MIZUHO
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Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Indian branches of Mizuho Bank, Ltd. (incorporated in Japan with Limited Liability) (hereinafter referred to as "the Bank"), which comprise the Balance sheet as at March 31, 2019, the Profit and Loss Account, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 ("the Act") in the manner so required for banking companies and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Bank as at March 31, 2019, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Bank's Management is responsible for the other information. The other information does not include the financial statements and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The other information is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Financial Statements

The Bank's Management is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 in so far as they apply to the Bank and the guidelines and directions 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. 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 the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014.
2. 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) The Bank has only one branch and therefore separate accounting returns for the purpose of preparing financial statements are not to be submitted. We have visited the Bank's Mumbai branch for the purpose of our audit.

3. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

   (c) 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;

   (d) In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;

   (e) Reporting requirement pursuant to Section 164 (2) of the Companies Act 2013, are not applicable considering the Bank is a branch of Mizuho Bank Limited (incorporated in Japan with Limited Liability);

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

   (g) In our opinion and to the best of our information and according to the explanations given to us, requirements prescribed under section 197 of the Act is not applicable by virtue of section 35 (2A) of the Banking Regulation Act, 1949. Further, the entity being a banking company, the remuneration to the Chief Executive Officer (CEO) during the year ended March 31, 2019 has been paid by the Bank in accordance with the provisions of Section 35B (1) of the Banking Regulation Act, 1949; and

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Bank has disclosed the impact of pending litigations on its financial positions in its financial statements – Refer Schedule 18 and Note 38 to the financial statements;

      ii. The Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Schedule 18 and Note 39 to the financial statements; and

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Bank.

For **S. R. BATLIBOI & CO. LLP**
Chartered Accountants
Firm's Registration No.: 301003E/E300005

per **Jitendra H. Ranawat**
Partner
Membership Number: 103380
Place of Signature: Mumbai
Date: 27 June 2019

Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INDIAN BRANCHES OF MIZUHO BANK, Ltd. (INCORPORATED IN JAPAN WITH LIMITED LIABILITY)

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

We have audited the internal financial controls over financial reporting of Indian Branches of Mizuho Bank, Ltd. (Incorporated in Japan with Limited Liability) (the 'Bank') as of 31 March, 2019 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Jitendra H. Ranawat
Partner
Membership Number: 103380
Place of Signature: Mumbai
Date: 27 June 2019

MIZUHO

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Mizuho Bank Ltd., Indian Branches

(Incorporated in Japan with Limited Liability)

BALANCE SHEET

	Schedules	As on 31-Mar-19 (Rupees 000's)	As on 31-Mar-18 (Rupees 000's)
CAPITAL & LIABILITIES			
Capital	1	30,443,353	30,443,353
Reserves and Surplus	2	17,436,612	15,467,032
Deposits	3	68,304,850	52,132,816
Borrowings	4	47,600,010	34,784,218
Other Liabilities and Provisions	5	5,694,005	3,430,330
TOTAL		**169,478,830**	**136,257,749**
ASSETS			
Cash and Balance with Reserve Bank of India	6	6,921,572	8,010,576
Balances with Banks and Money at			
Call and Short Notice	7	9,550,926	6,301,155
Investments	8	35,389,156	28,792,094
Advances	9	111,605,860	88,902,778
Fixed Assets	10	608,751	908,210
Other Assets	11	5,402,565	3,342,936
TOTAL		**169,478,830**	**136,257,749**
Contingent Liabilities	12	405,583,760	235,905,899
Bills for Collection		7,500,609	3,946,521
Significant Accounting Policies	17		
Notes to Accounts	18		

Schedules referred to above form an integral part of the Balance Sheet

As per our report of even date

For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration
No.: 301003E/E300005

For Mizuho Bank, Ltd.
Indian Branches

per Jitendra H. Ranawat
Partner
Membership Number: 103380

Naohiko Oguchi
Chief Executive Officer - India

Titus Menezes
Asst. General Manager
(Accounting & Reporting)

Place: Mumbai
Date: 27 June 2019

PROFIT AND LOSS ACCOUNT

		Schedules	Year ended 31-Mar-19 (Rupees 000's)	Year ended 31-Mar-18 (Rupees 000's)
I	**INCOME**			
	Interest Earned	13	9,674,653	8,181,878
	Other Income	14	1,339,338	1,579,660
	TOTAL		**11,013,991**	**9,761,538**
II	**EXPENDITURE**			
	Interest Expended	15	4,368,826	3,489,215
	Operating Expenses	16	2,644,383	2,489,155
	Provisions and Contingencies	18.28	2,031,201	1,815,728
			9,044,410	**7,794,098**
III	**PROFIT AND LOSS A/C**			
	Net Profit for the Year		**1,969,581**	**1,967,440**
	Net Profit Brought Forward		1,475,907	1,241,495
	TOTAL		**3,445,488**	**3,208,935**
IV	**APPROPRIATIONS**			
	Transfer to Statutory Reserve		492,396	491,860
	Transferred to Profit Retained in India for CRAR purpose		1,475,907	1,241,495
	Transferred to/(from) Investment Reserve Account		327	(327)
	Transfer to Investment Fluctuation Reserve Account		235,927	-
	Balance carried to Balance Sheet		1,240,930	1,475,907
	TOTAL		**3,445,488**	**3,208,935**
	Significant Accounting Policies	17		
	Notes to Accounts	18		

Schedules referred to above form an integral part of Profit and Loss Account

As per our report of even date

For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration
No.: 301003E/E300005

For Mizuho Bank, Ltd.
Indian Branches

per Jitendra H. Ranawat
Partner
Membership Number: 103380

Naohiko Oguchi
Chief Executive Officer - India

Titus Menezes
Asst. General Manager
(Accounting & Reporting)

