Standard Chartered

Annual Report 2014-15

Driving investment, trade and the creation of wealth across Asia, Africa and the Middle East

sc.com/in | Here for good

About us

Standard Chartered Bank is India's largest international bank with 100 branches in 43 cities, a combined customer base of around 2 million retail customers and around 2500 corporate and institutional relationships. Key client segments include Corporate & Institutional Clients, Commercial & Private Banking Clients as well as Retail Clients. The various product groups offered include Corporate Finance, Financial Markets, Transaction Banking, Wealth Management as well as Retail Products.

For more information please visit sc.com/in

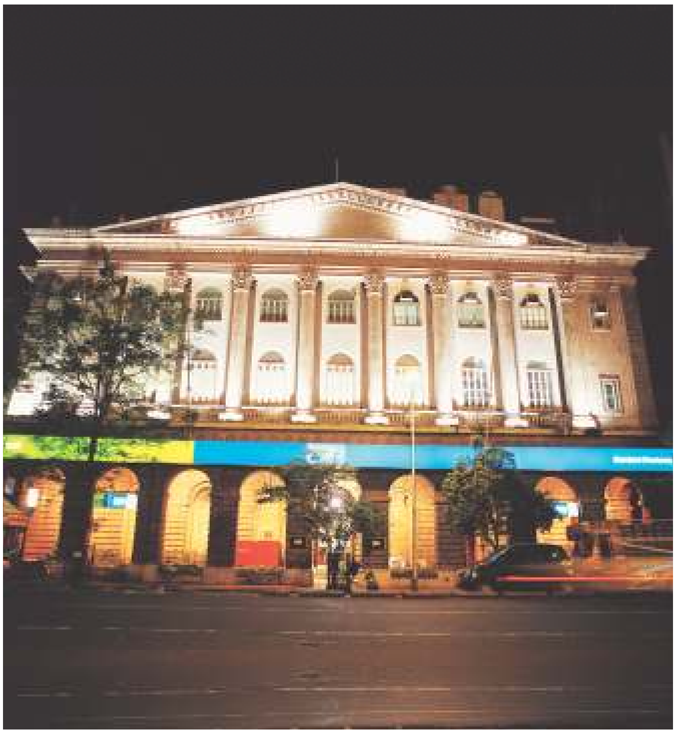
Follow Standard Chartered on:

- @StanChart
- linkedin.com/company/standard-chartered-bank
- facebook.com/standardcharteredIN

Operational highlights in 2015

- Total Income (net of interest expense) at ₹ 88.65 billion: up 4 per cent
- Profit Before Tax at ₹ 46.99 billion: up 93 per cent
- Profit after Tax at ₹ 30.51 billion: up 93 per cent
- Net NPA ratio: 0.34 per cent
- Provision Coverage Ratio: 97 per cent

Cover:
A branch of Standard Chartered Bank at Bandra Kurla complex in Mumbai. Bandra Kurla complex is a business hub in Mumbai that houses the Head Office of Standard Chartered Bank in India. In addition to having the widest branch network amongst foreign banks in India, the Bank has focussed on strengthening its various digital banking platforms to reach out to the evolving preferences of internet savvy customers.



Standard Chartered Bank India
2-13

Standard Chartered Bank India

Financial statements and notes
14-92

Financial statements and notes

Supplementary Information
93-95

Supplementary Information

Regional Chief Executive's Review

"Our disciplined approach over the last year has ensured that our Balance Sheet is in good shape – diversified, well-structured and liquid"

Sunil Kaushal
Regional Chief Executive Officer,
India & South Asia, Standard Chartered Bank

I am pleased to report that despite a challenging economic environment and record low credit off-take, our income is up 4 per cent and Profit Before Tax is up 93 per cent. While macro-economic headwinds and sluggish corporate activity threw up various impediments to growth last year, we adapted our strategy and responded with increased focus and resilience.

This steady set of domestic results has been driven by growth in our flow business (Retail, Transaction Banking and FX), tight cost control and lower provisioning levels. Both our Non Performing Loan (NPL) provision coverage ratio as well as net NPL ratio are among the best in the industry, at 97 per cent and 0.37 per cent respectively. Our disciplined approach over the last year has ensured that our Balance Sheet is in good shape – diversified, well-structured and liquid. We also implemented the Group-wide re-organisation and worked towards cementing the One Bank culture. We are positioning ourselves to take advantage of the expected economic recovery in India, as it emerges.

During the course of the last year, we reiterated the Bank's commitment to growing the franchise in India by opening our 100th branch in the country. This was a landmark achievement, and one that further strengthened our credentials as the largest foreign bank in the country. We are also continuously enhancing our digital channels to keep pace with innovation and change. This balanced approach has enabled us to not only broaden our product and service offerings but more importantly, it has redefined the way we are able to engage with our customers and keep abreast of the changing needs of an increasingly technology-savvy customer base.

The Bank continues to focus on embedding the right values and conduct among staff, in line with its brand promise of Here for good. This means getting the basics right: promoting financial stability, continuously striving for exemplary conduct and good governance, and supporting growth and job creation in the real economy.

India continues to be among the top three markets for the Bank both in terms of income and profit and remains core to the Bank's priorities and strategic intent. Over the last five years, we have increased our lending to clients by almost half, from $7.7 billion to $11.2 billion, making a substantial contribution to wealth creation, trade, growth and employment.

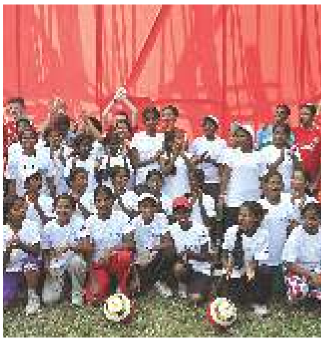
Outlook

As we look ahead, there are reasons for us to be optimistic. Political stability and the Government's focus on growth and reform are expected to revive corporate activity in the medium term. We expect stronger growth and declining inflation in the coming years. Our outlook is positive and we continue to have the right conversations with our clients. We are pursuing sustainable growth opportunities by increasing new-to-bank customers and also deepening existing client relationships even as we enhance our service and product capabilities supported by technology. I want to thank all our employees for a resilient performance in a rather challenging environment.

Sunil Kaushal
Regional Chief Executive Officer, India & South Asia,
Standard Chartered Bank

Our strategy
What guides us





Our ambition	**The world's best international bank**
Our strategy	**We bank the people and companies driving investment, trade and the creation of wealth across Asia, Africa and the Middle East**
Our brand promise	**Here for good**

Our aspirations

Relationships
Build trusted relationships with the people, companies and institution shaping our market's future

Investment
Play a leading role in facilitating investment and deepening financial markets

Trade
Become the undisputed leader in commercial payments and financing for and in Asia, Africa and the middle East

Wealth
Be recognised as a leader in growing and protecting our clients' wealth

Relevant scale
Establish sufficient scale and balance sheet and franchise strength to be relevant and influential in our key markets

Our values

Courageous
We take measured risks and stand up for what is right

Responsive
We deliver relevant, timely solutions for clients and customers

International
We value diversity and collaborate across the network

Creative
We innovate and adapt, continuously improving the way we work

Trustworthy
We are reliable, open and honest

Our commitments

Colleagues
A great place to work, enabling individuals to grow and teams to win

Society
A force for good, promoting sustainable economic and social development

Investors
A distinctive investment, delivering consistently superior performance via disciplined growth

Regulators
A responsible partner with exemplary governance and ethics

Our business model

How we create value

Banks play a crucial role in economies by facilitating payments and converting short-term deposits into long-term financing. Through these activities we take on and manage risk. As an international banking group focused on Asia, Africa and the Middle East, we serve a wide range of clients from individuals and small and mid-sized businesses to large companies and financial institutions, helping them to build, grow and protect their wealth.

We have a clear strategy and in 2014 reorganised our business to help us better support our clients and meet our aspirations.

Our business model is focused on sustainable value creation

We build deep relationships with our clients

- **Retail Clients**
  – individuals and small businesses
- **Private Banking Clients**
  – high net worth individuals
- **Commercial Clients**
  – mid-sized companies
- **Corporate & Institutional Clients**
  – large companies and financial institutions

We add value for our clients by using our distinctive strengths

- **Brand** – we have a 150-year history in some of the world's most dynamic markets and our Here for good brand promise captures what we stand for
- **Capital** – we are strongly capitalised and highly liquid, allowing us to support our clients for the long term
- **Local depth** – we draw upon deep local knowledge and experience in the markets in which we operate
- **Network** – we collaborate to support clients across our client segments, product groups and geographies
- **People** – our diverse and inclusive workforce is committed to the highest standards of conduct and integrity

And provide solutions that meet their evolving needs

- **Retail Products** – deposits, savings, mortgages, credit cards and personal loans, and other retail banking products
- **Wealth Management** – managed investments, insurance, currency and securities
- **Transaction Banking** – cash management, transactions, securities holdings and trade finance products
- **Corporate Finance** – financing, strategic advice, mergers and acquisitions, and equity and principal financing
- **Financial Markets** – investment, risk management and debt capital services

We ensure that the value is sustainable by focusing on three key priorities

- **Being a responsible company**
  – managing our operations to deliver long-term value for our stakeholders
- **Contributing to sustainable economic growth**
  – ensuring that our core business of banking supports sustainable growth and job creation
- **Investing in communities**
  – working with local communities to promote social and economic development

Through these activities, we generate income, profits and return on equity

- **Income**
  – net interest income, fee income and trading income
- **Profits**
  – income gained from providing our products and services minus expenses, impairment and taxes
- **Return on equity**
  – profit generated relative to the equity invested

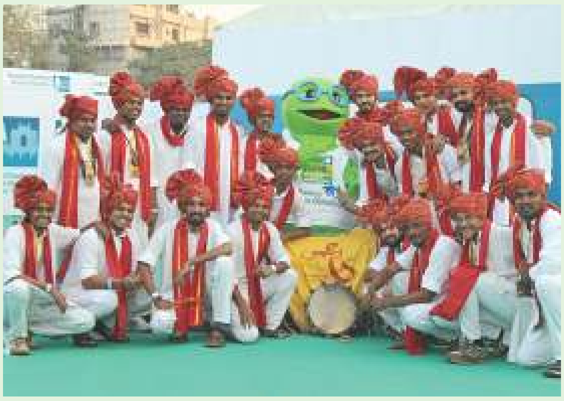
And create long-term value for a broad range of stakeholders

- **Clients** – enabling individuals to grow and protect their wealth, and helping businesses to invest, trade and expand
- **Shareholders** – delivering long-term sustainable value for investors
- **Employees** – providing a great place to work
- **Society** – supporting growth and job creation, delivering financial innovation and helping to address the most pressing challenges facing the communities in which we work

Highlights and Priorities

Our highlights in 2014

- Effectively transitioned from a two-business to a one-bank structure, successfully managing the impact on people
- Increased headcount to support the delivery of financial, regulatory, risk and compliance commitments
- Launched My Voice, a new employee engagement survey, to identify and benchmark the engagement drivers of our diverse, multi-generational workforce
- Deepened the focus on employee conduct and risk and control processes, in relation to performance and pay
- Strengthened and refreshed the senior leadership team to guide and navigate through change
- Continued to promote diversity and inclusion and launched a Flexibility Charter to encourage better work-life balance



Our priorities in 2015

- Raise the bar on conduct to ensure employees understand its criticality and are able to respond appropriately to the increasingly complex regulatory environment in which we operate
- Strengthen employee engagement and increase focus on delivering our network through even greater collaboration
- Continue to strengthen our leadership team so as to build capability and create credible succession plans
- Support our client-centric strategy with a review of enablers such as performance management, coaching, and career planning processes

Our Businesses

Financial Performance

In 2014-15, despite a challenging economic environment and low credit off-take, the Bank delivered an income growth of 4 per cent. Costs continued to be tightly managed and were down 8 per cent, resulting in operating profit before loan impairments rising by 11 per cent year on year. Profit before tax was up 93 per cent due to lower loan impairment as compared to the previous year. Our balance sheet is in good shape; diversified and liquid, and our CET1 ratio improved from 10.5 per cent to 11.8 per cent.

Corporate and Institutional Clients

Our Bank has a long history of success built on our client-centric approach where we strive to fully understand individual client needs and goals. Corporate & Institutional Clients (CIC) is at the forefront of that strategy, ensuring that we act as a partner to our clients spanning multinational companies, large local corporates and financial institutions.

What differentiates Standard Chartered is the consistency and the depth of relationships we are able to build with our clients. In fact, one of the most significant actions that we have taken over recent years is to consistently and overtly partner with clients through challenging economic times. We believe this has been a prime force of our success.

Some of our priorities to drive growth are:

- **Delivering the network:** Leverage our geographic spread to capture cross-border flows into and out of the country.
- **Deepen relationships:** Enhance client cross-sell by expanding the products offered and geographies we bank the client in.
- **Focus on flow business:** Work with our partners in Transaction Banking and Financial Markets to capture incremental Cash and Forex flows.
- **Balance sheet management:** Increase our CASA and corporate liabilities, effectively distribute our assets and focus on enhancing relationship returns

Corporate Finance

Corporate Finance provides customised and innovative corporate finance solutions to help clients meet their strategic objectives. We offer solutions in Advisory & Infrastructure Finance, Principal Finance, Strategic Finance, Structured Finance and Structured Trade Finance & Financing Solutions. Our teams are committed to provide bespoke solutions to our clients.

1) Joint financial advisor to United Spirits Limited on sale of its Scotch whisky business, Whyte and Mackay Group Limited, to Emperador UK Limited. Reconfirms the Bank's long-standing relationship with the United Breweries Group and Diageo Plc having been involved in key transactions in the past including Diageo's acquisition of United Spirits in 2013 and United Spirits' original acquisition of Whyte and Mackay in 2007.
2) Financial advisor to Shree Renuka Sugars Limited ("SRSL") to raise equity through preferential allotment to Wilmar Sugar Holdings Pte. Ltd. ("WSH") and manager to subsequent open offer to public shareholders of SRSL by WSH. This transaction represents one of the largest inbound investments in the agricultural commodity space in India

Standard Chartered continues to be one of the largest international commercial banks in the Indian Project Finance market. For the year 2014, the Bank played a lead role in several key deals including:

(a) financing of over 250 MW of wind power projects developed by CLP India, a wholly owned subsidiary of CLP Holdings Ltd. across 3 Indian states.

(b) arranging financing for a 3,300 MW thermal power project of the Adani Group, where the Bank leveraged the involvement of a Chinese EPC Contractor to raise USD 600 million of long term debt financing from Chinese Banks. This is the largest long tenor commercial debt facility from Chinese lenders to the Indian Power Sector.

Transaction Banking

Transaction Banking, offering cash management, trade finance and securities services recorded a fall in constant currency income of 2 per cent. Volume growth helped offset margin compression with liabilities growing at 5 per cent YOY on constant currency basis and Assets & Contingents growing at 8 per cent YOY on constant currency basis.

Income remains very well diversified across client segments and regions. In tough market conditions, our franchise remains strong. We also remain well positioned as the leading Treasury & Working Capital Bank across Indian corporates, MNC's and NBFIs. Comprehensive customised solutions have made us a leading player with many prestigious transaction banking mandates won over the past years. These include Ashok Leyland, Birla Carbon Black, Air India, Reliance Life Insurance, Amway India, Dabur, Cipla, Samsung India.

Financial Markets

Financial Markets (FM) has expertise combined with deep local market knowledge to deliver a variety of risk management, financing and investment solutions to our clients. FM offers capabilities across origination, structuring, sales, and research. We are the trusted partner for flow and bespoke solutions for our clients across foreign exchange, fixed income, derivatives and debt capital markets.

For 2014, we had the top league table positions for foreign currency bonds issued by Indian issuers and were the top foreign arranger for syndicated loans in India. Offering a full suite of fixed income, currencies and capital markets solutions, FM has firmly established itself as a trusted partner with extensive on-the-ground knowledge and deep relationships.

Commercial Clients

Commercial Clients (CC) segment was globally launched on April 1, 2014 across key markets of the Bank including India as part of our strategy of strengthening focus on mid-sized corporates.

Over the last year, Commercial Clients India has worked to build a strong foundation - aligning policies and procedures, introducing newer client value propositions and superior coverage for mid-sized enterprises. Our aim is to be the bank of choice for corporates in this segment. Commercial Clients India today manages 6,000 client relationships and is the largest foreign bank in this space.

With the foundation well set, we have outlined four strategic priorities for the segment to propel growth:

- **Grow the client base:** Our aim is to partner with emerging corporates and increase the number of clients we bank.
- **Make the network work:** Today, by the time a company reaches the mid-sized bracket, it is likely to be well underway to internationalising, looking for opportunities and support to push into new markets. Commercial Clients India has replicated Corporate & Institutional Client's (CIC) Global Account and Field Account Managers model to better support the cross-border needs of our CC clients as they internationalise.
- **Build frontline expertise:** We are training and up-skilling our Relationship Managers to better address client needs. This is being achieved through suitable training programmes to institutionalise industry expertise, improve product knowledge and upgrade relationship and service skills.
- **Enhance the platform:** Uniform processes and systems are being developed targeting shorter turnaround times.

We are geared to deliver on our strategic priorities by offering comprehensive client propositions including:

- **Nurture emerging businesses by being the right partner for growth:** We provide growth capital in the form of working capital funding as well as term funding for capex to support growth. We cater to a wide range of sectors ranging from Chemicals, Auto Components, Commercial Real Estate, Infrastructure, Pharma, Construction & Engineering and Electricals.
- **Serve the evolving needs of emerging businesses:** We are able to offer dedicated product coverage and tailored solutions to cater to our client's evolving needs through its lifecycle. The breadth of our product suite for emerging corporates comprises of Financing (Transaction Banking and Structured Financing), Strategic solutions (e.g. supporting our clients through inorganic growth opportunities), Employee Banking (payroll management), Wealth Management and Private Banking (serving the personal needs of entrepreneurs).
- **Take emerging businesses global by using our network to support clients as they internationalise:** We are able to offer valued added

solutions, with a dedicated Relationship Manager coverage in 19 high growth markets across Asia, Africa and the Middle East as our clients look at expanding their global footprint.
- **Capture the value chain by utilising referrals from existing clients to bank their competitors, suppliers and buyers:** As an example we bank clients across the toothpaste manufacturing value chain comprising of surfactant manufacturers, toothpaste manufacturers and toothpaste packaging manufacturers. This also helps the Bank offer a holistic banking proposition to large and multinational corporates by supporting their supply chain financing needs.
- **Manage the client continuum by moving clients seamlessly across segments:** We understand that as businesses evolve, their coverage models need to keep pace to cater to changing requirements. We on-board small businesses from Business Clients and help them achieve the scale and network needed to establish themselves. We also act as a feeder of new client relationships for the Corporate & Institutional Clients segment by ensuring a seamless transition of clients from Commercial Clients to Corporate & Institutional Clients for a senior level coverage as our clients transition from an emerging business to a global one.

Private Bank

We provide private banking services to some of the most distinguished families in the country, offering universal banking capabilities, coupled with superior investment advice and first-class service delivery across our network. Private Bank in India manages around 1400 families and 4200 clients across Mumbai, Delhi, Bangalore, Kolkata and Chennai. On top of strong organic growth, the Bank acquired American Express Bank Ltd. in 2008, and Morgan Stanley's onshore private wealth management business in India, through which it has further improved its client base and offerings. We believe that with wealth comes responsibility and through us, clients can work with communities across our footprint to promote social and economic development. We facilitate projects and help communities by opening up social-funding opportunities for our clients. Kolkata Comprehensive Eye Care Project and Brij Healthcare and Research centre (BHRC), Vrindaban are two such examples.

Standard Chartered Private Bank India has received nine industry awards in the last four years including Best Private Bank in India by the Banker (Financial Times publication) and Professional Wealth Management magazine.

Retail Clients

The Retail Clients segment caters to India's increasingly sophisticated Retail and Business customers assisting them with their day-to-day banking needs and offering them specialised financial products suiting their requirements. We combine our deep local knowledge of India with our global capabilities to offer innovative solutions to help individuals, entrepreneurs and small businesses address their unique needs.

The Retail Clients approach revolves around three main levers:

1. **Client-Centric approach**

   Over the recent past, Standard Chartered Bank's Retail Client business has undergone a strategic transformation – moving from a product based to a segment led approach, bringing to the forefront customer needs and underlining our customer-centric agenda. An array of products and integrated propositions across Priority Clients, Business Clients and Personal Clients enable us to proactively identify and address their banking requirements and deepen the relationship.

2. **Leveraging internal ecosystem**

   The "One-Bank" approach of Standard Chartered Bank is now clearly demonstrated in Retail clients, through its Employee Banking vertical, working closely with CIC/CC segments to offer payroll accounts to the employees of valued CIC/CC customers.

3. **Digitisation at the forefront**

   Digitisation is now at the forefront of our strategic agenda and we continue to make consistently good progress within the Retail clients segment to be the "Digital Main Bank" for our customers. The mobile banking application "Breeze" has been refreshed and enhanced with additional transactional features. Our online fraternity now consists of ~575K online customers with ~157K customers being active on the Breeze Mobile app.

   Digitisation is also being ingrained into various internal customer servicing and business processes to deliver world-class end-to-end customer experience.

Wealth Management

Standard Chartered is amongst the pioneers in India to offer comprehensive wealth management services to its clients with a focus on delivering high quality solutions across segments. Our clients are central to everything we do and we support them through relationship managers along with a dedicated team of specialists consisting of the wealth specialists, insurance specialists and treasury officers.

In 2014-15, wealth management revenue registered strong growth led by a significant pick-up in investment product sales. Growth in assets under management was driven by successful initiatives to broaden and deepen our client base, reflecting our clients' confidence in consolidating their holdings through us.

During the year, we leveraged solutions offered by our new insurance partners - ICICI Prudential Life Insurance Co. Ltd. for life insurance and Max Bupa Health Insurance Co. Ltd. for standalone health insurance to offer our clients with best-in-class solutions to meet their needs. We have also significantly enhanced client experience, simplified our processes and reduced paper based documentation by launching an iPad based insurance solution delivery process.

During the year, the Bank also received a license from SEBI to act as an Investment Advisor under the SEBI (Investment Advisers) Regulations, 2013. The Bank won multiple industry awards, acknowledging the strong progress we are making in becoming trusted partner's in growing and protecting our clients' wealth.

Human Resource

The success of the Bank is built on its people and that defines our Employee Value Proposition.

Our people centric philosophy encourages our employees to leverage their strengths in an optimal manner to contribute to the Bank's growth and help develop an individual's talents.

A robust in-house talent acquisition process helps us identify people who can partner and help in achieving the Bank's ambition while providing them a fulfilling career with the Bank. We are an employer of choice in the industry and a preferred employer on campus. We recruit premium talent, train them and provide them with challenging assignments across our global franchise.

At Standard Chartered, how we work is just as important as what we achieve. Our appraisal process includes a five-point values rating scale which emphasises how our staff live up to our brand promise of being 'Here for good'. Our reward practice ensures that we are competitive in the market and that good performance is recognised and rewarded.

Creating an inclusive culture and celebrating diversity is important to us. Women comprise about 30 per cent of our work-force and we want to see that number grow, including in senior roles. We have a similar approach to differently-abled individuals and staff from financially challenged backgrounds.

As part of the working culture, the Bank is conscious of the well-being of its employees. We have reviewed the requirements and taken steps to ensure strict compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During FY 2014-2015, one case of sexual harassment was reported in the Bank that has been investigated and acted upon by the Internal Complaints Committee.

We continue to strengthen our compensation philosophy to set us apart in the industry. Facilities such as 'Work from Home', unlimited hospitalisation along with consultation and diagnostic expenses, child care, six months paid maternity leave, sabbaticals and flexible and part time work arrangements are available to employees who want an extended time away to balance their professional aspirations and personal needs.

Learning plays a key role in ensuring performance delivery by responding to organisational business needs by designing, developing and implementing globally effective solutions supported with processes primed for scaled efficiency. It serves as an enabling force for the Bank as it helps the business grow and focuses on productivity.

'My Voice' engagement survey was a new engagement measurement survey that we launched in 2014. The results guide the actions of line managers to ensure that staff morale and involvement are continuously improved upon. Such steps help in strengthening employee morale leading to a dip in attrition by over 25 per cent in 2014.

India is one of the largest employers in the Standard Chartered Group globally with around 8,500 people from 15 different nationalities. We are also a key talent pipeline pool for the Bank globally.

Technology

Technology is helping Standard Chartered Bank enhance employee productivity, facilitate business growth and drive business efficiency across its processes and systems. As a key element of our banking operations, it enables us to provide value added products and services to keep abreast of evolving technological innovations.

Technology activities are centred around two core areas: infrastructure services and banking systems.

- Infrastructure services provide the critical backbone that we run our services on. These include the networks, data centres, desktop services, email, information security and monitoring. The Bank maintains and operates a highly modern and efficient infrastructure while continuously investing in it to ensure that it meets the needs of a complex and robust business environment.
- Banking systems caters to the applications and associated processes that service and generate value for our clients. Clients are at the centre of everything that we do. We provide transaction processing capability that underpins an impressive product set.

For both our infrastructure services and banking systems, we have introduced 'Straight-through-Processing' in our systems that enables faster payment processing for our clients which is a key growth driver for our business.

We have offered a 'Public Key Infrastructure' (PKI) service to our Corporate Clients. This provides our clients the use

of digital signatures for Login & Authorisation to ensure that they transact in a more secure and hassle free manner.

Brand

Over the last few years the Here for good campaign was reinforced with sharpened business focus and proof points.

In India, our brand building efforts hinge primarily on sponsorship of sports – marathon, LFC, cricket, golf and corporate excellence – and two bursts of theme campaigns. Given this communication strategy, through the year, our brand scores have been healthy across key parameters. The Standard Chartered Mumbai Marathon (SCMM), of which we have been exclusive and main sponsors since its inception in 2004, continues to be our marquee event and the largest contributor to our brand metrics in Mumbai. Our anchor sponsorship of the Liverpool Football Club continues with a select, but strong set of supporters in India. We continue to engage with our clients and customers through local on-ground events that further reinforce our association.

Our focus on the digital world and specifically the social media platform has been a well thought out strategy. Our investments in the digital arena have gone up manifold and very strong return models to ensure that the medium is fully leveraged. We have showcased all our brand and sponsorships platforms on the Bank's Facebook page and have successfully delivered on the KPIs that we had set.

Sustainability

Using our position as a leading financial institution, we are committed to promoting positive social and economic development in the countries where we operate.

Sustainability to us is not just about using less energy, or raising money for good causes, although we are proud of our efforts in both. Sustainability is embedded in our brand promise, Here for good, and affects every single thing we do: the way we make decisions, the contribution we make to local economies and the impact that we have when we bank with the people and companies driving investment, trade and the creation of wealth across Asia, Africa and the Middle East.

Our ambition is to be the world's best international bank. This means getting the basics right: being financially stable, continuously improving our governance and seizing the opportunities presented by our markets to provide and promote sustainable economic growth. Our approach continues to focus on three key priorities: contributing to sustainable economic growth, being a responsible company and investing in communities.

Employee Volunteering

Our staff are highly engaged in employee volunteering. Every employee is entitled to three days of paid volunteering leave annually. We integrate volunteering into our community programmes and encourage skill-based volunteering, where 30 per cent of our staff have shared their skills with the community. In 2014, globally we contributed over 86,000 volunteering days across our markets. India contributed over 15,000 employee volunteering days.

Emergency Response

In India, in 2014, Standard Chartered (the Bank) made a contribution of ₹ 1 crore ($166,667) towards relief work for those affected by the floods in Jammu & Kashmir, including staff fund raising. The Bank partnered with the Indian Red Cross Society to support the provision of large water purification units to make safe drinking water available, along with emergency shelter, hygiene promotion and non-food relief items to more than 5,000 badly affected families. Recognising the need for warm clothes during winter and snow, a further donation was made to United Way of Mumbai for dispensing over 2,000 blankets to close to 700 families from the 15 worst affected villages in Anantnag and Pulwama districts of Jammu & Kashmir.

Determined to support rebuilding of the ravaged communities, our staff also volunteered their time to conduct a survey on the efficacy of the relief effort in Jammu & Kashmir.

Stakeholder engagement

We maintain an ongoing dialogue with stakeholders and draw upon their feedback to develop our business strategy, identify new opportunities and manage risks.

- Clients

  We engage with our clients to ensure that the products and services we offer meet their personal and business needs. We seek to provide the highest levels of service and actively work to identify and resolve complaints. In 2014, we moved towards an online sampling method to assess client satisfaction. In India, we transitioned to a more rigorous Net Promoter Score (NPS) calculation.

- Employees

  We have continuous dialogue with our employees for feedback on our role as an employer. In 2014, we launched My Voice, our new employee engagement survey, with participation from over 84 per cent of employees in India.

- Communities

  We work with local and international non-governmental organisations to understand the social, economic and environmental concerns of the communities where we operate and to deliver our community investment programmes. In 2014, we partnered with the Queen Elizabeth Diamond Jubilee Trust which has ambitious programmes to be delivered across the commonwealth. The partnership will focus on

  retinopathy of prematurity in India. With an estimated 15 million preterm births per year, it is a common cause of blindness in children. The programme will focus on supporting the development of a national plan to tackle this problem in India, which has the highest number of preterm births worldwide.

- Investors

  We engage with investors and analysts through one-to-one meetings, roundtables and surveys on how to further integrate sustainability into our business. Globally, in 2014, we participated in the leading sustainability indices including the Dow Jones Sustainability Index, FTSE4Good and the Carbon Disclosure Project.

- Regulators, governments and industry bodies

  We take part in initiatives that engage regulators, governments and financial institutions to address sustainability issues in the banking and finance industry.

  Globally, we participated in industry discussions on financial inclusion through our membership of the World Economic Forum Financial Inclusion Steering Committee and Working Group.

  In India, in 2014 we participated in industry discussions on Financial Inclusion through our membership of Federation of Indian Chambers of Commerce and Industry (FICCI) and Confederation of Indian Industry (CII). In addition, we are a member of the working group set up by FIU (Financial Intelligence Unit) of the Government of India to share best practices amongst banks in India on trade-based money laundering.

  Working in partnership with the local government enables us to maximise our social impact locally, while delivering on our overall sustainability strategy. Our community programmes in India address the issues of health, sanitation and education. Seeing is Believing (SiB), our flagship community programme, provides funding to address avoidable blindness and promote quality eye health has impacted more than 11 million people since 2003. Water Sanitation Hygiene & Education (WASHE), our India led programme, provides easy access to safe water, toilet facilities and hygiene education to the girl child in municipal schools. The programme has helped retain over 45,000 girls in school since 2011. Goal, our education programme which combines sports with life-skills training to empower girls has impacted over 23,000 girls since 2006.

The priorities of the Indian government represent an opportunity to further sharpen the alignment of our community investment programmes in India. We will continue to refine our India Sustainability strategy in support of the Government's new vision.

Awards won

Transaction Banking

- Best Transaction Bank in India by the Corporate Treasurer
- Number one Transaction Bank in Asia as per the East & Partners Asian Institutional Transaction Banking Study May 2014 Survey.
- Best Cash management bank in Asia at the Corporate Treasurer Awards 2014
- Best Cash Management Bank, India at the Asset Asian Awards 2014

Corporate Finance

- The Asset Triple A Country Award - Best Regional Structured Trade Finance Solution for Nava Bharat Group.
- Award for Best Leveraged Finance in Asia at the Asset Asian Awards 2014

Wealth Management

- UTI-CNBC Financial Advisor Award for 2014
- Best Indian Bank for Wealth Management – Wealth and Money Management Awards 2014
- Bank of the Year (Wealth Management) in India at the ACQ Global Awards 2014, constituted by ACQ magazine

Sustainability

- Skoch Renaissance Award 2014 – Skoch" Order-of-Merit" plaque for Financial Inclusion and CSR

- CMO - 4th Asia Best CSR Practices Awards 2014: 'Concern for Health' for Seeing is Believing
- Blue Dart CSR Excellence and Leadership Awards 2014: 'Concern for Health' for Seeing is Believing

Private Banking

- Private Banker International Awards 2014: Winner-Outstanding Private Bank South Asia 2014
- PWM & The Banker's Global Private Banking Awards 2014: Winner-Best Private Bank India 2014

Retail Banking

- 'Best Bank for Excellence in ATM performance' in the small bank category by National Payment Corporation of India (NPCI).

