Basic Metal & Metal products - Iron and Steel	12,190
Construction	9,545
Chemicals and Chemical Products (Dyes, Paints, etc.) - Drugs and Pharmaceuticals	7,887
Mining and Quarrying - Others	7,261
Home Loan	6,389
Vehicles, Vehicle Parts and Transport Equipments	6,159
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	6,067
Infrastructure - Electricity (generation-transportation and distribution)	5,241
Chemicals and Chemical Products (Dyes, Paints, etc.) - Fertilisers	5,239
Metal and Metal Products	5,065
Chemicals and Chemical Products (Dyes, Paints, etc.) - Others	4,415
Trading Activity	4,114
Paper and Paper Products	3,972
Food Processing - Edible Oils and Vanaspati	3,832
Food Processing - Others	3,335
Non-Banking Financial Institutions/Companies	3,253
Other Services	2,946
Other Industries	2,841
Rubber, Plastic and their Products	2,786
All Engineering - Electronics	2,742
Loan Against Property	2,236
All Engineering - Others	2,206
Retail Trade	1,774
Beverages	1,568
Transport Operators	1,336
Computer Software	1,326
Petro-chemicals	1,205
Wholesale Trade (other than Food Procurement)	1,170
Wood and Wood Products	1,134
Textiles - Others	1,103
Professional Services	1,094
Tourism, Hotel and Restaurants	826
Infrastructure - Transport - Roadways	623
Tea	472
Infrastructure - Social and Commercial Infrastructure - Education Institutions	357
Glass & Glassware	347
Leather and Leather products	261
Cement and Cement Products	260
Coffee	249
Sugar	145
Total Credit Exposure (fund based)	**249,121**

* Includes advances covered by Letters of Credit issued by other Banks.

Industry wise Exposures (Non - Fund Based exposures)

Industry	31 Mar 17
Banks	65,125
Financial Institutions	50,744
Infrastructure - Electricity (generation-transportation and distribution)	9,208
Metal and Metal Products	8,070
Other Industries	7,547
Retail Others	7,481
Non-Banking Financial Institutions/Companies	6,108
Trading Activity	5,472
Infrastructure - Transport - Ports	4,937
Infrastructure - Energy - Oil/Gas/Liquefied Natural Gas (LNG) storage facility	4,863
Other Services	3,805
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	3,792
Computer Software	2,748
Cement and Cement Products	2,680
Construction	2,632
All Engineering - Others	2,631
Vehicles, Vehicle Parts and Transport Equipments	2,536
Mining and Quarrying - Others	2,097
Chemicals and Chemical Products (Dyes, Paints, etc.) - Others	2,071
Basic Metal & Metal products - Iron and Steel	1,976
Chemicals and Chemical Products (Dyes, Paints, etc.) - Fertilisers	1,966
Chemicals and Chemical Products (Dyes, Paints, etc.) - Drugs and Pharmaceuticals	1,805

DBS

DBS Bank Ltd., India

Industry	31 Mar 17
Infrastructure - Telecommunication	1,607
Rubber, Plastic and their Products	1,554
All Engineering - Electronics	1,387
Professional Services	1,077
Food Processing - Others	1,031
Food Processing - Edible Oils and Vanaspati	1,014
Infrastructure - Energy - others	868
Petro-chemicals	564
Paper and Paper Products	556
Beverages	313
Wood and Wood Products	303
Textiles - Others	273
Wholesale Trade (other than Food Procurement)	250
Glass & Glassware	157
Transport Operators	114
Food processing - Coffee	107
Food processing - Sugar	34
Leather and Leather products	26
Food Processing - Tea	19
Tourism, Hotel and Restaurants	14
Textiles - Spinning Mills	10
Total Credit Exposure (non-fund based)	**211,572**

Maturity of Assets as at 31 March 2017

Particulars	Cash	Balance with RBI	Balance with Banks	Investments (net of depreciation)	Loans & Advances (net of provisions)	Fixed Assets	Other Assets
1 day	63	158	8,156	1,856	9,444	-	432
2–7 days	-	9,614	-	19,718	11,967	-	552
8–14 Days	-	702	-	3,086	4,859	-	120
15-30 Days	-	613	-	5,161	31,518	-	460
31 Days - 2 months	-	542	324	6,456	26,942	-	402
2-3 months	-	627	1,297	3,430	20,525	-	302
3–6 Months	-	774	-	13,689	49,282	-	780
6 Months – 1 Year	-	493	-	2,722	22,174	-	326
1–3 Years	-	408	1,621	10,105	22,293	-	841
3–5Years		336	15,564	4,754	6,065		243
Over 5Years	-	5,553	-	31,504	13,312	581	72,674
Total	**63**	**19,820**	**26,962**	**102,481**	**218,382**	**581**	**77,132**

Note: The same maturity bands as used for reporting positions in the ALM returns have been used by the Bank.