Place: Mumbai
Date: 27 June 2019

Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

CASH FLOW STATEMENT

Particulars	Year ended 31-Mar-19 (Rupees 000's)	Year ended 31-Mar-18 (Rupees 000's)
Cash Flow From Operating Activities		
Net Profit Before Taxes	**3,881,744**	**3,714,885**
Adjustments For:		
Depreciation on Fixed Assets	330,133	371,481
Provision on Standard Assets ((including provision towards Unhedged Foreign Currency Exposure)	136,309	22,014
(Profit)/Loss on Sale of Fixed Assets	145	3,771
Provision for Country Risk	(16,500)	45,500
Provision for Advances	-	-
Provision for Retirement Benefits	17,973	21,544
Provision on Service Tax	-	-
Provision for Depreciation on Investment	(769)	769
	4,349,035	**4,179,964**
Adjustments For:		
(Increase)/Decrease in Investments	(6,596,294)	3,642,695
(Increase)/Decrease in Advances	(22,703,083)	(12,040,241)
Increase/(Decrease) in Borrowings	12,815,792	11,999,110
Increase/(Decrease) in Deposits	16,172,033	(8,906,945)
(Increase)/Decrease in Other Assets	(2,027,337)	(110,082)
Increase/(Decrease) in Other Liabilities & Provisions	2,125,892	(37,303)
Direct taxes Paid	(1,944,455)	(1,683,671)
Net Cash Flow From Operating Activities	**2,191,583**	**(2,956,473)**
Cash Flow From Investing Activities		
Purchase of Fixed Assets (Net of Movement in Capital Work in Progress)	(30,817)	(389,310)
Proceeds from Sale of Fixed Assets	-	-
Net Cash used in Investing Activities	**(30,817)**	**(389,310)**
Cash Flow from Financing Activities		
Increase in Capital	-	-
Net Cash Generated from Financing Activities	**-**	**-**
Net Increase / (Decrease) in Cash and Cash Equivalents	2,160,766	(3,345,783)
Cash and Cash Equivalents at the Beginning of The Year	**14,311,731**	**17,657,514**
Cash and Cash Equivalents at Year End	**16,472,498**	**14,311,731**

Notes to the Cash Flow Statement:

		As on 31-Mar-19	As on 31-Mar-18
1	Cash and cash equivalents include the following:		
	Cash and balances with Reserve Bank of India	5,421,572	5,510,576
	Balances with bank and money at call and short notice*	11,050,926	8,801,155
		16,472,498	**14,311,731**
	*Excluding deposit having maturity for more than three months	-	-

2 The above cash flow statement has been prepared under the indirect method set out in Accounting Standard 3 issued by the Institute of Chartered Accountants of India.

3 Figures in brackets indicate cash outflow.

Significant Accounting Policies and Notes to Accounts - Schedule 17 and 18

As per our report of even date

For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration
No.: 301003E/E300005

per Jitendra H. Ranawat
Partner
Membership Number: 103380

Place: Mumbai
Date: 27 June 2019

For Mizuho Bank, Ltd.
Indian Branches

Naohiko Oguchi
Chief Executive Officer - India

Titus Menezes
Asst. General Manager
(Accounting & Reporting)

Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

SCHEDULES FORMING PART OF THE BALANCE SHEET

Schedule 1 - Capital	**As on 31-Mar-19 (Rupees 000's)**	**As on 31-Mar-18 (Rupees 000's)**
Head Office Account		
Opening Balance	30,443,353	30,443,353
Additions during the year	-	-
(Sum of Rs. 3,950,000 thousand [Previous year Rs. 3,550,000 thousand] kept with the Reserve Bank of India under section 11(2)(b) of the Banking Regulation Act, 1949.)		
TOTAL	**30,443,353**	**30,443,353**

Schedule 2 - Reserves & Surplus		**As on 31-Mar-19 (Rupees 000's)**	**As on 31-Mar-18 (Rupees 000's)**
I	Statutory Reserves		
	Opening Balance	3,873,885	3,382,025
	Additions during the year	492,396	491,860
	Deductions during the year	-	-
	TOTAL (I)	4,366,281	3,873,885
II	Capital Reserves		
	Opening Balance	-	-
	Additions during the year	-	-
	Deductions during the year	-	-
	TOTAL (II)	-	-
III	Share Premium		
	Opening Balance	-	-
	Additions during the year	-	-
	Deductions during the year	-	-
	TOTAL (III)	-	-
IV	Profit Retained in India for Capital to Risk Weighted Assets Ratio (CRAR) purpose		
	Opening Balance	10,112,735	8,871,240
	Additions during the year	1,475,907	1,241,495
	Deductions during the year	-	-
	TOTAL (IV)	11,588,642	10,112,735
V	Investment Reserve Account		
	Opening Balance	4,505	4,832
	Additions during the year	327	-
	Deductions during the year	-	(327)
	TOTAL (V)	4,832	4,505
VI	Investment Fluctation Reserve Account		
	Opening Balance	-	-
	Additions during the year	235,927	-
	Deductions during the year	-	-
	TOTAL (VI)	235,927	-
VII	Balance in Profit and Loss Account	1,240,930	1,475,907
	TOTAL (VII)	1,240,930	1,475,907
	TOTAL (I, II, III, IV, V and VI)	**17,436,612**	**15,467,032**

Schedule 3 - Deposits			**As on 31-Mar-19 (Rupees 000's)**	**As on 31-Mar-18 (Rupees 000's)**
A	I	Demand Deposits		
	(i)	From Banks	23,821	19,427
	(ii)	From Others	16,713,359	18,336,267
		TOTAL (I)	16,737,180	18,355,694
	II	Saving Bank Deposits	47,362	53,353
		TOTAL (II)	47,362	53,353
	III	Term Deposits		
	(i)	From Banks	-	-
	(ii)	From Others	51,520,308	33,723,769
		TOTAL (III)	51,520,308	33,723,769
		TOTAL (I, II and III)	**68,304,850**	**52,132,816**
B	(i)	Deposits of Branches in India	68,304,850	52,132,816
	(ii)	Deposits of Branches Outside India	-	-
		TOTAL (i and ii)	**68,304,850**	**52,132,816**

Schedule 4 - Borrowings			**As on 31-Mar-19 (Rupees 000's)**	**As on 31-Mar-18 (Rupees 000's)**
I	**Borrowings in India**			
	(a)	Reserve Bank of India	-	450,000
	(b)	Other Banks	10,482,500	4,500,000
	(c)	Other Institutions and Agencies	-	-
II	**Borrowings outside India**			
	(i)	Banks	37,117,510	29,834,218
		TOTAL (I and II)	**47,600,010**	**34,784,218**
	Secured Borrowing included in I & II above		-	450,000

Schedule 5 - Other Liabilities and Provisions		**As on 31-Mar-19 (Rupees 000's)**	**As on 31-Mar-18 (Rupees 000's)**
I	Bills Payable	21,137	13,654
II	Inter-Office Adjustments (net)	-	-
III	Interest Accrued	491,617	460,923
IV	Others (including Provisions) *	5,181,251	2,955,753
	TOTAL (I, II, III and IV)	**5,694,005**	**3,430,330**

* includes Provision for Standard Assets Rs. 511,500 thousand (Previous year: Rs. 404,450 thousand) & Provision for Unhedge Foreign Currency Exposure Rs. 145,700 thousand (Previous year: Rs. 116,441 thousand)