Financial Markets

- Top Bank for Asian currencies – Euromoney FX survey 2014

India Management Committee

Sunil Kaushal

Regional Chief Executive Officer, India & South Asia

Sunil Kaushal joined Standard Chartered in 1998. He is responsible for the Bank's operations in India and South Asia. In his role as CEO, Sunil provides leadership for the Group through developing overall country strategy, balancing governance, exercising oversight of risk, managing people, customers and franchise, and delivering superior performance. He has over twenty five years of experience managing businesses across segments in the Middle East, ASEAN, Greater China and South Asia.

Anurag Adlakha

Chief Financial Officer, India and South Asia

Anurag joined the Bank in 2007 and is responsible for the regional Finance function. His key responsibilities cover finance reporting and control, business performance analysis, balance sheet management, financial compliance and tax.

Ian Bryden

Chief Risk Officer, India & South Asia

Ian is responsible for risk governance across all of Standard Chartered businesses in the country. Ian has been with Standard Chartered since 1995. Initially in various Corporate Banking roles in London, he was appointed Regional Credit Officer, UK & Europe in 2002 followed by Regional Credit Officer, Africa in 2004. From 2009 to 2011, he was based in Hong Kong as the Chief Credit Officer, Hong Kong and Japan before moving to Mumbai to be the Regional Credit Officer for South Asia between 2011 and 2012.

Venkataramanan Anantharaman

Regional Head, Corporate & Institutional Clients, South Asia

Ananth is responsible for managing relationships with the Bank's corporate and institutional clients. This involves closely engaging with clients and developing cutting edge solutions for them by leveraging the Bank's network and balance sheet. He is also responsible for strategy, business development and people of Corporate & Institutional Clients.

Ananth Narayan

Regional Head, Financial Markets, South Asia

Ananth joined the Bank in 2009 and has over 20 years of experience in banking. Ananth is responsible for performance, business development, strategy, governance and people for Financial Markets, South Asia across foreign exchange, fixed income, derivatives, capital markets, ALM and structuring.

Manish Jain

Regional Head, Commercial Clients, India & South Asia

Manish joined Standard Chartered in 2000. He has worked in various geographies in India and across variety of client segments. He is responsible for developing and driving strategy, priorities and sustainable growth of the Commercial Clients segment in India and across South Asia region. His responsibilities include integration of the teams and driving standardisation of the operating model.

Shyamal Saxena

Regional Head – Retail Clients, India & South Asia

Shyamal heads Standard Chartered's Retail Clients Segment in India, Bangladesh, Sri Lanka and Nepal. He is responsible for driving the Retail business across products, segments and channels through the South Asia Region. He joined the Bank in 2010 to head the Retail Banking Products for India and was appointed as the Head of Integrated Distribution, India and South Asia in July 2012, for leading all distribution initiatives in India and South Asia across Sales, Branches, Contact Centre and Remote Channels. He moved into the Head Retail Clients position for South Asia in April 2014.

Shyamal carries with him 23 years of rich experience across various facets of Retail Banking.

Ravi Duvvuru

Regional Head – Legal & Compliance, India & South Asia

Ravi joined the Bank in March 2010 and is responsible for overseeing all matters pertaining to the legal and regulatory framework in which the Bank operates as well as independently assessing all operational controls in the Bank. Ravi brings with him rich experience in numerous areas such as banking supervision and the administration of the Foreign Exchange Regulation Act.

William Paul

Regional Head – Human Resource, India & South Asia

William Paul joined the Bank in September 2014 and is responsible for developing and executing the strategic people agenda and driving major change management initiatives. Under his leadership, HR strives to effectively partner with Business to deliver desired results.

William has worked in various industries including IT & ITES, Telecom, Manufacturing and Banking across all functions of HR.

James Berry

Chief Information Officer, India & South Asia

James has been with Standard Chartered for 15 years. He is an accountant by trade, and has previously worked in Australia and the United Kingdom in a variety of Finance and Operational roles in manufacturing and technology. Since joining the Bank, he has undertaken Finance, Operational and Consumer Banking positions, working in London, Hong Kong, Singapore, and now India as the CIO for India and South Asia.

Balance Sheet
as at 31 March 2015

	Schedule	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Capital and Liabilities			
Capital	1	**74,400,742**	38,357,992
Reserves and Surplus	2	**185,085,114**	157,100,902
Deposits	3	**728,482,501**	721,115,261
Borrowings	4	**127,484,454**	114,870,083
Other Liabilities and Provisions	5	**201,943,952**	278,565,400
Total Capital and Liabilities		**1,317,396,763**	1,310,009,638
Assets			
Cash and Balances with Reserve Bank of India	6	**43,956,905**	39,982,532
Balances with Banks and Money at Call and Short Notice	7	**46,846,194**	33,937,083
Investments	8	**333,222,257**	283,875,648
Advances	9	**684,020,197**	684,227,426
Fixed Assets	10	**14,845,209**	18,324,929
Other Assets	11	**194,506,001**	249,662,020
Total Assets		**1,317,396,763**	1,310,009,638
Contingent Liabilities	12	**15,720,766,374**	12,284,923,351
Bills for Collection		**109,843,604**	252,967,889

Significant accounting policies and notes to financial statements 18

The accompanying schedules form an integral part of the Balance Sheet

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For Standard Chartered Bank - India Branches

Manoj Kumar Vijai
Partner
Membership No. 046882

Sunil Kaushal
Regional Chief Executive Officer - India and South Asia

Mumbai
28 May 2015

Anurag Adlakha
Regional Chief Financial Officer - India and South Asia

Profit and Loss Account
for the year ended 31 March 2015

	Schedule	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Income			
Interest Earned	13	**101,420,187**	99,790,881
Other Income	14	**32,819,620**	31,454,003
Total Income		**134,239,807**	131,244,884
Expenditure			
Interest Expended	15	**45,588,921**	45,925,233
Operating Expenses	16	**29,519,457**	32,050,639
Provisions and Contingencies	17	**28,616,956**	37,427,882
Total Expenditure		**103,725,334**	115,403,754
Net Profit		**30,514,473**	15,841,130
Profit brought forward		**11,430,261**	21,936,636
Total		**41,944,734**	37,777,766
Appropriations			
Transfer to Statutory Reserve	2	**7,628,618**	3,960,283
Transfer to Capital Reserve- Surplus on sale of immovable properties	2	**30,467**	450,586
Transfer to / (from) Investment Reserve	2	**281,888**	(561,525)
Transfer to Head Office Account		**2,530,261**	21,936,636
Remittable Surplus retained in India for CRAR	2	**8,900,000**	561,525
Balance carried over to Balance Sheet	2	**22,573,500**	11,430,261
Total		**41,944,734**	37,777,766

Significant accounting policies and notes to financial statements 18

The accompanying schedules form an integral part of the Profit & Loss Account

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For Standard Chartered Bank - India Branches

Manoj Kumar Vijai
Partner
Membership No. 046882

Sunil Kaushal
Regional Chief Executive Officer - India and South Asia

Mumbai
28 May 2015

Anurag Adlakha
Regional Chief Financial Officer - India and South Asia

Schedules to the financial statements
for the year ended 31 March 2015

1. Capital

		As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
	Deposit kept with Reserve Bank of India under Section 11(2)(b) of the Banking Regulation Act, 1949	**56,350,000**	51,150,000
a.	**Head office reserves**		
	Balance, beginning of the year	**21,960**	21,960
	Balance, end of the year	**21,960**	21,960
b.	**Head Office Capital**		
	Balance, beginning of the year	**38,336,032**	27,236,032
	Additions during the year	**36,042,750**	11,100,000
	Balance, end of the year	**74,378,782**	38,336,032
	Total capital	**74,400,742**	38,357,992

2. Reserves and Surplus

		As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
a.	**Statutory Reserves**		
	Balance, beginning of the year	**57,657,819**	53,697,536
	Transfer from Profit and Loss Account	**7,628,618**	3,960,283
	Balance, end of the year	**65,286,437**	57,657,819
b.	**Property Revaluation Reserve**		
	Balance, beginning of the year	**6,238,793**	10,114,303
	Additions during the year	**–**	324,078
	Reduction during the year	**–**	(1,400,713)
	Transfer to Capital Reserves - Surplus on sale of immovable properties	**(162,885)**	(2,798,875)
	Balance, end of the year	**6,075,908**	6,238,793
c.	**Capital Reserves-Surplus on sale of immovable properties**		
	Balance, beginning of the year	**9,232,891**	5,983,430
	Additions during the year	**30,467**	450,586
	Transfer from Property Revaluation Reserve	**162,885**	2,798,875
	Balance, end of the year	**9,426,243**	9,232,891
d.	**Capital Reserves-Surplus on sale of Held To Maturity investments**		
	Balance, beginning of the year	**984,772**	984,772
	Balance, end of the year	**984,772**	984,772
e.	**Capital Reserve**		
	Balance, beginning of the year	**302,387**	302,387
	Balance, end of the year	**302,387**	302,387

2. Reserves and Surplus (continued)

		As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
f.	**Remittable Surplus retained in India for Capital to Risk-weighted Assets Ratio (CRAR)**		
	Balance, beginning of the year	**70,274,599**	69,713,074
	Transfer from Profit and Loss Account	**8,900,000**	561,525
	Balance, end of the year	**79,174,599**	70,274,599
g.	**Balance in Profit and Loss Account**	**22,573,500**	11,430,261
h.	**Exchange Reserve**		
	Balance, beginning of the year	**1,229**	1,229
	Balance, end of the year	**1,229**	1,229
i.	**Property Investment Reserve**		
	Balance, beginning of the year	**206,923**	206,923
	Balance, end of the year	**206,923**	206,923
j.	**Investment Reserve**		
	Balance, beginning of the year	**771,228**	1,332,753
	Transfer to Profit and Loss Account	**281,888**	(561,525)
	Balance, end of the year	**1,053,116**	771,228
	Total reserves and surplus	**185,085,114**	157,100,902

3. Deposits

			As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
A	I	Demand deposits		
		from banks	**10,531,794**	12,847,521
		from others	**138,748,261**	141,561,319
		Total demand deposits	**149,280,055**	154,408,840
	II	Savings bank deposits	**103,539,774**	99,200,488
		Total savings bank deposits	**103,539,774**	99,200,488
	III	Term deposits		
		from banks	**14,570,962**	17,979,652
		from others	**461,091,710**	449,526,281
		Total term deposits	**475,662,672**	467,505,933
		Total deposits	**728,482,501**	721,115,261
B	I	Deposits of branches in India	**728,482,501**	721,115,261
	II	Deposits of branches outside India	**–**	–
		Total deposits	**728,482,501**	721,115,261

4. Borrowings

		As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
I	**Borrowings in India from**		
	(i) Reserve Bank of India	**68,600,000**	57,270,000
	(ii) Other banks	**–**	–
	(iii) Other institutions and agencies	**24,528,871**	8,991,500
II	**Borrowings outside India**		
	(i) Subordinated Debt [Refer Note 18 E (1) (ii)]	**–**	29,957,500
	(ii) Others	**34,355,583**	18,651,083
	Total borrowings	**127,484,454**	114,870,083
	Secured Borrowings included in I and II above	**93,128,871**	65,311,500

5. Other Liabilities and Provisions

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Bills payable	**6,117,598**	7,114,177
Inter Office Adjustment (net)	**–**	–
Interest accrued	**10,020,648**	4,902,477
Mark-to-market adjustments on Foreign Exchange and Derivative contracts	**143,732,773**	211,433,910
Provision against Standard Assets	**5,998,644**	4,497,175
Others	**36,074,289**	50,617,661
Total other liabilities and provisions	**201,943,952**	278,565,400

6. Cash and Balances with the Reserve Bank of India

		As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
(i)	**Cash in hand (including foreign currency notes)**	**2,314,659**	2,041,582
(ii)	**Balance with Reserve Bank of India**		
	(a) In Current Accounts	**41,642,246**	37,940,950
	(b) In Other Accounts	**–**	–
Total cash and balances with the Reserve Bank of India		**43,956,905**	39,982,532

7. Balances with Banks and Money at Call and Short notice

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
In India		
(i) Balances with Banks		
(a) In current accounts	**1,792,083**	2,986,691
(b) In other deposit accounts	**566,500**	336,000
(ii) Money at call and short notice		
(a) with banks	**5,000,000**	–
(b) with other institutions	**13,554,714**	4,000,000
Total (i and ii)	**20,913,297**	7,322,691
Outside India		
(i) In current accounts	**10,307,897**	7,645,042
(ii) In other deposit accounts	**15,625,000**	18,969,350
(iii) Money at call and short notice	**–**	–
Total (i, ii and iii)	**25,932,897**	26,614,392
Total balances with banks and money at call and short notice	**46,846,194**	33,937,083

8. Investments

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
In India		
Government securities	**282,352,843**	235,962,042
Other approved securities	**–**	–
Shares	**334,860**	392,168
Debentures and bonds	**13,248,038**	14,292,572
Subsidiaries	**–**	–
Others (including Certificates of Deposits, Commercial Papers and Pass Through Certificates)	**37,286,516**	33,228,866
	333,222,257	283,875,648
Outside India		
Government securities (including local authorities)	**–**	–
Subsidiaries and / or joint ventures abroad	**–**	–
Other Investments	**–**	–
Total investments	**333,222,257**	283,875,648

9. Advances

				As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
a.	Bills purchased and discounted			**65,479,372**	53,668,967
	Cash credits, overdrafts and loans repayable on demand			**322,884,064**	299,657,291
	Term loans			**295,656,761**	330,901,168
	Total			**684,020,197**	684,227,426
b.	Secured by tangible assets			**407,617,911**	392,588,756
	(includes advances secured against book debts)				
	Covered by bank / government guarantees			**25,772,975**	40,820,690
	Unsecured			**250,629,311**	250,817,980
	Total			**684,020,197**	684,227,426
c.	(i)	Advances in India			
		Priority sector		**206,626,120**	206,375,205
		Public sector		**7,870,477**	21,286
		Banks		**–**	2,350,000
		Others		**469,523,600**	475,480,935
	Total			**684,020,197**	684,227,426
c.	(ii)	Advances Outside India			
		Due from Banks		**–**	–
		Due from Others		**–**	–
		(a)	Bills purchased and discounted	**–**	–
		(b)	Syndicated loans	**–**	–
		(c)	Others	**–**	–
	Total			**–**	–
	Total advances			**684,020,197**	684,227,426

10. Fixed Assets

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Premises		
Balance, beginning of the year	**17,435,374**	23,569,267
Additions during the year	**–**	20,854
Additions on account of revaluation during the year	**–**	330,531
Deduction on account of revaluation during the year	**–**	(3,610,317)
Deductions during the year	**(3,020,066)**	(2,874,961)
	14,415,308	17,435,374
Less : Depreciation to date	**(933,995)**	(795,869)
Net book value of Premises	**13,481,313**	16,639,505

10. Fixed Assets (continued)

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Other fixed assets (including furniture and fixtures)		
Balance, beginning of the year	**5,397,991**	4,915,116
Additions during the year	**676,256**	636,625
Deduction on account of revaluation during the year	**–**	(4,440)
Deductions during the year (at cost)	**(905,272)**	(149,310)
	5,168,975	5,397,991
Less: Depreciation to date	**(3,865,121)**	(4,063,302)
Net book value of other fixed assets	**1,303,854**	1,334,689
Intangible (Capitalised Software)		
Balance, beginning of the year	**197,871**	197,871
Additions during the year	**–**	–
Deductions during the year at cost	**–**	–
	197,871	197,871
Less: Depreciation to date	**(197,871)**	(193,717)
Net book value of Intangible (capitalised software)	**–**	4,154
Intangible assets / Goodwill		
Balance, beginning of the year	**31,821**	–
Additions during the year	**–**	31,821
Deductions during the year at cost	**–**	–
	31,821	31,821
Less: Amortisation to date	**(7,425)**	(1,061)
Net book value of intangible assets / Goodwill	**24,396**	30,760
Work In Progress	**35,646**	315,821
Total net book value of fixed assets	**14,845,209**	18,324,929

11. Other Assets

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Inter-office adjustment (net)	**–**	–
Interest accrued	**9,047,890**	6,365,200
Tax paid in advance / TDS (net of provision for tax)	**5,238,303**	2,795,774
Deferred Tax asset [Refer Note 18 E (7)]	**29,582,283**	24,388,131
Stationery and stamps	**836**	1,007
Mark-to-market adjustments on Foreign exchange and Derivative contracts	**130,393,933**	191,279,895
Non-banking assets acquired in satisfaction of claims	**–**	–
Others	**20,242,756**	24,832,013
Total other assets	**194,506,001**	249,662,020

12. Contingent Liabilities

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Claims against the Bank not acknowledged as debts	**10,204,392**	7,417,889
Liability for partly paid investments	**–**	–
Liability on account of outstanding foreign exchange contracts	**6,652,129,499**	4,724,276,257
Liability on account of derivative contracts	**8,668,881,776**	7,112,570,533
Guarantees given on behalf of constituents		
– in India	**155,261,329**	148,850,909
– outside India	**67,549,454**	55,542,575
Acceptances, endorsements and other obligations	**155,637,249**	231,289,573
Other items for which the Bank is contingently liable	**11,102,675**	4,975,615
Total contingent liabilities	**15,720,766,374**	12,284,923,351

13. Interest Earned

	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Interest / discount on advances / bills	**75,420,645**	75,467,290
Income on investments	**24,898,037**	23,728,127
Interest on balances with Reserve Bank of India and other inter-bank funds	**965,847**	274,573
Others	**135,658**	320,891
Total interest earned	**101,420,187**	99,790,881

14. Other Income

	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Commission, exchange and brokerage	**16,537,293**	20,070,138
Net profit / (loss) on sale of investments	**7,173,206**	283,115
Profit / (loss) on revaluation of investments	**662,408**	(1,319,528)
Net profit on sale of premises and other assets	**61,857**	1,148,891
Net profit on exchange transactions	**6,501,033**	6,367,059
Income by way of dividends, etc from subsidiary companies		
Miscellaneous income (including derivatives and long term Fx contracts)	**1,883,823**	4,904,328
Total other income	**32,819,620**	31,454,003

15. Interest Expended

	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Interest on deposits	**30,871,388**	32,561,317
Interest on Reserve Bank of India and inter-bank borrowings	**2,886,661**	3,291,971
Others	**11,830,872**	10,071,945
Total interest expended	**45,588,921**	45,925,233

16. Operating Expenses

	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Payments to and provisions for employees	**13,725,586**	13,041,873
Rent, taxes and lighting	**1,385,525**	1,272,782
Printing and stationery	**264,212**	323,778
Advertisement and publicity	**3,178,155**	3,622,255
Depreciation on Bank's property	**863,100**	995,129
Auditors' fees and expense	**8,000**	7,300
Legal and professional charges	**535,804**	407,655
Postage, telegrams, telephones, etc.	**667,206**	795,427
Repairs and maintenance	**918,152**	978,260
Insurance	**727,189**	638,153
Travelling	**467,633**	460,140
Business support cost	**5,170,908**	5,298,661
Other expenditure	**1,607,987**	4,209,226
Total operating expenses	**29,519,457**	32,050,639

17. Provisions and Contingencies

	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Specific provisions against advances (net)	**10,471,582**	27,993,948
General provision against standard assets	**1,501,469**	70,000
Provision for country risk exposure	**–**	39,181
Charge / (release) against Investments	**164,430**	826,668
Provision on account of tax		
– Current tax expense [Refer note 18 E (8)]	**21,673,626**	19,301,316
– Deferred tax credit [Refer note 18 E (7)]	**(5,194,151)**	(10,803,231)
Total provisions and contingencies	**28,616,956**	37,427,882

18. Significant accounting policies and notes to financial statements

A) Background

The accompanying financial statements for the year ended 31 March 2015 comprise the accounts of India branches of Standard Chartered Bank ('SCB' or 'the Bank'), which is incorporated with limited liability in the United Kingdom. The Bank's ultimate holding company is Standard Chartered Plc ('SCPLC'), which is incorporated in the United Kingdom.

B) Basis of preparation

The financial statements are prepared under the historical cost convention on the accrual basis of accounting, unless otherwise stated, and in accordance with Generally Accepted Accounting Principles ('GAAP') in India, statutory requirements of the Banking Regulation Act, 1949, circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time, the Accounting Standards ('AS') specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent applicable and current practices prevailing within the banking industry in India.

The financial statements are presented in Indian Rupees rounded off to the nearest thousand, unless otherwise stated.

C) Use of estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosures relating to the contingent liabilities reported in the financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

D) Significant Accounting Policies

(1) Investments

Classification and valuation of the Bank's investments is carried out in accordance with RBI Circular DBOD No.BP.BC.20/21.04.141/2014-15 dated 01 July 2014.

Classification

Investments are classified as 'Held to Maturity' ('HTM') or 'Held for Trading' ('HFT') or 'Available for Sale' ('AFS') at the time of their purchase. Investments acquired by the Bank with the intention of holding up to maturity are classified as HTM. Investments acquired with the intention to trade by taking advantage of short-term price / interest rate movements and are to be sold within 90 days are classified as HFT. All other investments are classified as AFS.

The Bank follows settlement date accounting for its investments.

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

Valuation

Cost of investments is determined using the weighted average cost method.

Investments classified as HTM are carried at acquisition cost. Any premium on acquisition is amortised over the remaining period till maturity on the basis of a constant yield to maturity. In terms of RBI guidelines, discount on securities held under HTM category is not accrued and such securities are held at the acquisition cost till maturity. Where in the opinion of management and in accordance with RBI guidelines, there is any diminution in the value of any HTM security, which is other than temporary, appropriate provisions are made.

Investments classified as AFS or HFT are marked to market as per frequency prescribed by RBI. Net depreciation for each classification in respect of any category mentioned in Schedule 8 – Investments, is recognised in the Profit and Loss Account. Net appreciation, if any, is ignored.

The mark to market value of investments in debt securities classified as HFT and AFS is determined using prices or on the basis of the base yield curve and the applicable spreads as notified by Fixed Income Money Market and Derivatives Association ('FIMMDA') jointly with Primary Dealers Association of India ('PDAI').

In line with the RBI guidance, Treasury Bills are marked to market using the Yield to Maturity (YTM) rate as published by FIMMDA.

Certificate of Deposits and Commercial Paper are valued at carrying cost including the pro rata discount accreted for the holding period.

Brokerage, interest and commission on debt instruments paid at the time of acquisition are charged to the Profit and Loss Account. Valuations are adjusted for illiquidity; the illiquidity adjustments are based on management estimates.

Transfer between categories

Transfer of investments between categories is accounted in accordance with provisions of the above referred RBI Circular:

a) Securities transferred from AFS / HFT category to HTM category are transferred at the lower of book value or market value.

18. Significant accounting policies and notes to financial statements (continued)

b) Securities placed under the HTM category at a discount, are transferred to AFS / HFT category at the acquisition price / book value.

c) Securities placed under the HTM category at a premium, are transferred to the AFS / HFT category at the amortised cost.

d) Securities transferred from AFS to HFT category or vice-versa, are transferred at book value and provisions held for accumulated depreciation, if any, is transferred to provisions for depreciation against the HFT securities and vice-versa.

Accounting for repos / reverse repos

In accordance with the RBI Circular DBOD No.BP.BC.20/21.04.141/2014-15 dated 01 July 2014, repurchase (repos) and reverse repurchase (reverse repos) are accounted as collateralised borrowing and lending. The Bank also follows the aforesaid principle to account repo and reverse repo transactions undertaken under Liquidity Adjustment Facility ('LAF').

(2) Advances

Classification and provisioning of advances of the Bank are carried out in accordance with the RBI Master Circular DBOD.No.BP.BC.9/21.04.048/2014-15 dated 01 July 2014 on prudential norms on income recognition, asset classification and provisioning pertaining to advances.

Classification

Advances are classified into performing and non-performing advances ('NPA') based on management's periodic internal assessment and RBI's prudential norms on classification. Further, NPAs are classified into substandard, doubtful and loss assets based on the criteria stipulated by RBI.

Provisioning

Advances are stated net of specific provisions and interest in suspense. Specific provisions are made based on management's assessment of the degree of impairment of the advances and in accordance with the Bank's internal policy on specific provisioning for NPAs, subject to minimum provisioning norms laid down by the RBI.

For restructured advances, provision is made in accordance with the RBI guidelines, which requires the diminution in the fair value of the advances to be provided at the time of restructuring.

The Bank also maintains a general provision at rates and as per norms prescribed by RBI in the above referred circular and discloses the same in Schedule 5 - Other Liabilities and Provisions.

(3) Securitisation (including assignment)

The Bank securitises advances to Special Purpose Vehicles ('SPV'). Securitised assets are derecognised if they are transferred to the SPV in compliance with all the conditions of true sale as prescribed in 'Guidelines on Securitisation transactions' vide circulars DBOD.NO.BP.BC.60/21.04.048/2005-06 dated 01 February 2006, DBOD.No.BP.BC-103/21.04.177/2011-12 dated 07 May 2012 and DBOD.No.BP.BC- 25/21.04.177/2013-14 dated 1 July 2013 issued by the RBI. Securitisation transactions which do not meet the criteria for derecognition are accounted for as secured borrowings.

In accordance with the above referred circular, gain arising on securitisation is amortised over the life of the securities issued / to be issued by the SPV. Loss, if any, is recognised immediately in the Profit and Loss Account.

The Bank also follows the aforesaid principles to ascertain de-recognition of loans and advances through direct assignment and the gain arising upon such direct assignment is amortised over the life of the loans and advances sold. Loss, if any, is recognised immediately in the Profit and Loss Account.

In respect of credit enhancements provided or recourse obligations accepted by the Bank at the time of securitisation or direct assignment, appropriate provisions / disclosures are made in accordance with AS 29 – Provisions, Contingent Liabilities and Contingent Assets.

(4) Derivative transactions

Derivative transactions comprise forward exchange contracts, interest rate swaps, currency futures, cross currency swaps and options and are undertaken for either trading or hedging purposes.

Trading derivatives are marked to market and the resultant unrealised gain or loss is recognised in the Profit and Loss account under Schedule 14 - Other Income. Options are marked to market and unrealised gain or loss on revaluation is recorded in the Profit and Loss account. The premium received or paid is recognised in the Profit and Loss account upon expiry or exercise of the options. Valuations are adjusted for illiquidity; the illiquidity adjustments are based on management estimates.

Hedging transactions are undertaken by the Bank to protect the change in the fair value or the cash flow of the underlying assets or liabilities. The hedging instrument is accounted for on accrual basis except for an instrument designated with an asset or liability that is carried at market value or lower of cost or market value in the financial statements. In that case the hedging instrument is marked to market with the resulting gain or loss recorded as an adjustment to the market value of the designated asset.

18. Significant accounting policies and notes to financial statements (continued)

(5) Income recognition

Interest income on advances is recognised on accrual basis, except in case of interest on NPAs, which is recognised as income on receipt, in accordance with RBI guidelines.

Interest income on discounted instruments is recognised over the tenor of the instrument on a constant effective yield basis. Commission on guarantees and letters of credit are recognised over the facility tenor. Fees on loans and credit cards are recognised at the inception of the transactions. Fee from management advisory services are recognized based on applicable service contracts and when the service has been rendered.

Realised gains on investments under the HTM category are recognised in the Profit and Loss Account and subsequently appropriated to Capital Reserve net of tax expense and transfer to statutory reserve. Losses are recognised in the Profit and Loss Account in accordance with RBI guidelines.

(6) Fixed assets (including goodwill / intangibles) and depreciation

Fixed assets and depreciation thereon are accounted for as per AS 10 – Accounting for Fixed Assets and AS 6 – Depreciation Accounting.

Fixed assets are stated at acquisition cost less accumulated depreciation, with the exception of premises which are revalued periodically and are stated at revalued cost less accumulated depreciation.

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalised as part of the cost of such assets in accordance with AS 16 - Borrowing Costs. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use.

Depreciation is provided on a straight line basis over the useful life of the asset as per the management's internal assessment, subject to maximum useful life prescribed under the Companies Act, 2013. In the case of premises, depreciation is provided on revalued cost. On disposal of revalued premises, the amount standing to the credit of revaluation reserve is transferred to Capital Reserve in accordance with RBI guidelines.

Profit on disposal of premises is recognised in the Profit and Loss Account and subsequently appropriated to Capital Reserve net of tax expense and transfer to statutory reserve. Losses are recognised in the Profit and Loss Account.

Fixed assets individually costing less than ₹ 250 (in 000s) are expensed in the year of purchase, except where individual assets are purchased and installed as part of the owned and leasehold improvement projects, in which case they are capitalised as improvements to property. Computer software less than ₹ 25,000 (in 000s) is also expensed in the year of purchase.

Goodwill and other intangibles are recognised on business acquisition and represents the difference between the price paid and the assets and liabilities acquired, which would include any identifiable intangible assets (such as customer or core deposit relationships). These are amortised on a straight-line basis over the best estimate of their useful life as determined by the management.

The depreciation rates applied on other fixed assets are as follows:

Category	**Depreciation rate per annum (%)**
Computers	33
Plant	20
Furniture and Fixtures [(1)]	10 / 20
Motor Vehicles	33
Electrical Installations [(2)]	14 / 20
Improvements to property [(3)]	20
Computer Software [(4)]	33
Goodwill / Intangibles	20

[(1)] Furniture and Fixtures are depreciated over the expected useful lives, subject to a maximum period of ten years. The additions from 01 April 2008 onwards are depreciated over the expected useful lives, subject to a maximum period of five years.
[(2)] Electrical Installations include Automated Teller Machines (ATMs) which, from 01 April 2008, are depreciated over the expected useful lives, subject to a maximum period of seven years.
[(3)] Improvements to owned and leasehold property are depreciated over the remaining useful life / lease period subject to a maximum period of five years.
[(4)] Acquisition costs and development costs are amortised over the expected useful lives, subject to a maximum period of three years.

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset or net realisable value, whichever is higher. If such assets are considered to be impaired, the impairment is recognised by charging the Profit and Loss Account and is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

18. Significant accounting policies and notes to financial statements (continued)

(7) Accounting for leases

Assets given / taken on lease are accounted for in accordance with provisions of AS 19 – Leases. Lease payments under operating leases are recognised as an expense on a straight line basis over the lease term.

(8) Foreign currency transactions and balances

Transactions 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 denominated in foreign currencies are translated at the Balance Sheet date at rates of exchange notified by the Foreign Exchange Dealers' Association of India ('FEDAI') and the resultant exchange differences are recognised in the Profit and Loss Account.

Foreign currency contracts and forward rate agreements are revalued at the exchange rates notified by FEDAI and where exchange rates are not notified by FEDAI, are revalued at foreign exchange rates implied by swap curves. The profit or loss on revaluation is recognised in the Profit and Loss Account.

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

(9) Retirement and other employee benefits

Retirement and other employees benefits are accounted for as per AS 15 (Revised 2005) - Employee Benefits as set out below:

a) Provident fund

The Bank contributes to a recognised provident fund, which is a defined contribution scheme, for all its eligible employees. The contributions are accounted for on an accrual basis and recognised in the Profit and Loss Account.

b) Gratuity

The Bank has a gratuity scheme, which is a defined benefit plan. The Bank's net obligation in respect of the gratuity benefit is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods. This benefit is discounted to determine the present value of the obligation under the benefit plan.

The present value of the obligation under such benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method which recognises each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present value of estimated future cash flows. The discount rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the Profit and Loss Account.

c) Superannuation

The Bank contributes to an approved superannuation fund, which is a defined contribution scheme, for all its eligible employees who have opted for the scheme. The contributions are accounted for on an accrual basis and recognised in the Profit and Loss Account.

d) Pension

The Bank has a pension scheme for its award staff, which is a defined benefit plan. The Bank's net obligation in respect of the pension benefit is calculated by estimating the amount of future benefit that the award staff have earned in return for their service in the current and prior periods. This benefit is discounted to determine the present value of the obligation under the benefit plan.