Classification of NPA's

Particulars	31 Mar 17
Amount of NPAs (Gross)	8,384
Substandard	3,746
Doubtful 1	2,971
Doubtful 2	1,083
Doubtful 3	584
Loss	-

Movement of NPAs and Provision for NPAs

	Particulars	31 Mar 17
A	Amount of NPAs (Gross)	8,384
B	Net NPAs	4,625
C	NPA Ratios	
	- Gross NPAs to gross advances (%)	3.77%
	- Net NPAs to net advances (%)	2.12%
D	Movement of NPAs (Gross)	
	- Opening balance as of the beginning of the financial year	16,327
	- Additions	6,019
	- Reductions on account of recoveries/ write - offs	13,962
	- Closing balance	8,384
E	Movement of Provision for NPAs	
	- Opening balance as of the beginning of the financial year	8,661
	- Provision made during the year	2,768
	- Write – offs / Write – back of excess provision	7,670
	- Closing balance	3,759

General Provisions

In accordance with RBI guidelines, the Bank maintains provision on standard advances, standard derivative exposures and provision on Unhedged Foreign Currency Exposure (UFCE). Movement in general provisions is detailed below

Particulars	31 Mar 17
Opening Balance	**1,117**
Add: Provisions Made During the Year	**188**
Less: Write off / Write back of Excess provisions during the Year	**-**
Closing Balance	**1,305**

Amount of Non-Performing Investments and Provision for NPIs

Non-Performing Investments and Provision for NPIs is given below:

	Particulars	31 Mar 17
A	Amount of Non-Performing Investments (Gross)	671
B	Amount of provisions held for non-performing investments	64

Movement in Provisions held towards Depreciation on Investments

Movement in Provisions held towards Depreciation on Investments is given below:

Particulars	31 Mar 17
Opening Balance	24
Add: Provisions made during the year	416
Less: Write off / Write back of excess provisions during the year	-
Closing Balance	**440**

Industry wise Past Due Loans

Particulars	31 Mar 17
Infrastructure - Communication - Telecommunication and Telecom Services	4,120
Basic Metal & Metal products - Iron and Steel	3,577
Glass & Glassware	298
Paper and Paper Products	187
Tourism, Hotel and Restaurants	167
Wood and Wood Products	147
Basic Metal & Metal products - Other Metal and Metal Products	126
Trading Activity	80
Total	**8,702**

Ageing of Past Due Loans

Particulars	31 Mar 17
Overdue upto 30 Days	8,420
Overdue between 31 and 60 Days	135
Overdue between 61 and 90 Days	147
Total	**8,702**

The Bank does not have overseas operations and hence amount of NPAs and past due loans are restricted to the domestic segment.

Industry wise NPAs

Particulars	Amount of NPA	Specific Provision
Paper & Paper Products	2,597	800
Basic Metal & Metal products - Iron and Steel	2,176	550
Construction	919	446
Infrastructure - Transport - Roadways	623	435
Trading Activity	488	343
Computer Software	378	337
Infrastructure - Social and Commercial Infrastructure - Education Institutions	357	316
Food Processing - Edible Oils and Vanaspati	286	209
All Engineering - Electronics	218	115
Textiles - Others	147	147
Gas/LNG (storage and pipeline)	145	22
Beverages (excluding Tea & Coffee) - Others	26	26
Chemicals and Chemical Products (Dyes, Paints, etc.) - Drugs and Pharmaceuticals	22	11
Retail Trade	2	2
Total	**8,384**	**3,759**

Industry wise General Provisions

Particulars	31 Mar 17
Banks	295
Infrastructure - Telecommunication	127
Non-Banking Financial Institutions/Companies	126
Construction	107
Infrastructure - Energy - Oil/Gas/Liquefied Natural Gas (LNG) storage facility	73
Basic Metal & Metal products - Iron and Steel	47
Retail Others	42
Other Services	39
Other Industries	34
Mining and Quarrying - Others	33
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	33
Chemicals and Chemical Products (Dyes, Paints, etc.) - Drugs and Pharmaceuticals	32
Vehicles, Vehicle Parts and Transport Equipments	32
Food Processing - Edible Oils and Vanaspati	28
Trading Activity	28
Infrastructure - Electricity (generation-transportation and distribution)	24
Metal and Metal Products	23
Chemicals and Chemical Products (Dyes, Paints, etc.) - Fertilisers	22
Chemicals and Chemical Products (Dyes, Paints, etc.) - Others	20
Infrastructure - Transport - Ports	16
Food Processing - Others	15
Rubber, Plastic and their Products	15
All Engineering - Others	14
All Engineering - Electronics	11
Petro-chemicals	10
Professional Services	7
Beverages	7
Paper and Paper Products	6
Transport Operators	5
Wholesale Trade (other than Food Procurement)	5
Wood and Wood Products	5
Textiles - Others	4
Tourism, Hotel and Restaurants	4
Computer Software	4
Infrastructure - Energy - Others	3
Food Processing - Tea	3
Cement and Cement Products	2
Glass & Glassware	1
Leather and Leather products	1
Food processing - Coffee	1
Food processing - Sugar	1
Total	**1,305**

Industry wise Specific Provisions (net of write-backs)