Schedule 6 - Cash and Balances with Reserve Bank of India			**As on 31-Mar-19 (Rupees 000's)**	**As on 31-Mar-18 (Rupees 000's)**
I	Cash in Hand		3,532	5,204
	(Including Foreign Currency Notes - Nil [Previous year - Nil])			
II	Balances with Reserve Bank of India			
	(i)	in Current Accounts	5,418,040	4,005,372
	(ii)	in Other Accounts	1,500,000	4,000,000
		TOTAL (I and II)	**6,921,572**	**8,010,576**

Schedule - 7 Balances with Banks & Money at Call and Short Notice			**As on 31-Mar-19 (Rupees 000's)**	**As on 31-Mar-18 (Rupees 000's)**
I	In India			
	(a)	Balance with Banks		
	(i)	in Current Accounts	21,036	5,914
	(ii)	in Other Accounts	-	-
	(b)	Money at Call and Short Notice		
	(i)	With Banks	-	-
	(ii)	With Other Institutions	-	-
		TOTAL (a and b)	21,036	5,914
II	Outside India			
	(a)	In Current Accounts	3,029,320	2,124,041
	(b)	In Other Deposit Accounts	-	-
	(c)	Money at Call and Short Notice	6,500,570	4,171,200
		TOTAL (a,b and c)	9,529,890	6,295,241
		TOTAL (I and II)	**9,550,926**	**6,301,155**

Schedule 8 - Investments			**As on 31-Mar-19 (Rupees 000's)**	**As on 31-Mar-18 (Rupees 000's)**
I	**Investments in India in**			
	(a)	Government Securities *	32,693,733	28,792,863
	(b)	Other Approved Securities	-	-
	(c)	Shares	-	-
	(d)	Debentures and Bonds**	1,950,000	-
	(e)	Subsidiaries and/or Joint Ventures	-	-
	(f)	Others	745,423	-
	TOTAL GROSS VALUE (a, b, c, d, e and f)		35,389,156	28,792,863
	Less: Provisions for Diminution in Value		-	(769)
	TOTAL NET VALUE		35,389,156	28,792,094

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Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

		As on 31-Mar-19 (Rupees 000's)	As on 31-Mar-18 (Rupees 000's)
II	**Investments Outside India in**		
	(a) Government Securities	-	-
	(Including Local Authorities)		
	(b) Subsidiaries and/or Joint Ventures Abroad	-	-
	(c) Other	-	-
	TOTAL	-	-
	TOTAL (I and II)	35,389,156	28,792,094

* Includes securities of face value Rs. 3,950,000 thousand (Previous year: Rs.3,550,000 thousand) held with Reserve Bank of India under Section 11(2)(b) of the Banking Regulation Act, 1949 and securities aggregating face value Rs 3,431,000 thousand (Previous year Rs 1,110,000 thousand) for availing clearing and funding facilities with Credit Corporation of India Limited.

** Investment made in Secured Listed non convertible debenture and Certificate of Deposit

Schedule 9 - Advances			As on 31-Mar-19 (Rupees 000's)	As on 31-Mar-18 (Rupees 000's)
A	(i)	Bills Purchased and Discounted	14,307,351	11,777,829
	(ii)	Cash credits, Overdrafts and Loans Repayable on demand	83,055,851	63,638,595
	(iii)	Term Loans	14,242,658	13,486,354
		TOTAL	**111,605,860**	**88,902,778**
B	(i)	Secured by Tangible Assets (incl. Book Debts)	14,547,432	13,423,046
	(ii)	Covered by Bank/Government Guarantees	-	-
	(iii)	Unsecured	97,058,428	75,479,732
		TOTAL	**111,605,860**	**88,902,778**
C (I)		Advances in India		
	(a)	Priority Sectors	36,232,545	24,833,842
	(b)	Public Sectors		
	(c)	Banks	12,012,634	5,977,698
	(d)	Others	63,360,681	58,091,238
		TOTAL	**111,605,860**	**88,902,778**
C (II)		Advances Outside India		
	(a)	Due from banks	-	-
	(b)	Due form others	-	-
	(i)	Bills purchased and discounted	-	-
	(ii)	Syndicate loans	-	-
	(iii)	Others	-	-
		TOTAL	**-**	**-**
		TOTAL (C(I) and C(II))	**111,605,860**	**88,902,778**

Schedule 10 - Fixed Assets		As on 31-Mar-19 (Rupees 000's)	As on 31-Mar-18 (Rupees 000's)
I	**Leasehold Improvements**		
	At cost as on 31st March of the preceding year	180,955	345,299
	Additions during the year	4,108	990
	Deductions during the year	-	-
	Depreciation to date	(120,682)	(165,334)
	TOTAL	64,381	180,955
II	**Other Fixed Assets (Including Furniture and Fixtures)**		
	At cost as on 31st March of the preceding year	699,259	518,554
	Additions during the year	45,677	391,320
	Deductions during the year	(2,946)	(4,468)
	Depreciation to date	(209,450)	(206,147)
	TOTAL	532,540	699,259
III	**Capital Work in Progress**	11,830	27,996
	TOTAL (I II & III)	608,751	908,210

Schedule 11 - Other Assets		As on 31-Mar-19 (Rupees 000's)	As on 31-Mar-18 (Rupees 000's)
I	Inter-office adjustments (net)	-	-
II	Interest accrued	605,993	112,077
III	Tax paid in advance/tax deducted at source [Net of provision for tax Rs -14,887,755 thousand (Previous year Rs.12,943,755 thousand)]	60,238	59,783
IV	Stationery and stamps	-	-
V	Non-banking assets acquired in satisfaction of claims	-	-
VI	Others *	4,736,334	3,171,076
	TOTAL	**5,402,565**	**3,342,936**

* Others include Deferred Tax Asset (net of Deferred Tax Liabilities) of Rs 331,218 thousand (Previous year: Rs. 299,381 thousand)

Schedule 12 - Contingent Liabilities		As on 31-Mar-19 (Rupees 000's)	As on 31-Mar-18 (Rupees 000's)
I	Claims against the bank not acknowledged as debts	-	-
II	Liability for partly paid investments	-	-
III	a) Liability on account of outstanding forward exchange contracts (Including spot contracts)	179,252,665	91,024,843
	b) Currency Swaps/Interest Rate Swaps/ Options*	157,522,984	109,174,326
IV	Guarantees given on behalf of constituents		
	(a) In India	21,442,033	17,560,397
	(b) Outside India	23,394,722	11,773,601
V	Acceptances, endorsements and other obligations	23,971,356	6,372,732
VI	Other items for which the bank is contingently liable	-	-
	TOTAL	**405,583,760**	**235,905,899**