The present value of the obligation under such benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method which recognises each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present value of estimated future cash flows. The discount rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the Profit and Loss Account.

18. Significant accounting policies and notes to financial statements (continued)

e) Compensated absences

The Bank has a leave encashment scheme for its award staff, which is a defined benefit plan. The Bank's net obligation in respect of the leave benefit is calculated by estimating the amount of future benefit that the award staff have earned in return for their service in the current and prior periods. This benefit is discounted to determine the present value of the obligation under the benefit plan.

The present value of the obligation under such benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method which recognises each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present value of estimated future cash flows. The discount rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the Profit and Loss Account.

(10) Taxation

Income tax comprises current tax (i.e. amount of tax for the period, determined in accordance with the Income Tax Act, 1961 and the rules framed thereunder) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

Current tax expense is recognised on an annual basis under the taxes payable method based on the estimated liability computed after taking credit for allowances and exemptions in accordance with the provisions of Income Tax Act, 1961.

The Bank accounts for deferred taxes in accordance with the provisions of AS 22 – Accounting for Taxes on Income. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. In case there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets.

Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably / virtually certain to be realised.

(11) Provisions, contingent liabilities and contingent assets

The Bank creates a provision when there is a present obligation as a result of past events that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of such obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. 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.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

(12) Provision for reward points awarded to customers

The Bank has a policy of awarding reward points to customers for credit / debit card spends, remote banking and certain Electronic Clearing Services (ECS) transactions. Provision for such reward points is made on the basis of behavioural analysis of utilisation trends.

18. Significant accounting policies and notes to financial statements (continued)

E) Notes to accounts

(1) Statutory Disclosures

(i) Capital Adequacy

	As at 31 March 2015 (Basel III basis) (₹ in 000s)	As at 31 March 2014 (Basel III basis) (₹ in 000s)
Amount of equity capital raised	–	–
Amount of additional Tier I capital raised	–	–
Amount of Tier II capital raised	–	–
Total Capital	**211,078,764**	181,033,181
Total Risk weighted assets and contingents	**1,690,281,673**	1,450,365,231
Capital Ratios		
Common Equity Tier I	**11.84%**	10.52%
Tier I Capital	**11.84%**	10.52%
Tier II Capital	**0.65%**	1.96%
Total Capital	**12.49%**	12.48%

Capital adequacy has been calculated based on Master Circular – Basel III Capital Regulations, issued vide RBI circular DBOD.No.BP.BC.6/21.06.201/2014-15 dated 01 July 2014.

(ii) Subordinated Debt

Schedule 4 - Borrowings includes an amount of Nil (previous year: ₹ 29,958 million) pertaining to subordinated debts raised from Head Office.

(iii) Key Ratios

Sr. No.		For the year ended 31 March 2015	For the year ended 31 March 2014
i.	Interest income as a % to working funds[1]	**8.03%**	7.58%
ii.	Non-interest income as a % to working funds[1]	**2.60%**	2.39%
iii.	Operating profit as a % to working funds[1]	**4.68%**	4.05%
iv.	Return on assets[1]	**2.42%**	1.20%
v.	Business (deposits + advances) per employee (₹ in 000s)[2]	**190,003**	207,130
vi.	Profit per employee (₹ in 000s)	**4,179**	2,387

[1] Computed based on average of total assets as per Form X submitted to RBI
[2] Computed based on deposits plus advances (excluding inter-bank deposits) outstanding as at the year end

Financial statements and notes

18. Significant accounting policies and notes to financial statements (continued)

(iv) Maturity Pattern of Assets and Liabilities

As at 31 March 2015

Maturity Bucket	Loans and Advances* (₹ in 000s)	Investments (₹ in 000s)	Deposits* (₹ in 000s)	Borrowings* (₹ in 000s)	Foreign Currency Assets (₹ in 000s)	Foreign Currency Liabilities (₹ in 000s)
Day 1	**21,372,272**	**36,727,749**	**6,502,263**	**421,084**	**14,889,373**	**2,980,617**
2 – 7 days	**51,185,721**	**64,284,503**	**79,258,745**	**48,728,870**	**17,561,628**	**12,182,149**
8 - 14 days	**58,361,593**	**56,905,319**	**67,544,108**	**44,400,000**	**3,153,219**	**14,176,275**
15 - 28 days	**27,318,362**	**11,112,844**	**41,340,313**	**–**	**11,929,327**	**2,418,664**
29 days – 3 mths	**102,163,871**	**38,701,471**	**136,784,113**	**33,934,500**	**55,305,242**	**52,611,461**
Over 3 mths – 6 mths	**67,415,038**	**11,002,517**	**43,953,681**	**–**	**34,066,870**	**18,460,251**
Over 6 mths – 1 yr	**70,533,993**	**21,679,918**	**70,645,410**	**–**	**3,302,855**	**41,504,648**
Over 1 year – 3 yrs	**98,018,172**	**78,906,984**	**282,076,957**	**–**	**13,958,275**	**124,260,367**
Over 3 years – 5 yrs	**61,635,178**	**10,602,297**	**367,856**	**–**	**6,240,978**	**8,092,204**
Over 5 years	**126,015,997**	**1,855,205**	**9,055**	**–**	**17,600,965**	**13,102,992**
Total	**684,020,197**	**331,778,807**	**728,482,501**	**127,484,454**	**178,008,732**	**289,789,628**

*Including foreign currency balances

As at 31 March 2014

Maturity Bucket	Loans and Advances* (₹ in 000s)	Investments (₹ in 000s)	Deposits* (₹ in 000s)	Borrowings* (₹ in 000s)	Foreign Currency Assets (₹ in 000s)	Foreign Currency Liabilities (₹ in 000s)
Day 1	27,763,983	31,340,507	6,322,927	1,626,583	14,669,422	4,735,275
2 – 7 days	47,466,096	69,986,413	75,503,667	56,320,000	22,333,503	15,152,261
8 - 14 days	53,330,865	14,015,240	58,576,068	5,991,500	2,202,564	20,099,153
15 - 28 days	29,911,301	12,703,857	49,000,675	5,991,500	9,466,254	8,850,656
29 days – 3 mths	116,155,295	33,762,192	103,289,384	11,983,000	44,218,628	27,923,172
Over 3 mths – 6 mths	86,138,085	17,166,190	56,652,282	3,000,000	33,983,320	24,874,121
Over 6 mths – 1 yr	43,859,772	30,300,867	83,881,720	–	6,184,730	51,270,169
Over 1 year – 3 yrs	118,873,159	55,869,175	278,702,699	–	5,874,494	107,754,359
Over 3 years – 5 yrs	33,664,522	12,995,675	9,171,632	29,957,500	13,632,189	47,365,108
Over 5 years	127,064,348	160,837	14,207	–	13,037,083	22,714,542
Total	684,227,426	278,300,953	721,115,261	114,870,083	165,602,187	330,738,816

*Including foreign currency balances

Note: Non term assets and liabilities have been bucketed based on behavioural maturities in line with the RBI guidelines

18. Significant accounting policies and notes to financial statements (continued)

(v) Investments

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Value of Investments		
(i) Gross Value of Investments	**335,884,978**	287,036,347
(a) In India	**335,884,978**	287,036,347
(b) Outside India	**–**	–
(ii) Provisions for Depreciation	**2,662,721**	3,160,699
(a) In India	**2,662,721**	3,160,699
(b) Outside India	**–**	–
(iii) Net Value of Investments	**333,222,257**	283,875,648
(a) In India	**333,222,257**	283,875,648
(b) Outside India	**–**	–

The Bank has no sale and transfers to / from HTM category during the year (previous year: Nil).

(vi) Movement of Provision towards Depreciation on Investments

	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Balance, beginning of the year	**3,160,699**	1,014,504
Add: Provisions made during the year	**447,745**	2,166,004
Less: Write-off / write back of excess provisions during the year	**(945,723)**	(19,809)
Balance, end of the year	**2,662,721**	3,160,699

(vii) Repurchase and Reverse repurchase transactions including LAF (face value)

For the year ended 31 March 2015

	Minimum outstanding during the year* (₹ in 000s)	Maximum outstanding during the year (₹ in 000s)	Daily average outstanding during the year (₹ in 000s)	Outstanding as at 31 March 2015 (₹ in 000s)
Securities sold under repos (Government Securities)	**22,951,700**	**116,617,200**	**66,669,100**	**93,912,400**
Securities purchased under reverse repos (Government Securities)	**500,000**	**28,250,000**	**7,374,427**	**11,700,000**

For the year ended 31 March 2014

	Minimum outstanding during the year* (₹ in 000s)	Maximum outstanding during the year (₹ in 000s)	Daily average outstanding during the year (₹ in 000s)	Outstanding as at 31 March 2014 (₹ in 000s)
Securities sold under repos (Government Securities)	10,291,000	80,891,500	49,224,105	58,572,800
Securities purchased under reverse repos (Government Securities)	1,560,000	8,320,000	190,904	–

*Minimum outstanding during the year excludes the days with nil outstanding

Financial statements and notes

18. Significant accounting policies and notes to financial statements (continued)

(viii) Issuer composition of non-SLR investments

As at 31 March 2015

Issuer	Total Amount (₹ in 000s)	Extent of Private Placement (a) (₹ in 000s)	Extent of 'Below Investment Grade' Securities (b) (₹ in 000s)	Extent of Unrated securities (c) (₹ in 000s)	Extent of Unlisted securities (d) (₹ in 000s)
PSU	**5,815,455**	**9,700**	**–**	**9,700**	**9,700**
Financial institutions	**5,468,427**	**–**	**–**	**–**	**1,002,734**
Banks	**10,662,258**	**10,662,258**	**–**	**127**	**10,662,258**
Private corporate	**4,605,030**	**4,605,030**	**1,196,618**	**1,510,030**	**828,291**
Subsidiaries / Joint Venture	**–**	**–**	**–**	**–**	**–**
Others	**26,906,737**	**26,906,737**	**934,264**	**16**	**26,906,737**
Provisions held towards depreciation	**(2,588,494)**	**(2,568,084)**	**(1,911,384)**	**(1,184,886)**	**(2,008,326)**
Total	**50,869,413**	**39,615,641**	**219,498**	**334,987**	**37,401,394**

As at 31 March 2014

Issuer	Total Amount (₹ in 000s)	Extent of Private Placement (a) (₹ in 000s)	Extent of 'Below Investment Grade' Securities (b) (₹ in 000s)	Extent of Unrated securities (c) (₹ in 000s)	Extent of Unlisted securities (d) (₹ in 000s)
PSU	2,260,045	9,700	–	9,700	9,700
Financial institutions	9,023,228	1,000,000	–	–	–
Banks	19,404,928	17,565,795	–	127	19,404,928
Private corporate	5,125,649	5,125,649	1,200,014	1,573,025	1,348,910
Subsidiaries / Joint Venture	–	–	–	–	–
Others	14,278,500	14,278,500	1,011,367	16	14,278,500
Provisions held towards depreciation	(2,178,744)	(2,178,744)	(1,738,304)	(1,190,574)	(1,654,293)
Total	47,913,606	35,800,900	473,077	392,294	33,387,745

Note: Total investments include investments in Pass Through Certificates (PTCs) of ₹ 25,972 million (previous year: ₹ 13,267 million)

Amounts reported under column (a), (b), (c) and (d) above are not mutually exclusive.

(ix) Movement in non performing non-SLR investments

	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Balance, beginning of the year	**2,211,381**	405,842
Additions during the year	**14,752**	2,162,698
Reductions during the year	**(95,250)**	(357,159)
Balance, end of the year	**2,130,883**	2,211,381
Total Provisions held at end of the year	**1,911,385**	1,738,304

18. Significant accounting policies and notes to financial statements (continued)

(x) Disclosures relating to NPAs and related provisions

The percentage of net NPAs to net advances is 0.34% as at 31 March 2015 (previous year: 0.45%).

The Provision Coverage Ratio (PCR) is 96.54% as at 31 March 2015 (previous year: 94.70%).

Movement of Gross NPA	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Balance, beginning of the year	**57,826,468**	38,800,624
Additions during the year	**16,700,752**	30,084,147
Reductions during the year	**(7,963,420)**	(11,058,303)
Balance, end of the year	**66,563,800**	57,826,468

Movement of Net NPA	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Balance, beginning of the year	**3,063,474**	10,098,172
Additions during the year	**(333,392)**	(2,038,693)
Reductions during the year	**(423,679)**	(4,996,005)
Balance, end of the year	**2,306,403**	3,063,474

Movement in Provision for NPA	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Balance, beginning of the year	**54,762,994**	28,702,452
Additions during the year	**17,034,144**	32,122,840
Reductions during the year	**(7,539,741)**	(6,062,298)
Balance, end of the year	**64,257,397**	54,762,994

Concentration of NPAs	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Total exposure to top four NPA accounts	**24,723,100**	25,422,629

Disclosure is in accordance with RBI circular DBOD.BP.BC.No.8/21.04.018/2014-15 dated 01 July 2014:

Percentage of Gross NPA to total advances

Sector	As at 31 March 2015			As at 31 March 2014		
	Outstanding total advances (₹ in 000s)	Gross NPA's (₹ in 000s)	%of Gross NPA to total advances in that sector (₹ in 000s)	Outstanding total advances (₹ in 000s)	Gross NPA's (₹ in 000s)	%of Gross NPA to total advances in that sector (₹ in 000s)
A) Priority Sector						
Agriculture & allied activities	**7,070,003**	**40,883**	**0.58%**	5,609,663	25,777	0.46%
Advances to industries sector eligible as priority sector lending	**135,039,578**	**2,688,067**	**1.99%**	135,619,155	5,814,955	4.29%
– Basic Metal and Metal Products	**23,406,295**	**212,623**	**0.91%**	27,150,309	131,237	0.48%
– Infrastructure	**2,034,543**	**55,884**	**2.75%**	3,984,906	239,018	6.00%
Services	**48,453,831**	**254,926**	**0.53%**	49,176,627	445,312	0.91%
– Trade	**26,170,554**	**133,256**	**0.51%**	28,210,345	87,529	0.31%
Personal Loans	**19,337,944**	**409,880**	**2.12%**	21,755,251	334,128	1.54%
Sub total (A)	**209,901,356**	**3,393,756**	**1.62%**	212,160,696	6,620,172	3.12%

18. Significant accounting policies and notes to financial statements (continued)

Sector	As at 31 March 2015 Outstanding total advances (₹ in 000s)	Gross NPA's (₹ in 000s)	%of Gross NPA to total advances in that sector (₹ in 000s)	As at 31 March 2014 Outstanding total advances (₹ in 000s)	Gross NPA's (₹ in 000s)	%of Gross NPA to total advances in that sector (₹ in 000s)
B) Non priority sector						
Agriculture & allied activities	**236**	**236**	**100.00%**	236	236	100.00%
Industry	**228,889,780**	**48,140,059**	**21.03%**	242,875,397	39,378,880	16.21%
– Basic Metal and Metal Products	**26,952,862**	**4,174,457**	**15.49%**	26,209,103	3,122,848	11.92%
– Infrastructure	**67,013,180**	**21,360,087**	**31.87%**	78,969,004	18,559,687	23.50%
Services	**178,589,714**	**12,350,682**	**6.92%**	155,418,613	9,640,564	6.20%
– Trade	**31,365,856**	**5,845,078**	**18.64%**	30,712,976	4,753,899	15.48%
– Commercial Real Estate	**96,712,422**	**–**	**–**	100,323,735	–	–
Personal Loans	**130,901,950**	**2,679,067**	**2.05%**	128,645,478	2,186,616	1.70%
Sub total (B)	**538,381,680**	**63,170,044**	**11.73%**	526,939,724	51,206,296	9.72%
Total (A+B)	**748,283,036**	**66,563,800**	**8.90%**	739,100,420	57,826,468	7.82%

Movement in Gross NPA		**For the year ended 31 March 2015 (₹ in 000s)**	For the year ended 31 March 2014 (₹ in 000s)
Gross NPAs as on 01 April		**57,826,468**	38,800,624
Additions (fresh NPAs) during the year		**16,700,752**	30,084,147
Sub-total (A)		**74,527,220**	68,884,771
Less:			
(i)	Upgradations	**(2,192,664)**	(3,823,130)
(ii)	Recoveries (excluding recoveries made from upgraded accounts)	**(3,916,811)**	(4,618,235)
(iii)	Technical / Prudential Write-offs*	**–**	–
(iv)	Write-offs other than those under (iii) above	**(1,853,945)**	(2,616,938)
Sub-total (B)		**(7,963,420)**	(11,058,303)
Gross NPAs as on 31 March (A - B)		**66,563,800**	57,826,468

*The Bank does not have any technical / prudential write-offs hence the disclosure on movement in such accounts is not applicable.

(xi) Concentration of Advances*

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Total advances to twenty largest borrowers	**382,988,659**	340,546,537
Percentage of advances to twenty largest borrowers to total advances of the Bank	**16.13%**	14.69%

*Advances are computed as per definition of credit exposure (including derivatives) as per RBI Master Circular on Exposure Norms DBOD.No.Dir.BC.12/13.03.00/2014-15 dated 01 July 2014

18. Significant accounting policies and notes to financial statements (continued)

(xii) Concentration of Exposures*

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Total exposure to twenty largest borrowers/ customers	**492,065,151**	520,307,915
Percentage of exposures to twenty largest borrowers/ customers to total exposure of the Bank on borrowers/ customers	**17.66%**	18.12%

*Exposures are computed as per definition of credit and investment exposure as per RBI Master Circular on Exposure Norms DBOD.No.Dir.BC.12/13.03.00/2014-15 dated 01 July 2014.

(xiii) Provision towards Standard Assets and Country Risk Exposure

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Provisions towards Standard Assets*	**5,998,644**	4,497,175
Provisions towards Country Risk Exposure	**63,557**	63,557
Total	**6,062,201**	4,560,732

*includes provision towards unhedged foreign currency exposure of ₹ 1,501 million.

(xiv) Details of non performing financial assets purchased

The amount of non performing financial assets purchased during the year is Nil (2013–14: Nil).

(xv) Details of non performing financial assets sold (other than sold to Securitisation Company/ Reconstruction Company)

The amount of non performing financial assets sold (other than sold to Securitisation Company/ Reconstruction Company) during the year is Nil (2013–14: Nil).

(xvi) Details of sale of financial assets to Securitisation Company (SC) / Reconstruction Company (RC) for asset reconstruction

		For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
(i)	No of accounts	**–**	28
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC*	**–**	–
(iii)	Aggregate consideration	**–**	324,234
(iv)	Additional consideration realised in respect of accounts transferred in earlier years	**–**	–
(v)	Aggregate gain over net book value	**–**	324,234

*Net book value on date of sale

(xvii) Investments in Security Receipts backed by NPA's

Disclosure is in accordance with RBI circular DBR.No.BP.BC.78/21.04.048/2014-15 dated 20 March 2015:

Book value of investments in security receipts		For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
(i)	Backed by NPAs sold by the bank as underlying	**–**	–
(ii)	Backed by NPAs sold by other banks/ financial institutions/ non-banking financial companies as underlying	**934,248**	1,011,351

(xviii) Unsecured Advances

The Bank has unsecured advances amounting to ₹ 1,461 million (previous year: ₹ 2,093 million) for which it holds intangible securities such as charge over the rights, licenses, authority, etc. and the estimated value of such intangible collateral is ₹ 7,100 million (previous year: ₹ 10,050 million).

(xix) Overseas Assets, NPA and Revenue

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

(xx) Accounts Restructured

The disclosure of restructured advances vide RBI circular DBOD.BP.BC.No.80/21.04.132/2012-13 dated 31 January 2013 is as under:

(₹ in 000s)

For the year ended 31 March 2015

Sr. No.	Type of Restructuring	Asset Classification Details	Under CDR Mechanism					Others					Total				
			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 of the FY (opening figures)*	No. of borrowers	2	–	4	–	6	3	2,503	27	57	2,590	5	2,503	31	57	2,596
		Amount outstanding	1,014,714	–	2,279,686	–	3,294,400	228,842	161,359	1,636,201	170,173	2,196,575	1,243,556	161,359	3,915,887	170,173	5,490,975
		Provision thereon	101,828	–	2,279,686	–	2,381,514	8,171	153,158	1,636,201	170,173	1,967,703	109,999	153,158	3,915,887	170,173	4,349,217
2	Fresh restructuring during the year	No. of borrowers	–	–	2	–	2	–	30	3	–	33	–	30	5	–	35
		Amount outstanding	170,348	–	1,816,207	–	1,986,555	14,621	7,238	1,273,561	–	1,295,420	184,969	7,238	3,089,768	–	3,281,976
		Provision thereon	–	–	2,536,269	–	2,536,269	–	6,673	1,273,561	–	1,280,234	–	6,673	3,809,830	–	3,816,503
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	–	–	–	(448)	445	3	–	(1)	(448)	446	3	–
		Amount outstanding	(821,891)	–	821,891	–	–	–	(33,896)	33,759	137	–	(821,891)	(33,896)	855,651	137	–
		Provision thereon	(101,828)	–	101,828	–	–	–	(33,896)	33,759	137	–	(101,828)	(33,896)	135,588	137	–
6	Write-offs of restructured accounts during the FY	No. of borrowers	–	–	–	–	–	1	1,523	18	49	1,591	1	1,523	18	49	1,591
		Amount outstanding	–	–	50,500	–	50,500	68,643	108,920	318,045	65,175	560,783	68,643	108,920	368,546	65,175	611,284
7	Restructured Accounts as on March 31 of the FY (closing figures)*	No. of borrowers	1	–	7	–	8	2	562	457	11	1,032	3	562	464	11	1,040
		Amount outstanding	363,171	–	4,867,284	–	5,230,455	174,820	25,781	2,625,476	105,134	2,931,212	537,992	25,781	7,492,760	105,134	8,161,667
		Provision thereon	–	–	4,867,283	–	4,867,283	5,440	25,094	2,625,476	105,134	2,761,144	5,440	25,094	7,492,759	105,134	7,628,427

*Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).

Sr. No. 2 - Amount outstanding includes addition to existing restructured accounts amounting to ₹ 260,692 (in 000s) (number of accounts 7) and provision theron includes additional provision amounting to ₹ 795,785 (in 000's) (number of accounts 7)

Sr. No. 6 - Amount outstanding includes amount recovered from restructured accounts amounting to ₹ 417,880 (in 000s) (number of accounts 1,135).

Sr. No. 7- Provision thereon is after adjusting the provision of ₹ 537,293 (in 000's) towards amount recovered / writen off.

There are no accounts restructured under SME debt restructuring mechanism.

For the year ended 31 March 2014

(₹ in 000s)

Sr. No.	Type of Restructuring	Asset Classification Details	Under CDR Mechanism					Others					Total				
			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 of the FY (opening figures)*	No. of borrowers	1	–	4	–	5	3	3,175	179	3	3,360	4	3,175	183	3	3,365
		Amount outstanding	2,160,306	–	851,986	–	3,012,292	181,895	997,624	1,307,100	59,838	2,546,457	2,342,201	997,624	2,159,086	59,838	5,558,749
		Provision thereon	68,004	–	720,210	–	788,214	`3,591	702,727	1,112,075	59,838	1,878,231	71,595	702,727	1,832,285	59,838	2,666,445
2	Fresh restructuring during the year	No. of borrowers	1	–	–	–	1	–	1,149	2	1	1,152	1	1,149	2	1	1,153
		Amount outstanding	821,891	–	–	–	821,891	–	153,924	87,387	8,490	249,801	821,891	153,924	87,387	8,490	1,071,692
		Provision thereon	101,828	–	–	–	101,828	–	103,937	406,961	27,590	538,488	101,828	103,937	406,961	27,590	640,316
3	Upgradations to restructured standard category during the FY	No. of borrowers	1	–	(1)	–	–	1	–	(1)	–	–	2	–	(2)	–	–
		Amount outstanding	192,823	–	(192,823)	–	–	104,077	–	(104,077)	–	–	296,900	–	(296,900)	–	–
		Provision thereon	–	–	(148,539)	–	(148,539)	6,280	–	(123,944)	–	(117,664)	6,280	–	(272,483)	–	(266,203)
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 restr-uctured 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	–	–	–	(8)	(46)	54	–	(1)	(8)	(45)	54	–
		Amount outstanding	(1,996,782)	–	1,996,782	–	–	–	(539,807)	427,194	112,613	–	(1,996,782)	(539,807)	2,423,976	112,613	–
		Provision thereon	(68,004)	–	1,996,782	–	1,928,778	–	(572,064)	446,294	112,613	(13,157)	(68,004)	(572,064)	2,443,076	112,613	1,915,621
6	Write-offs of restructured accounts during the FY	No. of borrowers	–	–	–	–	–	1	1,813	107	1	1,922	1	1,813	107	1	1,922
		Amount outstanding	163,524	–	376,259	–	539,783	57,130	450,382	81,403	10,768	599,683	220,654	450,382	457,662	10,768	1,139,466
7	Restructured Accounts as on March 31 of the FY (closing figures)*	No. of borrowers	2	–	4	–	6	3	2,503	27	57	2,590	5	2,503	31	57	2,596
		Amount outstanding	1,014,714	–	2,279,686	–	3,294,400	228,842	161,359	1,636,201	170,173	2,196,575	1,243,556	161,359	3,915,887	170,173	5,490,975
		Provision thereon	101,828	–	2,279,686	–	2,381,514	8,171	153,158	1,636,201	170,173	1,967,703	109,999	153,158	3,915,887	170,173	4,349,217

*Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).
Sr. No. 2 - Amount outstanding includes additions to existing restructured accounts amounting to ₹ 147,491 (in 000s) (number of accounts 5) and provision thereon includes additional provision amounting to ₹ 444,641 (in 000s) (number of accounts 271).
Sr. No. 6 - Amount outstanding includes amount recovered from restructured accounts amounting to ₹ 1,083,849 (in 000s) (number of accounts 2,383).
Sr. No. 7- Provision thereon is after adjusting the provision of ₹ 606,963 (in 000s) towards amount recovered / written off.
There are no accounts restructured under SME debt restructuring mechanism.

18. Significant accounting policies and notes to financial statements (continued)

(xxi) Lending to Sensitive Sectors

Category	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Exposure to Real Estate Sector		
Direct exposure		
(i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:	**158,631,520**	152,148,516
Of which individual housing loans eligible for inclusion in priority sector advances	**13,288,650**	13,835,414
(ii) Commercial Real Estate		
Lending secured by mortgages on commercial real estates	**167,780,969**	168,367,539
(iii) Other Direct Exposure (Loans backed by Commercial Property not falling Property not falling under definition of Commercial Real Estate Exposure as per RBI circular No. DBOD.BP.BC.No. 42/08.12.015/ 2009-10 dated 09 September, 2009)	**21,544,484**	20,926,675
(iv) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
a. Residential	**1,981,030**	2,083,612
b. Commercial Real Estate	**1,029,248**	1,106,351
Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	**5,108,146**	7,656,929
Total Exposure to Real Estate Sector	**356,075,397**	352,289,622
Exposure to Capital Market		
(i) Direct investment 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	**43,877**	43,877
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	**43,916**	73,380
(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	**3,342,135**	3,187,103
(iv) Advances for any other purposes to the extent secured by the 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	**169,663**	–
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	**12,133,432**	10,782,225
(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	**21,764,060**	6,574,511

18. Significant accounting policies and notes to financial statements (continued)

	Category	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
(vii)	Bridge loans to companies against expected equity flows / issues	125,000	–
(viii)	Underwriting commitments taken up by the banks 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)	–	–
(xi)	Others (Irrevocable Payment Commitments)	1,182,312	7,758,600
	Total Exposure to Capital Market	**38,804,395**	28,419,696

(xxii) Assets Securitised (including assignment)

(a) Securitisation
The Bank has not entered into any securitisation transactions during the year (2013-14: Nil).

(b) Assignment
Form and quantum of outstanding value of services provided by way of:

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Credit Enhancement given in the form of Cash Collateral	652,522	755,104
Credit Enhancement given in the form of Guarantees	1,328,508	1,328,508
Liquidity Support	–	–
Post securitisation asset servicing	–	–

In accordance with RBI circular DBOD.NO.BP.BC.60/21.04.048/2005-06 dated 01 February 2006, there are no assignments during the year ended March 2015 (previous year Nil).

(xxiii) Intra-group Exposures

Disclosure is in accordance with RBI circular DBOD.BP.BC.96/21.06.102/2013-14 dated 11 February 2014:

		For the year ended 31 March 2015 (₹ in 000s)
(a)	Total amount of intra group exposures	16,480,495
(b)	Total amount of top-20 intra-group exposures	16,470,036
(c)	Percentage of intra-group exposures to total exposure of the bank on borrowers / customers	0.59%
(d)	Details of breach of limits on intra-group exposures and regulatory action thereon, if any.	Nil

(xxiv) Amounts transferred to Depositors Education and Awareness Fund

Disclosure is in accordance with RBI circular DBOD.No.DEAF Cell.BC.114/30.01.002/2013-14 dated 27 May 2014:

	For the year ended 31 March 2015 (₹ in 000s)
Opening balance of amounts transferred to Depositors Education and Awareness Fund	–
Add: Amounts transferred to Depositors Education and Awareness Fund during the year	1,307,382
Less: Amounts reimbursed by Depositors Education and Awareness Fund towards claims	(15,893)
Closing balance of amounts transferred to Depositors Education and Awareness Fund	1,291,489

(xxv) Unhedged Foreign Currency Exposures

The Bank has provided for unhedged foreign currency exposure as per RBI master circular DBOD.No.BP.BC.1/21.04.048/2014-15 dated 01 July 2014 on prudential norms on income recognition, asset classification and provisioning pertaining to advances. The Bank considers all customers who have borrowed from the

18. Significant accounting policies and notes to financial statements (continued)

Bank and covers gross sum of all items on the customer's balance sheet that has an impact on the profit and loss account due to movement in foreign exchange rates. While providing for unhedged foreign currency exposure, the Bank has considered both financial hedges and natural hedges. The Bank has robust processes to manage credit risk assessment including currency induced credit risk and review in stressed scenarios whereby the Bank initiates corrective actions where required.

Provision towards unhedged foreign currency exposure as on 31 March 2015 is ₹ 1,501 million (previous year: NA) and the capital held by the Bank towards this risk is ₹ 6,325 million (previous year: NA).