Particulars	31 Mar 17
Paper and Paper Products	800
Trading Activity	343
Basic Metal & Metal products - Iron and Steel	105
Food Processing - Edible Oils and Vanaspati	100
All Engineering - Electronics	82
Infrastructure - Energy - Oil/Gas/Liquefied Natural Gas (LNG) storage facility	22
Other Industries	2
Infrastructure - Telecommunication	(48)
Infrastructure - Transport - Roadways	(53)
Beverages	(54)
Textiles - Cotton	(91)
Food Processing - Others	(104)
Infrastructure - Others	(119)
Chemicals and Chemical Products (Dyes, Paints, etc.) - Drugs and Pharmaceuticals	(123)
Professional Services	(213)
Coal	(353)
Mining and Quarrying - Others	(360)
Transport Operators	(492)
Computer Software	(562)
Construction	(1,167)
All Engineering - Others	(1,183)
Infrastructure - Water sanitation	(1,434)
Total	**(4,902)**

Industry wise write-off's

Particulars	31 Mar 17
Construction	2,609
Infrastructure - Water sanitation	2,410
All Engineering - Others	1,167
Transport Operators	718
Coal	706
Mining and Quarrying - Others	379
Computer Software	344
Food Processing - Edible Oils and Vanaspati	284
Textiles - Cotton	210
Food Processing - Others	174
Infrastructure - Others	142
Chemicals and Chemical Products (Dyes, Paints, etc.) - Drugs and Pharmaceuticals	128
Infrastructure - Telecommunication	47
Professional Services	46
Infrastructure - Transport - Roadways	43
All Engineering - Electronics	39
Total	**9,446**

4. Disclosures for Credit Risk: Portfolios subject to Standardised approach

Qualitative Disclosures

Currently based on our clientele, ratings of the following agencies have been used i.e. CARE, CRISIL, India Ratings and Research Private Ltd., ICRA, Brickwork, SME Rating Agency Pvt Ltd (SMERA), Standards & Poors, Moody's and Fitch for all exposures. The Bank assigns Long term credit ratings accorded by the chosen credit rating agencies for assets which have a contractual maturity of more than one year. However, in accordance with RBI guidelines, the Bank classifies all cash credit exposures as long term exposures and accordingly the long term ratings accorded by the chosen credit rating agencies are assigned. The Bank uses both issue specific and issuer ratings. In accordance with RBI guidelines, for risk-weighting purposes, short-term ratings are deemed to be issue-specific.

Quantitative Disclosures

Categorization of Credit Exposures (Fund and Non Fund based) * classified on the basis of Risk Weightage is provided below:

Particulars	31 Mar 17
< 100 % Risk Weight	315,036
100 % Risk Weight	123,196
> 100 % Risk Weight	18,685
Total	**456,917**

* Credit Exposures are reported net of NPA provisions and provision for diminution in fair value of restructured advances classified as Standard.

5. Disclosures for Credit Risk Mitigation on Standardised approach

Qualitative Disclosures

This is detailed in our policy on Credit Risk Mitigation techniques and Collateral Management.

Quantitative Disclosures

Currently, eligible financial collateral in the form of fixed deposits under lien, amount accepted under Parallel Deposit and guarantees issued by eligible guarantor as specified in RBI guidelines have been used as credit risk mitigants. In the case of fixed deposits under lien, the Bank reduces its credit exposure to counterparty by the value of the fixed deposits.

The details of exposures (after application of haircut) wherein the bank has used credit risk mitigants (CRM) are as under:

Product	Amount of CRM
Fund based exposure	916
Total	**916**

6. Disclosure on Securitisation for Standardised approach

The Bank has not undertaken any securitisation and hence this disclosure is not applicable.

7. Disclosure on Market Risk in Trading book

Qualitative disclosures

Market Risk arises from changes in value from changes in interest rates yields, foreign exchange rates, equity prices, commodity prices, credit spreads and the impact of changes in the correlations and volatilities of these risk factors. The Banks market risk appetite is determined by the Group Board of Directors, with detailed limit frameworks recommended by the appropriate risk committees. The Group Market & Liquidity Risk Committee, which reports into the Group Risk Executive Committee, oversees the market risk management infrastructure, sets market risk control limits and provides enterprise-wide oversight of all market risks and their management.

The Group's market risk framework identifies the types of the market risk to be covered, the risk metrics and methodologies to be used to capture such risk and the standards governing the management of market risk within the Group including the limit setting and independent model validation, monitoring and valuation.

The principal market risk appetite measure is Expected Shortfall. The Expected Shortfall is supplemented by risk control measures, such as sensitivities to risk factors, including their volatilities, as well as P&L loss triggers (Management Action Triggers) for management action.

Expected Shortfall estimates the potential loss on the current portfolio assuming a specified time horizon and level of confidence. The Expected Shortfall methodology uses a historical simulation approach to forecast the Group's market risk. Expected Shortfall risk factor scenarios are aligned to parameters and market data used for valuation. The Expected Shortfall is calculated for T&M trading, T&M banking and ALCO book.

On a daily basis, the Bank computes trading Expected Shortfall for each business unit and location, and at the Group level. Banking Expected Shortfall is computed on a weekly basis for each business unit and location. The trading Expected Shortfall forecasts are back-tested against the profit and loss of the trading book to monitor its predictive power.