* Represents Notional Amounts

Schedule 13 - Interest Earned		As on 31-Mar-19 (Rupees 000's)	As on 31-Mar-18 (Rupees 000's)
I	Interest/discount on advances/bills	7,304,085	5,251,765
II	Income on investments	2,160,132	2,311,643
III	Interest on balances with Reserve Bank of India and		
	Other inter-bank funds	189,136	609,388
IV	Others	21,300	9,082
	TOTAL	**9,674,653**	**8,181,878**

Schedule 14 - Other Income		As on 31-Mar-19 (Rupees 000's)	As on 31-Mar-18 (Rupees 000's)
I	Commission, exchange and brokerage	783,258	711,080
II	Profit /(Loss) on sale of investments (net)	-	-
III	Profit/(Loss) on revaluation of investments (net)	-	-
IV	Profit/(Loss) on sale of land, building and other assets (net)	(146)	(3,771)
V	Profit /(Loss)on exchange/derivative transactions(net)	556,124	872,351
VI	Income earned by way of dividend etc. from subsidiaries/companies and	-	-
	/or joint ventures abroad/in india	-	-
VII	Miscellaneous income	102	-
	TOTAL	**1,339,338**	**1,579,660**

Schedule 15 - Interest Expended		As on 31-Mar-19 (Rupees 000's)	As on 31-Mar-18 (Rupees 000's)
I	Interest on deposits	3,140,911	3,033,753
II	Interest on Reserve Bank of India/inter-bank borrowings	1,129,689	415,130
III	Others	98,226	40,332
	TOTAL	**4,368,826**	**3,489,215**

Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

Schedule 16 - Operating Expenses		As on 31-Mar-19 (Rupees 000's)	As on 31-Mar-18 (Rupees 000's)
I	Payments to and provisions for employees	1,127,840	1,126,560
II	Rent, taxes and lighting	401,033	326,705
III	Printing and stationery	4,757	4,914
IV	Advertisement and publicity	-	-
V	Depreciation on Bank's property	330,132	371,480
VI	Director's fees, allowances and expenses	-	-
VII	Auditor's fees and expenses	4,225	2,929
VIII	Law charges	15,211	16,183
IX	Postage, telegrams, telephones, etc.	22,434	28,111
X	Repairs and maintenance	54,720	62,724
XI	Insurance	64,576	68,396
XII	Other expenditure	619,455	481,153
	TOTAL	**2,644,383**	**2,489,155**

Schedule 17: Significant Accounting Policies

I. Background

The financial statements for the year ended 31 March, 2019 comprise the accounts of the Indian branches of Mizuho Bank, Limited, which is incorporated in the Japan with limited liability.

II. Basis of Preparation

The financial statements of Mizuho Bank, Limited – Indian Branches (the 'Bank') have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless otherwise stated and comply with generally accepted accounting principles, statutory requirements prescribed under the Banking Regulation Act, 1949, circulars and guidelines issued by Reserve Bank of India ('RBI') from time to time and notified Accounting Standards specified under section 133 of Companies Act, 2013 read with Rule 7 of Companies (Accounting) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 to the extent applicable and current practices prevailing within the banking industry in India.

III. Use of Estimates

The preparation of the financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, revenues and expenses during the reporting period and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognized prospectively in the current and future periods.

IV. Revenue recognition

Interest income is recognized in the Profit and Loss Account as it accrues except in the case of non-performing assets where it is recognized, upon realisation, as per the prudential norms of RBI.

Fee for services are recognized at the time the services are rendered and a binding obligation to receive the fees has arisen. Guarantee commission is recognized over the period of the guarantee.

Income on discounted instruments is recognized over the tenure of the instrument on a constant yield basis.

V. Transactions involving foreign exchange

Monetary Assets and Liabilities denominated in foreign currency are translated at the balance sheet date at the rates notified by the Foreign Exchange Dealers Association of India ('FEDAI') and resulting profits or losses are recognised in the Profit and Loss Account.

Outstanding foreign exchange contracts including tom/spot contracts (excluding forex deals undertaken to hedge foreign currency assets/liabilities which are valued as per accrual basis) are revalued at rates notified by FEDAI and resulting profits or losses are recognised in the Profit and Loss Account.

Foreign currency swaps & forwards are marked to market converting the foreign currency cash flows into INR using FEDAI rates. The MTM is then discounted using the MIFOR to today value. The profit or loss on revaluation are recognised in the Profit and Loss Account and is included in Other Assets/Other Liabilities in the Balance Sheet. The notional value of these swaps are recorded as contingent liability.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Revenues and expenses are translated at rates prevailing on transaction date.

Contingent liability on account of forward exchange, derivative contracts, guarantees, acceptances, endorsements and other obligations are stated at the exchange rates notified by FEDAI at the balance sheet date.

VI. Investments

Classification:

In accordance with the extant guidelines issued by RBI, the Bank classifies its investment portfolio into three categories viz; 'Held to Maturity' 'Available for Sale' and 'Held for Trading'. Under each of these categories, investments are further classified under six groups namely, Government Securities, Other Approved Securities, Shares, Debentures and Bonds, Subsidiaries and/or Joint Ventures and Others. The Bank decides the categorisation of each investment at the time of acquisition.

Investments that are held principally for sale within a short period are classified as HFT securities. As per the RBI guidelines, HFT securities, which remain unsold for a period of 90 days are reclassified as AFS securities. Investments that the Bank intends to hold till maturity are classified under the HTM category. All other investments are classified as AFS securities.

Valuation:

Held to Maturity:

Government securities, debentures and bonds deemed to be in the nature of an advance are classified as held to maturity investments and are valued at cost. In case the cost price is higher than the face value, such premium is amortised over the period to redemption. Where the cost price is less than the face value, such discount is ignored. Diminution other than temporary, if any, in the value of such investments is determined and provided for on each investment individually.

Available for Sale and Held for Trading:

Government securities are valued at the lower of book value and market value of each investment classification. Market value for Government securities is determined by cash flows discounting approach using the market yields published by Financial Benchmark India Private Limited ('FBIL') at the year-end. Net depreciation, if any, is provided for; net appreciation, if any, is ignored.

Discounted instruments (Treasury Bills) are valued at carrying cost.

Market value of investments where current quotations are not available, is determined as per the norms prescribed by the RBI

Profit or loss on sale/redemption of investments:

Profit or loss on sale/redemption of such investments is included in the Profit and Loss Account.