(xxvi) Liquidity Coverage Ratio (LCR)

(a) Quantitative Disclosure

Disclosure is in accordance with RBI circular DBOD.BP.BC.No 120/21/04.098/2013-14 dated 9 June 2014 is as under:

Liquidity Coverage Ratio	Average for Quarter ended 31 March 2015	
	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets		
1. Total High Quality Liquid Assets (HQLA)	–	**111,230,800**
Cash Outflows		
2. Retail deposits and deposits from small business customers, of which:	**348,406,841**	**33,544,077**
(i) Stable deposits	**25,932,139**	**1,296,607**
(ii) Less stable deposits	**322,474,702**	**32,247,470**
3. Unsecured wholesale funding, of which :	**322,078,255**	**132,647,988**
(i) Operational deposits (all counterparties)	**154,270,478**	**34,525,771**
(ii) Non-operational deposits (all counterparties)	**167,807,777**	**98,122,217**
(iii) Unsecured debt	–	–
4. Secured wholesale funding	–	–
5. Additional requirements, of which:	**167,064,043**	**57,338,296**
(i) Outflows related to derivative exposures and other collateral requirements	**39,608,844**	**39,608,844**
(ii) Outflows related to loss of funding on debt products	–	–
(iii) Credit and liquidity facilities	**127,455,199**	**17,729,452**
6. Other contractual funding obligations	**635,767**	**635,767**
7. Other contingent funding obligations	**741,002,350**	**37,050,118**
8. Total Cash Outflows	–	**261,216,246**
Cash Inflows		
9. Secured lending (e.g. reverse repos)	**14,846,357**	–
10. Inflows from fully performing exposures	**230,425,590**	**148,057,291**
11. Other cash inflows	–	–
12. Total Cash Inflows	**245,271,947**	**148,057,291**

		Total Adjusted Value
21. TOTAL HQLA	–	**111,230,800**
22. Total Net Cash Outflows	–	**113,158,955**
23. Liquidity Coverage Ratio (%)	–	**98%**

18. Significant accounting policies and notes to financial statements (continued)

(b) Qualitative Disclosures

The LCR standard aims to ensure that a bank maintains an adequate level of unencumbered HQLA that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario specified by supervisors. At a minimum, the stock of liquid assets should enable the Bank to survive until day 30 of the stress scenario, by which time it is assumed that appropriate corrective actions can be taken.

i. The main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time;

The key components/ drivers of the LCR are (i) stock of HQLA and (ii) net cash outflows over the next 30 calendar days. HQLA comprises high quality assets that can be readily sold or used as collateral to obtain funds in a range of stress scenarios; they should be unencumbered and easily convertible into cash at little or no loss of value. Net cash outflows are the total expected cash outflows minus expected cash inflows for the subsequent 30 calendar days. Cash outflows and inflows are calculated by multiplying outstanding balances of various types of liabilities and off-balance sheet commitments / contingencies and various categories of contractual receivables by the prescribed outflows/inflows rates. Total inflows are capped at 75% of total outflows for LCR computation.

ii. Intra-period changes as well as changes over time;

The LCR requirement has been introduced by RBI for banks in India effective 1 January 2015 with a minimum 60% for the calendar year 2015, rising in equal steps each calendar year to reach the minimum 100% requirement by 1 January 2019. The Bank's LCR averaged 98% for the quarter ended January - March 2015, well above the required minima of 60%, ranging from 87% to 127%.

iii. The composition of HQLA;

There are two categories of assets which can be included in the stock of HQLA's, viz. Level 1 and Level 2 assets, subject to prescribed operational requirements and other criteria:

- Level 1 assets comprise of the following and can be included without any limit as also without applying any haircut:
  - (a) Cash including cash reserves in excess of required CRR;
  - (b) Government securities in excess of the minimum SLR requirement;
  - (c) Within the mandatory SLR requirement, Government securities to the extent allowed by RBI (currently 7% of NDTL), under marginal standing facility;
  - (d) Marketable securities issued or guaranteed by foreign sovereigns, subject to certain conditions.
- Level 2 assets (comprising Level 2A assets and Level 2B assets) can be included, subject to the requirement that they comprise no more than 40% of the overall stock of HQLAs after haircuts have been applied

HQLA for the Bank currently comprises of Level 1 assets only.

iv. Concentration of funding sources;

The Bank seeks to diversify its funding sources across retail, commercial, corporate and institutional clients, as well as across products, tenors and currency. Funding from significant counterparties, products/instruments and currency is monitored regularly as part of its ongoing liquidity management. The Bank endeavours to fund its customers loans from deposits and capital, thereby ensuring minimal / no reliance on interbank borrowings.

v. Derivative exposures and potential collateral calls;

Derivative exposures with outflows and inflows in the next 30 calendar days are included in the LCR calculations. Further, management assesses the potential need for higher liquidity on account of valuation, collateral or specific scenarios.

vi. Currency mismatch in the LCR;

LCR computation is aggregated across currencies, with the predominant currency being INR. The Bank's foreign currency liabilities support its foreign currency exposures, however all HQLA is maintained in INR only.

vii. Description of the degree of centralisation of liquidity management and interaction between the group's units; and

18. Significant accounting policies and notes to financial statements (continued)

The Bank's ALCO is responsible for liquidity management on an overall basis, with ALM managing the day-to-day requirements within the Bank's liquidity risk framework, by interacting with all the business and product lines on an ongoing basis and via the Liquidity Management Forum. Market & Traded Credit Risk and Finance monitors adherence to various internal structural and short term liquidity limits, as well as regulatory limits and ratios such as CRR, SLR, LCR, call borrowings/lending etc.

(xxvii) Risk Exposure in Derivatives

(a) Exchange traded interest rate derivatives

Amount outstanding as on 31 March 2015 ₹ 4,252 million (previous year: ₹300 million).

(b) Qualitative Disclosures

Structure and organisation of management of risk in derivatives trading

The derivatives business is managed by the front office with independent back office for confirmation and settlement of trades. A separate middle office team validates all the derivative transactions and the processing and settlement is done by the back office team. The market risk team is responsible for monitoring market risk limits for derivative instruments. VAR (Value at Risk) is the primary risk measure and supplemented by other limits like PV01 as required and appropriate. There is clear segregation of duties and different reporting lines to ensure independent monitoring and reporting.

Risk monitoring team

The Bank is exposed to market risk, liquidity risk, operational risk and credit risk on the derivatives portfolio. The Bank's risk management group, compliance group and internal audit group assist in identifying, assessing and monitoring of these principal risks in accordance with policies and procedures.

Provisioning, collateral and credit risk mitigation

Counterparties are reviewed by credit officers who set their credit limits. The Bank does a credit analysis which includes a review of facility detail, credit grade determination and financial spreading/ratio analysis. The Bank uses a numerical grading system, for quantifying the risk associated with counterparty.

The Bank applies the Current Exposure methodology to manage credit risk associated with derivative transactions. This is calculated by taking the cost of replacing the contract, where its mark-to-market value, is positive together with an estimate of the potential future change in the market value of the contract, reflecting the volatilities that affect it. The credit risk on contracts with a negative mark-to-market value is restricted to the potential future change in their market value.

Provisioning on the exposure taken on derivative contracts is made as prescribed by RBI Circular No. DBOD.No.BP.BC.9/21.04.048/2014-15 dated 01 July 2014.

(c) Quantitative Disclosures

Sr. No.	Particulars	Currency Derivatives as at 31 March 2015 (₹ in 000s)	Interest rate Derivatives as at 31 March 2015 (₹ in 000s)	Currency Derivatives as at 31 March 2014 (₹ in 000s)	Interest rate Derivatives as at 31 March 2014 (₹ in 000s)
1	Derivatives (Notional Principal Amount)				
	a) For hedging	**100,132,089**	**88,500,000**	189,190,133	70,750,000
	b) For trading	**7,752,220,400**	**7,380,158,786**	5,600,215,789	5,976,690,868
2	Marked to Market Positions				
	a) Asset (+)	**96,383,535**	**34,010,398**	137,652,572	53,627,323
	b) Liability (-)	**(118,135,236)**	**(25,597,537)**	(168,756,852)	(42,677,058)
3	Credit Exposure[1]	**326,785,203**	**97,396,133**	326,383,256	104,916,973
4	Likely impact of one percentage change in interest rate (100*PV01)[2]				
	a) on hedging derivatives	**1,525,038**	**1,403,046**	2,210,921	1,066,100
	b) on trading derivatives	**917,978**	**838,339**	1,393,513	2,984,203

[1] Computed as per the current exposure method as per RBI Master Circular on Exposure Norms DBOD.No.Dir.BC.12/13.03.00/2014-15 dated 01 July 2014

[2] Only for ₹ currency

18. Significant accounting policies and notes to financial statements (continued)

Sr. No.	Particulars	**Currency Derivatives as at 31 March 2015 (₹ in 000s)**	**Interest rate Derivatives as at 31 March 2015 (₹ in 000s)**	Currency Derivatives as at 31 March 2014 (₹ in 000s)	Interest rate Derivatives as at 31 March 2014 (₹ in 000s)
5	Maximum of 100*PV01 observed during the year[2]				
	a) on hedging	**2,194,005**	**2,924,704**	2,457,330	1,085,300
	b) on trading	**3,400,341**	**4,878,321**	1,721,888	3,128,840
6	Minimum of 100*PV01 observed during the year[2]				
	a) on hedging	**1,525,038**	**1,033,251**	913,031	186,000
	b) on trading	**328,665**	**838,339**	22,825	1,296,043

[2] Only for ₹ currency

(xxviii) Interest Rate Swaps, Interest Rate Options and Forward Rate Agreements

The notional principal amount of Interest Rate Swaps ('IRS'), Interest Rate Options ('IRO'), Interest Rate Futures ('IRF') and Forward Rate Agreements ('FRA') are:

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
IRS	**7,323,334,228**	5,837,088,672
IRO	**141,072,358**	210,052,196
IRF	**4,252,200**	300,000
FRA	**–**	–
Total	**7,468,658,786**	6,047,440,868

The credit risk is the pre-settlement risk which is estimated in accordance with the Current Exposure Method. All IRS, IRO, IRF and FRA are monitored for price risks under the Value at Risk approach.

The Bank has taken ₹ 3,652 million as collateral from counter parties in respect of derivative contracts (previous year: ₹ 3,323 million).

The gross positive mark to market on the IRS, IRO, IRF and FRA, which is the potential loss that the Bank would incur in case the counter parties fail to fulfill their obligations are:

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
IRS	**33,989,730**	53,503,688
IRO	**20,668**	123,635
IRF	**–**	–
FRA	**–**	–
Total	**34,010,398**	53,627,323

As at 31 March 2015, the exposure on IRS, IRO, IRF and FRA is spread over various industries. Based on the notional principal amount, the maximum single industry exposure lies with banks at 77% (previous year: 88%).

Fair value (net MTM value) which the Bank would receive or pay to terminate the IRS, IRO, IRF and FRA is given below:

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
IRS	**8,412,861**	10,950,265
IRO	**–**	–
IRF	**–**	–
FRA	**–**	–
Total	**8,412,861**	10,950,265

18. Significant accounting policies and notes to financial statements (continued)

The nature and terms of the IRS and IRO as on 31 March 2015 are set out below:

Nature	Number of Contracts	Notional Principal (₹ in 000s)	Benchmark	Term
Trading	2	1,142,225	INBMK	Fixed Payable v/s Fixed Receivable
Trading	63	42,754,717	INBMK	Fixed Payable v/s Floating Receivable
Trading	22	11,000,000	INBMK	Fixed Receivable v/s Floating Payable
Trading	1	2,812,500	LIBOR	Fixed Payable v/s Fixed Receivable
Trading	501	733,304,418	LIBOR	Fixed Payable v/s Floating Receivable
Trading	9	20,786,719	LIBOR	Floating Payable v/s Floating Receivable
Trading	38	46,956,043	LIBOR	Fixed Receivable v/s Fixed Payable
Trading	502	673,166,293	LIBOR	Fixed Receivable v/s Floating Payable
Trading	18	19,477,131	LIBOR	Floating Receivable v/s Floating Payable
Trading	3	1,140,000	MIBOR	Fixed Payable v/s Floating Receivable
Trading	2	500,000	MIBOR	Fixed Receivable v/s Floating Payable
Trading	902	493,812,227	MIFOR	Fixed Payable v/s Floating Receivable
Trading	1,076	540,088,437	MIFOR	Fixed Receivable v/s Floating Payable
Trading	2,301	2,183,313,737	OIS	Fixed Payable v/s Floating Receivable
Trading	1,954	2,444,679,922	OIS	Fixed Receivable v/s Floating Payable
Trading	10	9,949,929	OTHERS	Fixed Payable v/s Floating Receivable
Trading	10	9,949,929	OTHERS	Fixed Receivable v/s Floating Payable
Trading	3	65,625,000	LIBOR	Floating Payable v/s Fixed Receivable
Trading	3	65,625,000	LIBOR	Floating Receivable v/s Fixed Payable
Trading	3	4,911,179	OTHERS	Floating Payable v/s Fixed Receivable
Trading	3	4,911,180	OTHERS	Floating Receivable v/s Fixed Payable
Hedging	151	87,500,000	OIS	Fixed Payable v/s Floating Receivable
Hedging	2	1,000,000	OIS	Fixed Receivable v/s Floating Payable
	7,579	7,464,406,586		

The nature and terms of the IRS and IRO as on 31 March 2014 are set out below:

Nature	Number of Contracts	Notional Principal (₹ in 000s)	Benchmark	Term
Trading	2	1,468,575	INBMK	Fixed Payable v/s Fixed Receivable
Trading	74	48,713,991	INBMK	Fixed Payable v/s Floating Receivable
Trading	32	15,750,000	INBMK	Fixed Receivable v/s Floating Payable
Trading	1	2,696,175	LIBOR	Fixed Payable v/s Fixed Receivable
Trading	433	535,201,926	LIBOR	Fixed Payable v/s Floating Receivable
Trading	13	45,367,932	LIBOR	Floating Payable v/s Floating Receivable
Trading	11	20,038,152	LIBOR	Fixed Receivable v/s Fixed Payable
Trading	430	500,402,347	LIBOR	Fixed Receivable v/s Floating Payable
Trading	21	47,495,465	LIBOR	Floating Receivable v/s Floating Payable
Trading	3	1,140,000	MIBOR	Fixed Payable v/s Floating Receivable
Trading	2	500,000	MIBOR	Fixed Receivable v/s Floating Payable
Trading	904	478,309,983	MIFOR	Fixed Payable v/s Floating Receivable
Trading	878	433,904,325	MIFOR	Fixed Receivable v/s Floating Payable
Trading	1,960	1,848,677,144	OIS	Fixed Payable v/s Floating Receivable
Trading	1,804	1,765,223,445	OIS	Fixed Receivable v/s Floating Payable
Trading	10	10,724,606	OTHERS	Fixed Payable v/s Floating Receivable
Trading	10	10,724,606	OTHERS	Fixed Receivable v/s Floating Payable

18. Significant accounting policies and notes to financial statements (continued)

Nature	Number of Contracts	Notional Principal (₹ in 000s)	Benchmark	Term
Trading	9	99,555,728	LIBOR	Floating Payable v/s Fixed Receivable
Trading	9	99,555,728	LIBOR	Floating Receivable v/s Fixed Payable
Trading	3	5,470,370	OTHERS	Floating Payable v/s Fixed Receivable
Trading	3	5,470,370	OTHERS	Floating Receivable v/s Fixed Payable
Hedging	106	67,250,000	OIS	Fixed Payable v/s Floating Receivable
Hedging	5	3,500,000	OIS	Fixed Receivable v/s Floating Payable
	6,723	6,047,140,868		

The nature and terms of the IRF as on 31 March 2015 are set out below:

Nature	**Number of Contracts**	**Notional Principal (₹ in 000s)**	**Benchmark**	**Term**
Trading	**174**	**4,252,200**	**OTHERS**	**Fixed Payable v/s Floating Receivable**
	174	**4,252,200**		

The nature and terms of the IRF as on 31 March 2014 are set out below:

Nature	Number of Contracts	Notional Principal (₹ in 000s)	Benchmark	Term
Trading	28	300,000	OTHERS	Fixed Payable v/s Floating Receivable
	28	300,000		

(xxix) Country Risk Exposure

Disclosure for country risk exposure in accordance with RBI Master Circular No.DBOD.BP.BC.No.8/21.04.018/2014-15 dated 1 July 2014 is given under:

Risk Category	**Funded Exposure (net) as at 31 March 2015 (₹ in 000s)**	**Provision held as at 31 March 2015 (₹ in 000s)**	Funded Exposure (net) as at 31 March 2014 (₹ in 000s)	Provision held as at 31 March 2014 (₹ in 000s)
Insignificant	**37,059,461**	**35,498**	54,946,674	35,498
Low	**17,732,488**	**28,059**	20,274,504	28,059
Moderately Low	**1,502,670**	**–**	2,426,478	–
Moderate	**570,753**	**–**	2,680,698	–
Moderately High	**250**	**–**	382	–
High	**63**	**–**	–	–
Very High	**125**	**–**	–	–
Total	**56,865,810**	**63,557**	80,328,736	63,557

The above provision has been included in Schedule 5 - Other Liabilities and Provisions

(xxx) Prudential Credit Exposure Limits – Single and Group Borrower Exposure

The Bank's exposure to single and group borrowers has been within limits specified by RBI. The Bank has enhanced the credit exposure by an additional 5 per cent of capital funds in respect of Reliance Industries Limited with the approval of the Country Management Group of the Bank (2013-14: Reliance Industries Limited).

18. Significant accounting policies and notes to financial statements (continued)

(xxxi) Provisions and contingencies

(a) As per AS 29 – Provisions, Contingent Liabilities and Contingent Assets, movement in provision for reward points awarded to customers and movement in other provisions are given below:

	For the year ended 31 March 2015		For the year ended 31 March 2014	
	Reward Points[1] (₹ in 000s)	Other Provisions (₹ in 000s)	Reward Points[1] (₹ in 000s)	Other Provisions (₹ in 000s)
Opening provision	**635,255**	**385,518**	583,537	499,092
Provision made during the year	**420,260**	**175,383**	457,667	106,092
Utilisation / write back of provision during the year	**(382,561)**	**(168,757)**	(405,949)	(219,666)
Closing provision	**672,954**	**392,144**	635,255	385,518

[1] Basis of calculation of provision for reward points is explained in Note 18 (D) (12). The provision is utilised when actual claims for redemption are made by customers.

(b) Description of Contingent Liabilities

(i) Claims against the Bank not acknowledged as debts

These represent claims filed against the Bank relating to certain legal and tax proceedings that are currently in progress.

(ii) Liability on account of outstanding foreign exchange contracts

The Bank enters into foreign exchange contracts 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. The Bank also undertakes currency futures transactions.

(iii) Liability on account of derivative contracts

These include notional principal on outstanding cross currency swaps, currency options, forward rate agreements, interest rate swaps, interest rate futures and interest rate options.

(iv) Guarantees given on behalf of constituents, acceptances, endorsements and other obligations

As a part of its commercial banking activities, the Bank issues documentary credit and guarantees on behalf of its customers. Documentary credit such as letters of credit enhances the credit standing of the customers of the Bank. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfill its financial or performance obligations. Irrevocable Payment Commitments are included underguarantees given on behalf of constituents in India.

(v) Other items for which the Bank is contingently liable

These include capital commitments, amounts deposited in the Depositor Education and Awareness Fund, underwriting commitments, recourse obligations representing credit enhancements in the form of cash collaterals in respect of securitised loans, forward asset purchase and obligations undertaken on sell down of certain assets and amount payable on securities purchased.

(c) Inquiry Proceedings

During the year, the Bank received a show cause notice from the Enforcement Directorate alleging violation of certain provisions of Foreign Exchange Management Act. The Bank has responded to the same; proceedings are yet to commence. The Bank, based on legal advice, believes that it has an arguable case and the chances of success are more likely than not. Hence no provision has been made in these financial statements.

(d) Breakup of Schedule 17 – Provisions and Contingencies

Particulars	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Specific provisions against advances (net)	**10,471,582**	27,993,948
General provision against standard assets	**1,501,469**	70,000
Provision for Country Risk Exposure	**–**	39,181
Charge / (Release) against Investments	**164,430**	826,668
Provision on account of tax		
– Current tax expense[1]	**21,673,626**	19,301,316
– Deferred tax	**(5,194,151)**	(10,803,231)

[1] includes provision for Wealth Tax

18. Significant accounting policies and notes to financial statements (continued)

(e) Floating Provisions

The Bank does not have any floating provision as at 31 March 2015 (previous year: Nil).

(xxxii) Draw down from Reserves

During the year ended 31 March 2015, there has not been any draw down from reserves (previous year: ₹ 562 million was drawn from Investment Reserve).

(xxxiii) Retirement Benefits

(a) Defined Benefit Plans

Reconciliation of opening and closing balance of the present value of the defined benefit obligations for retirement benefits which includes pension, gratuity and compensated absences is given below:

	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Changes in present value of defined benefit obligations		
Opening balance as at 01 April	**1,953,756**	1,899,948
Current service cost	**67,894**	77,958
Interest cost	**166,165**	143,619
Past service cost	**–**	90,656
Acquisition adjustment	**9,381**	–
Actuarial losses / (gains)	**364,316**	(77,095)
Benefits paid	**(187,660)**	(181,330)
Closing balance as at 31 March (A)	**2,373,852**	1,953,756
Changes in fair value of plan assets		
Opening balance as at 01 April	**862,390**	921,330
Expected return on plan assets	**68,178**	73,333
Contributions paid by the Bank	**247,913**	55,656
Acquisition adjustment	**9,381**	–
Benefits paid	**(187,660)**	(181,330)
Actuarial gains / (losses)	**9,548**	(6,599)
Closing balance as at 31 March (B)	**1,009,750**	862,390
Net liability recognised (B - A)	**(1,364,102)**	(1,091,366)

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Present value of defined benefit obligations as at 31 March	**2,373,852**	1,953,756
Fair value of plan assets as at 31 March	**1,009,750**	862,390
Funded status – Deficit	**(1,364,102)**	(1,091,366)
Unrecognised assets as per paragraph 59(b) of AS 15	**–**	–
Net liability recognised in Balance Sheet	**(1,364,102)**	(1,091,366)

18. Significant accounting policies and notes to financial statements (continued)

	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Components of employer's expense		
Current service cost	**67,894**	77,958
Interest cost	**166,165**	143,619
Expected return on assets	**(68,178)**	(73,333)
Past Service Cost	**–**	90,656
Net actuarial losses / (gains)	**354,768**	(70,496)
Effect of the limit in paragraph 59(b) of AS 15	**–**	(3,345)
Net cost recognised in the Profit and Loss Account	**520,649**	165,059

Key Assumptions	**31 March 2015**	31 March 2014
Discount rate	**8.00%**	9.15%
Expected return on plan assets	**7.50%**	7.50%
Salary escalation rate		
• Management Staff	**8.00%**	8.00%
• Non Management Staff	**6.50%**	6.50%

Details of plan assets, defined benefit obligations and experience adjustments

	31 March 2015 (₹ in 000s)	31 March 2014 (₹ in 000s)	31 March 2013 (₹ in 000s)	31 March 2012 (₹ in 000s)	31 March 2011 (₹ in 000s)
Plan assets	**1,009,750**	862,390	921,330	724,970	760,290
Defined benefit obligations	**2,373,852**	1,953,756	1,899,948	1,709,888	1,753,375
Amount not recognised as an asset (limit in para 59(b) of AS 15)	**–**	–	3,345	5,678	3,201
Deficit	**(1,364,102)**	(1,091,366)	(981,963)	(990,596)	(996,286)
Experience adjustment on plan assets	**24,621**	7,917	27,572	1,343	3,432
Experience adjustment on plan liabilities	**12,795**	93,215	37,418	30,311	198,630

The estimates of future salary increases in the actuarial valuation takes into consideration inflation, seniority, promotion and other relevant factors.

The major categories of plan assets as a percentage of total plan assets are as follows:

Category of Assets	**As at 31 March 2015**	As at 31 March 2014
Insurer managed funds	**80%**	77%
Government of India securities	**10%**	12%
Others (corporate bonds, special deposit scheme, equity shares)	**10%**	11%
Total	**100%**	100%

(b) Defined Contribution Plans

The amount recognised as an expense for the Defined Contribution Plans is as under:

Particulars	**For the year ended 31 March 2015 (₹ in 000s)**	For the year ended 31 March 2014 (₹ in 000s)
Provident Fund	**394,968**	368,165
Superannuation Fund	**42,593**	38,999

18. Significant accounting policies and notes to financial statements (continued)

(xxxiv) Primary dealership

In line with the RBI circular IDMD.PDRD.01 /03.64.00/2014-15 dated 01 July 2014, the details pertaining to net borrowing in call money markets are as under:

For the year ended 31 March 2015

Particulars	Average net call borrowing (₹ in 000s)	Maximum net call borrowing (₹ in 000s)
Net Call Borrowing	**–**	**–**

For the year ended 31 March 2014

Particulars	Average net call borrowing (₹ in 000s)	Maximum net call borrowing (₹ in 000s)
Net Call Borrowing	–	–

(xxxv) Customer complaints and awards of Banking Ombudsman

In accordance with RBI circulars DBOD No.Leg.BC.21/09.07.006/2014-15 dated 01 July 2014 and DBOD.BP.BC.No.49/21.04.018/2013-14 dated 03 September 2013, details with respect to customer complaints and awards passed by the Banking Ombudsman are given below:

Customer complaints:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
(a) No. of complaints pending at the beginning of the year	**39**	434
(b) No. of complaints received during the year*	**20,035**	21,034
(c) No. of complaints redressed during the year	**19,994**	21,429
(d) No. of complaints pending at the end of the year	**80**	39

Awards passed by the Banking Ombudsman:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
(a) No. of unimplemented awards at the beginning of the year	**–**	–
(b) No. of awards passed by the Banking Ombudsman during the year	**–**	3
(c) No. of awards implemented during the year	**–**	3
(d) No. of unimplemented awards at the end of the year	**–**	–

*Above amounts include 7,305 complaints (previous year: 4,746 complaints) pertaining to cases of failed ATM transactions at other Bank's ATM's, reported vide aforementioned circular dated 03 September 2013.

(xxxvi) Letters of Comfort (LoC) issued

During the year ended 31 March 2015, the Bank has not issued any LoC (2013-14: Nil).

(xxxvii) Fees earned in respect of bancassurance business

Nature of Income	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
For selling life insurance policies (including ULIPs)	**191,288**	722,175
For selling non life insurance policies	**58,526**	51,311
Total	**249,814**	773,486

(xxxviii) Concentration of Deposits

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Total deposits of twenty largest depositors	**145,691,367**	133,611,774
Percentage of deposits of twenty largest depositors to total deposits of the Bank	**20.00%**	18.53%

18. Significant accounting policies and notes to financial statements (continued)

(xxxix) Off – Balance Sheet Special Purpose Vehicles sponsored

The Bank has not sponsored any Special Purpose Vehicle (2013-14: Nil).

(2) Segment reporting

(i) Segment description

The Bank has disclosed its operations under the following segments:

Segment Definition	Activities
Treasury	Treasury activities include foreign exchange, fixed income, money market and derivative transactions.
Wholesale Banking	Local corporate financing, corporate advisory and all advances to trusts, partnership firms, companies and statutory bodies, which are not included under the "Retail Banking" segment, are reported under Wholesale Banking.
Retail Banking	Retail banking serves retail customers through the branch network and other delivery channels. This segment raises deposits from customers and makes loans and provides other services to such customers. This segment also includes activities relating to credit cards, debit cards, mortgage loans, third party product distribution and their associated costs. Exposures are classified under retail banking taking into account the orientation, product, granularity and individual exposure criteria.
Others	Others include Corporate Real Estate Services and other items not allocable in the aforementioned segments

The classification of exposures to the respective segments conform to the guidelines issued by RBI vide DBOD.No.BP.BC.81/21.04.018/2006-07 dated 18 April 2007 based on the information available for classification.

(ii) Segment Accounting Policy

Segment results are determined after considering the following inter-unit notional charges / recoveries:

a. Fund Transfer Pricing:
Treasury gives notional interest benefit to other divisions for the funds mobilised by the latter through deposits, and similarly charge notional interest to other divisions for the funds utilised by them for lending and investment purposes. Based on tenor of assets / liabilities and market scenarios, Treasury calculates notional interest rates used for this purpose.

b. Premises Rental Chargeback:
Individual business segments are charged rent based on notional market values and the same is credited to 'Others' (Corporate Real Estate Services) in respect of the premises occupied by them.

c. Support costs (costs pertaining to Finance, HR, Corporate Real Estate Services, Legal & Compliance, etc.) are allocated to Treasury, Wholesale & Retail banking segments based on managements' estimates of the benefits accruing to these segments for the costs incurred. This is similar to the basis used for the internal management reporting.

d. Capital & Reserves and attributable earnings thereon are allocated to individual business segments based on period end Risk Weighted Assets.

(iii) Geographic Segments

As the Bank does not have any material earnings or assets originating outside India, the Bank is considered to operate only in the domestic segment.

18. Significant accounting policies and notes to financial statements (continued)

(iv) Segment Reporting

For the year ended 31 March 2015

		Treasury (₹ in 000s)	Wholesale Banking (₹ in 000s)	Retail Banking (₹ in 000s)	Others (₹ in 000s)	Total (₹ in 000s)
A.	**Gross Segment Revenue**	**42,521,009**	**66,706,255**	**24,968,123**	**44,420**	**134,239,807**
B.	**Net Segment Revenue**	**39,357,477**	**32,418,033**	**18,158,319**	**(1,282,943)**	**88,650,886**
C.	**Net Segment Results**	**35,577,962**	**8,616,462**	**3,274,332**	**(474,808)**	**46,993,948**
D.	**Operating Profit**	**–**	**–**	**–**	**–**	**46,993,948**
E.	**Income Taxes**	**–**	**–**	**–**	**(16,479,475)**	**(16,479,475)**
F.	**Net Profit**	**–**	**–**	**–**	**–**	**30,514,473**
G.	**Segment Assets**	**570,971,472**	**528,104,651**	**166,454,474**	**51,866,166**	**1,317,396,763**
H.	**Segment Liabilities**	**372,368,699**	**479,561,186**	**458,635,988**	**6,830,890**	**1,317,396,763**
I.	**Capital Expenditure to acquire Fixed Assets**	**–**	**–**	**–**	**676,256**	**676,256**
J.	**Depreciation**	**–**	**–**	**–**	**863,100**	**863,100**

For the year ended 31 March 2014

		Treasury (₹ in 000s)	Wholesale Banking (₹ in 000s)	Retail Banking (₹ in 000s)	Others (₹ in 000s)	Total (₹ in 000s)
A.	Gross Segment Revenue	36,664,273	64,676,706	28,071,683	1,832,222	131,244,884
B.	Net Segment Revenue	35,350,156	27,173,002	21,679,614	1,116,879	85,319,651
C.	Net Segment Results	29,814,689	(9,346,645)	4,612,147	(740,976)	24,339,215
D.	Operating Profit	–	–	–	–	24,339,215
E.	Income Taxes	–	–	–	(8,498,085)	(8,498,085)
F.	Net Profit	–	–	–	–	15,841,130
G.	Segment Assets	586,368,083	497,735,423	178,528,912	47,377,220	1,310,009,638
H.	Segment Liabilities	380,498,971	446,004,532	476,781,527	6,724,608	1,310,009,638
I.	Capital Expenditure to acquire Fixed Assets	–	–	–	686,810	686,810
J.	Depreciation	–	–	–	995,129	995,129

(3) Penalties

a. During the year, no penalty was levied by RBI in exercise of powers under section 46(4) of the Banking Regulation Act, 1949 (previous year: Nil).

b. RBI levied penalty of ₹ 17 (in 000s) (previous year: ₹ 7 (in 000s)) for shortages / forged / soiled notes deposited by the Currency Chest branches.

c. During the year, no penalty was levied by RBI for not providing exchange facility of soiled notes to customers and public (previous year: Nil).

(4) Related Party Disclosures

(i) The list of related parties as defined in AS 18 – Related Party Disclosures and the nature of their relationship with Standard Chartered Bank - India Branches are given below:

(a) Ultimate Parent Company

Standard Chartered Plc

(b) Parent Company

Standard Chartered Holding Ltd.