To complement the Expected Shortfall framework, regular stress testing is carried out to monitor the Banks vulnerability to shocks. Also, monthly and annual P/L stop loss limits is monitored on a daily basis for the Trading book.

The risk control measures such as Interest rate PV01 (IRPV01) and FX delta measures the interest rate and FX rate risk to the current portfolio. The IR PV01 measures the change in the Net present value (NPV) due to an increase of 1 basis point in interest rates .The FX delta measures the change in NPV due to an increase of 1 unit in FX rates. The currency wise IRPV01 and FX Delta is calculated daily for T&M trading, T&M banking and ALCO book.

The other risk control measures such as Credit spread PV01 (CSPV01) and Jump to default (JTD) measures the change in the NPV due to an increase of 1 basis point in credit spreads and the expected loss due to immediate default respectively. The CSPV01 and JTD are calculated daily for T&M trading book.

The other risk control measures such as Credit spread PV01 (CSPV01) and Jump to default (JTD) measures the change in the NPV due to an increase of 1 basis point in credit spreads and the expected loss due to immediate default respectively. The CSPV01 and JTD are calculated daily for T&M trading book.

Quantitative Disclosures

Capital Requirement for Market Risk *

Particulars	31 Mar 17
Interest rate risk	4,809
Foreign exchange risk (including gold)	360
Equity position risk	171

* Capital required for Market Risk is calculated at 8% of Risk Weighted Assets.

8. Operational Risk

Qualitative Disclosures

Strategy and Process

The Group Operational Risk Management (ORM) policy:

- Defines operational risk and the scope of its application;
- Establishes the dimensions of operational risk;
- Provides a consistent Group wide approach for managing operational risk in a structured, systematic and consistent manner across DBS.

Operational risk arises from inadequate or failed internal processes, people, systems or from external events. It includes legal risk but excludes strategic or reputation risk

DBS adopts a zero tolerance mindset for operational risk that can endanger the franchise.

The Group ORM policy developed by the Head Office in Singapore has been adopted by the branches in India. The policy comprises of risk governance, risk policies, risk mitigation programmes, risk and control self-assessments, risk event management and reporting, and key risk indicators.

The ORM policy includes inter-alia:

a) ORM Governance key responsibilities (Board, Senior Management, Location / Business level)

b) ORM guiding principles

c) Core Operational Risk Standards (CORS)

d) Control and mitigation:
   - Internal controls
   - Global Insurance Programme; and
   - Business Continuity Management

e) Risk Tools and Mechanisms comprising:
   - Risk & Control Self-Assessment (RCSA)
   - Operational Risk Event Management & Reporting (OREM&R)
   - Key Risk Indicators (KRI)
   - Scenario Assessment (SA)
   - Issue Management & Action Tracking
   - Risk Analysis, Reporting and Profiling

f) Risk Quantification & Disclosure
   - Loss Provisioning / Capital Allocation

Structure and Organisation

The Bank has in place an India Operational Risk Committee (IORC) which meets on a monthly basis to discuss operational risk issues / related matters. The committee is chaired by the Senior Risk executive (SRE) and is administered by the Head - Operational Risk, India. The committee reports to the India Management Committee (IMC). This ensures appropriate management oversight of operational risks facing the Bank.

The IORC comprises of the Heads of the Institutional Banking Group, Consumer Banking Group, Global Transaction Services, Treasury & Markets, Technology & Operations, Finance, Legal & Compliance, Internal Audit and other members as defined in the Terms of Reference (TOR)

As part of the Bank's ORM structure, an independent Operational Risk function is in place led by the local Head of Operational Risk, who reports to the SRE, India and functionally to the Group Head of Operational Risk at the Head Office in Singapore.

Coverage includes identifying, assessing, controlling / mitigating risk, monitoring, reporting risk and also ensuring compliance with DBS Group standards and meeting local and MAS regulatory requirements relating to Operational Risk.

In addition to the independent Operational Risk function, Unit Operational Risk Managers (UORM) are appointed within all Business Units (BU) and Support Units (SU) to support and implement the risk management policy & process and to ensure maintenance of adequate controls on an ongoing basis. Periodic training / orientations / discussions are held to keep UORM updated with key developments.

Risk Mitigation Programs

Internal Controls

The day-to-day management of Operational Risk within the Bank is through maintenance of a comprehensive system of internal controls. An effective internal control system is a combination of a strong control environment and appropriate internal control procedures. These internal controls comprise preventive, detective, escalation and corrective controls.

Global Insurance Programme (GIP)

GIP helps to mitigate operational risk losses from significant risk events.

The key objective of GIP is to reduce low frequency high impact financial losses via transfer of loss to external funding sources (insurers). In line with DBS ORM philosophy, high frequency low impact operational losses are managed through establishment of strong internal controls.

Business Continuity Management (BCM) is a key Operational Risk programme of DBS to minimize the impact of a business disruption, irrespective of cause, and to provide an acceptable level of business until normal business operations are resumed.

BU/SUs are to comply with the BCM Policies and Standards established by Group Business Continuity Management (GBCM).