VII. Advances

All advances are classified, as per RBI guidelines, into performing and non-performing assets ('NPAs'). Further, NPA are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI. Provisions are made for NPAs as per the extant RBI guidelines. Advances are stated at net of specific provisions. For restructured advances, provision is made in accordance to RBI guidelines, which requires the diminution in fair value of advances, to be provided at the time of restructuring of advances.

Amounts recovered against debts written off in earlier years and provisions no longer considered necessary in the context of the current status of the borrower are recognized in the Profit and Loss Account.

For entities with Unhedged Foreign Currency Exposure (UFCE), provision is made in accordance with the guidelines issued by RBI, which requires to ascertain the amount of UFCE, estimate the extent of likely loss and estimate the riskiness of unhedged position. This provision is classified under Schedule 5 – Other Liabilities and provision in the Balance Sheet.

In addition to the specific provision on NPAs, the Bank maintains a general provision on Standard Advances as per RBI guidelines.

VIII. Fixed assets and depreciation

Fixed assets are stated at their historical cost less accumulated depreciation and impairment loss, if any.

Fixed assets are depreciated on Reducing Balance Method except in case of Improvements to Leasehold Property where the Straight Line Method of depreciation has been applied. Depreciation is provided using the Reducing Balance Method/Straight Line Method as per the useful lives of the assets estimated by the management, or at the rates prescribed under Schedule II to the Companies Act, 2013 whichever is higher.

Estimated useful life of the assets are as follows:

I	Improvements to leasehold property	
	i. Improvements to leasehold property	Primary Period of Lease
	ii. Centralised air conditioner	Primary Period of Lease
	iii. Fire alarm system	Primary Period of Lease
II	Other fixed assets	
	i. Vehicles	8 Years
	ii. Office equipment	5 Years
	iii. Furniture & fixtures	10 Years
	iv. Electronic data processing equipment	
	a) Server related equipment	6 Years
	b) Computer related equipment	3 Years
	v. Software	10 Years

Depreciation on assets acquired/sold during the year is provided on pro-rata basis with reference to the month of addition/deletion.

Capital work-in-progress includes cost of fixed assets that are not ready for their intended use and also includes advances paid to acquire fixed assets.

IX. Staff retirement benefits

Gratuity

The Bank provides for gratuity, a defined benefit retirement plan covering all employees. Vesting occurs on completion of five years of service. The Bank makes annual contributions to a fund managed by Life Insurance Corporation of India ('LIC') for an amount notified by the LIC. The Bank's contribution towards the fund is charged to Profit and Loss Account.

In terms of Accounting Standard 15, liability with regard to gratuity fund is accrued based on actuarial valuation conducted by an independent actuary using the projected unit credit method as at 31 March each year. Actuarial gains and losses are recognized in the Profit and Loss Account in the year in which they arise.

Provident Fund

In accordance with law, all employees of the Bank are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employees and the Bank contribute monthly at the pre-determined rate. Contribution to provident fund are recognized as expense as and when the services are rendered.

Compensated Absences

Short term compensated absences are provided for based on estimates of encashment/ availment of leave and sick leave. The Bank provides long-term compensated absences based on actuarial valuation as at the balance sheet date conducted by an independent actuary. The actuarial valuation is carried out using the projected unit credit method as at 31 March each year. Actuarial gains and losses are recognized in the Profit and Loss Account in the year in which they arise.

X. Country risk

In addition to the provisions required to be held according to the asset classification status, provisions are held for individual country exposure (other than for home country as per RBI guidelines). The countries are categorised into seven risk categories namely insignificant, low, moderate, high, very high, restricted and off-credit and provisioning made on exposures exceeding 180 days on a graded scale ranging from 0.25% to 100%. For exposures with contractual maturity of less than 180 days, 25% of the normal provision requirement is held. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total assets, no provision is maintained on such country exposure.

XI. Derivative transactions

(i) Outstanding derivative transactions designated as "trading" which include forward contracts, interest rate swap (IRS) cross currency swap (CS) and options are marked to market using the present value methodology. Foreign exchange options are marked to market using the Black Scholes model. Trading derivatives are marked to market and the resultant unrealised gain or loss is recognised in the Profit and Loss. The net unrealized profits or losses on these products are recorded in the Balance Sheet under Other Assets or Other Liabilities and Provisions on net basis. 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.

(ii) Derivative transactions under taken for hedging purposes are accounted for on an accrual basis. Derivatives, except those undertaken for hedging an asset or liability, are valued on marked to market basis in the financial statements.

XII. Lease transactions

Leases where the lessor effectively retain substantially all the risks and benefits of ownership over the lease term are classified as operating lease. Lease payments for assets taken on operating lease are recognized as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

XIII. Taxation

Income tax expense is the aggregate amount of current tax and deferred tax charge. Current year taxes are determined in accordance with the Income-tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The impact of changes in the deferred tax assets and liabilities is recognized in the Profit and Loss Account.

Deferred tax assets are recognized and reassessed at each reporting date, based upon management's judgment as to whether realization is considered as reasonably certain.

XIV. Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with Reserve Bank of India, balances with other Banks and money at call and short notice.

XV. Impairment of assets

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

XVI. Provisions, contingent liabilities and contingent assets

A provision is recognized when the Bank has a present obligation as a result of past event where it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure of contingent liability is made when there is:

i. a possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non occurrence of one or more uncertain future events not within the control of the Bank; or

ii. a present obligation arising from a past event which is not recognized as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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

Contingent assets are not recognized in the financial statements.

Schedule 18: Notes to Accounts

1. Capital adequacy

The Bank's capital adequacy ratio as on 31 March 2019 computed under Basel III framework is given below:

	Particulars	As on 31 March 2019	As on 31 March 2018
(i)	CRAR (%)	24.45%	28.80%
(ii)	Common Equity Tier I Capital Ratio (%)	23.93%	28.39%
(iii)	CRAR – Tier I Capital (%)	23.93%	28.39%
(iv)	CRAR – Tier II Capital (%)	0.51%	0.41%
(v)	Percentage of the shareholding of the Government of India in nationalised Banks	-	-
(vi)	Amount of Equity Capital Raised	-	-
(vii)	Amount of additional Tier-1 capital raised	-	-
(viii)	Amount of subordinated debt raised as Tier-II capital	-	-
(ix)	Amount raised by issue of IPDI	-	-
(x)	Amount raised by issue of Upper Tier II instruments	-	-

2. Details of investments are as follows:

2.1 Value of investments (Rs.000s)

Particulars	As on 31 March 2019	As on 31 March 2018
A) Gross value of Investments		
a) In India	35,389,156	28,792,863
b) Outside India	-	-
Less:-		
B) Provision for Depreciation/Non-Performing Investments		
a) In India	-	769
b) Outside India	-	-
C) Net value of Investments (A-B)		
a) In India	35,389,156	28,792,094
b) Outside India	-	-