(c) Head Office

Standard Chartered Bank, UK

(d) Branches of Head Office

- Standard Chartered Bank China
- Standard Chartered Bank USA
- Standard Chartered Bank UK

18. Significant accounting policies and notes to financial statements (continued)

- Standard Chartered Bank Sri Lanka
- Standard Chartered Bank Bahrain
- Standard Chartered Bank Qatar
- Standard Chartered Bank United Arab Emirates
- Standard Chartered Bank Dubai International Financial Centre
- Standard Chartered Bank Oman
- Standard Chartered Bank Singapore Branch
- Standard Chartered Bank Korea
- Standard Chartered Bank Japan
- Standard Chartered Bank South Africa
- Standard Chartered Bank Philippines
- Standard Chartered Bank Bangladesh
- Standard Chartered Bank Jordan
- Standard Chartered Bank Indonesia
- Standard Chartered Bank Germany
- Standard Chartered Bank Labuan
- Standard Chartered Bank Jersey
- Standard Chartered Bank Brunei
- MENA Private Bank (formerly MESA offshore)
- Africa Regional Office – South Africa

(e) Subsidiaries of Head Office (Standard Chartered Bank, UK)

- Scope International Private Limited
- St Helen's Nominees India Private Limited
- Standard Chartered (India) Modeling & Analytics Centre Private Limited (formerly Standard Chartered (India) Wealth Advisory Services Private Limited)
- Standard Chartered Bank (China) Limited
- Standard Chartered Bank (Hong Kong) Limited
- Standard Chartered Bank (Mauritius) Limited
- Standard Chartered Bank (Pakistan) Limited
- Standard Chartered Bank (Taiwan) Limited
- Standard Chartered Bank (Thai) Public Company Limited
- Standard Chartered Bank Nepal Limited
- Standard Chartered Finance Limited
- Standard Chartered Investments and Loans (India) Limited
- Standard Chartered Private Equity (Mauritius) Limited
- Standard Chartered Private Equity (Mauritius) II Limited
- Standard Chartered Private Equity (Mauritius) III Limited
- Standard Chartered Bank Botswana Limited
- Standard Chartered Bank Ghana Limited
- Standard Chartered Bank Kenya Limited
- Standard Chartered Private Equity Advisory (India) Private Limited
- Standard Chartered Securities (India) Limited
- Standard Chartered Bank Malaysia - Berhad
- Standard Chartered First Bank Korea Limited
- Standard Chartered Strategic Brand Management Limited
- Standard Chartered Bank Sierra Leone Limited
- Standard Chartered Bank Nigeria Limited
- Standard Chartered Bank Cote D'Ivoire
- Standard Chartered Bank (Vietnam) Limited
- Standard Chartered Bank Singapore
- Standard Chartered Bank Cameroon S.A
- Standard Chartered Bank Gambia Limited
- Standard Chartered Financial Holdings
- Standard Chartered Bank Zimbabwe Limited

18. Significant accounting policies and notes to financial statements (continued)

- Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte. Limited
- Standard Chartered (Thailand) Company Limited
- Standard Chartered Bank Tanzania
- Standard Chartered Bank Uganda
- Standard Chartered Bank Zambia
- Finventures UK Limited
- Scope International Malaysia
- Standard Chartered Bank Australia

Note: Categories (d) and (e) above include only those related parties with whom transactions have occurred during the current / previous year.

(f) Key Management Personnel
In accordance with the RBI circular DBOD.BP.BC.No.8/21.04.018/2014-15 dated 1 July 2014, only Mr. Sunil Kaushal, the Chief Executive Officer ('CEO') of the Bank, falls under the category of key management personnel for the year 2014-15, hence, no disclosures pertaining to him are provided.

(ii) Transactions and balances

In line with the RBI circular DBOD.BP.BC No.8/21.04.018/2014-15 dated 01 July 2014, related party disclosures exclude transactions in a category where there is only one related party (i.e. key management personnel) and where the Bank has an obligation under law to maintain confidentiality in respect of their customer transactions.

	Parent Company		Head Office & Branches		Subsidiaries & Fellow Subsidiaries	
	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)	**For the year ended 31 March 2015 (₹ in 000s)**	For the year ended 31 March 2014 (₹ in 000s)	**For the year ended 31 March 2015 (₹ in 000s)**	For the year ended 31 March 2014 (₹ in 000s)
Leasing arrangements availed	**–**	–	**–**	–	**23,508**	32,887
Leasing arrangements provided	**–**	–	**–**	–	**208,427**	251,809
Purchase of Fixed Assets	**–**	–	**–**	–	**–**	–
Sale of Fixed Assets	**–**	–	**–**	–	**–**	–
Employee Share Options	**–**	–	**447,228**	442,522	**–**	–
Rendering of services	**–**	–	**250,630**	503,316	**1,305,408**	1,180,756
Receiving of services	**–**	–	**90,322**	85,330	**4,359,223**	4,439,958
Interest Paid	**–**	–	**912,619**	1,010,129	**191,071**	269,301
Interest Received	**–**	–	**28,773**	16,825	**209,871**	35,029
Sale of foreign exchange	**–**	1,016,942	**4,642,657,594**	4,036,211,723	**144,344,479**	225,372,313
Purchase of foreign exchange	**1,408,286**	–	**4,214,804,992**	4,128,125,493	**92,048,416**	187,936,411
Fee and commission/other income	**–**	–	**3,086,208**	4,442,944	**153,100**	305,006
Service Fees received on Guarantees / LCs	**–**	–	**16,443**	19,391	**14,798**	24,155
Service Fees paid on Guarantees / LCs	**–**	–	**604**	911	**324**	248
Purchase of investments	**–**	–	**21,176,492**	73,980,184	**515,112**	16,612,825
Sale of investments	**–**	–	**73,148,512**	33,467,106	**6,140,384**	15,324,437

18. Significant accounting policies and notes to financial statements (continued)

	Parent Company		Head Office & Branches		Subsidiaries & Fellow Subsidiaries	
	As at 31 March 2015 (₹ in 000s)	Maximum outstanding during the year (₹ in 000s)	As at 31 March 2015 (₹ in 000s)	Maximum outstanding during the year (₹ in 000s)	As at 31 March 2015 (₹ in 000s)	Maximum outstanding during the year (₹ in 000s)
Lease Rentals Payable	–	–	–	–	–	(12,209)
Lease Rentals Receivable	–	–	–	–	20,599	41,748
Employee Share Options	–	–	(679,376)	(819,548)	–	–
Borrowings	–	–	(33,934,500)	(46,790,098)	–	–
Subordinated Debts	–	–	–	(31,830,500)	–	–
Deposit / Vostros	–	–	(1,401,440)	(16,093,960)	(11,509,661)	(13,572,279)
Investments	–	–	–	–	–	–
Placements	–	–	15,625,000	36,035,250	–	–
Advances	–	–	–	–	2,000,000	2,650,000
Nostro / Bank Balances	–	–	8,471,458	16,654,996	561,238	4,591,748
Derivative Notional & Trade Contingents	–	–	1,730,030,532	1,764,944,724	54,736,862	66,979,674
Sundry Balances (Net)	–	–	855,894	855,894	(146,740)	(1,358,971)
Positive MTM	–	–	22,167,103	22,167,103	790,604	802,408
Negative MTM	–	–	(43,323,313)	(43,323,313)	(25,608)	(634,527)

	Parent Company		Head Office & Branches		Subsidiaries & Fellow Subsidiaries	
	As at 31 March 2014 (₹ in 000s)	Maximum outstanding during the year (₹ in 000s)	As at 31 March 2014 (₹ in 000s)	Maximum outstanding during the year (₹ in 000s)	As at 31 March 2014 (₹ in 000s)	Maximum outstanding during the year (₹ in 000s)
Lease Rentals Payable	–	–	–	–	–	(2,339)
Lease Rentals Receivable	–	–	–	–	20,375	24,905
Employee Share Options	–	–	(630,911)	(873,021)	–	–
Borrowings	–	–	(17,974,500)	(72,139,749)	–	–
Subordinated Debts	–	–	(29,957,500)	(34,385,000)	–	–
Deposit / Vostros	–	–	(900,017)	(7,737,734)	(11,834,352)	(14,609,195)
Investments	–	–	–	–	–	100
Placements	–	–	3,990,600	20,282,301	–	–
Advances	–	–	–	–	2,000,000	2,000,000
Nostro Balances	–	–	4,937,332	48,157,675	124,874	574,719
Derivative Notional & Trade Contingents	–	–	1,176,279,459	1,389,573,890	37,111,081	84,370,510
Sundry Balances (Net)	–	–	(1,697,780)	(8,699,822)	(593,973)	(751,251)
Positive MTM	–	–	6,908,880	12,023,365	512,199	1,088,011
Negative MTM	–	–	(26,175,183)	(32,694,723)	(684,689)	(5,487,953)

Figures in bracket denotes payable

(iii) Material related party transactions are given below:

The following were the material transactions between the Bank and its related parties for the year ended 31 March 2015. 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.

Leasing Arrangements

For availing leasing service - payment of rent to Scope International Private Limited ₹ 9 million (2013-14: ₹ 10 million) and Standard Chartered Finance Limited ₹ 14 million (2013-14: ₹ 23 million).

For providing leasing services - receipt of rent from Standard Chartered Finance Limited ₹ 73 million (2013-14: ₹ 85 million) and Standard Chartered Securities (India) Limited ₹ 105 million (2013-14: ₹ 137 million).

18. Significant accounting policies and notes to financial statements (continued)

Employee Share Options
Expenses incurred on employee share options payable to Head Office ₹ 447 million (2013-14: ₹ 443 million).

Rendering of Services
During the year the Bank provided secondment, amenities and other services to related parties. The material transactions were with Standard Chartered Finance Limited ₹ 235 million (2013-14: ₹ 313 million) Standard Chartered Private Equity Advisory (India) Private Limited ₹ 768 million (2013-14: ₹ 442 million), Standard Chartered Bank, Singapore ₹ 242 million (2013-14: ₹ 371 million) & Standard Chartered Securities (India) Limited ₹ 158 million (2013-14: ₹ 269 million).

Receiving of Services
During the year the Bank availed of back office support, brokerage, marketing and other services from related parties. The material transactions were back office support services from Scope International Private Limited ₹ 2,484 million (2013-14: ₹ 2,460 million), marketing services and back office support from Standard Chartered Finance Limited ₹ 957 million (2013-14: ₹ 1,107 million) and royalty payable to Standard Chartered Strategic Brand Management Limited ₹ 887 million (2013-14: ₹ 853 million).

Interest Paid
Interest on subordinated debt to Head Office ₹ 811 million (2013-14: ₹ 835 million), interest on money market borrowings to Head Office ₹ 47 million (2013-14: ₹ 95 million) and interest on Fixed Deposit to Scope International Private Limited is ₹ 114 million (2013-14: ₹ 171 million).

Interest Received
Interest on working capital loan from Standard Chartered Investments and Loans (India) Limited ₹ 4 million (2013-14: ₹ 9 million), interest on term loan from Standard Chartered Investments and Loans (India) Limited ₹ 205 million (2013-14: ₹ 26 million) and interest on money market lending from Head Office ₹ 14 million (2013-14: ₹ 13 million) and interest on money market lending & bank balances from Standard Chartered Bank, USA ₹14 million (2013-14: ₹ 4 million).

Foreign Exchange Transactions
Sale of foreign currencies to Head Office ₹ 3,292,235 million (2013-14: ₹ 2,193,805 million), Standard Chartered Bank, USA ₹ 148,671 million (2013-14: ₹ 704,730 million), Standard Chartered Bank, Singapore ₹ 935,764 million (2013-14: ₹ 562,730 million) and Standard Chartered Bank Japan ₹ 168,677 million (2013-14:₹ 504,281 million).

Purchase of foreign currencies from Head Office ₹ 2,907,872 million (2013-14: ₹ 2,248,072 million), Standard Chartered Bank, USA ₹ 152,781 million (2013-14: ₹ 704,172 million), Standard Chartered Bank, Singapore ₹ 876,357 million (2013-14: ₹ 583,417 million) and Standard Chartered Bank Japan ₹ 166,289 million (2013-14: ₹ 507,326 million).

Fee and Commission Income / Other Income
Receipt of fees from Head Office ₹ 2,154 million (2013-14: ₹ 2,861 million) and Standard Chartered Bank, Singapore ₹ 869 million (2013-14: ₹ 967 million).

Service Fees on Guarantees & Letters of Credit
Receipt of trade fees from Head Office ₹ 1.6 million (2013-14: ₹ 4 million), Standard Chartered Bank, Nigeria ₹ 1.1 million (2013-14: ₹ 3 million), Standard Chartered Bank, United Arab Emirates ₹ 1.2 million (2013-14: ₹ 4 million), Standard Chartered Bank, Singapore ₹ 6 million (2013-14: ₹ 4 million), Standard Chartered Bank Malaysia – Berhad ₹ 1.8 million (2013-14: ₹ 17 million) and Standard Chartered Bank Bangladesh ₹ 1.9 million (2013-14: ₹ 6 million) and Standard Chartered Bank Pakistan ₹ 6.4 million (2013-14: ₹ 1.8 million).

Payment of fees to Standard Chartered Bank, United Arab Emirates ₹ 0.1 million (2013-14: ₹ 0.3 million), Standard Chartered Bank, Sri Lanka ₹ 0.09 million (2013-14: ₹ 0.3 million), Standard Chartered Bank Bangladesh ₹ 0.2 million (2013-14: nil) and Standard Chartered Bank, Singapore ₹ 0.1 million (2013-14: ₹ 0.2 million).

Purchase and Sale of Investments
Purchase of investments from Standard Chartered Bank (Mauritius) Limited ₹ 515 million (2013-14: ₹ 16,613 million) and Standard Chartered Bank, Singapore ₹ 21,176 million (2013-14: ₹ 73,890 million).

Sale of investments to Standard Chartered Bank, Singapore ₹ 73,148 million (2013-14: ₹ 33,467 million) and Standard Chartered Bank (Mauritius) Limited to ₹ 6,140 million (2013-14: ₹ 15,324 million).

(5) Leases
Commercial and residential premises are taken on operating leases, which are cancellable in nature. Information provided herein pertains to premises taken / given on operating leases:

	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Lease payments recognised in the Profit and Loss Account in respect of operating leases	**1,055,556**	1,049,289

18. Significant accounting policies and notes to financial statements (continued)

	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Assets given on lease – Premises		
Gross carrying amount	**1,875,645**	2,020,804
Accumulated depreciation	**77,045**	57,315
Depreciation charge for the year	**16,745**	16,763

- There are no provisions relating to contingent rent
- The terms of renewal / purchase options and escalation clauses are those normally prevalent in similar agreements
- There are no undue restrictions or onerous clauses in the agreements
- Initial direct costs for leases given are recognised as an expense in Profit and Loss Account

(6) Disclosure under Micro, Small & Medium Enterprises Development Act, 2006

The following disclosure is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') on the basis of confirmation sought from suppliers on registration with specified authority under MSMED:

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Principal amount remaining unpaid to any supplier as at the year end	**–**	–
Interest due thereon	**–**	–
Amount of interest paid and payments made to the supplier beyond the appointed day during each accounting year	**–**	–
Amount of interest due and payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	**–**	–
Amount of interest accrued and remaining unpaid at the year end	**–**	–

(7) Deferred Tax

The deferred tax benefit of ₹ 5,194 million for the year ended 31 March 2015 (previous year: ₹ 10,803 million) is included in provision on account of tax under Schedule 17- Provisions and Contingencies.

The primary components that gave rise to deferred tax assets and liabilities included in the balance sheet are as follows:

	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Deferred tax assets		
Provision for Advances	**28,868,997**	24,072,740
Depreciation	**203,144**	59,180
Disallowances under section 43B of Income Tax Act 1961	**884,053**	726,507
Others	**256,170**	141,783
Deferred tax assets	**30,212,364**	25,000,210
Deferred tax liabilities	**(630,081)**	(612,079)
Net deferred tax assets	**29,582,283**	24,388,131

(8) Amount of Provisions made for Income Tax during the year

	For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Provision for Income Tax (excluding Wealth Tax)	**21,665,126**	19,291,316

(9) Portfolio Purchase

The Bank has purchased loans (retail loans) amounting to ₹ 1,881 million (2013-14: ₹ 2,113 million) from various NBFCs, banks and other institutions.

18. Significant accounting policies and notes to financial statements (continued)

(10) Disclosure on remuneration

The Bank's compensation policies including that of CEO's, is in conformity with the Financial Stability Board principles and standards. In accordance with the requirements of the RBI Circular No. DBOD No.BC.72/29.67/001/2011-12 dated 13 January 2012, the Regional Office of the Bank has submitted a declaration to RBI confirming the aforesaid matter.

(11) Employee Share Based Payment

The eligible employees of the Bank have been granted stock awards as equity shares of the ultimate holding company, SCPLC, under various share schemes such as Restricted Share Award (RSA), Deferred Restricted Share Award (DRSA), Performance Share Award (PSA), Sharesave Plan, etc.

During the year, the Bank has recognised an amount of ₹ 447 million (2013-14: ₹ 443 million) under the head 'Payments to and Provisions for Employees', as cost on account of share-based payments under Schedule 16 – Operating Expenses.

(12) Prior Year Comparatives

Previous year figures have been reclassified or regrouped wherever necessary to conform to the current year's presentation.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Mumbai
28 May 2015

For Standard Chartered Bank - India Branches

Sunil Kaushal
Regional Chief Executive Officer - India and South Asia

Anurag Adlakha
Regional Chief Financial Officer - India and South Asia

Cash Flow Statement
for the year ended 31 March 2015

Particulars		For the year ended 31 March 2015 (₹ in 000s)	For the year ended 31 March 2014 (₹ in 000s)
Cash flow from operating activities			
Profit Before Tax		**46,993,948**	24,339,215
Adjustments for:			
Depreciation on Bank's property (including amortisation)		**869,464**	995,129
Deficit on Revaluation of Premises		**–**	2,207,263
Interest on subordinated debt		**811,322**	835,353
Provision in respect of non-performing assets (including provision for country risk exposure)		**10,471,582**	28,033,129
General provision against standard assets		**1,501,469**	70,000
(Appreciation) / depreciation on investments		**(497,978)**	2,146,196
Net profit on sale of premises and other assets		**(61,857)**	(1,148,891)
		60,087,950	57,477,394
Adjustments for:			
((Increase) / decrease in investments		**(48,848,631)**	21,449,268
(Increase) / decrease in advances		**(10,264,353)**	(92,678,473)
(Increase) / decrease in other assets		**63,176,676**	(48,288,604)
Increase / (decrease) in borrowings		**42,571,871**	(65,082,183)
Increase / (decrease) in deposits		**7,367,239**	99,628,210
Increase / (decrease) in other liabilities and provisions		**(77,939,685)**	73,880,162
		36,151,067	46,385,774
Direct taxes paid		**(24,500,128)**	(18,939,109)
Net Cash flow from / (used in) operating activities	(A)	**11,650,939**	27,446,665
Cash flow from investing activities			
Purchase of fixed assets (including capital work in progress)		**(455,721)**	(1,003,669)
Proceeds from the sale of fixed assets		**3,068,194**	4,004,352
Net Cash flow from / (used in) investing activities	(B)	**2,612,473**	3,000,683
Cash flow from financing activities			
Remittance to Head Office		**(2,530,261)**	(21,936,636)
Capital infusion		**36,042,750**	11,100,000
Repayment of Subordinated debt		**(29,957,500)**	–
Interest on subordinated debt		**(934,917)**	(829,939)
Net Cash flow from / (used in) financing activities	(C)	**2,620,072**	(11,666,575)
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**16,883,484**	18,780,773
Cash and cash equivalents at the beginning of the year		**73,919,615**	55,138,842
Cash and cash equivalents at the end of the year		**90,803,099**	73,919,615
Net increase / (decrease) in cash and cash equivalents		**16,883,484**	18,780,773

Note: Cash and Cash Equivalents represent

	Schedule	As at 31 March 2015 (₹ in 000s)	As at 31 March 2014 (₹ in 000s)
Cash and Balances with the Reserve Bank of India	6	**43,956,905**	39,982,532
Balances with Banks and Money at call and short notice	7	**46,846,194**	33,937,083
Total		**90,803,099**	73,919,615

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Mumbai
28 May 2015

For Standard Chartered Bank - India Branches

Sunil Kaushal
Regional Chief Executive Officer - India and South Asia

Anurag Adlakha
Regional Chief Financial Officer - India and South Asia

Independent Auditors' report
To the Chief Executive Officer of Standard Chartered Bank – India branches

Report on the Financial Statements

1. We have audited the accompanying financial statements of Standard Chartered Bank – India Branches ('the Bank'), which comprise the Balance Sheet as at 31 March 2015, the Profit and Loss Account, the Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for 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 provisions of the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and the design, implementation and maintenance of internal financial controls, that operate 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

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the applicable 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 Bank including its branches in accordance with Standards on Auditing ('the Standards') 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 of material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and 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 control 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, but not for the purpose of expressing an opinion on whether the Bank has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013, in the manner so required for banking companies and give a true and fair view in conformity with accounting principles generally accepted in India:
   (a) in the case of the Balance Sheet, of the state of affairs of the Bank as at 31 March 2015;
   (b) in the case of the Profit and Loss account, of the profit of the Bank for the year ended on that date; and
   (c) in the case of the Cash Flow Statement, of the cash flows of the Bank for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 read with Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
8. As required Sub section (3) of Section 30 of the Banking Regulation Act, 1949, we report that:
   (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
   (b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and
   (c) during the course of our audit we have visited 15 branches. Since the key operations of the Bank are automated with the key applications integrated to the core banking systems, the audit is carried out centrally as all the necessary records and data required for the purposes of our audit are available therein.
9. Further, as required by Section 143(3) of the Companies Act, 2013, we further report that:
   (i) we have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;

(ii) in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books;

(iii) the financial accounting systems of the Bank are centralised and, therefore, returns are not necessary to be submitted by the branches;

(iv) 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;

(v) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred in Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent they are not inconsistent with the accounting policies prescribed by the Reserve Bank of India.

(vi) the requirements of Section 164(2) of the Act are not applicable considering the Bank is a branch of Standard Chartered Bank, which is incorporated and registered in United Kingdom.

(vii) 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, in our opinion and to the best of our information and according to the explanations given to us:

  (a) the Bank has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Schedule 5 and 12 to the financial statements.

  (b) the Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, wherever required, on long-term contracts including derivative contracts - Refer Schedule 5 and 12 to the financial statements.

  (c) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Bank.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Manoj Kumar Vijai
Mumbai *Partner*
28 May 2015 Membership No: 046882

Risk review and disclosures under Basel III Framework
for the year ended 31 March 2015

1. Background

The Standard Chartered Group (SCB Group or the Group) is an international banking and financial services group particularly focused on the markets of Asia, Africa and the Middle East. Standard Chartered Bank is regulated by the Financial Conduct Authority and Prudential Regulation Authority in the United Kingdom (UK).

SCB India (SCBI or the Bank) is a branch of Standard Chartered Bank UK, which is part of the SCB Group. The ultimate parent company of the Bank is Standard Chartered PLC, which is listed on the London Stock Exchange and the Stock Exchanges of Hong Kong and India. Indian branch operations are conducted in accordance with the banking license granted by the Reserve Bank of India (RBI) under the Banking Regulation Act 1949.

2. Overview

The Basel Committee on Banking Supervision published a framework for International Convergence of Capital Measurement and Capital Standards (commonly referred to as Basel II), which replaced the original 1988 Basel I Accord. The RBI adopted the same in March 2008. The Basel III implementation schedule for India has commenced from 1 April 2013 and is phased in through to 31 March 2019. Accordingly, for 31 March 2015 reporting purposes, the Bank has calculated its Pillar 1 capital requirement based on Basel III norms.

Basel II/III is structured around three "pillars" which are outlined below:

- Pillar 1 sets out minimum regulatory capital requirements – the minimum amount of regulatory capital banks must hold against the risks they assume;
- Pillar 2 sets out the key principles for supervisory review of a bank's risk management framework and its capital adequacy. It sets out specific oversight responsibilities for the Board and senior management, thus reinforcing principles of internal control and other corporate governance practices; and
- Pillar 3 aims to bolster market discipline through enhanced disclosure by banks.

Basel II/III provides three approaches of increasing sophistication to the calculation of credit risk capital; the Standardised Approach (SA), the Foundation Internal Ratings Based Approach and the Advanced Internal Ratings Based Approach (IRB). Basel II also introduced capital requirements for operational risk (OR) for the first time.

3. DF 1 - Scope of Application

Name of the head of the banking group to which the framework applies: Standard Chartered Bank India Branches
DF 1 - Qualitative Disclosures

3.1. Pillar 1

The SCB Group and local management of the Indian operations recognise that Basel II/III is a driver for continuous improvement of risk management practices and believe that adoption of leading risk management practices are essential for achieving its strategic intent. Accordingly, the Group has adopted the IRB model for the measurement of credit risk covering substantial majority of the portfolio. The Group applies Value at Risk (VaR) model for market risk capital and the Standardised Approach for determining its OR capital requirements. SCBI has adopted RBI's prevailing Basel II/III regulations related to SA for credit and market risk and Basic Indicator Approach (BIA) for OR for computing local regulatory Pillar 1 capital.

3.2. Pillar 2

Pillar 2 requires banks to undertake a comprehensive assessment of their risks and to determine the appropriate amounts of capital to be held against these risks where other suitable mitigants are not available. This risk and capital assessment is commonly referred to as an Internal Capital Adequacy Assessment Process (ICAAP). The range of risks that need to be covered by the ICAAP is much broader than Pillar 1, which covers only credit risk, market risk and OR.

The Group has developed an ICAAP framework which closely integrates the risk management and capital assessment processes and ensures that adequate levels of capital are maintained to support the current and projected demand for capital under expected and stressed conditions. The ICAAP framework has been designed to be applied consistently across the organisation to meet the Pillar 2 requirements of local regulators. As a branch of a foreign bank in India, the India ICAAP is largely based on the Group ICAAP framework, so as to maintain consistency in reporting of the risk and capital management aspects. However, wherever necessary, local customisation has been incorporated to align with the RBI requirements.

3.3. Pillar 3

Pillar 3 aims to provide a consistent and comprehensive disclosure framework that enhances comparability between banks and further promotes improvements in risk management practices. The Bank has implemented the requirements laid down by RBI for Pillar 3 disclosure, covering both the qualitative and quantitative items. These are also published in the Bank's annual report and hosted on the Bank's website.

The risk related disclosures and analysis provided herein below, are primarily in the context of the disclosures required under the RBI's Pillar 3 – Market Discipline of the Basel III Capital Regulations and are in respect of SCBI, except where required and specifically elaborated, to include other Group entities operating in India. The information provided has been reviewed by senior management and is in accordance with the guidelines prescribed by the RBI.

3. DF 1 - Scope of Application (continued)

3.4. Accounting and Prudential Treatment / Consolidation Framework

The consolidation norms for accounting are determined by the prevailing Indian Generally Accepted Accounting Principles (GAAP). The regulatory requirements are governed by RBI guidelines. The differences between consolidation for accounting purposes and regulatory purposes are mainly on account of following reasons:

1) Control over other entities to govern the financial and operating policies of the subsidiaries or joint ventures

As per Indian GAAP, existence of control/joint control to govern the financial and operating policies of the subsidiary or joint venture is necessary for accounting consolidation. However, certain entities such as Non Banking Finance Companies (NBFC) have to be consolidated for regulatory capital adequacy purposes even where the above requirement is not fulfilled. Such cases are where the ability to control financial and operating policies of the entities legally vests with the Parent or Group entities and not with the India branch operations.

2) Nature of business of the entities to be consolidated

As per Indian GAAP, subsidiaries are not excluded from consolidation because of dissimilar nature of business activities between subsidiary and other entities within the Group. However, RBI regulations do not require consolidation of entities engaged in insurance business and businesses not pertaining to financial services.

3) Method of consolidation

The accounting consolidation methodology requires 'line by line' consolidation and elimination of all inter-group balances. However, for the purpose of regulatory consolidation under the capital adequacy framework, the risk weighted assets (RWA) and capital requirements for each entity can be computed separately by applying the Basel II/III norms as applicable for a bank and simply added together with that of the lead bank in the consolidated group. The Bank has adopted the latter approach for consolidation of entities for limited purpose of capital adequacy framework, as the accounting consolidation method is not appropriate considering the legal ownership pattern of the consolidated entities.

List of group entities considered for consolidation for regulatory purposes is summarised below:

<table>
<tr><th>Name Of The Entity / Country Of Incorporation</th><th>Whether The Entity Is Included Under Accounting Scope Of Consolidation (Yes / No)</th><th>Explain The Method Of Consolidation</th><th>Whether The Entity Is Included Under Regulatory Scope Of Consolidation (Yes / No)</th><th>Explain The Method Of Consolidation</th><th>Explain The Reasons For Difference In The Method Of Consolidation</th><th>Explain the reasons if consolidated under only one of the scopes of consolidation</th></tr>
<tr><td>Standard Chartered Bank India Branches</td><td>Yes</td><td>Full</td><td>Yes</td><td colspan="3" rowspan="4">For the purpose of regulatory consolidation under the capital adequacy framework, the RWA and capital requirements for each entity can be computed separately by applying the Basel II/III norms as applicable for a bank and simply added together with that of the lead bank in the consolidated group. The Bank has adopted the latter approach for consolidation of entities for limited purpose of capital adequacy framework, as the accounting consolidation method is not appropriate considering the legal ownership pattern of the consolidated entities.</td></tr>
<tr><td>Standard Chartered Investments and Loans (India) Limited</td><td>No</td><td>Not Applicable</td><td>Yes</td></tr>
<tr><td>Standard Chartered Securities (India) Limited</td><td>No</td><td>Not Applicable</td><td>Yes</td></tr>
<tr><td>St. Helen's Nominees India Private Limited</td><td>No</td><td>Not Applicable</td><td>Yes</td></tr>
</table>

List of group entities in India 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) (₹ in 000s)	% 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) (₹ in 000s)
Scope International Private Limited	The company renders the following services to related parties: a) Software development, maintenance & support b) Back office transaction processing and data processing of various banking transactions c) IT support d) Voice call centre services	3,365,400	0%	Not Applicable	8,173,500

3. DF 1 - Scope of Application (continued)

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) (₹ in 000s)	% 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 the legal entity) (₹ in 000s)
Standard Chartered Finance Limited	Marketing services of financial products of Standard Chartered Bank and its Home Assist division provides search and other property related services.	727,280	0%	Not Applicable	838,811
Standard Chartered (India) Modeling And Analytics Centre Private Limited	Currently no business activity is being carried out through this entity.	579,355	0%	Not Applicable	580,664
Standard Chartered Private Equity Advisory (India) Private Limited	The company is a research unit for Merlion India Fund carrying on activities of industry research and advice by furnishing industry and market feedback.	235,292	0%	Not Applicable	595,832

Note: The above data is as per latest unaudited results as at 31 March 2015.

DF 1-Quantitative Disclosures

List of group entities considered for regulatory consolidation:

Name Of The Entity / Country Of Incorporation	Principal activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity) (₹ in 000s)	Total balance sheet assets (as stated in the accounting balance sheet of the legal entity) (₹ in 000s)
Standard Chartered Bank, India Branches	Banking and Financial services	74,400,742	1,317,396,763
Standard Chartered Investments and Loans (India) Limited*	Financial services acceptable for NBFC, other than accepting public deposits eg. lending, investments, etc.	4,543,850	13,996,222
Standard Chartered Securities (India) Limited*	Category I merchant banker, rendering brokering services to retail and institutional clients and depository services	2,818,557	2,593,590
St. Helen's Nominees India Private Limited*	Nominee business- holding shares/debentures in limited companies on behalf of SCBI and its clients. Security trusteeship business for SCBI.	100	11,620

The aggregate amount of capital deficiencies in all subsidiaries not included in the consolidation, i.e., that are deducted and the name(s) of such subsidiaries.	NIL
The aggregate amounts (e.g., current book value) of the bank's total interests in insurance entities, which are risk-weighted, as well as, their name, their country of incorporation or residence, the proportion of ownership interest and, if different, the proportion of voting power in these entities. In addition, indicate the quantitative impact on regulatory capital of using this method versus using the deduction.	NIL
Any restrictions or impediments on transfer of funds or regulatory capital within the banking group.	As per extant RBI guidelines

* Note: The above data is as per latest unaudited results as at 31 March 2015.

4. DF 2 - Capital Adequacy

DF 2 - Qualitative Disclosures

4.1. Objectives

The Bank's capital management approach is driven by its desire to maintain a strong capital base to support the development of its business and to meet regulatory capital requirements at all times.

4.2. Approach

Strategic, business and capital plans are drawn up annually covering a one to five year horizon. The plans ensure that adequate levels of capital and an optimum mix are maintained by the Bank to support its strategy. This is integrated with the Bank's annual planning process which takes into consideration business growth assumptions across products and the related impact on capital resources.

The capital plan takes the following into account:

- Regulatory capital requirements and assessment of future standards;
- Demand for capital due to business growth, market stresses and potential risks; and
- Available supply of capital and capital raising options.