BCM includes the following:

- Establishment of ownership, roles and responsibilities
- Risk analysis
- Business impact analysis
- Recovery strategies
- Familiarisation of emergency response and crisis management plans
- Regular review and maintenance
- Regular, complete and meaningful testing

Risk Reporting and Measurement

Operational Risk related MIS is reported through the central ORM system (ROR - Reveleus Operational Risk), as follows:

- Incident Management (IM) Module - for reporting of Risk Events (including near miss and timing error, etc.)
- Issue and Action Management (IAM) Module - for tracking of issues and actions emanating from Risk Events, Audit Issues, Regulatory Issues and other risk related issues
- Key Indicator (KI) Module - for reporting and monitoring of Key Risk Indicators (KRI)
- Risk and Control Self-Assessment (RCSA) Module - to facilitate and record the assessment of the Risk and Control Self-Assessment process.

RCSA review and assessment is performed as per risk based frequency approach.

The Operational Risk Profile including relevant MIS relating to the above is placed at the monthly India Operational Risk Committee (IORC).

Approach for operational risk capital assessment

- The Bank currently adopts the Basic Indicator Approach to calculate capital for operational risk.

9. Interest rate risk in the banking book (IRRBB)

Qualitative Disclosures

The Asset and Liability Committee ("ALCO") oversees the structural interest rate risk and funding liquidity risk in the Bank. The Market & Liquidity Risk Committee (MLRC) ensures that the exposures are within prudent levels. Structural interest rate risk arises from mismatches in the interest rate profile of customer loans and deposits. This interest rate risk has several aspects: basis risk arising from different interest rate benchmarks, interest rate re-pricing risk, yield curve risks and embedded optionality. To monitor the structural interest rate risk, the tools used by DBS include re-pricing gap reports based on traditional as well as duration gap approach, sensitivity analysis and income simulations under various scenarios.

Quantitative Disclosures

The Bank uses the Duration Gap approach to measure the impact of Market Value of Equity (MVE) for upward and downward rate shocks. This measures the potential change in MVE of the Bank for a 200 bps change in interest rates. The change in MVE due to a 200 change in interest rates are (for banking and trading book):-

Change in MVE due to a 200 bps change in interest rates	INR Million
31st March, 2017	(2,480.41)

The impact on Earnings is computed as per the definition laid down in the ALM Policy of the Bank. Per the policy, Earnings-at-Risk (EaR) measures the interest rate risk from the earnings perspective. It is computed as an impact (over a 1-year horizon) of a 1% parallel shift in the yield curve on the Bank's earning. This is computed using the net IRS gaps for each bucket up to 1 year and the mark-to-market impact of 1% rise in interest rates on the AFS and HFT portfolio is to this. The aggregate of these approximates the net revenue impact of a 1% parallel shift (increase in interest rates) in the yield curve over a 1 year horizon and acts as a useful tool in the hands of the MLRC to monitor and assess the impact of Interest rate risk exposure of the Bank on its revenue.

EaR is computed at a Bank-wide level.

EaR on the INR book (trading and banking)	INR Million
31st March, 2017	(2,741.98)

10. General Disclosure for Exposures Related to Counterparty Credit Risk

Qualitative Disclosures

USE OF ECONOMIC CAPITAL (EC) FOR CONCENTRATION RISK MANAGEMENT

While the Bank firmly complies with regulatory capital requirements at all times, we recognize the need to have more robust methodologies to measure capital usage. The Bank has adopted both qualitative and quantitative measures to address credit concentration risk. In addition to the regulatory limits, there are internally developed risk limits on the amount of exposure, as a percentage of the total exposure, that can be taken on any single industry, to avoid any sector concentration. Additionally, the Bank has developed maximum exposure limit norms which stipulates the amount of exposure that may be taken on a borrower considering its turnover and credit risk rating. In order to address the geographic concentration risk, the bank has implemented a policy on the maximum amount of advance, as a percentage of the total advances, which can be booked in a branch. The quantitative measurement of concentration risk, both for name and sector concentration and allocation of additional capital is one of the component of our ICAAP.

CREDIT RISK MITIGANTS

Collateral

Where possible, the Bank takes collateral as a secondary recourse to the borrower. Collateral includes cash, marketable securities, properties, trade receivables, inventory and equipment and other physical and financial collateral. The Bank may also take fixed and floating charges on the assets of borrowers. It has put in place policies to determine the eligibility of collateral for credit risk mitigation, which include requiring specific collaterals to meet minimum operational requirements in order to be considered as effective risk mitigants.

When a collateral arrangement is in place for financial market counterparties covered under market standard documentation (such as Master Repurchase Agreements and International Swaps and Derivatives Association (ISDA) agreements), collateral received is marked to market on a frequency mutually agreed with the counterparties.

DBS is required to post additional collateral in the event of a rating downgrade. As at 31 December 2016, for a three-notch downgrade of its Standard & Poor's Ratings Services and Moody's Investors Services ratings, DBS Bank will have to post additional collateral amounting to SGD 44 million (2015: SGD 57 million)

Other Risk Mitigants

The Bank manages its credit exposure from derivatives, repo and other repo-style transactions by entering into netting and collateral arrangements with counterparties where it is appropriate and feasible to do so. The credit risk associated with outstanding contracts with positive mark to market is reduced by master netting arrangements to the extent that if an event of default occurs, all amounts with a single counterparty in a netting-eligible jurisdiction are settled on a net basis.