2.2 Movement of provisions held towards depreciation on investments:

(Rs.000s)

Particulars	As on 31 March 2019	As on 31 March 2018
Opening balance	769	-
Add: Provisions made during the year	-	769
Less: Write offs/write back of excess provisions during the year	769	-
Closing balance	-	769

2.3 Details of securities sold/purchase (In face value term) during the year ended 31 March 2019 and 31 March 2018 under Repo's/Reverse Repo's including LAF and MSF transactions:

Year Ended 31 March 2019 (Rs.000s)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31 March 2019
Securities sold under repo				
i. Government securities	10,070	2,071,190	1,023,920	-
ii. Corporate debt securities	-	-	-	-
Securities purchased under reverse repo				
i. Government securities	140,130	9,486,420	1,985,902	1,500,000
ii. Corporate debt securities	-	-	-	-

Year Ended 31 March 2018 (Rs.000s)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31 March 2018
Securities sold under repo				
i. Government securities	10,580	477,480	455,764	477,480
ii. Corporate debt securities	-	-	-	-
Securities purchased under reverse repo				
i. Government securities	54,760	9,899,910	2,314,175	3,796,160
ii. Corporate debt securities	-	-	-	-

2.4 Details of Non-SLR Investments Portfolio

(i) (a) Issuer composition as at 31 March 2019 of Non-SLR investments:
(Rs.000s)

No.	Issuer	Total Amount	Extent of private placement	Extent of "below investment grade" securities	Extent of "unrated" securities	Extent of "unlisted" securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
i.	Public Sector Units	-	-	-	-	-
ii.	Financial Institutions	1,950,000	1,950,000	-	-	-
iii.	Banks	-	-	-	-	-
iv.	Private corporate	-	-	-	-	-
v.	Subsidiaries/Joint ventures	-	-	-	-	-
vi.	Others	745,423	-	-	-	-
vii.	Provision held towards depreciation/non-performing investments	-				
	Total	2,695,423	1,950,000	-	-	-

* Others include investment in CD with banks

(i) (b) Issuer composition as at 31 March 2018 of Non-SLR investments:

(Rs. 000s)

No.	Issuer	Total Amount	Extent of private placement	Extent of "below investment grade" securities	Extent of "unrated" securities	Extent of "unlisted" securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
i.	Public Sector Units	-	-	-	-	-
ii.	Financial Institutions	-	-	-	-	-
iii.	Banks	-	-	-	-	-
iv.	Private corporate	-	-	-	-	-
v.	Subsidiaries/Joint ventures	-	-	-	-	-
vi.	Others	-	-	-	-	-
vii.	Provision held towards depreciation/non-performing investments	-				
	Total	-	-	-	-	-

(ii) Non-performing Non-SLR investments are set out below:

There are no non performing Non SLR investments during the current year and previous year.

2.5 Sale and Transfers to/from HTM Category

There was no sale or transfer to / from HTM Category during the current year and previous year.

3. Derivatives

3.1 Forward Rate Agreement / Interest Rate Swap/ Cross Currency Swaps

(a) Disclosure in respect of Cross Currency Swaps ('CCS')/ Interest Rate Swaps ('IRS') outstanding is set out below:

(Rs.000s)

Particulars	As on 31 March 2019	As on 31 March 2018
The notional principal of swap agreements	153,335,333	95,688,325
Losses which could be incurred if the counter-parties failed to fulfil their obligations under the agreements	3,254,880	1,800,265
Collateral required by the Bank upon entering into swaps*	-	-
Concentration of credit risk arising from the swaps #		
- Interest Rate Swaps	42.26%	54.13%
- Cross Currency Swaps	62.89%	64.98%
The fair value of the swap book		
- Interest Rate Swap	142,805	158,295
- Cross Currency Swap	228,519	204,631

*As per prevailing market practice, generally collateral is not insisted upon from the counterparties.

\# Maximum single industry exposure is with Bank / FI for IRS and CCS

(b) The nature and terms of the CCS as on 31 March 2019 are set out below:

(Rs.000s)

Nature	Nos.	Notional principal	Benchmark	Terms
Trading Swaps	50	26,840,134	USD Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	49	28,390,489	USD Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	7	1,272,949	JPY Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	7	1,355,524	JPY Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	1	6,865,980	MIBOR	Fixed Payable v/s Floating Receivable
Trading Swaps	2	6,925,600	MIBOR	Floating Payable v/s Fixed Receivable
Trading Swaps	25	27,708,968	-	Fixed Payable v/s Fixed Receivable
Hedge	1	1,950,000	-	Fixed Payable v/s Fixed Receivable

The nature and terms of the CCS as on 31 March 2018 are set out below:

(Rs.000s)

Nature	Nos.	Notional principal	Benchmark	Terms
Trading Swaps	59	25,759,279	USD Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	58	26,224,509	USD Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	9	1,603,347	JPY Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	9	1,747,935	JPY Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	16	11,968,866	-	Fixed Payable v/s Fixed Receivable
Hedge	2	700,000	-	Fixed Payable v/s Fixed Receivable

(c) The nature and terms of the IRS as on 31 March 2019 are set out below:

(Rs.000s)

Nature	Nos.	Notional principal	Benchmark	Terms
Trading Swaps	8	950,000	MIBOR	Floating Payable v/s Fixed Receivable
Trading Swaps	7	800,000	MIBOR	Fixed Payable v/s Floating Receivable
Trading Swaps	16	19,756,719	USD Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	16	19,756,719	USD Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	1	5,131,126	JPY Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	1	5,131,126	JPY Libor	Floating Payable v/s Fixed Receivable
Hedge	2	500,000	MIBOR	Fixed Payable v/s Floating Receivable

The nature and terms of the IRS as on 31 March 2018 are set out below:

(Rs.000s)

Nature	Nos.	Notional principal	Benchmark	Terms
Trading Swaps	11	846,245	MIBOR	Floating Payable v/s Fixed Receivable
Trading Swaps	10	1,056,245	MIBOR	Fixed Payable v/s Floating Receivable
Trading Swaps	12	7,540,014	USD Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	12	7,540,014	USD Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	1	5,350,935	JPY Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	1	5,350,935	JPY Libor	Floating Payable v/s Fixed Receivable

(d) Nature & Terms of Forward Rate Agreements:

Outstanding as at 31 March 2019: NIL (Previous Year: NIL)

3.2 Exchange Traded Interest Rate Derivatives

The Bank has not entered into any Exchange Traded Interest Rate Derivatives during the current year and previous year and there are no outstanding as on 31 March 2019 (Previous Year: NIL)

4. Disclosure on Risk exposure in Derivatives

4.1 Qualitative Disclosure

The Bank has exposure to derivatives for customer cover in foreign exchange contracts, Interest Rate Swaps, Currency Options and Cross Currency Swaps.