The Group uses internal models and other quantitative techniques in its internal risk and capital assessment at an overall Group level. The Bank also considers additional risk types other than those considered under Pillar 1 as part of its ICAAP. Each material risk is assessed, relevant mitigants considered, and appropriate levels of capital determined.

Stress testing and scenario/sensitivity analysis are used to assess the Bank's ability to sustain operations during periods of extreme but plausible events. They provide an insight into the potential impact of significant adverse events on the Bank's earnings, risk profile and capital position and how these could be mitigated.

The capital that the Bank is required to hold by the RBI is mainly determined by its balance sheet, off-balance sheet and market risk positions, after applying collateral and other risk mitigants.

4.3. Governance

The Group operates processes and controls to monitor and manage capital adequacy across the organisation. At a country level, capital is maintained on the basis of the local regulator's requirements. It is overseen by the country Asset and Liability Committee (ALCO), which is responsible for managing the country balance sheet, capital and liquidity, with the active support and guidance from Group ALCO (GALCO), Group Capital Management Committee (GCMC) and Group Treasury (GT). The responsibility of capital management has been assigned to a dedicated sub-group of ALCO, the Capital Management Forum (CMF). The capital management process is governed by the Capital Planning Framework.

Suitable processes and controls are in place to monitor and manage capital adequacy and ensure compliance with local regulatory ratios in all legal entities. These processes are designed to ensure that each entity and the consolidated Bank have sufficient capital available to meet local regulatory capital requirements at all times.

4.4. Mobility of Capital Resources

The Bank operates as a branch in India, hence under current RBI regulations it cannot raise capital externally. The Group's policy in respect of profit repatriation requires that each local entity should remit its profits that are considered surplus to local regulatory minimum requirements. The amount to be remitted/injected and the mix/mode of capital (CET 1 v/s Tier 2) is determined in conjunction with GT, after taking into account local capital adequacy regulations (inclusive of any regulatory buffers), anticipated changes to those regulations, forecast organic growth and Head Office (HO) return expectations.

4.5. Capital Structure

CET 1/Tier 1 capital mainly comprises of:

i) Capital funds injected by HO.
ii) Net profits of each year retained as per statutory norms (currently 25%).
iii) Remittable net profits retained in India for meeting regulatory capital requirements.
iv) Capital reserves created out of profits on account of sale of immovable properties and held to maturity investments, as per RBI regulations.

The above are not repatriable/distributable to HO as long as the Bank operates in India.

Tier 2 capital mainly comprises of:

i) 45% of reserve created on revaluation of immovable properties in accordance with the Indian GAAP.
ii) General provisions on standard (performing) assets created as per RBI regulations.
iii) Reserve created out of unrealised gain on revaluation of investments as per RBI regulations.

4. DF 2 - Capital Adequacy (continued)

DF 2 - Quantitative Disclosures

Capital and RWA

Capital and risk weighted assets

As at 31 March 2015

	Solo bank* (₹ in 000s)	Consolidated bank* (₹ in 000s)
Tier 1 Capital:	200,167,746	208,811,745
Common Equity Tier I	200,167,746	208,811,745
Head Office Capital	74,400,742	74,400,742
Paid up capital	–	7,362,507
Eligible reserves	155,382,591	156,706,806
Minority interests	–	–
Innovative Tier 1 instruments	–	–
Less: Restriction on innovative Tier 1 instruments	–	–
Intangible assets	(29,606,680)	(29,649,403)
Other regulatory adjustments	(8,907)	(8,907)
Additional Tier I	–	–
Tier 2 Capital:	10,911,018	10,941,684
Eligible revaluation reserves	2,734,160	2,734,160
General provision and other eligible reserves/provisions	8,176,858	8,207,524
Debt capital instruments eligible to be reckoned as capital funds and included in Lower Tier 2 (of which amount raised during the year Rs. Nil)	–	–
Less: Amortisation of qualifying subordinated debts	–	–
Other regulatory adjustments	–	–
Total capital base	211,078,764	219,753,429
Minimum regulatory capital requirements		
Credit risk	130,459,091	131,932,874
Standardised approach portfolios	98,134,351	99,608,134
Securitisation exposures	1,980,832	1,980,832
Counterparty/settlement risks	30,343,908	30,343,908
Market risk - Standardised duration approach	9,952,560	9,954,906
Interest rate risk	9,344,751	9,344,751
Foreign exchange risk (including gold)	540,000	540,000
Equity risk	67,809	70,155
Counterparty/settlement risks	–	–
Operational risk - Basic indicator approach	11,713,700	12,001,553
	11,713,700	12,001,553
Total minimum regulatory capital requirements	152,125,351	153,889,333

4. DF 2 - Capital Adequacy (continued)

Risk weighted assets and contingents		
Credit risk	**1,449,545,456**	**1,465,920,821**
Market risk (including counterparty/settlement risks)	**110,583,998**	**110,610,068**
Operational risk - Basic indicator approach	**130,152,219**	**133,350,593**
Total Risk weighted assets and contingents	**1,690,281,673**	**1,709,881,482**
Capital ratios		
Common Equity Tier 1 capital	**11.84%**	**12.21%**
Tier 1 capital	**11.84%**	**12.21%**
Tier 2 capital	**0.65%**	**0.64%**
Total capital	**12.49%**	**12.85%**

Capital and risk weighted assets
As at 31 March 2014

	Solo bank* (₹ in 000s)	Consolidated bank* (₹ in 000s)
Tier 1 Capital:	152,583,972	160,059,848
Head Office Capital	38,357,992	38,357,992
Paid up capital	–	6,169,757
Eligible reserves	138,660,620	140,019,086
Intangible assets	(24,423,047)	(24,475,394)
Unconsolidated subsidiaries/associates	–	–
Other regulatory adjustments	(11,593)	(11,593)
Tier 2 Capital:	28,449,209	28,471,196
Eligible revaluation reserves	2,807,458	2,807,458
General provision and other eligible reserves/provisions	6,393,501	6,415,488
Debt capital instruments eligible to be reckoned as capital funds and included in Lower Tier 2 (of which amount raised during the year Rs. Nil)	27,497,500	27,497,500
Less: Amortisation of qualifying subordinated debts	(8,249,250)	(8,249,250)
Other regulatory adjustments		
Total capital base	181,033,181	188,531,044
Minimum regulatory capital requirements		
Credit risk	111,500,645	112,424,181
Standardised approach portfolios	92,467,209	93,390,745
Securitisation exposures	2,048,066	2,048,066
Counterparty/settlement risks	16,985,370	16,985,370
Market risk - Standardised duration approach	8,328,304	8,330,299
Interest rate risk	7,708,890	7,708,890
Foreign exchange risk (including gold)	540,000	540,000
Equity risk	79,414	81,409
Counterparty/settlement risks	–	–
Operational risk - Basic indicator approach	10,703,922	10,955,354
Total minimum regulatory capital requirements	130,532,871	131,709,834

*Solo Bank represents the main licensed bank of the Group in India and consolidated bank includes Group controlled entities operating in India and consolidated for the limited purpose of capital adequacy framework.

4. DF 2 - Capital Adequacy (continued)

Risk weighted assets and contingents		
Credit risk	1,238,896,060	1,249,157,571
Market risk (including counterparty/settlement risks)	92,536,705	92,558,872
Operational risk - Basic indicator approach	118,932,466	121,726,154
Total Risk weighted assets and contingents	1,450,365,231	1,463,442,598
Capital ratios		
Common Equity Tier 1 capital	10.52%	10.94%
Tier 1 capital	10.52%	10.94%
Tier 2 capital	1.96%	1.95%
Total capital	12.48%	12.88%

5. Risk Management

The Bank has a strong governance culture and framework for risk management. The Bank's risk management principles align with those established at a Group level, and are customised to meet the local regulatory requirements. One of the main risks incurred arises from extending credit to clients through trading and lending operations. Beyond credit risk, the Bank is also exposed to a range of other risk types such as market, operational, liquidity, pension, country cross border, reputational, strategic and other risks that are inherent to its strategy, product range and geographical coverage.

5.1. Risk Management Framework

The Bank adds value to clients and generates returns for shareholders by taking and managing risk in line with strategy and risk appetite. Risk management is the set of end-to-end activities through which the Bank makes risk-taking decisions and controls and optimises its risk-return profile. It is a Bank-wide activity and starts right at the front-line.

The management of risk lies at the heart of the Bank's business, as a central role of the Bank is to "warehouse" risk by extending credit to selected clients and to provide products which enable clients to lay off their price and liquidity risks to the Bank. Effective risk management is a central part of the financial and operational management of the Bank and fundamental to its ability to generate profits consistently and maximise the interest of its shareholders and other stakeholders.

The foundation of all risk assessment is aligned to the Group's Risk Management Framework ("RMF") and governance structure which has been adopted locally. The Group's RMF establishes common principles and standards for the management of and control of all risks, and to inform behaviour across the organisation. The core components of the RMF include its risk classifications, risk principles and standards, definitions of roles and responsibilities and governance structure. Under this framework, there are three lines of defence.

- The First Line of Defence is that all employees are required to ensure the effective management of risks within the scope of their direct organisational responsibilities.
- The Second Line of Defence comprises the Risk Control Owners ("RCOs") supported by their respective control functions. They are responsible for ensuring that the residual risks within the scope of their responsibilities remain within appetite.
- The Third Line of Defence comprises the independent assurance provided by the GIA function, which has no responsibilities for any of the activities it examines. GIA provides independent assurance of the effectiveness of management's control of its own business activities (the First Line) and of the processes maintained by the Risk Control Functions (the Second Line). As a result, GIA provides assurance that the overall system of control effectiveness is working as required within the RMF.

5.2. Risk Governance

The Group's committee governance structure ensures that risk-taking authority and risk management policies are cascaded down from the GALCO and Group Chief Risk Officer to the appropriate functional and divisional committees. Information regarding material risk issues and compliance with policies and standards is communicated through the business and functional committees up to the Group-level committees, as appropriate.

The Country Management Group (CMG) drives and executes the business and governance agenda bringing alignment across the business and the functions so as to maximise and protect the value of the Group's operations in India. It is responsible for the overall strategic direction of the Bank. It is chaired by Country Chief Executive Officer (CEO) and comprises senior executive members of the Bank.

5. Risk Management (continued)

The following committees are the primary committees with oversight of risk and capital for the Bank:

1. ALCO – responsible for the management of capital and liquidity and the establishment of and compliance with policies relating to balance sheet management, including management of the Bank's liquidity and capital adequacy. It includes the CEO, Chief Financial Officer (CFO), Country Chief Risk Officer (CCRO) and members from the businesses and the economist.
2. Country Risk Committee (CRC) – responsible for the effective management of risks in support of business strategy within the boundaries set by the CMG and business level risk committees. It is responsible for implementing the RMF, including assignment of the roles and responsibilities of RCOs locally. It is also responsible for ensuring that the risk exposures for all types of risks, including liquidity risk, remain within the overall risk appetite and within any specific boundaries advised by CMG and business risk committees. It includes the CEO, CCRO, CFO and members from the businesses and compliance.

   Key sub-committees / forums include:

   A. The Liquidity Management Forum (LMF) is a sub-group of the ALCO which manages liquidity. It includes members from Finance, Asset Liability Management (ALM) and the businesses.

   B. The CMF is a sub-group of the ALCO which manages capital. It includes members from Finance, Risk and the businesses.

   C. The Stress Test Forum (STF) is a sub-committee of the CRC which is responsible for reviewing the results of ongoing stress testing including for ICAAP. It includes members from the Finance and Risk functions and the Country Economist.

   D. The Country Operational Risk Committee (CORC) is a sub-committee of the CRC which exercises oversight of the Bank's OR exposures to ensure that it is aligned with the Bank's RMF. The CORC reviews the Bank's significant risk exposures and ensures appropriateness and adequacy of mitigating action plans.

   E. The Credit Issues Committee (CIC) is a sub-committee of the CRC which is responsible for identifying and monitoring corporate clients which show potential signs of weakness and/or may be exposed to higher risks. The CIC reviews the existing Early Alert portfolio and new accounts presented to the committee.

5.3. The Risk Function

The CCRO manages the Risk function which is independent of the businesses. The role of the Risk function is:

- To maintain the RMF, ensuring it remains appropriate to the Bank's activities and is effectively communicated and implemented across the Bank and for administering related governance and reporting processes.
- To uphold the integrity of the Bank's risk/return decisions, and in particular for ensuring that risks are properly assessed, that risk/return decisions are made transparently on the basis of this proper assessment, and are controlled in accordance with its standards and risk appetite.
- To exercise direct risk control ownership for credit, market, country cross-border, liquidity and operational risk types.

The Risk function is independent of the origination, trading and sales functions to ensure that the necessary balance in risk/return decisions is not compromised by short-term pressures to generate revenues. This is particularly important given that most revenues are recognised immediately while losses arising from risk positions only manifest themselves over time.

In addition, the Risk function is a centre of excellence that provides specialist capabilities of relevance to risk management processes in the wider organisation.

5.4. Risk Appetite / Tolerance

The Group/Bank manages its risks to build a sustainable franchise in the interests of all stakeholders. The Group Risk Tolerance Statement is the Standard Chartered PLC's Board of Directors' articulation of the amount of risk that the Group is willing to take in the pursuit of its strategic goals. The Risk Tolerance benchmarks provide a lens to identify risks and concentrations that may cause the Group to exceed its risk appetite. Within the Bank, these risks and concentrations are addressed and governed by various policies and frameworks (eg. RMF, Local Lending Policy, Liquidity Risk Framework, etc) which contain specific limits and parameters to manage them.

5.5. Stress Testing

Stress testing and scenario analysis are used to assess the Bank's ability to maintain operations during periods of severe but plausible stress conditions and to simulate the set of feasible management mitigating actions and their impact on the Bank's earnings, risk profile and capital position, should such conditions materialise. These conditions may arise from economic, liquidity, legal, political or physical events, or from materialisation of risks that are unique to the Bank.

The stress testing framework is designed to:

- Contribute to the setting and monitoring of the Bank's ability to take risk;
- Identify the key risks to strategy, financial position and reputation;
- Support the development of mitigating actions and contingency plans;
- Ensure effective governance, processes and systems are in place to co-ordinate and integrate stress testing;

5. Risk Management (continued)

- Inform senior management; and
- Ensure adherence to regulatory requirements.

A Group level equivalent of STF, led by the Risk function with participation from the businesses, Group Finance, Global Research and GT, aims to ensure that the earnings and capital implications of specific stress scenarios are fully understood allowing informed mitigation actions and construction of contingency plans. This group forum generates and considers pertinent and plausible scenarios that have the potential to adversely affect the Group/Bank's business.

The India STF leverages on work done by Group and, in addition, reviews scenarios specific to the local context, including for ICAAP. Stress tests/impact analysis done in India during 2014-15 included RBI mandated bottom-up stress test and derivatives portfolio stress test, tall tree analysis, risk appetite assessment, etc.

6. DF 3 - Credit Risk: General disclosures

DF 3 - Qualitative Disclosures

Credit risk is the potential for loss due to the failure of counterparty to meet its obligations to pay the Bank in accordance with agreed terms. Credit exposures may arise from both, the banking and trading books.

Credit risk is managed through a framework that sets out policies and procedures covering the measurement and management of credit risk. There is a clear segregation of duties between transaction originators who are in the business units and approvers in the risk function. All credit exposure limits are approved within a defined credit approval authority framework.

6.1. Credit Policies

Group-wide credit policies and standards are considered and approved by the Group Risk Committee (GRC), which also oversees the delegation of credit approval and loan impairment provisioning authorities. Policies and procedures specific to each business are established and provide the outline for how credit risk should be monitored and managed in the Bank. These Group policies/procedures are customised locally to incorporate any local regulatory and governance needs.

6.2. Credit Assessment Process

For Corporate and Institutional (C&I) Clients

A pre-sanction appraisal is carried out by the relationship manager through a Business Credit Application (BCA). BCAs are reviewed and duly approved by the relevant credit authority using an alphanumeric grading system for quantifying risks associated with counterparty. The grading is based on a Probability of Default (PD) measure, with clients analyzed against a range of quantitative and qualitative measures. The numeric grades run from 1 to 14 and some of the grades are further sub-classified A, B or C. Lower credit grades are indicative of a lower likelihood of default. Credit grades 1A to 12C are assigned to performing clients or accounts, while credit grades 13 and 14 are assigned to non-performing or defaulted clients. The Bank's credit grades are not intended to replicate external credit grades, and ratings assigned by external ratings agencies are not used in determining the Bank's internal credit grades. Nonetheless, as the factors used to grade a borrower may be similar, a borrower rated poorly by an external rating agency is typically assigned a worse internal credit grade.

Nominal Limits, Loss Given Default (LGD), Expected Loss, Exposure At Default (EAD) and RWA are used in the assessment of individual exposures and portfolio analysis. LGD is the credit loss incurred if an obligor defaults. Nominal Limits are used in the delegation of credit approval authority and must be calculated for every transaction to determine the appropriate level of approval. In accordance with the credit authority delegation, significant exposures are reviewed and approved centrally through a credit committee. All the credit facilities are subject to an annual credit review process.

The Bank's Credit Policy, including local/governance/regulatory needs, requires strict adherence to laid down credit procedures and deviations, if any, are approved and captured through the credit appraisal process. Sufficient checks are also undertaken at various levels, to ensure that deviations are justified and appropriately approved and would not result in any undue loss/risk to the Bank.

For Retail Clients

Standard credit application forms are generally used, which are processed in central units using largely automated approval processes. Where appropriate to the client, the product or the market, a manual approval process is in place. Origination and approval roles are segregated.

Distribution of credit products through the new business channel is governed by the New Business Management and Risk Policy and Procedures, which among other requirements, lays down policies governing recruitment, verification, training and monitoring of sales staff. Credit decisions are independent of the sales/marketing functions and there are clear and specific delegated authorities. Department level Key Control Standards and regular assurance reviews and audits ensure compliance to policy and delegated authorities.

Credit grades are based on a Probability of Default (PD) calculated using IRB models. These models are based on application and behavioural scorecards which make use of external credit bureau information as well as the Bank's own data. In case of portfolios where such IRB models have not yet been developed, the PD is calculated using portfolio delinquency flow rates and expert judgement, where applicable. An alphanumeric grading system identical to that for C&I clients is used as an index of portfolio quality.

6. DF 3 - Credit Risk: General disclosures (continued)

6.3. Credit Approval

Major credit exposures to individual counterparties, groups of connected counterparties and portfolios of retail exposures are reviewed and approved by the Group Credit Approval Committee (CAC). The Group CAC derives its authority from the GRC. All other credit approval authorities are delegated by the Group CAC to individuals based on their judgement and experience and based on a risk-adjusted scale which takes account of the estimated maximum potential loss from a given client or portfolio. Credit origination and approval roles are segregated in all exposures.

6.4. Credit Monitoring

The Bank regularly monitors credit exposures, portfolio performance and external trends which may impact risk management outcomes. Internal risk management reports are presented to risk committees, containing information on key environmental, political and economic trends across major portfolios, portfolio delinquency and loan impairment performance.

For C&I clients, clients or portfolios are placed on 'Early Alert' when they display signs of actual or potential weakness. For example, where there is a decline in the client's position within the industry, financial deterioration, a breach of covenants, non-performance of an obligation within the stipulated period or there are concerns relating to ownership or management. Such accounts and portfolios are subjected to a dedicated process overseen by the CIC. Client account plans, documentation for existing facilities, and credit grades are re-evaluated. In addition, remedial actions are agreed and monitored. Remedial actions include, but are not limited to, exposure reduction, security enhancement, exiting the account or immediate movement of the account into the control of Group Special Assets Management (GSAM), the specialist recovery unit, which is independent of the main businesses.

For Retail clients, portfolio delinquency trends are monitored continuously at a detailed level. Individual client behaviour is also tracked and is considered for lending decisions. Accounts which are past due are subject to a collections process, managed independently by the Risk function. Charged-off accounts are managed by a specialist recovery team. The small and medium-sized enterprise business is managed in two distinct client sub-segments, small businesses and medium enterprises, differentiated by the annual turnover of the counterparty. The credit processes are further refined based on exposure at risk. Larger exposures are managed through the Discretionary Lending approach, in line with C&I client procedures, and smaller exposures are managed through Programmed Lending, in line with procedures for Retail clients.

The CRC is responsible for the effective management of credit risk, among other risks.

6.5. Concentration Risk

Credit concentration risk can arise from pools of exposures with similar characteristics which may lead to highly correlated changes in credit quality, for example individual large exposures or significantly large groups of exposures whose likelihood of default is driven by common underlying factors.

Credit concentration risk is governed by the Group's Large Exposure Policy and Local Lending Policy (LLP); adherence to these policies is monitored by the CRC. These policies are managed via portfolio standards and within concentration caps set for counterparties or groups of connected counterparties. Concentration caps are also set for industry sectors, credit grade bands, business segments and collateralisation for C&I clients and for products in case of Retail clients.

Credit concentration risk is principally managed based on three components: single-name borrower exposure, industry concentrations and product concentration. For managing single-name concentrations, the Bank monitors compliance to the single and group borrower regulatory guidelines. The LLP establishes industry and credit grade concentration limits. The CRC monitors adherence to these prescribed limits. Any excesses from the ceilings prescribed in the LLP are escalated to the CCRO/CRC/CMG for approval in accordance with the delegated authorities outlined in the LLP.

For Retail clients, product concentration risk is managed through portfolio management approach in order to limit concentration, reduce volatility and improve profitability. As part of this approach, the Bank monitors product concentration on a bi-monthly basis.

6.6. Risk Reporting and Measurement

Risk measurement plays a central role, along with judgement and experience, in informing risk-taking and portfolio management decisions. It is a primary area for sustained investment and senior management attention.

Various risk measurement systems are available to risk officers to enable them to assess and manage the credit portfolio. As the Group has adopted IRB for credit risk under Basel II/III, these include systems to calculate nominal exposure, PD, LGD and EAD on a transaction, counterparty and portfolio basis. The Group has implemented a single risk reporting system to aggregate risk data. This is used to generate management information to assist business and Risk users with risk monitoring and management.

A number of internal risk management reports are produced on a regular basis, providing information on; individual counterparty, counterparty group, portfolio exposure, credit grade migration, the status of accounts or portfolios showing signs of weakness or financial deterioration, models performance and updates on credit markets. IRB portfolio metrics are widely used in these reports. Regular portfolio risk reports are made available at risk committee meetings.

6.7. Problem Credit Management and Provisioning

Credit monitoring is a continuous process. The frequency for each type of monitoring processes are defined. For example, excesses and past dues are reviewed on daily basis by business and credit officials. Covenants and risk triggers are normally

6. DF 3 - Credit Risk: General disclosures (continued)

linked to an event e.g. quarter on quarter drop in sales, exchange rate, crude prices, etc. For corporate accounts identified in risk based manner, a Quarterly Performance Review (QPR) is also carried out. Account conduct is also tracked on a monthly basis in terms of past dues, excesses, documentation, compliance with covenants and progress on exit accounts through the Account Subject To Additional Review Process (ASTAR) reporting process. Potential problem credits are identified through the credit monitoring process and reported to the CIC for additional review. In addition, portfolio level review for both C&I and Retail clients is undertaken to track portfolio performance against local underwriting standards/Group policy. Outcomes of such reviews are placed before the CRC.

C&I Exposures

Loans are classified as impaired and considered non-performing where analysis and review indicates that full payment of either interest or principal becomes questionable, or as soon as payment of interest or principal is 90 days or more overdue. Impaired accounts are managed by GSAM.

Specific provisions are made in accordance with the Bank's internal policy, subject to minimum provisions required under the RBI guidelines. When all sources of recovery have been exhausted and no further source of recovery is apparent, then the debt is written off by applying the impairment provision held.

Retail Exposures

An account is considered to be delinquent when payment is not received on the due date. For credit cards, an account is considered delinquent on the statement due date upon non receipt of payment till the payment due date. For delinquency reporting purposes, the Bank follows industry standards measuring delinquency as of 1, 30, 60 and 90 days past due. Accounts that are overdue are closely monitored. Loans are classified as impaired and considered non-performing where analysis and review indicates that full payment of either interest or principal becomes questionable, or as soon as payment of interest or principal is 90 days or more overdue.

The process used for raising provisions is dependent on the product category and adheres to the Bank's internal policy, subject to minimum provisions required under the RBI guidelines. In case of unsecured products, outstanding balances are written off at 150 days past due except discretionary lending. Unsecured products under discretionary lending are fully provided for at 90 days past due. In case of secured products like Mortgages, provision is raised after considering the realisable value of the collateral. For all products there are certain accounts such as cases involving bankruptcy, fraud and death, where the loss recognition process is accelerated.

The Bank also maintains general provision as a percentage of performing standard advances and on unhedged foreign currency exposures, as prescribed by the RBI, to cover the inherent risk of losses.

The credit portfolio is monitored and reported to appropriate authorities in accordance with extant Group Policies/Procedures including Monitoring and Control Policy, Large Exposure Policy, Credit Initiation and Approval Policy and Risk Mitigation Policy, as well as extant local regulations/guidelines prescribed from time to time by RBI, e.g. Early Recognition of Financial Distress, Prompt Steps for Resolution and Fair Recovery for Lenders- Framework for Revitalising Distressed Assets in the Economy and reporting to Central Repository of Information on Large Credits (CRILC).

DF 3 - Quantitative Disclosures

a) Analysis of total gross credit risk exposures; fund based and non-fund based separately

Nature & category of exposures	Credit risk exposures 31 March 2015 (₹ in 000s)	31 March 2014 (₹ in 000s)
Inter bank exposures	**33,291,479**	29,937,083
Investments (HTM)	**1,002,734**	–
Advances	**748,283,036**	739,100,419
Total gross fund based exposures	**782,577,249**	769,037,502
Specific provisions / Provisions for depreciation in the value of investment[1]	**(64,257,397)**	(54,762,994)
Total net fund based exposures	**718,319,852**	714,274,508

[1] Excluding provision on standard assets

6. DF 3 - Credit Risk: General disclosures (continued)

Fx and derivative contracts	**415,207,608**	423,625,433
Guarantees, acceptances, endorsements and other obligations	**290,085,481**	343,280,113
Other commitments and credit lines[2]	**58,245,906**	48,222,440
Total gross non-fund based exposures[3]	**763,538,995**	815,127,986
Specific provisions	**(737)**	(737)
Total net non fund based exposures	**763,538,258**	815,127,249

[2] Excluding credit lines which are unconditionally cancellable at the Bank's sole discretion or, effectively provide for automatic cancellation of credit lines due to deterioration of borrower's creditworthiness.

[3] For non-fund based exposures, credit risk exposures or, equivalents are computed as under:

- In case of exposures other than Fx and derivative contracts, credit equivalent is arrived at by multiplying the underlying contract or notional principal amounts with the credit conversion factors prescribed by the RBI under the Basel II/III capital framework.
- In case of Fx and derivative contracts, credit equivalents are computed using the current exposure method which includes, two steps as under:
  - Computation of current credit exposure, which is sum of the positive Mark to Market (MTM) value of the outstanding contracts.
  - Potential future credit exposure (PFE), which is determined by multiplying the notional principal amounts by the relevant 'add-on' factor based on tenor and type of underlying contracts.

b) Analysis of geographic distribution of exposures; fund based and non-fund based separately

As all the exposures under Para (a) above are domestic, the analysis of geographic distribution of exposures into fund and non-fund based has not been disclosed separately.

c) Analysis of industry wise distribution of exposures; fund based and non-fund based separately

		31 March 2015			31 March 2014		
		Credit Risk Exposures			Credit Risk Exposures		
Sno	Nature and category of industry	**Fund based (₹ in 000s)**	**Non-fund based (₹ in 000s)**	**Total (₹ in 000s)**	Fund based (₹ in 000s)	Non-fund based (₹ in 000s)	Total (₹ in 000s)
1.	Mining and Quarrying	**708,101**	**1,410,446**	**2,118,547**	3,281,802	1,351,500	4,633,302
	Of which:						
	– Coal	**145,518**	**138,867**	**284,385**	138,642	88,510	227,152
	– Others	**562,583**	**1,271,579**	**1,834,162**	3,143,160	1,262,990	4,406,150
2.	Food Processing	**15,722,970**	**12,481,416**	**28,204,386**	14,233,182	9,069,347	23,302,529
	Of which:						
	– Sugar	**4,983,841**	**4,351,563**	**9,335,404**	3,824,615	2,398,098	6,222,713
	– Edible Oils and Vanaspati	**1,178,555**	**5,777,218**	**6,955,773**	458,874	4,642,480	5,101,354
	– Tea	**402,958**	**522,906**	**925,864**	246,855	406,580	653,435
	– Others	**9,157,616**	**1,829,730**	**10,987,346**	9,702,838	1,622,189	11,325,027
3.	Beverages (excluding Tea & Coffee) and Tobacco	**7,946,418**	**1,048,332**	**8,994,751**	15,838,092	990,963	16,829,055
	Of which:						
	– Tobacco and tobacco products	**1,293,869**	**471,820**	**1,765,689**	4,554,301	341,612	4,895,913
	– Others	**6,652,550**	**576,512**	**7,229,062**	11,283,791	649,351	11,933,142
4.	Textiles	**19,215,291**	**1,399,092**	**20,614,383**	21,751,052	3,242,340	24,993,392
	Of which:						
	– Cotton	**104,145**	**–**	**104,145**	197,767	–	197,767
	– Others	**19,111,146**	**1,399,092**	**20,510,238**	21,553,285	3,242,340	24,795,625
	Out of Total Textiles to Spinning Mills	**717,918**	**–**	**717,918**	818,915	–	818,915

6. DF 3 - Credit Risk: General disclosures (continued)

Sno	Nature and category of industry	31 March 2015 Credit Risk Exposures Fund based (₹ in 000s)	Non-fund based (₹ in 000s)	Total (₹ in 000s)	31 March 2014 Credit Risk Exposures Fund based (₹ in 000s)	Non-fund based (₹ in 000s)	Total (₹ in 000s)
5.	Leather and Leather products	**1,335,174**	**341,120**	**1,676,294**	1,012,132	213,445	1,225,577
6.	Wood and Wood Products	**915,521**	**1,328,644**	**2,244,165**	1,024,903	912,558	1,937,461
7.	Paper and Paper Products	**7,757,028**	**1,535,985**	**9,293,013**	7,984,468	1,722,196	9,706,664
8.	Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	**1,620,973**	**691,134**	**2,312,107**	1,012,026	3,835,271	4,847,297
9.	Chemicals and Chemical Products (Dyes, Paints, etc.)	**35,734,735**	**15,110,461**	**50,845,196**	33,205,984	16,312,253	49,518,237
	Of which:						
	– Fertilisers	**227,389**	**2,348,199**	**2,575,588**	369,197	538,776	907,973
	– Drugs and Pharmaceuticals	**19,171,739**	**1,527,617**	**20,699,356**	16,666,410	1,732,719	18,399,129
	– Petro-chemicals (excluding under Infrastructure)	**8,696,624**	**2,972,273**	**11,668,897**	7,236,862	3,295,740	10,532,602
	– Others	**7,638,983**	**8,262,372**	**15,901,355**	8,933,515	10,745,018	19,678,533
10.	Rubber, Plastic and their Products	**4,818,478**	**2,893,606**	**7,712,084**	5,532,137	2,040,429	7,572,566
11.	Glass & Glassware	**1,196,852**	**583,327**	**1,780,179**	1,709,767	743,984	2,453,751
12.	Cement and Cement Products	**13,178,990**	**1,596,827**	**14,775,817**	15,861,304	2,177,647	18,038,951
13.	Basic Metal and Metal Products	**50,498,243**	**22,052,646**	**72,550,889**	53,346,962	20,459,476	73,806,438
	Of which:						
	– Iron and Steel	**23,757,239**	**15,184,140**	**38,941,379**	25,344,693	13,195,746	38,540,439
	– Other Metal and Metal Products	**26,741,004**	**6,868,506**	**33,609,510**	28,002,269	7,263,730	35,265,999
14.	All Engineering	**34,076,498**	**29,958,517**	**64,035,015**	37,800,312	24,115,955	61,916,267
	Of which:						
	– Electronics	**7,415,104**	**10,679,259**	**18,094,363**	11,348,725	6,983,189	18,331,914
	– Others	**26,661,394**	**19,279,258**	**45,940,652**	26,451,587	17,132,766	43,584,353
15.	Vehicles, Vehicle Parts and Transport Equipments	**16,806,331**	**10,571,323**	**27,377,654**	11,199,553	11,009,220	22,208,773
16.	Gems & Jewellery	**25,402,214**	**1,668,734**	**27,070,948**	29,969,297	314,370	30,283,667
17.	Construction	**12,415,310**	**10,514,962**	**22,930,272**	6,635,393	10,698,577	17,333,970
18.	Aviation	**22,307,175**	**22,035,134**	**44,342,309**	3,295,325	19,650,253	22,945,578
19.	Infrastructure	**73,078,871**	**25,501,165**	**98,580,036**	85,173,599	28,855,603	114,029,202
	Of which:						
	– Roads and Bridges	**11,682,895**	**2,848,735**	**14,531,630**	15,208,114	4,610,362	19,818,476
	– Ports	**–**	**–**	**–**	–	–	–
	– Inland Waterways	**7,329,145**	**5,723,033**	**13,052,178**	8,564,655	2,728,849	11,293,504
	– Airport	**118,175**	**250**	**118,425**	188,075	2,950	191,025
	– Railway Track, tunnels, viaducts, bridges	**–**	**–**	**–**	–	–	–