The Bank may also enter into agreements which govern the posting of collateral with derivative counterparties for credit risk mitigation (e.g. Credit Support Annexes under ISDA master agreements). These are governed by internal guidelines with respect to the eligibility of collateral types and the frequency of collateral calls.

In addition, the Bank also uses guarantees as credit risk mitigants. While the Bank may accept guarantees from any counterparty, it sets internal thresholds for considering guarantors to be eligible for credit risk mitigation.

COUNTER PARTY RISK MANAGEMENT

Counterparty risk that may arise from traded products and securities is measured on a loan equivalent basis and included under the Bank's overall credit limits to counterparties. Issuer Default Risk that may arise from traded products and securities are generally measured based on jump-to-default computations.

The Bank actively monitors and manages its exposure to counterparties in over-the-counter (OTC) derivative trades to protect its balance sheet in the event of counterparty default. Counterparty risk exposures which may be materially and adversely affected by market risk events are identified, reviewed and acted upon by management and highlighted to the appropriate risk committees. In addition, the Bank's risk measurement methodology takes into account the higher risks associated with transactions that exhibit a strong relationship between the creditworthiness of a counterparty and the expected future replacement value of a relevant transaction (so called wrong-way risk) as identified during the trade booking process. The current exposure method is used for calculating the Bank's net credit exposure and regulatory capital for counterparty exposures, using the mark-to-market exposures with an appropriate add-on factor for potential future exposures.

Quantitative Disclosures

Particulars	Notionals	Credit Exposures
- Currency Derivatives	2,080,935	127,960
- Interest Rate Derivatives	1,727,803	23,045

11. Composition of Capital

(Rs. in million)

Basel III common disclosure template to be used from March 31, 2017				Ref No
Common Equity Tier 1 capital : instruments and reserves				
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	32,113.53		A
2	Retained earnings	18,791.30		B+C+E+G
3	Accumulated other comprehensive income (and other reserves)	-		
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-		
6	**Common Equity Tier 1 capital before regulatory adjustments**	48,497.28		
Common Equity Tier 1 capital : regulatory adjustments				
7	Prudential valuation adjustments	567.31		
8	Goodwill (net of related tax liability)	-		
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	-		
10	Deferred tax assets	1,892.87		F
11	Cash-flow hedge reserve	-		
12	Shortfall of provisions to expected losses	-		
13	Securitisation gain on sale	-		
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-		
15	Defined-benefit pension fund net assets	-		
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)	-		
17	Reciprocal cross-holdings in common equity	-		
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-		
Common Equity Tier 1 capital : regulatory adjustments				
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-		
20	Mortgage servicing rights (amount above 10% threshold)	-		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-		H
22	Amount exceeding the 15% threshold	-		
23	of which: significant investments in the common stock of financial entities	-		
24	of which : mortgage servicing rights	-		
25	of which : deferred tax assets arising from temporary differences	-		
26	National specific regulatory adjustments (26a+26b+26c+26d)	-		
	a.of which : Investments in the equity capital of unconsolidated insurance subsidiaries	-		
	b.of which : Investments in the equity capital of unconsolidated non-financial subsidiaries	-		
	c.of which : Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	-		
	d.of which : Unamortised pension funds expenditures	-		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		
28	**Total regulatory adjustments to Common equity Tier 1**	4,867.73		
29	**Common Equity Tier 1 capital (CET1)**	43,629.55		
Additional Tier 1 capital : instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)	-		
31	of which : classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	-		
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	-		
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-		
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-		
35	of which : instruments issued by subsidiaries subject to phase out	-		
36	**Additional Tier 1 capital before regulatory adjustments**	-		
Additional Tier 1 capital : regulatory adjustments				
37	Investments in own Additional Tier 1 instruments	-		
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-		
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-		
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-		