(a) The structure and organisation for management of risk in derivatives trading:

Treasury operation is segregated into three different segment viz, front office, mid-office and back office. The primary role of front office is to conduct business, mid-office is to monitor the market risk and back office to process/settle transactions.

(b) The scope and nature of risk reporting and risk monitoring system:

The Credit Risk in respect of customer derivative transactions is sought to be mitigated through a laid down policy on sanction of Risk limits, which is monitored on a regular/ongoing basis by the Market Risk Monitoring Department. All derivative transactions are at present conducted on back to back basis.

The Bank has the following reports/systems in place which are reviewed by the top management:

- Value at Risk (VaR) for Forex Gaps
- Forex Net Open Position
- Aggregate gap limit
- Bank line limits

(c) Policies for hedging and/or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedge/mitigants.

The Bank has the following policy papers in place and duly approved:

- Investment Policy
- Asset Liability Management Policy and
- Risk Management Policy
- Derivative cum Suitability and Appropriateness Policy and
- Stress Test Policy.

The Bank monitors the risk and mitigates on a continuous basis through various limits and reports on daily and monthly basis, which are reviewed by the Management. The Bank has entered into Interest Rate Swaps / Cross Currency Swaps deals on behalf of its customers, which are fully covered in the inter-Bank market. Hence, the interest rate risk and exchange risk on these instruments will be minimum.

(d) Derivatives Contracts comprises of interest rate swaps, Currency Options and currency swaps, which are entered into on back-to-back basis and are marked to market daily. The Bank does not enter into interest rate derivatives for proprietary trading purposes. The Bank has adopted the Current Exposure Method prescribed by RBI for measuring the credit exposure on derivative products.

4.2 Quantitative Disclosure

(Rs.000s)

SN	Particulars	As on 31 March 2019				As on 31 March 2018			
		Currency Derivatives	Interest Rate Derivatives	Forward Exchange Contracts	Currency Options	Currency Derivatives	Interest Rate Derivatives	Forward Exchange Contracts	Currency Options
i)	Derivatives (Notional Principal Amount)								
a)	For hedging	1,950,000	500,000	-	-	700,000	-	-	-
b)	For trading	99,359,644	51,525,689	180,772,094	4,187,650	67,303,935	27,684,389	91,024,843	13,486,002
(ii)	Mark to Market Positions								
a)	Asset (+)	2,795,504	459,375	1,509,667	9,790	1,476,263	324,002	652,139	29,222
b)	Liability (-)	(2,566,985)	(316,571)	(1,813,562)	(9,639)	(1,271,632)	(165,706)	(641,599)	(29,222)
(iii)	Credit Exposure	11,372,866	1,117,318	5,384,120	42,491	8,262,369	816,683	2,800,992	162,816
(iv)	Likely impact of one percentage change in interest rate (100*PV01)*								
a)	On hedging derivatives	1,582	(6,119)	-	-	(25)	-	-	-
b)	On trading derivatives	(28,781)	7,286	343	-	4,043	7432	1023	-
(v)	Maximum and Minimum of 100*PV01 observed during the year *								
a)	On hedging – Maximum Minimum	4,785 56	- (6,119)	- -	- -	(25) (479)	- -	- -	- -
b)	On trading – Maximum Minimum	3,846 (64,648)	9,488 7,286	2,239 (193)	- -	4,688 3,779	8,474 (621)	1,023 237	- -

* As per the assumptions and estimates made by the management and which has been relied upon by the auditors.

5. Asset Quality

5.1 Non Performing Assets

i. The percentage of Net NPA to Net advances as at 31 March 2019 is 0% (31 March 2018 – 0%)

ii. Movement in gross non-performing assets is set out below: (Rs.000s)

Particulars	As at 31 March 2019	As at 31 March 2018
Gross NPAs as on 1 April of particular year (Opening Balance)	63,400	63,400
Additions (Fresh NPAs) during the year	-	-
Sub-total (A)	-	-
Less:-	-	
(i) Up gradations-	-	-
(ii) Recoveries (excluding recoveries made from upgraded accounts)	-	-
(iii) Write-offs	-	-
Sub-total (B)	-	-
Gross NPAs as on 31 March of the following year (closing balance) (A-B)	63,400	63,400

iii. Movement for net non-performing assets is set out below: (Rs.000s)

Particulars	As on 31 March 2019	As on 31 March 2018
Opening balance	-	-
Additions during the year	-	-
Reductions during the year	-	-
Closing balance	-	-

iv. Movement in provisions for non-performing assets is set out below: (Rs.000s)

Particulars	As on 31 March 2019	As on 31 March 2018
Opening balance	63,400	63,400
Additions during the year	-	-
Reductions during the year (write off /write back of excess provision)	-	-
Closing balance	63,400	63,400

v. Stock of technical write-offs and the recoveries made: (Rs.000s)

Particulars	As at 31 March 2019	As at 31 March 2018
Opening balance of Technical / Prudential written-off accounts as at April 1	-	-
Add : Technical / Prudential write-offs during the year	-	-
Sub-total (A)	-	-
Less : Recoveries made from previously technical / prudential written-off accounts during the year (B)	-	-
Closing balance as at 31 March (A-B)	-	-

vi. Divergence in asset classification and provisioning for NPAs

There have been no instances of divergences assessed by RBI in Banks' asset classification and provisioning from RBI norms on income recognition, asset classification and provisioning (IRACP) as part of its supervisory processes for the year ended 31 March 2019.

vii. Disclosure on Scheme for Sustainable Structuring of Stressed Assets (S4A) as at 31 March, 2019

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

Disclosure on Scheme for Sustainable Structuring of Stressed Assets (S4A) as at 31 March, 2018

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

viii. Disclosure on Flexible Structuring of existing loans

Period	No. of borrowers taken up for flexible structuring	Amount of loans taken up for flexible structuring		Exposure weighted average duration of loans taken up for flexible structuring	
		Classified as Standard	Classified as NPA	Before applying flexible structuring	After applying flexible structuring
April'18 - March'19	-	-	-	-	-
April'17 - March'18	-	-	-	-	-

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

as at 31 March 2019.