6. DF 3 - Credit Risk: General disclosures (continued)

		31 March 2015			31 March 2014		
		Credit Risk Exposures			Credit Risk Exposures		
Sno	Nature and category of industry	Fund based (₹ in 000s)	Non-fund based (₹ in 000s)	Total (₹ in 000s)	Fund based (₹ in 000s)	Non-fund based (₹ in 000s)	Total (₹ in 000s)
	– Electricity (Generation)	5,854,476	219,049	6,073,525	3,086,594	2,507,150	5,593,744
	– Oil/Gas/Liquefied Natural Gas (LNG) storage facility	–	–	–	65,339	–	65,339
	– Communication	41,798,826	11,239,666	53,038,492	51,041,591	11,473,564	62,515,155
	– Other Infrastructure	6,295,354	5,470,432	11,765,786	7,019,231	7,532,728	14,551,959
20.	Trading & NBFC	56,943,572	24,825,432	81,769,004	58,079,557	26,128,348	84,207,905
21.	Mortgage	102,044,389	–	102,044,389	100,754,529	–	100,754,529
22.	Retail Others	60,008,356	1,328,508	61,336,864	70,855,240	1,328,508	72,183,748
23.	Real Estate	80,492,422	689,807	81,182,229	82,430,598	1,453,224	83,883,822
24.	Other Industries	104,059,124	100,518,863	204,577,987	77,113,205	156,654,646	233,767,851
	Total Gross Advances	748,283,036	290,085,481	1,038,368,517	739,100,419	343,280,113	1,082,380,532
	Specific provisions	(64,257,397)	(737)	(64,258,134)	(54,762,994)	(737)	(54,763,731)
	Total Net Advances	684,025,639	290,084,744	974,110,383	684,337,425	343,279,376	1,027,616,801
	Total Inter-bank exposures	33,291,479	–	33,291,479	29,937,083	–	29,937,083
	Total Investments (HTM)	1,002,734	–	1,002,734	–	–	–

Fund based exposure comprises loans and advances, inter-bank exposures and HTM Investments. Non-fund based exposure comprises guarantees, acceptances, endorsements and letters of credit.

d) Analysis of residual contractual maturity of assets
As at 31 March 2015

Maturity Bucket	Cash and Bank balances with RBI (₹ in 000s)	Balances with Banks and money at call and short notice (₹ in 000s)	Investments (₹ in 000s)	Advances (₹ in 000s)	Fixed Assets (₹ in 000s)	Other Assets (₹ in 000s)
1day (d)	15,819,792	12,065,979	36,727,749	21,372,272	–	11,508,586
2d - 7d	2,894,027	34,399,715	64,284,503	51,185,721	–	3,522,610
8d - 14d	2,230,875	105,000	56,905,319	58,361,593	–	266,239
15d - 28d	1,857,523	59,500	11,112,844	27,318,362	–	4,025,940
29d - 3 month (m)	6,595,274	182,000	38,701,471	102,163,871	–	35,606,955
3m - 6m	1,989,826	–	11,002,517	67,415,038	–	12,200,738
6m - 1year (y)	2,240,413	–	21,679,918	70,533,993	–	24,539,810
1y - 3y	9,386,510	34,000	78,906,984	98,018,172	–	36,443,084
3y - 5y	636,814	–	10,602,297	61,635,178	–	18,855,531
> 5y	305,851	–	1,855,205	126,015,997	14,845,209	47,536,508
Total	43,956,905	46,846,194	331,778,807	684,020,197	14,845,209	194,506,001

6. DF 3 - Credit Risk: General disclosures (continued)

As at 31 March 2014

Maturity Bucket	Cash and Bank balances with RBI (₹ in 000s)	Balances with Banks and money at call and short notice (₹ in 000s)	Investments (₹ in 000s)	Advances (₹ in 000s)	Fixed Assets (₹ in 000s)	Other Assets (₹ in 000s)
1day (d)	12,359,361	10,627,733	31,340,507	27,763,983	–	12,543,341
2d - 7d	2,310,743	23,008,850	69,986,414	47,466,096	–	3,803,391
8d - 14d	2,437,433	35,000	14,015,240	53,330,865	–	699,337
15d - 28d	2,209,366	85,000	12,703,857	29,911,301	–	2,401,425
29d - 3 month (m)	5,183,121	176,500	33,762,192	116,155,295	–	52,797,144
3m - 6m	2,153,924	–	17,166,190	86,138,085	–	32,099,245
6m - 1year (y)	2,534,471	–	30,300,867	43,859,772	–	33,630,743
1y - 3y	8,979,259	4,000	55,869,174	118,873,158	–	49,147,506
3y - 5y	1,267,042	–	12,995,675	33,664,522	–	19,153,590
> 5y	547,812	–	160,837	127,064,348	18,324,929	43,386,299
Total	39,982,532	33,937,083	278,300,953	684,227,425	18,324,929	249,662,021

The above has been prepared on similar guidelines as used for the statement of structural liquidity.

e) Details of Non-Performing Advances (NPAs) - Gross and Net

Particulars	**31 March 2015 (₹ in 000s)**	31 March 2014 (₹ in 000s)
Sub Standard	**10,748,560**	15,412,643
Doubtful	**28,560,066**	15,982,002
– Doubtful 1	**16,356,454**	10,601,567
– Doubtful 2	**11,150,499**	5,201,087
– Doubtful 3	**1,053,113**	179,348
Loss	**27,255,174**	26,431,823
Gross NPAs	**66,563,800**	57,826,468
Provisions	**(64,257,397)**	(54,762,994)
Net NPAs	**2,306,403**	3,063,474
Cover ratio	**96.54%**	94.70%

f) NPA Ratios

Particulars	**31 March 2015**	31 March 2014
Gross NPAs to gross advances	**8.90%**	7.82%
Net NPAs to net advances	**0.34%**	0.45%

g) Movement of NPAs

	31 March 2015		31 March 2014	
Particulars	**Gross (₹ in 000s)**	**Net (₹ in 000s)**	Gross (₹ in 000s)	Net (₹ in 000s)
Balance, 1st April	**57,826,468**	**3,063,474**	38,800,624	10,098,172
Additions during the period	**16,700,752**	**(333,392)**	30,084,147	(2,038,693)
Reductions during the period	**(7,963,420)**	**(423,679)**	(11,058,303)	(4,996,005)
Balance, end of the period	**66,563,800**	**2,306,403**	57,826,468	3,063,474

6. DF 3 - Credit Risk: General disclosures (continued)

h) Movement of Provisions for NPAs

Particulars	31 March 2015 (₹ in 000s)	31 March 2014 (₹ in 000s)
Balance, 1st April	**54,762,994**	28,702,452
Additions during the period	**17,034,144**	32,122,840
Reductions during the period	**(7,539,741)**	(6,062,298)
Balance, end of the period	**64,257,397**	54,762,994

i) Movement of Non-Performing Investments and amount of Provisions held for Non-Performing Investments

Particulars	31 March 2015 (₹ in 000s)	31 March 2014 (₹ in 000s)
Balance, 1st April	**2,211,381**	405,842
Additions during the period	**14,752**	2,162,698
Reductions during the period	**(95,250)**	(357,159)
Balance, end of the period	**2,130,883**	2,211,381
Total provisions held at the end of the period	**1,911,385**	1,738,304

j) Movement of Provisions for Depreciation on Investments

Particulars	31 March 2015 (₹ in 000s)	31 March 2014 (₹ in 000s)
Balance, 1st April	**3,160,699**	1,014,504
Additions during the period	**447,745**	2,166,004
Reductions during the period	**(945,723)**	(19,809)
Balance, end of the period	**2,662,721**	3,160,699

7. DF 4 - Credit Risk: Disclosures for portfolios subject to the standardised approach

DF 4 - Qualitative Disclosures

As per the provisions of the Basel framework in India, SCBI has adopted the SA for measurement of credit risk. The risk weights applied under the SA are prescribed by the RBI and are based on the asset class to which the exposure is assigned. This approach permits use of external ratings for credit exposures to counterparties in the category of sovereigns, international banks, corporate and securitisation exposures. The specified credit rating agencies used for these types of exposures are as under:

Domestic Credit Rating Agencies	International Credit Rating Agencies
Credit Rating Information Services of India Limited	Standard and Poor's
ICRA Limited	Moody's
India Ratings and Research Private Limited (India Ratings)	
Credit Analysis and Research Limited	
SME Rating Agency of India Limited	
Brickworks Ratings India Pvt. Limited	

Rated facilities have generally been considered as those facilities where the Bank's exposure has been explicitly considered; else, the exposure has been treated by the Bank as unrated. The process used to transfer public issue ratings onto comparable assets in the banking book is in accordance with the requirements laid down by RBI.

7. DF 4 - Credit Risk: Disclosures for portfolios subject to the standardised approach (continued)

DF 4 - Quantitative Disclosures

Analysis of outstanding credit exposures (after considering credit mitigation) and credit risk by regulatory risk weight

As at 31 March 2015

Nature & category of exposures	Total gross credit exposure (₹ in 000s)	Credit risk mitigation (₹ in 000s)	Net exposure (before provision) (₹ in 000s)	Credit risk weight buckets summary <100% (₹ in 000s)	100% (₹ in 000s)	>100% (₹ in 000s)	Deduction from capital (₹ in 000s)
Inter bank exposures	**33,291,479**	**–**	**33,291,479**	**33,291,479**	**–**	**–**	**–**
Investments (HTM)	**1,002,734**	**–**	**1,002,734**	**1,002,734**	**–**	**–**	**–**
Advances	**748,283,036**	**(28,103,391)**	**720,179,645**	**186,685,514**	**336,522,872**	**196,971,259**	**–**
Total fund based exposures	**782,577,249**	**(28,103,391)**	**754,473,858**	**220,979,727**	**336,522,872**	**196,971,259**	**–**
Fx and derivative contracts	**415,207,608**	**–**	**415,207,608**	**298,918,156**	**56,554,446**	**59,735,006**	**–**
Guarantees, Acceptances, endorsements and other obligations	**290,085,481**	**(5,768,264)**	**284,317,217**	**63,854,691**	**134,691,570**	**85,770,956**	**–**
Undrawn Commitments and others	**58,245,906**	**–**	**58,245,906**	**3,500,000**	**32,811,757**	**21,934,149**	**–**
Total non fund based exposures	**763,538,995**	**(5,768,264)**	**757,770,731**	**366,272,847**	**224,057,773**	**167,440,111**	**–**

As at 31 March 2014

Nature & category of exposures	Total gross credit exposure (₹ in 000s)	Credit risk mitigation (₹ in 000s)	Net exposure (before provision) (₹ in 000s)	Credit risk weight buckets summary <100% (₹ in 000s)	100% (₹ in 000s)	>100% (₹ in 000s)	Deduction from capital (₹ in 000s)
Inter bank exposures	33,937,083	–	33,937,083	33,937,083	–	–	–
Investments (HTM)	–	–	–	–	–	–	–
Advances	739,100,419	(24,039,314)	715,061,105	145,168,747	508,971,730	60,920,628	-
Total fund based exposures	773,037,502	(24,039,314)	748,998,188	179,105,830	508,971,730	60,920,628	–
Fx and derivative contracts	423,625,433	–	423,625,433	305,310,003	118,206,014	109,416	–
Guarantees, Acceptances, endorsements and other obligations	343,280,113	(13,947,582)	329,332,531	119,411,098	188,302,987	21,618,446	–
Undrawn Commitments and others	48,222,440	–	48,222,440	–	47,502,677	719,763	–
Total non fund based exposures	815,127,986	(13,947,582)	801,180,404	424,721,101	354,011,678	22,447,625	–

8. DF 5 - Credit risk mitigation: Disclosures for standardised approaches

DF 5 - Qualitative Disclosures

Potential credit losses from any given account, client or portfolio are mitigated using a range of tools such as collateral, netting agreements, guarantees and restructuring. The reliance that can be placed on these mitigants is carefully assessed in light of issues such as legal certainty and enforceability, market valuation correlation and counterparty risk of the guarantor.

Risk mitigation policies determine the eligibility of collateral types. Collateral types for credit risk mitigation include cash; residential, commercial and industrial property; fixed assets such as motor vehicles, aircraft, plant and machinery; marketable securities; commodities; bank guarantees and letters of credit.

8. DF 5 - Credit risk mitigation: Disclosures for standardised approaches (continued)

The above collateral types are applicable to all client segments, including, corporates and financial institutions, though exposures to banks are generally non-collateralised. There are well laid down policies and processes for valuation/revaluation of collaterals, covering source of valuation, independent professional valuations, hair-cuts/margins on collateral market values, re-margining requirements and re-assessment of credit limits. However, from a local regulatory perspective, the main "eligible" collaterals under the SA are restricted to cash (including fixed deposits) and units of mutual funds. These are mainly collateral against retail loans.

Collateral is valued in accordance with the Bank's lending policies, which prescribe the frequency of valuation for different collateral types. The valuation frequency is driven by the level of price volatility of each type of collateral and the nature of the underlying product or risk exposure. Collateral held against impaired loans is recorded at fair value, which is revalued at least annually as prescribed in risk mitigation policy and procedures. In case of stock and book debts, monthly statements are obtained from the clients. In case of marketable securities listed on recognised exchanges, the valuation frequency is daily.

Guarantees taken can be categorised as follows:

- Guarantee from a bank (including central banks), or surety bond which is repayable on demand.
- Guarantee from a related corporate (including government owned commercial enterprises).
- Guarantee from an unconnected corporate.
- Guarantee from a government department, or an entity classified as government risk (excluding those classified as banks or commercial enterprises).
- Guarantee or indemnity from a SCB Group entity (subsidiary/associate or branch).
- Guarantee from one or more individuals.

DF 5 - Quantitative Disclosures

Nature and category of exposures	31 March 2015 (₹ in 000s)	31 March 2014 (₹ in 000s)
Exposure covered by eligible financial collateral after application of haircuts	**53,785,103**	40,386,925
Exposure covered by guarantees	**27,472,547**	41,453,031

9. DF 6 – Securitisation exposures: Disclosure for standardised approach

DF 6 - Qualitative Disclosures

Securitisation transactions are generally undertaken with the objective of credit risk transfer, liquidity management, meeting regulatory requirements such as priority sector lending and asset portfolio management. The Bank participates in securitisations in the role of originator, as well as, investor. In general, it provides credit enhancement services (as originator or as a third party), liquidity facilities, interest rate derivative products and acts as a service provider.

The key risks inherent in securitisation transactions include:

- Credit risk/market risk: risk arising on account of payment delinquencies from underlying obligors/borrowers in the assigned pool.
- Liquidity risk: risk arising on account of lack of secondary market to provide ready exit options to the investors/participants.
- Interest rate/currency risk: mark to market risks arising on account of interest rate/currency fluctuations.
- Prepayment risk: prepayments in the securitised pool results in early amortisation and loss of future interest to the investor on the prepaid amount.
- Co-mingling risk: risk arising on account of co-mingling of funds belonging to investor(s) with that of the originator and/or collection and processing servicer, when there exists a time lag between collecting amounts due from the obligors and payment made to the investors.

Monitoring credit risk

The Bank in the capacity of collection and processing agent prepares monthly performance reports which are circulated to investors/assignees/rating agencies. The securitised pools are continuously monitored and those requiring attention are subjected to specific interventions (e.g. focused collection efforts in affected geographies etc.) to improve their performance.

The risk assessment of the pools is done continuously by the rating agencies based on amortisation level, collection efficiency, credit enhancement utilisation levels and credit cover available for balance deal tenor.

The Bank has not used credit risk mitigants to mitigate retained risks.

9. DF 6 – Securitisation exposures: Disclosure for standardised approach (continued)

The Bank provides credit enhancements in the form of cash deposits or guarantees in its securitisation transactions and also provides credit enhancement as a third party. The Bank makes appropriate provisions for any delinquency losses assessed at the time of sale as well as over the life of the securitisation transactions in accordance with the RBI guidelines.

Summary of the Bank's accounting policies for securitisation activities

The Bank securitises advances to Special Purpose Vehicles (SPV). Securitised assets are derecognised if they are transferred to the SPV in compliance with all the conditions of true sale as prescribed in 'Guidelines on Securitisation transactions' vide circulars DBOD.No.B.P.BC-103/21.04.177/2011-12 dated 07 May 2012 and DBOD.NO.BP.BC.60/21.04.048/2005-06 dated 01 February 2006 issued by the RBI. Securitisation transactions which do not meet the criteria for derecognition are accounted for as secured borrowings.

In accordance with the above referred circular, gain arising on securitisation is amortised over the life of the securities issued / to be issued by the SPV. Loss, if any, is recognised immediately in the Profit and Loss Account.

The Bank also follows the aforesaid principles to ascertain de-recognition of loans and advances through direct assignment and the gain arising upon such direct assignment is amortised over the life of the loans and advances sold. Loss, if any, is recognised immediately in the Profit and Loss Account.

In respect of credit enhancements provided or recourse obligations accepted by the Bank at the time of securitisation or direct assignment, appropriate provisions / disclosures are made in accordance with AS 29 – Provisions, Contingent Liabilities and Contingent Assets.

Pass Through Certificates purchased have been marked to market on the basis of the base yield curve and the applicable spreads as per the spread matrix relative to the weighted average maturity of the paper as notified by Fixed Income Money Market and Derivatives Association of India (FIMMDA).

Regulatory capital approach

As per the provisions of the Basel II/III framework, all banks have to mandatorily adopt SA for capital treatment of securitisation transactions. This approach requires use of external rating agencies for risk weighting securitisation exposures. The credit rating agencies used by the Bank for these types of exposures are those recognised by the RBI (refer section 7 – DF- 4 above).

DF 6 - Quantitative Disclosures

1. Banking Book

a) The outstanding exposures securitised by the Bank (in ₹ 000's) as on 31 March 2015: ₹ 5,917,742 (Previous Year: ₹ 4,760,028).

b) Securitisation losses recognised by the Bank during period ending 31 March 2015: NIL (Previous Year: NIL)

c) Assets intended to be securitised within a year – NIL (Previous Year: NIL).

The securitisation transactions are undertaken on a need basis to meet the objectives as disclosed above.

d) The total amount of exposures securitised with unrecognised gain / (loss)

	31 March 2015		31 March 2014	
Exposure Type	**Outstanding (₹ in 000s)**	**Unrecognised gain /(loss) (₹ in 000s)**	Outstanding (₹ in 000s)	Unrecognised gain /(loss) (₹ in 000s)
Housing Loans	**1,788,942**	**22,862**	2,233,258	32,688
Corporate Loans	**4,128,800**	**–**	2,526,770	–

e) Securitisation exposures retained or purchased

	31 March 2015		31 March 2014	
Exposure Type	**On Balance Sheet (₹ in 000s)**	**Off Balance Sheet (₹ in 000s)**	On Balance Sheet (₹ in 000s)	Off Balance (₹ in 000s)
Housing Loans	**652,522**	**1,328,508**	755,104	1,328,508
	652,522	**1,328,508**	755,104	1,328,508

9. DF 6 – Securitisation exposures: Disclosure for standardised approach (continued)

f) Aggregate amount of securitisation exposures retained or purchased and the associated capital charges

As at 31 March 2015

Exposure Type	<100% risk weight (₹ in 000s)	100% risk weight (₹ in 000s)	>100% risk weight (₹ in 000s)	Total (₹ in 000s)
Housing Loans	**–**	**–**	**1,981,030**	**1,981,030**
Capital Charge	**–**	**–**	**1,981,030**	**1,981,030**

As at 31 March 2014

Exposure Type	<100% risk weight (₹ in 000s)	100% risk weight (₹ in 000s)	>100% risk weight (₹ in 000s)	Total (₹ in 000s)
Housing Loans	–	–	2,083,612	2,083,612
Capital Charge	–	–	2,083,612	2,083,612

g) Securitisation exposures deducted from capital : NIL (Previous Year: NIL)

2. Trading Book

a) There are no outstanding exposures securitised for which the Bank has retained any exposure which is subject to Market Risk.

b) Securitisation exposures retained or purchased – On Balance Sheet and Off Balance Sheet.

As at 31 March 2015

Exposure Type	On Balance Sheet (₹ in 000s)	Off Balance Sheet (₹ in 000s)
Vehicle Loans	**7,430,026**	**–**
SME Loans	**15,433,282**	**–**
Direct Agriculture Lending	**2,912,788**	**–**
Indirect Agriculture Lending	**196,377**	**–**
Total	**25,972,473**	**–**

As at 31 March 2013

Exposure Type	On Balance Sheet (₹ in 000s)	Off Balance Sheet (₹ in 000s)
Vehicle Loans	11,276,112	–
SME Loans	1,504,134	–
Direct Agriculture Lending	486,887	–
Total	13,267,133	–

c) Securitisation exposures retained or purchased

Risk Weight Bands	31 March 2015 (₹ in 000s)	31 March 2014 (₹ in 000s)
Exposures subject to Comprehensive Risk Measure for specific risk	**25,972,473**	13,267,133
Exposures subject to the securitisation framework for specific risk		
<100% risk weight	**25,972,473**	13,267,133
100% risk weight	**–**	–
>100% risk weight	**–**	–
Total	**25,972,473**	13,267,133

9. DF 6 – Securitisation exposures: Disclosure for standardised approach (continued)

d) Aggregate amount of the capital requirements for the securitisation exposures

Risk Weight Bands	31 March 2015 (₹ in 000s)	31 March 2014 (₹ in 000s)
<100% risk weight	467,505	238,808
100% risk weight	–	–
>100% risk weight	–	–
Total	**467,505**	238,808

e) Securitisation exposures deducted from capital: NIL (Previous Year: NIL)

10. DF 7 - Market Risk in Trading Book

DF 7 - Qualitative Disclosures

The Bank recognises market risk as the potential for loss of earnings or economic value due to adverse changes in financial market rates or prices. The Bank is exposed to market risk arising principally from client-driven transactions. The objective of the Bank's market risk policies and processes is to obtain a balance of risk and return while meeting clients' requirements.

The primary categories of market risk for the Bank are interest rate risk, currency exchange rate risk, commodity price risk and equity price risk.

10.1. Market Risk Governance

The GRC approves the Group's market risk appetite taking account of market volatility, the range of products and asset classes, business volumes and transaction sizes. The Group Market and Traded Credit Risk Committee (GMTCRC), under authority delegated by the GRC, is responsible for setting VaR as the primary market risk measure within the Group's risk appetite. The GMTCRC is also responsible for policies and other standards for the control of market risk and overseeing their effective implementation. These policies cover both trading and non-trading books. At a country level, there is an independent market risk function to implement Group market risk policies/limits and to monitor the market risk exposures in accordance with Group and local governance/regulatory norms.

Market and Traded Credit Risk (MTCR) approves the limits within delegated authorities and monitors exposures against these limits. Additional limits are placed on specific instruments and position concentrations, where appropriate. For example, sensitivity measures are used in addition to VaR as a risk management tools. For example, interest rate sensitivity is measured in terms of exposure to a one basis point increase in yields, whereas, foreign exchange, commodity and equity sensitivities are measured in terms of the underlying values or amounts involved. Option risks are controlled through revaluation limits on underlying price and volatility shifts and limits on volatility risk and other variables that determine the options' value.

The CRC, in conjunction with MTCR, provides market risk oversight, reporting and management of the market risk profile.

Value at Risk

The Bank measures the risk of losses arising from future potential adverse movements in market rates, prices and volatilities using a VaR methodology. VaR, in general, is a quantitative measure of market risk that applies recent historical market conditions to estimate the potential future loss in market value that will not be exceeded in a set time period at a set statistical confidence level. VaR provides a consistent measure that can be applied across trading businesses and products over time and can be set against actual daily trading profit and loss outcome. VaR is calculated for expected movements over a minimum of one business day and to a confidence level of 97.5 per cent. This confidence level suggests that potential daily losses, in excess of the VaR measure, are likely to be experienced six times per year.

Back Testing

To assess their predictive power, VaR models are back tested against actual results. Trading book back testing is conducted against clean profit and loss, which is the actual profit and loss for a given business day, adjusted to remove the effect of certain items unrelated to market risk.

Stress Testing

Losses beyond the confidence interval are not captured by a VaR calculation, which therefore gives no indication of the size of unexpected losses in these situations. MTCR complements the VaR measurement by regularly stress testing market risk exposures to highlight potential risk that may arise from extreme market events that are rare but plausible.

Stress testing is an integral part of the market risk management framework and considers both, historical market events and forward looking scenarios. A consistent stress testing methodology is applied to trading and non-trading books. The stress testing methodology assumes that scope for management action would be limited during a stress event, reflecting the decrease in market liquidity that often occurs. Stress scenarios are regularly updated to reflect changes in risk profile and economic events.

10. DF 7 - Market Risk in Trading Book (continued)

Regular stress test scenarios are applied to interest rates, credit spreads, exchange rates and equity prices thereby covering asset classes in the Financial Markets (FM) non-trading and trading books. Ad hoc scenarios are also prepared, reflecting specific market conditions and for particular concentrations of risk that arise within the businesses.

10.2. Foreign Exchange Exposure

The foreign exchange exposures comprise trading and non-trading foreign currency translation exposures. Foreign exchange trading exposures are principally derived from client driven transactions.

10.3. Interest Rate Exposure

The interest rate exposures arise from trading and non-trading activities. Structural interest rate risk arises from the differing re-pricing characteristics of commercial banking assets and liabilities.

10.4. Derivatives

Structure and organisation of management of risk in derivatives trading

The derivatives business is managed by the front office with independent back office for confirmation and settlement of trades. A separate middle office team validates all the derivative transactions and the processing and settlement is done by the back office team. The market risk team is responsible for monitoring market risk limits for derivative instruments. VaR is the primary risk measure and supplemented by other limits like PV01 as required and appropriate. There is clear segregation of duties and different reporting lines to ensure independent monitoring and reporting.

Risk monitoring team

The Bank is exposed to market risk, liquidity risk, operational risk and credit risk on the derivatives portfolio. The Bank's risk management group, compliance group and internal audit group assist in identifying, assessing and monitoring of these principal risks in accordance with policies and procedures.

For further details please refer to para 12 (DF 9) below.

DF 7 - Quantitative Disclosures

For details please refer to market risk section under para 4 (DF 2 - Quantitative Disclosures)

11. DF 8 - Operational Risk

DF 8 - Qualitative Disclosures

OR is the potential for loss arising from the failure of people, processes, technology or the impact of external events. It is the Bank's objective to minimise exposure to OR, subject to cost trade-offs. OR exposures are managed through a consistent set of management process that drive risk identification, assessment, control and monitoring.

OR is managed by the CORC, which exercises oversight of the Bank's OR exposures to ensure that it is aligned with the Bank's RMF.

The responsibility for daily management of OR exposures rests with businesses and functions as an integral component of their first line risk management responsibilities. In addition, specialist operational RCOs have responsibility for the management of OR arising from the following activities: legal processes, people management, technology management, vendor management, property management, security management, accounting and financial control, tax management, corporate authorities and structure and regulatory compliance. Each RCO is responsible for identifying risks that are material to the Group and for maintaining an effective control environment, which includes defining appropriate policies and procedures for approval by authorised risk committees.

The Bank uses the BIA consistent with the RBI's capital adequacy requirements to assess its regulatory capital requirements for OR. Under the BIA, a pre-determined beta co-efficient is applied to the average income for the previous three years, to determine the OR capital requirement.

12. DF 9 - Interest Rate Risk in the Banking Book (IRRBB)

DF 9 - Qualitative Disclosures

Interest rate risk from the non-trading book portfolios is transferred to FM where it is managed by ALM under the supervision of ALCO. This risk arises principally from the re-pricing mismatch between commercial assets and liabilities. ALM also deals in approved financial instruments in the market to manage the net interest rate risk, subject to approved VaR and risk limits. VaR and stress tests are applied to non-trading book exposures in the same way as for the trading book and thus the primary risk measurement tool is VaR for the non-trading book. ALM also manages a portfolio of marketable securities primarily for the purpose of meeting the reserve requirements and the same is profiled as per its underlying risk factors. No prepayment assumptions are applied to the fixed rate commercial loan book and such loans follow the contractual maturity profiling method. For non maturing products like current accounts, savings accounts, cards and overdrafts, behavioural calculation is done to segregate the portfolio according to the balances expected to remain with the bank under non stress conditions for a year or more (core) or less than a year (non-core).

12. DF 9 - Interest Rate Risk in the Banking Book (IRRBB) (continued)

DF 9 - Quantitative Disclosures

The impact on market value of equity for a 200 basis upward move (in ₹ 000's) as at 31st March 2015 is ₹ 3,205,233 (previous year: ₹ 2,443,870).

13. DF 10 – Exposure related to Counterparty Credit Risk

DF 10 - Qualitative Disclosures

13.1. Credit Limits and Collaterals

Counterparty credit risk (CCR) is the risk that a Bank's counterparty defaults in a FX, interest rate, commodity or credit derivative contract prior to or at the maturity date of the contract and that the Bank at the time has a claim on the counterparty. The Credit Initiation and Approval Policy governs CCR; its management is the responsibility of CRC. The credit risk arising from all financial derivatives is managed as part of the overall credit limits to both financial institutions and other clients.

Exposure values for regulatory capital purposes on over the counter traded products are calculated according to the CCR Current Exposure Method (CEM). This is calculated as the sum of the current replacement cost and the PFE. The current replacement cost is the amount owed by the counterparty to the Bank for various financial derivative transactions. The PFE is an add-on based on a percentage of the notional principal of each transaction. These percentages are prescribed by the RBI in the guidelines and vary according to the underlying asset class and tenor of each trade.

The Group has a credit risk economic capital model which is managed centrally. The model uses obligor-level Monte Carlo simulation parameterised with internal data to capture various elements of credit risk including CCR.

The Bank seeks to negotiate Credit Support Annexes (CSA) to International Swaps and Derivatives Association master agreements with counterparties on a case-by-case basis, where collateral is deemed a necessary or desirable mitigant to the exposure. The credit terms of the CSA are specific to each legal document and determined by the credit risk approval unit responsible for the counterparty. The nature of the collateral will be specified in the legal document and will typically be cash or highly liquid securities.

A daily operational process takes place to calculate the MTM on all trades captured under the CSA. Additional collateral will be called from the counterparty if total uncollateralised MTM exposure exceeds the threshold and minimum transfer amount specified in the CSA. Additional collateral may be required from the counterparty to provide an extra buffer to the daily variation margin process.

The Bank further reduces its credit exposures to counterparties by entering into contractual netting agreements which result in a single amount owed by or to the counterparty through netting the sum of the positive (amounts owed by the counterparty) and negative (amounts owed by the Bank) MTM values of these transactions.