Basel III common disclosure template to be used from March 31, 2017				Ref No
41	National specific regulatory adjustments (41a+41b)	-		
	a. of which : Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	-		
	b. of which : Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	-		
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	-		
	of which:	-		
	of which:	-		
	of which:	-		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		
43	**Total regulatory adjustments to Additional Tier 1 capital**	-		
44	**Additional Tier 1 capital (AT1)**	-		
	a. Additional Tier 1 capital reckoned for capital adequacy	-		
45	**Tier 1 capital (T1 = CET1 + Admissible AT1) (29 + 44a)**	43,629.55		
Tier 2 capital: instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-		
47	Directly issued capital instruments subject to phase out from Tier 2	16,861.00		I
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-		
49	of which: instruments issued by subsidiaries subject to phase out	-		
50	Provisions	1,419.27		D+J
51	**Tier 2 capital before regulatory adjustments**	18,280.27		
Tier 2 capital : regulatory adjustments				
52	Investments in own Tier 2 instruments	-		
53	Reciprocal cross-holdings in Tier 2 instruments	-		
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-		
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-		
56	National specific regulatory adjustments (56a+56b)	-		
	a. of which : Investments in the Tier 2 capital of unconsolidated insurance subsidiaries	-		
	b. of which : Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	-		
	Regulatory Adjustments Applied to Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment	-		
	of which: [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 2 at 50%]	-		
	of which: [INSERT TYPE OF ADJUSTMENT]	-		
57	Total regulatory adjustments to Tier 2 capital	-		
58	Tier 2 capital (T2)	18,280.27		
	a. Tier 2 capital reckoned for capital adequacy	18,280.27		
	b. Excess Additional Tier 1 capital reckoned as Tier 2 capital	-		
	c. Total Tier 2 capital admissible for capital adequacy (58a + 58b)	18,280.27		
59	**Total capital (TC = T1 + Admissible T2) (45 + 58c)**	61,909.82		
60	**Total risk weighted assets (60a + 60b + 60c)**	375,356.17		
	a. of which: total credit risk weighted assets	289,195.41		
	b. of which: total market risk weighted assets	66,738.36		
	c. of which: total operational risk weighted assets	19,422.40		
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	11.62%		
62	Tier 1 (as a percentage of risk weighted assets)	11.62%		
63	Total capital (as a percentage of risk weighted assets)	16.49%		
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)	6.75%		
65	of which : capital conservation buffer requirement	1.25%		
66	of which : bank specific countercyclical buffer requirement	-		
67	of which : G-SIB buffer requirement	-		
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	4.87%		
National minima (if different from Basel III)				
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	6.75%		
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%		
71	National total capital minimum ratio (if different from Basel III minimum)	10.25%		
Amounts below the thresholds for deduction (before risk weighting)				
72	Non-significant investments in the capital of other financial entities	-		

Basel III common disclosure template to be used from March 31, 2017				Ref No
73	Significant investments in the common stock of financial entities	-		
74	Mortgage servicing rights (net of related tax liability)	-		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	-		
Applicable caps on the inclusion of provisions in Tier 2				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	1,419.27		
77	Cap on inclusion of provisions in Tier 2 under standardised approach	3,614.94		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	NA		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	NA		
(only applicable between March 31, 2017 and March 31, 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements	-		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-		
82	Current cap on AT1 instruments subject to phase out arrangements	-		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-		
84	Current cap on T2 instruments subject to phase out arrangements	-		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-		

Notes to the above Template

Row No. of the template	Particular	(Rs. in million)
10	Deferred tax assets associated with accumulated losses	1,892.87
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	-
	Total as indicated in row 10	1,892.87
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	-
	of which : Increase in Common Equity Tier 1 capital	-
	of which : Increase in Additional Tier 1 capital	-
	of which : Increase in Tier 2 capital	-
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then :	-
	i) Increase in Common Equity Tier 1 capital	-
	ii) Increase in risk weighted assets	-
44a	Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)	-
	of which : Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	-
50	Eligible Provisions included in Tier 2 capital	1,419.27
	Eligible Revaluation Reserves included in Tier 2 capital	-
	Total of row 50	1,419.27
58a	Excess Tier 2 capital not reckoned for capital adequacy (difference between Tier 2 capital as reported in row 58 and T2 as reported in 58a)	-

2. Composition of Capital – Reconciliation Requirements

(Rs. in million)

Step 1		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on 31 Mar 2017	**As on 31 Mar 2017**
A	**Capital & Liabilities**		
i.	Paid-up Capital	**32,113.53**	**32,113.53**
	Reserves & Surplus	**14,051.51**	**14,051.51**
	Minority Interest	**-**	**-**
	Total Capital	46,165.04	46,165.04
ii.	Deposits	**269,909.65**	**269,909.65**
	of which : Deposits from banks	31,608.41	31,608.41
	of which : Customer deposits	236,327.96	236,327.96
	of which : Other deposits (CD's)	1,973.28	1,973.28
iii.	Borrowings	**57,815.00**	**57,815.00**
	of which : From RBI	**-**	**-**
	of which : From banks	27,323.13	27,323.13
	of which : From other institutions & agencies	13,630.87	13,630.87
	of which : Others (pl. specify)	**-**	**-**
	of which : Capital instruments	16,861.00	16,861.00
iv.	Other liabilities & provisions	**71,530.89**	**71,530.89**
	Total	**445,420.58**	**445,420.58**

Step 1		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on 31 Mar 2017	As on 31 Mar 2017
B	**Assets**		
i.	Cash and balances with Reserve Bank of India	**19,882.50**	**19,882.50**
	Balance with banks and money at call and short notice	**26,962.43**	**26,962.43**
ii.	Investments :	**102,481.29**	**102,481.29**
	of which : Government securities	81,138.24	81,138.24
	of which : Other approved securities		
	of which : Shares	863.17	863.17
	of which : Debentures & Bonds	10,934.10	10,934.10
	of which : Subsidiaries / Joint Ventures / Associates	-	-
	of which : Others (Commercial Papers, Certificate of deposits, Security Receipts of Asset Reconstruction Companies)	9,545.78	9,545.78
iii.	Loans and advances	**218,382.26**	**218,382.26**
	of which : Loans and advances to banks	59,014.30	59,014.30
	of which : Loans and advances to customers	159,367.96	159,367.96
iv.	Fixed assets	**580.58**	**580.58**
v.	Other assets	**77,131.52**	**77,131.52**
	of which : Goodwill and intangible assets	**-**	**-**
	of which : Deferred tax assets	4,755.39	4,755.39
vi.	Goodwill on consolidation	**-**	**-**
vii.	Debit balance in Profit & Loss account	**-**	**-**
	Total Assets	**445,420.58**	**445,420.58**