In India, the Bank follows SA for credit risk and hence no credit reserve is set aside. However, provisioning for the exposures on derivative contracts is made as prescribed by RBI Circular No. DBOD.No.BP.BC.2/21.06.201/2014-15 dated 01 July 2014.

13.2. Wrong Way Risk

Wrong way risk occurs when an exposure increase is coupled with a decrease in the credit quality of the obligor. For example, as the MTM on a derivative contract increases in favour of the Bank, the counterparty may increasingly be unable to meet its payment, margin call or collateral posting requirements. The Group/Bank employs various policies and procedures to ensure that wrong way risk exposures are monitored.

13.3. Impact of Credit Rating Downgrade

In line with market convention, the Bank negotiates CSA terms for certain counterparties where the thresholds related to each party are dependent on their External Credit Assessment Institution (ECAI) long term rating. Such clauses are typically mutual in nature. It is therefore recognised that a downgrade in the Group's rating could result in counterparties seeking additional collateral calls to cover negative MTM portfolios where thresholds are lowered.

DF 10 - Quantitative Disclosures

Particulars	31 March 2015 (₹ in 000s)	31 March 2014 (₹ in 000s)
Gross positive fair value of contracts	**129,887,653**	190,533,028
Less: Netting benefits	**–**	–
Netted current credit exposure	**129,887,653**	190,533,028
Less: Collateral held (including type, e.g. cash, government securities, etc.)	**–**	–
Net derivatives credit exposure	**129,887,653**	190,533,028
Potential future exposure	**285,319,956**	233,092,405

13. DF 10 – Exposure related to Counterparty Credit Risk (continued)

Particulars	31 March 2015 (₹ in 000s)	31 March 2014 (₹ in 000s)
Measures for exposure at default or exposure amount under CEM	**415,207,608**	423,625,433
Notional value of credit derivative hedges	**–**	–
Distribution of current credit exposure by types of credit exposure		
– Interest Rates	**91,772,022**	101,103,588
– Fx	**323,435,587**	322,521,844
Credit Derivative Transactions that create exposures to CCR (Notional Value)	**NIL**	NIL

For capital requirement details, refer "Minimum Regulatory Capital Requirements" under para 4 (DF 2 – quantitative disclosure) of this disclosure.

14. Other Key Risks

14.1. Liquidity Risk

Liquidity risk is the potential that the Bank either does not have sufficient liquid financial resources available to meet all its obligations and commitments as they fall due, or can only access these financial resources at excessive cost.

The Liquidity Risk Framework governs liquidity risk and is managed by ALCO. In accordance with that framework, the Bank maintains a liquid portfolio of marketable securities as reserve assets. The level of the Bank's aggregate liquid reserves is in accordance with local regulatory minimum liquidity requirements, including the Liquidity Leverage Ratio.

14.2. Reputational Risk

Reputational risk is the potential for damage to the Group's franchise, resulting in loss of earnings or adverse impact on market capitalisation as a result of stakeholders taking a negative view of the organisation or its actions.

Reputational risk is managed by the CMG, which is responsible for protecting the Group's reputation locally and has the responsibility to ensure that the Bank does not undertake any activities that may cause material damage to the Group's franchise.

Reputational risk is registered, recorded and reviewed by the CEO/Country Head of Corporate Affairs through the CRC. Whilst the CRC covers all forms of reputational risk in country, any significant business related reputational risks are also escalated to Business Responsibility and Reputational Risk Committee.

15. Monitoring

Monitoring of risk management is achieved through independent reviews by RCOs, GIA, Compliance, concurrent audits and spot checks by external specialists as required under regulations.

To ensure the effectiveness of risk management processes in maintaining the risk profile of the Bank within risk appetite, the Bank maintains a three 'lines of defence' framework - refer para 5.1 above for further details.

16. DF 11 - Composition of Capital as at 31 March 2015

	Basel III common disclosure template	Solo		Consolidated		
	Common Equity Tier 1 capital: instruments and reserves	**Basel III Amounts (₹ in million)**	**Amounts Subject to Pre-Basel III Treatment (₹ in million)**	**Basel III Amounts (₹ in million)**	**Amounts Subject to Pre-Basel III Treatment (₹ in million)**	**Ref No. (Section 17/DF 12) (₹ in million)**
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	**74,401**	**–**	**74,401**	**–**	**A1**
2	Retained earnings	**79,175**	**–**	**79,175**	**–**	**B6**
3	Accumulated other comprehensive income (and other reserves)	**76,208**	**–**	**75,472**	**–**	**B1+B3+B4 +B5+B7+ B8+C1+C3**
4	*Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)* ***Public sector capital injections grandfathered until 1 January 2018***	**–**	**–**	**–**	**–**	

16. DF 11 - Composition of Capital as at 31 March 2015 (continued)

	Basel III common disclosure template	Solo		Consolidated		
	Common Equity Tier 1 capital: instruments and reserves	**Basel III Amounts (₹ in million)**	**Amounts Subject to Pre-Basel III Treatment (₹ in million)**	**Basel III Amounts (₹ in million)**	**Amounts Subject to Pre-Basel III Treatment (₹ in million)**	**Ref No. (Section 17/DF 12) (₹ in million)**
5	Common share capital (plus share premium) issued by other regulated entities and held by third parties (amount allowed in group CET1)	–	–	9,423	–	A2
6	**Common Equity Tier 1 capital before regulatory adjustments**	229,783	–	238,470	–	
	Common Equity Tier 1 capital: regulatory adjustments					
7	Prudential valuation adjustments	–	–	–	–	
8	Goodwill (net of related tax liability)	13	–	13	–	F1
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	2	9	8	32	F2
10	Deferred tax assets	5,916	23,666	5,919	23,677	G
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-in 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)	–	–	–	–	
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)	–	–	–	–	
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)	–	–	–	–	

16. DF 11 - Composition of Capital as at 31 March 2015 (continued)

	Basel III common disclosure template	Solo		Consolidated		
	Common Equity Tier 1 capital: instruments and reserves	**Basel III Amounts (₹ in million)**	**Amounts Subject to Pre-Basel III Treatment (₹ in million)**	**Basel III Amounts (₹ in million)**	**Amounts Subject to Pre-Basel III Treatment (₹ in million)**	**Ref No. (Section 17/DF 12) (₹ in million)**
26a	of which: Investments in the equity capital of the unconsolidated insurance subsidiaries	–	–	–	–	
26b	of which: Investments in the equity capital of unconsolidated non-financial subsidiaries	–	–	–	–	
26c	of which: Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	–	–	–	–	
26d	of which: Unamortised pension funds expenditures	–	–	–	–	
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	2	7	2	7	
	of which: HO Debit Balance (20%)	2	7	2	7	H
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	23,682	–	23,716	–	
28	**Total regulatory adjustments to Common equity Tier 1**	**29,616**	–	**29,658**	–	
29	**Common Equity Tier 1 capital (CET1)**	**200,168**	–	**208,812**	–	
	Additional Tier 1 capital: instruments					
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (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 tophase 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)	–	–	–	–	

16. DF 11 - Composition of Capital as at 31 March 2015 (continued)

	Basel III common disclosure template	Solo		Consolidated		
	Common Equity Tier 1 capital: instruments and reserves	Basel III Amounts (₹ in million)	Amounts Subject to Pre-Basel III Treatment (₹ in million)	Basel III Amounts (₹ in million)	Amounts Subject to Pre-Basel III Treatment (₹ in million)	Ref No. (Section 17/DF 12) (₹ in million)
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) 10	–	–	–	–	
41	National specific regulatory adjustments (41a+41b)	–	–	–	–	
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	–	–	–	–	
41b	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)**	–	–	–	–	
44a	**Additional Tier 1 capital reckoned for capital adequacy**	–	–	–	–	
45	**Tier 1 capital (T1 = CET1 + AT1) (29 + 44a)**	**200,168**	–	**208,812**	–	
	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	–	–	–	–	**D (Discounted Value)**
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	**10,911**	–	**10,942**	–	**B2*45%+C2+E1+E2+E3+E4**
51	**Tier 2 capital before regulatory adjustments**	**10,911**	–	**10,942**	–	
	Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments	–	–	–	–	
53	Reciprocal cross-holdings in Tier 2 instruments	–	–	–	–	

16. DF 11 - Composition of Capital as at 31 March 2015 (continued)

	Basel III common disclosure template	Solo		Consolidated		
	Common Equity Tier 1 capital: instruments and reserves	**Basel III Amounts (₹ in million)**	**Amounts Subject to Pre-Basel III Treatment (₹ in million)**	**Basel III Amounts (₹ in million)**	**Amounts Subject to Pre-Basel III Treatment (₹ in million)**	**Ref No. (Section 17/DF 12) (₹ in million)**
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)	–	–	–	–	
56a	of which: Investments in the Tier 2 capital of unconsolidated subsidiaries	–	–	–	–	
56b	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: Investment in Subsidiaries	–	–	–	–	
	of which: [INSERT TYPE OF ADJUSTMENT	–	–	–	–	
57	**Total regulatory adjustments to Tier 2 capital**	–	–	–	–	
58	**Tier 2 capital (T2)**	**10,911**	–	**10,942**	–	
58a	**Tier 2 capital reckoned for capital adequacy**	**10,911**	–	**10,942**	–	
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**	–	–	–	–	
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	**10,911**	–	**10,942**	–	
59	**Total capital (TC = T1 + T2) (45 + 58c)**	**211,079**	–	**219,753**	–	
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment					
	of which:					
60	Total risk weighted assets (60a + 60b + 60c)	**1,690,282**	–	**1,709,881**	–	
60a	of which: total credit risk weighted assets	**1,449,545**	–	**1,465,921**	–	
60b	of which: total market risk weighted assets	**110,584**	–	**110,610**	–	
60c	of which: total operational risk weighted assets	**130,152**	–	**133,351**	–	
Capital Ratios						
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	**11.84%**		**12.21%**		
62	Tier 1 (as a percentage of risk weighted assets)	**11.84%**		**12.21%**		
63	Total capital (as a percentage of risk weighted assets)	**12.49%**		**12.85%**		

16. DF 11 - Composition of Capital as at 31 March 2015 (continued)

	Basel III common disclosure template	Solo		Consolidated		
	Common Equity Tier 1 capital: instruments and reserves	Basel III Amounts (₹ in million)	Amounts Subject to Pre-Basel III Treatment (₹ in million)	Basel III Amounts (₹ in million)	Amounts Subject to Pre-Basel III Treatment (₹ in million)	Ref No. (Section 17/DF 12) (₹ in million)
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	–	–	–	–	
65	of which: capital conservation buffer requirement	–	–	–	–	
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)	–	–	–	–	
National minima (if different from Basel III)						
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	–	–	–	–	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	–	–	–	–	
71	National total capital minimum ratio (if different from Basel III minimum)	–	–	–	–	
Amounts below the thresholds for deduction (before risk weighting)						
72	Non-significant investments in the capital of other financial entities	–	–	–	–	
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)	–	–	–	–	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	–	–	–	–	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	–	–	–	–	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	–	–	–	–	
Capital instruments subject to phase-out arrangements (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)	–	–	–	–	

16. DF 11 - Composition of Capital as at 31 March 2015 (continued)

	Basel III common disclosure template	Solo		Consolidated		
	Common Equity Tier 1 capital: instruments and reserves	**Basel III Amounts (₹ in million)**	**Amounts Subject to Pre-Basel III Treatment (₹ in million)**	**Basel III Amounts (₹ in million)**	**Amounts Subject to Pre-Basel III Treatment (₹ in million)**	**Ref No. (Section 17/DF 12) (₹ in million)**
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)	–	–	–	–	

17.DF 12 - Composition of Capital Reconciliation

			Balance sheet as in financial statements As on 31 March 2015 (₹ in million)	Balance sheet under regulatory scope of consolidation As on 31 March 2015 (₹ in million)	Ref. No. (Section 16/DF 11)
Capital & Liabilities					
i	**Paid-up Capital**		**74,401**	**83,824**	
	H.O. assigned Capital		74,401	74,401	A1
	Common share capital (plus share premium) issued by other regulated entities and held by third parties (amount allowed in group CET1)		–	9,423	A2
	of which: Amount eligible for CET1		74,401	83,824	
	of which: Amount eligible for AT1		–	–	
ii	**Reserves & Surplus**		**185,085**	**184,901**	
	a	Statutory Reserves	65,286	66,045	B1
	b	Property Revaluation Reserve	6,076	6,076	B2
	c	Capital Reserves-Surplus on sale of immovable properties	9,426	9,426	B3
	d	Capital Reserves-Surplus on sale of Held To Maturity investments	985	985	B4
	e	Capital Reserve	302	302	B5
	f	Remittable Surplus retained in India for CRAR	79,175	79,175	B6
	g	Profit and Loss Account	22,573	21,505	
		a) Considered for Regulatory Consolidation	–	(1,621)	B7
		b) Not Considered for Regulatory Consolidation	22,573	23,126	
	h	Exchange Reserve	1	1	B8
	I	Property Investment Reserve	207	207	C1
	j	Investment Reserve	1,053	1,053	C2
	k	General Reserve	–	126	C3
	Total Capital		**259,486**	**268,725**	

17. DF 12 - Composition of Capital Reconciliation (continued)

iii	**Deposits**	**728,483**	**728,483**	
	of which: Deposits from banks	**25,103**	**25,103**	
	of which: Customer deposits	**703,380**	**703,380**	
	of which: Other deposits (pl.specify)	**–**	**–**	
iv	**Borrowings**	**127,484**	**133,813**	
	of which: From RBI	**68,600**	**68,600**	
	of which: From banks	**–**	**1,838**	
	of which: From other institutions	**24,529**	**24,529**	
	of which: subordinated debt	**–**	**–**	**D**
	of which: Others (pl. specify)	**34,356**	**38,846**	
v	**Other liabilities & provisions**	**201,944**	**202,978**	
	of which: Provision for Countercyclical Buffer	**750**	**750**	**E1**
	of which: Provision Held for Sold NPA's	**312**	**312**	**E2**
	of which: Provision for Country Risk	**64**	**64**	**E3**
	of which: Provision for Standard assets	**5,999**	**6,029**	**E4**
	Total Capital & Liabilities	**1,317,397**	**1,333,998**	
Assets				
vi	**Cash and balances with Reserve Bank of India**	**43,957**	**43,957**	
vii	**Balance with banks and money at call and short notice**	**46,846**	**48,673**	
viii	**Investments**	**333,222**	**333,374**	
	of which: Government securities	**282,353**	**282,353**	
	of which: Other approved securities	**–**	**–**	
	of which: Shares	**335**	**486**	
	of which: Debentures & Bonds	**13,248**	**13,248**	
	of which: Subsidiaries / Joint Ventures / Associates	**–**	**–**	
	of which: Others (Commercial Papers, Mutual Funds etc.)	**37,287**	**37,287**	
ix	**Loans and advances**	**684,020**	**698,113**	
	of which: Loans and advances to banks	**–**	**–**	
	of which: Loans and advances to customers	**684,020**	**697,179**	
x	**Fixed assets**	**14,845**	**14,955**	
	of which: Goodwill	**13**	**13**	**F1**
	of which: Intangible	**11**	**41**	**F2**
xi	**Other assets**	**194,506**	**194,926**	
	of which: Deferred tax assets	**29,582**	**29,596**	**G**
	of which: Ho Debit Balance	**9**	**9**	**H**
	Total Assets	**1,317,397**	**1,333,998**	

18. DF 13 - Main Features of Regulatory Capital Instruments

As of 31st March 2015, there were no regulatory capital instruments issued by SCBI.

19. DF 14 - Full Terms and Conditions of Regulatory Capital Instruments

As of 31st March 2015, there were no regulatory capital instruments issued by SCBI.

20. DF 15 - Disclosure Requirements for Remuneration

The Bank's compensation policies including that of CEO's, is in conformity with the Financial Stability Board principles and standards. In accordance with the requirements of the RBI Circular No. DBOD No.BC.72/29.67/001/2011-12 dated 13 January 2012, the Regional Office of the Bank has submitted a declaration to RBI confirming the aforesaid matter. Accordingly no disclosure is required to be made in this regard.

Standard Chartered Branches in India

WEST

Ahmedabad
Abhijeet II, Ground Floor,
Mithakali 6 Road,
Ahmedabad 380 006
Tel: 079-26468300
Fax: 079-26470041

Bhopal
Ground floor, Northern wing,
Alankar Complex, Plot no. 10, Zone II,
M. P. Nagar, Bhopal 462 011
Tel: 0755-4218200
Fax: 0755-4218201

Chhinddwara
Sharma Complex, Ground Floor,
Plot No. 491, Ward No. 38 Parasia Road,
Chhinddwara 480 001, M. P.
Tel: 07162-2231160

Indore
D. M. Towers, 21/1,Race Course Road,
Indore 452 001
Tel: 0731-4206900
Fax: 0731-4206901

Jalgaon
Baba Plaza, Mumbai Nagpur Road,
Akashwani Square, Jalgaon 425 001
Tel: 0257-2237400
Fax: 0257-2237401

Mumbai

23-25, M. G. Road
23-25, M. G. Road, Mumbai 400 001
Tel: 022-67355692
Fax: 022-22852870

90, M. G. Road
90 M. G. Road, Mumbai 400 001
Tel: 2267350551
Fax: 2222623226

Andheri
Ameya House,
Raj Kumar Corner, J. P. Road,
Andheri West, Mumbai 400 058
Tel: 022-26774261/26794416/26794420
Fax: 022-26790237

Bandra - Waterfield Road
Unique Centre, Waterfield Road,
Bandra (W), Mumbai 400 050
Tel: 022-26457104
Fax: 022-26454953

BKC
Raheja Tower, Ground floor,
Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
Tel: 022-61157038

Borivali
Aditya Apartments, CTS No.639
Chandravarkar Road,
Borivali (W), Mumbai 400 092
Tel: 022-28924900

Breach Candy
87, Bhulabai Desai Road,
Breach Candy, Mumbai 400 036
Tel: 022-30042491/022-30042486/89
Fax: 022-23634299

Centre Point
Junction of Juhu & S. V.,
Santacruz, Mumbai 400 054
Tel: 022-22792426
Fax: 022-22623226

Chowpatty
Shree Pant Bhuvan, Sandhurust Bridge,
Chowpatty, Mumbai 400 007
Tel: 022-23682797
Fax: 022-23642173

Chembur
Garden Apartment, Diamond Garden
CHS Ltd., A Sores Road,
Chembur, Mumbai 400 071
Tel: 022-25201314/022-25213805/
022-25207391 • Fax: 022-25207390

Dadar N. C. Kelkar Road
Shivaji Mandir, N. C. Kelkar Road,
Dadar, Mumbai 400 028
Tel: 022-24210890/022-24385771/73
Fax: 022 24374097

Ghatkopar
170A Derasar Lane, Ghatkopar (E),
TPS II, Mumbai 400 077
Tel: 022-25015917,022-25015191,
022-25015682 • Fax: 022-25016220

Malad, Palm Court
Palm Court, next to Infinity mall (II),
Link road, Malad west, Mumbai 400063
Tel: 022-67373171

Lokhandwala
21-23, Samarth Vaibhav,
Off New Link Road, Lokhandwala,
Andheri (W), Mumbai 400 053
Tel: 022-26327702/6
Fax: 022-26340093

Santacruz
65-F, Vithalbhai Patel Road,
Santacruz (West), Mumbai 400 054
Tel: 022-26495519

Powai
Unit 101, Delta Building Hiranandani
Garden, Powai, Mumbai 400 076
Tel: 022-25707921/022-25707923/24

Vile Parle
B21, Sanghvi Paritosh,
V L Mehta Road, JVPD Scheme,
Vile Parle (W), Mumbai 400 049
Tel: 26145236
Fax: 26103720

Nagpur
Narang Towers, 27, Palm Road,
Nagpur 440 001
Tel: 0712-662-0700
Fax: 0712-6620710

Pune

Pune (JM Road)
364/365 Shreerang House,
Junglee Maharaj Road,
Shivaji Nagar, Pune 411 005
Tel: 020-30591070
Fax: 020-30591085

Kalyani Nagar
B2,Cerebrum IT Park,
Survey No:13/B1, B2, B3,
Survey No:14, Kumar City,
Vadgaonsheri,
Kalyani Nagar, Haveli,
Tel: 020-66803800
Fax: 020-66803815

Rajkot
Business Empire, 5, Jagnath Plot Corner,
Gymkhana Road, Rajkot 360 002
Tel: 0281-6626011
Fax: 0281-6626010

Surat
C. K. Tower, Towards Surat
Dumas Road, Parle Point,
Surat 395 007
Tel: 0261-2220108
Fax: 0261-2220078

Thane
Emerald Plaza, Block no. 2,
Hiranandani Meadows Pokahran Rd No. 2,
Thane 400 601
Tel: 022-21730902
Fax: 022-21730912

Vadodara
Gokulesh,
R. C. Dutt Road,
Vadodara 390 009
Tel: 0265-2320071
Fax: 0265-2322923

EAST

Bhubaneshwar
Plot no 3, Bapuji Nagar,
Janpath, Bhubaneshwar 751 009
Tel: 0674-2597485
Fax: 0674-2597681

Guwahati
G N Bardoloi Road, Ambari,
Guwahati 781 001
Tel: 0361-2632264
Fax: 0361-2543192

Howrah
49-Dobson Road, Howrah 711 101
Tel: 033-66160888
Fax: 033-26660551

Kolkata
M. G. Road
142 M. G. Road, Kolkata 700 001
Tel: 033-66134721
Fax: 033-66134700

19, N. S. Road
19 N. S. Road, Kolkata 700 001
Tel: 033-39120101
Fax: 033-22301696

Chowringhee
31 Chowringhee,
Kolkata 700 016
Tel: 033-66275301
Fax: 033-2226 3481

41, Chowringhee Road
Kolkata 700 071
Tel: 033-66279626
Fax: 033-22887501

21 A, Shakespeare Sarani
Kolkata 700 017
Tel: 033-22801619
Fax: 033-22907333

Church Lane
6 Church Lane, Kolkata 700 001
Tel: 033-22429200
Fax: 033-22428059

Gariahat
208 R. B. Avenue, Kolkata 700 029
Tel: 033-66137809
Fax: 033-2464 0669

Gurusaday Branch
G-08, Atria Mall, 23, Gurusaday Road,
Kolkata 700 019

Jodhpur Park
1/425 Gariahat Road South,
Jodhpur Park, Kolkata 700 068
Tel: 033-24733479
Fax: 033-24733038

Mani Square
Shop # G-3, Mani Square,
164/1, Maniktalla Main Road,
Salt Lake, Kolkata - 700 054
Tel: 033-23202060
Fax: 033-23202063

New Alipore Road
17 SA Nalini Ranjan Avenue
Kolkata 700 053
Tel: 033-23969770
Fax: 033-2396 6383

Rash Behari Avenue
163 Rash Behari Avenue,
Kolkata 700 019
Tel: 033-24664771 extn 20
Fax: 033-24664560

Salt Lake
CF347 Sector 1, Salt Lake,
Kolkata 700 064
Tel: 033-66160825
Fax: 033-23216205

Shyambazar-Bidhan Sarani
139C Bidhan Sarani,
Shambazaar, Kolkata 700 004
Tel: 033-25432706
Fax: 033-2555 5315

Shyambazar- R. G. Kar Road
21A, R. G. Kar Road, Shambazar,
Kolkata-700 004
Tel: 033-25548139

Patna
Bhagwati Dwaraka Arcade,
Plot No: 830 P, Exhibition Road,
Patna 800 001
Tel: 0612-2223158
Fax: 0612-2223136

Siliguri
City Plaza, Sevoke Road, Siliguri 734 001
Dist-Darjeeling, West Bengal
Tel: 0353-2643561
Fax: 0353-2643560

NORTH

Allahabad
2, Sardar Patel Marg. Civil Lines,
Allahabad 211 001
Tel: 0532-2427062

Amritsar
360, The Mall,
Amritsar Post Code 143 001
Tel: 0183-5003756
Fax: 0183-5014111

Chandigarh
SCO, 137-138 Sector 9C,
Madya Marg, Chandigarh 160 017
Tel: 172-5073884

Dayal Bagh (Agra)
4, Krishna Enclave, Near Bhagat Halwai,
Dayal Bagh Road,
Agra 282 005
Tel: 0562-2570442/43

Dehradun
Krishna Towers, 69 Rajpur Road,
Dehradun 248 001
Tel: 0135-3242061
Fax: 0135-3242090

Gurgaon
DLF Building No – 7A, DLF Cyber City,
Sector – 24/25/25A,
Gurgaon
Tel: 0124-4876033

Gurgaon, SCF-77- Sector 14
SCF-77 Sector 14, Gurgaon,
Harayana 122 001
Tel: 0124-4088702
Fax: 0124-4088701

Jalandhar
Plot No. 34, G. T. Road,
Jalandhar 144 001
Tel: 0183-5030325
Fax: 0183-5014111

Jaipur
H8, Bhagwat Bhawan,
Showroom #1, MI Road,
Jaipur 302 001
Tel: 0141-6452224

Jodhpur
9th, Chopasani Road, Jodhpur,
Plot No 839,G/F
Tel: 0291-2433879

Kanpur
16/105, M G Road, Kanpur 208 001
Tel: 0512-2306536
Fax: 0512-2304705

Lucknow
Narain Automobiles, 4,
Shanazaf Road, Lucknow 226 001
Tel: 0522-2201870
Fax: 0522-2201826

Ludhiana
SCO 16-17, Feroze Gandhi Market,
Ludhiana 141 001
Tel: 0161-5084030
Fax: 0161-5084031

Mathura
Pacific Mall, Plot No. C-1/B, Site B,
Industrial Area, Mathura 281 006
Tel: 0565-3206014
Fax: 0565-3206017

Nakatia (Bareilly)
Khasra No. 356 & 357,
Vill Mohanpura
Bareilly 243 123
0581-6990310
0581-6990311

New Delhi

Barakhamba
Narain Manzil 23, BaraKhamba Road,
New Delhi 110 001
Tel: 011-41524419

Chanakyapuri
13, Malcha Marg, Chankyapuri,
New Delhi 110021
011-45874585
011-45874560

Defence Colony
Shop No-43,
Defence Colony Market,
New Delhi 110 024
Tel: 011-45636501
Fax: 011-45636510

Greater Kailash
B-68, Greater Kailash Part I,
New Delhi 110 048
Tel: 011-46517896
Fax: 011-29246857

Greater Kailash II
M- 39, GFK II, Near Saviti Cinema,
New Delhi -110 048
Tel: 011-41669256
Fax: 011-41669258

Green Park,
S-32,Ground Floor and Basement
Green Park Main Market,
New Delhi -110 016

H2 Connaught Circus

Hamilton House

Express Building, ITO,
Bahadur Shahzafar Marg,
New Delhi 110 001
Tel: 011-43593097
Fax: 011- 42512496

Janakpuri

B 1/517, Janakpuri, New Delhi 110 058
Tel: 011-41579038
Fax: 011-41021446

Karol Bagh

13/37, WEA, Arya Samaj Road,
Karol Bagh -110 005
Tel: 011-41546964
Fax: 011-41546963

New Friends Colony

20 Community Centre,
New Friends Colony,
New Delhi 110 065
Tel: 011-46605721
Fax: 011-41672306

Preet Vihar

Aditya Arcade, Plot No. 30,
Community Centre,
Preet Vihar New Delhi 110 092
Tel: 011-46107823
Fax: 011-46107849

Punjabi Bagh

41, Central Market,
Punjabi Bagh West 110 026
Tel: 011-42466792
Fax: 011-25228776

Saket

E-26 Saket, New Delhi 110 017
Tel: 011-41021456
Fax: 011-41021455

Sansad Marg

10 Sansad Marg, New Delhi 110 001
Tel: 011-49861198
Fax: 91-11-23340761

South Extension

M-1, South Extension Part II,
New Delhi 110 049
Tel: 011-4164862/41644865
Fax: 011-41644860

Vasant Vihar

Plot.No-8, B Block Market,
Vasant Vihar,
New Delhi
Tel: 011-42470867
Fax: 011-42470880

Noida

Brahm Datt Tower, Plot No. K -3,
Sector 18, NOIDA 201 301
Tel: 0120-4349254

Saharanpur

Mundarja No. 262, Delhi-Saharanpur-
Yamunotri Road, Saharanpur 247 001
Tel: 0132-2764855/0132-2764856

Udaipur

Ground Floor, Apex Square,
Bank Street Madhuban,
Udaipur (Raj) 313 001
Tel: 0294-5100926

SOUTH

Bangalore

Raheja Towers

Raheja Towers, 26/27, M. G. Road,
Bangalore 560 001
Tel: 080-30626242
Fax: 080-25584074

Whitefield

G2-7, Ground Floor,
Inorbit Mall, Whitefield,
Bangalore 560 066
Tel: 080-41188952
Fax: 080-41188944

Serenity, Ground Floor,
112, Koramangala Industrial Area,
5th Block, Koramangala,
Bangalore 560 095
Tel: 080-67079501
Fax: 080-67079500

Chennai

Haddows Road

No 1 Haddows Road,
Chennai 600 006
Tel: 044-65716886
Fax: 044-28219660

Mount Road

Annanagar
Tel: 044-28517267
Fax: 044-28516491

Mylapore

29/30, Dr. Radhakrishnan Salai,
Raja Rajeshwari Towers,
Mylapore, Chennai 60004
Tel: 044-43526093
Fax: 044-28110060

Rajaji Salai

19,Rajaji Salai, Chennai 600 001
Tel: 040-30449005
Fax: 040-25342781

Sorrento, Adyar

No.6 Lattice Bridge Road,
Adyar, Chennai 600 020
Tel: 044-24460804
Fax: 044-24919473

T. Nagar, Chennai

Sagar Amar Court, 59-G. N. Chetty Road,
T. Nagar, Chennai 600 017
Tel: 044-28158707
Fax: 044-28152138

Cochin

G K Arcade, 1/F,
Palarivattom Bye Pass Jn.
Tel: 0484-4037466

Coimbatore

509, D. B. Road, R. S. Puram,
Coimbatore 641 002
Tel: 0422-2550589
Fax: 0422-4366628

Ernakulam

HDFC House, M G Road, Ravipuram
Junction Ernakulam, Cochin 682 015
Tel: 0484-2358458
Fax: 0484-2358743

Hyderabad

6-3-1090 Raj Bhawan Road,
Hyderabad 500 082
Tel: 040-42204312
Fax: 040-66256596

Jubliee Hills

Door No. 8-2-293/82/A/646A
Ground Floor, Road No.36, Jubilee Hills,
Hyderabad 500 033 SOMAJIGUDA
Tel: 040-23606701
Fax: 040-23606705

Secunderabad Branch

Ground Floor, Unit No.2, 2A & 3,
Ashoka Bhoopal Chambers, S P Road,
Secunderabad 500 003
Tel: 040-66907061
Fax: 040-66907060

Proddatur

Grd Floor, Meghana Mansion,
24/25 Gandhi Road, Proddatur,
Andhra Pradesh 516 360
Tel: 0856-4248845
Fax: 0856-4248842

Thiruvanathapuram

Ground and First Floor, Vrindavan Terrace,
Opp. Trivandrum Club, Vazhuthacaud,
Thiruvanathapuram (Kerala) Pin: 695 014
Tel: 0471-2322632

Standard Chartered

Shabana and Saloni, both from the Kalina WASHE school share their experience of how the unavailability of safe water impacted the health and dignity of women. The lessons on health and hygiene that were imparted to them under the WASHE programme helped to create awareness about good hygiene and health and importantly, empowered them to take charge of their family's health and become a change agent in the community.

The education that Anita receives at the Kalina WASHE School has enabled her to become a community advocate for the WASHE programme. Prema, her mother, is very proud that Anita now has complete knowledge of her body and has become aware of her health leading to many positive changes in her outlook towards health and hygiene. Prema credits the Bank's WASHE programme and appreciates their efforts in inculcating the right values of health and hygiene.