(Rs. in million)

Step 2		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation	Ref No.
		As on 31 Mar 2017	As on 31 Mar 2017	
A	**Capital & Liabilities**			
i.	Paid-up Capital	**32,113.53**	**32,113.53**	
	of which : Amount eligible for CET1	32,113.53	32,113.53	A
	of which : Amount eligible for AT1	-	-	
	Reserves & Surplus	**14,051.51**	**14,051.51**	
	of which :			
	Statutory Reserve	3,756.78	3,756.78	B
	Capital Reserve	5.10	5.10	C
	Investment Reserve	74.77	74.77	D
	Amount Retained in India for CAPAD	12,621.87	12,621.87	E
	Deferred Tax Reserve	0.54	0.54	
	Balance in Profit and Loss account	(2,407.55)	(2,407.55)	G
	Minority Interest			
	Total Capital	**46,165.04**	**46,165.04**	
ii.	Deposits	**269,909.65**	**269,909.65**	
	of which : Deposits from banks	31,608.41	31,608.41	
	of which : Customer deposits	236,327.96	236,327.96	
	of which : Other deposits (CD's)	1,973.28	1,973.28	
iii.	Borrowings	**57,815.00**	**57,815.00**	
	of which : From RBI	-	-	
	of which : From banks	27,323.13	27,323.13	
	of which : From other institutions & agencies	13,630.87	13,630.87	
	of which : Others			
	of which : Capital instruments	16,861.00	16,861.00	
	- of which Eligible for T2 capital	16,861.00	16,861.00	I
iv.	Other liabilities & provisions	**71,530.89**	**71,530.89**	
	of which : Provision against standard asset and country risk	1,344.50	1,344.50	J
		-	-	
	Total	**445,420.58**	**445,420.58**	
B	**Assets**			
i.	Cash and balances with Reserve Bank of India	**19,882.50**	**19,882.50**	
	Balance with banks and money at call and short notice	**26,962.43**	**26,962.43**	

ii.	Investments :	**102,481.29**	**102,481.29**	
	of which : Government securities	81,138.24	81,138.24	
	of which : Other approved securities	-	-	
	of which : Shares	863.17	863.17	
	of which : Debentures & Bonds	10,934.10	10,934.10	
	of which : Subsidiaries / Joint Ventures / Associates	-	-	
	of which : Others (Commercial Papers, Certificate of deposits, Security Receipts of Asset Reconstruction Companies)	9,545.78	9,545.78	
iii.	Loans and advances	**218,382.26**	**218,382.26**	
	of which : Loans and advances to banks	59,014.30	59,014.30	
	of which : Loans and advances to customers	159,367.96	159,367.96	
iv.	Fixed assets	**580.58**	**580.58**	
v.	Other assets	**77,131.52**	**77,131.52**	
	of which : Goodwill and intangible assets	-	-	
	of which : Deferred tax assets associated with accumulated losses	1,892.87	1,892.87	F
	of which : Deferred tax assets arising from temporary differences other than accumulated losses	2,862.52	2,862.52	H
vi.	Goodwill on consolidation	-	-	
vii.	Debit balance in Profit & Loss account	-	-	
	Total	**445,420.58**	**445,420.58**	

LEVERAGE RATIO

The Basel III leverage ratio is defined as the capital measure (Tier-1 capital of the risk based capital framework) divided by the exposure measure, with this ratio expressed as a percentage.

As per RBI guidelines, disclosures required for leverage ratio for the Bank at March 31, 2017 are as follows:

On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	387,794
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(4,868)
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)**	**382,926**
Derivative exposures		
4	Replacement cost associated with all *derivatives* transactions (i.e. net of eligible cash variation margin)	36,040
5	Add-on amounts for PFE associated with *all* derivatives transactions	93,378
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	**Total derivative exposures (sum of lines 4 to 10)**	**129,418**
Securities financing transaction exposures		
12	Gross SFT *assets* (with no recognition of netting), after adjusting for sale accounting transactions	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	CCR exposure for SFT assets	120
15	Agent transaction exposures	-
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	**120**
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	197,786
18	(Adjustments for conversion to credit equivalent amounts)	(126,431)
19	**Off-balance sheet items (sum of lines 17 and 18)**	**71,355**
Capital and total exposures		
20	Tier 1 capital *	38,938
21	**Total exposures (sum of lines 3, 11, 16 and 19)**	**583,819**
Leverage ratio		
22	**Basel III leverage ratio**	**6.67%**

* Net of Capital Conservation Buffer (CCB)

Summary comparison of accounting assets vs. leverage ratio exposure measure

1	Total consolidated assets as per published financial statements	445,421
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	71,791
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	120
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	71,355
7	Other adjustments	(4,868)
8	**Leverage ratio exposure**	**583,819**