No. of accounts where SDR has been invoked	Amount outstanding as at 31 March 2019		Amount outstanding as at 31 March 2019 with respect to accounts where conversion of debt to equity is pending		Amount outstanding as at 31 March 2019 with respect to accounts where conversion of debt to equity has taken place	
	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA
NIL						

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

as at 31 March 2018.

No. of accounts where SDR has been invoked	Amount outstanding as at 31 March 2018		Amount outstanding as at 31 March 2018 with respect to accounts where conversion of debt to equity is pending		Amount outstanding as at 31 March 2018 with respect to accounts where conversion of debt to equity has taken place	
	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA
NIL						

x. Disclosure on change in ownership outside SDR Scheme (accounts which are currently under the stand-still period)

as at 31 March 2019.

No. of accounts where banks have decided to effect change in ownership	Amount outstanding as at 31 March 2019		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity/ invocation of pledge of equity shares is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity/ invocation of pledge of equity shares has taken place		Amount outstanding as on the reporting date with respect to accounts where change in ownership is envisaged by issuance of fresh shares or sale of promoters equity	
	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA
NIL								

Disclosure on change in ownership outside SDR Scheme (accounts which are currently under the stand-still period)

as at 31 March 2018.

No. of accounts where banks have decided to effect change in ownership	Amount outstanding as at 31 March 2018		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity/invocation of pledge of equity shares is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity/invocation of pledge of equity shares has taken place		Amount outstanding as on the reporting date with respect to accounts where change in ownership is envisaged by issuance of fresh shares or sale of promoters equity	
	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA
NIL								

xi Disclosure on Change in ownership of Project under Implementation (accounts which are currently under the stand-still Period) as at 31 March 2019.

No. of project loan accounts where banks have decided to effect change in ownership	Amount outstanding as at 31 March 2019		
	Classified as standard	Classified as standard restructured	Classified as NPA
-	-	-	-

Disclosure on Change in ownership of Project under Implementation (accounts which are currently under the stand-still Period) as at 31 March 2018.

No. of project loan accounts where banks have decided to effect change in ownership	Amount outstanding as at 31 March 2018		
	Classified as standard	Classified as standard restructured	Classified as NPA
-	-	-	-

5.2 Particulars of Accounts Restructured

31 March 2019

Disclosure of Restructured Accounts

(Rs.000s)

SR. No.	Type of Restructuring →		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification →		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	DoubtFul	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Details ↓																					
1	Restructured Accounts as on April 1 of the FY (opening figures)*	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Up gradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amountout standing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		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	Down gradations of restructured accounts during the FY	No. of borrowers	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

SR. No.	Type of Restructuring →		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification → Details ↓		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	DoubtFul	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
6	Recoveries/ Reduction/ Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY (closing figures*)	No. of borrowers	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

31 March 2018

Disclosure of Restructured Accounts

(Rs.000s)

SR No	Type of Restructuring →		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification → Details ↓		Standard	Sub-Standard	Doubtful	Loss	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Up gradations 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	Down gradations of restructured accounts during the FY	No. of borrowers	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Recoveries/ Reduction/ Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY (closing figures*)	No. of borrowers	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

The amount refers to recoveries made during the year.

5.3 Details of Financial Assets sold to Securitisation/Reconstruction Company for Asset Reconstruction

There are no assets which were sold to Securitisation/Reconstruction Companies for asset reconstruction during the current year and previous year.

5.4 Details of non-performing financial assets purchased/sold

There are no non performing financial assets purchased/sold to other banks during the current year and previous year.

5.5 Provisions on Standard Assets

The provision on Standard Assets of Rs.657,200 (‘000s) (Includes provision towards Unhedged Foreign Currency Exposure of Rs.145,700 (‘000s)) {Previous Year – Rs. 520,891 (‘000s) (Includes provision towards Unhedged Foreign Currency Exposure of Rs. 116,441 (‘000s)}

6. Business Ratios

Particulars	As at 31 March 2019	As at 31 March 2018
Interest income as a percentage to working funds #	6.16%	5.85%
Non-interest income as a percentage to working funds #	0.85%	1.13%
Operating profit as a percentage to working funds ##, #	2.55%	2.71%
Return on assets (based on average working funds) $	1.25%	1.41%
Business (deposits plus advances) per employee (Rs.in Cr.) @ *	54.19	39.73
Profit per employee (Rs.in Cr.) *	0.59	0.55
Net non-performing assets as a percentage of net advances	0.00%	0.00%

Notes

Working funds represents average of total assets as reported to Reserve Bank of India in Form X under Section 27 of the Banking Regulation Act, 1949, during the year.

Operating Profit = Interest Income + Non Interest Income – Interest Expense – Operating Expense

$ Return on Assets would be with reference to average working funds.

@ For the purpose of computation of business per employee (deposits plus advances).

* Productivity ratio are based on the number of employees as at year end.

7. Assets Liability Management

The maturity pattern of certain items of assets & liabilities is as follows:

31 March 2019 (Rs.000s)

Maturity Buckets	Deposits	Advances	Invest-ments	Borrow-ings	Foreign currency assets	Foreign currency liabilities
Day 1	2,290,820	-	-	-	3,009,903	2,292,203
2 to 7 days	14,430,081	9,652,560	10,058,311	12,073,065	7,262,658	1,593,331
8 to 14 days	7,205,301	16,795,951	3,338,003	138,310	181,442	143,151
15 to 30 days	8,244,297	14,393,525	2,437,869	3,090,661	2,106,642	3,109,333
31 days to 2 months	8,947,508	12,255,440	3,688,779	4,379,363	2,670,797	4,400,802
2 to 3 months	4,669,790	20,697,172	1,640,418	10,486,838	10,522,690	10,535,247
3 to 6 months	7,227,765	18,467,128	3,876,122	9,900,673	9,249,481	9,901,364
6 months to 1 year	2,421,869	5,426,052	1,719,899	5,532,400	551,857	5,548,306
1 to 3 years	12,867,419	12,847,723	5,228,090	1,998,699	-	1,998,580
3 to 5 years	-	914,264	-	-	-	-
Above 5 years	-	156,045	3,401,665	-	149,340	29,312
Total	**68,304,850**	**111,605,860**	**35,389,156**	**47,600,010**	**35,704,810**	**39,551,629**

Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI and which has been relied upon by the auditors.

Maturity profile of foreign currency assets and liabilities is excluding forward contracts and derivative transactions.

The disclosure format has been revised based on RBI circular DBR.BP.BC. No.86/21.04.098/2015-16.

31 March 2018 (Rs.000s)

Maturity Buckets	Deposits	Advances	Invest-ments	Borrow-ings	Foreign currency assets	Foreign currency liabilities
Day 1	-	-	-	-	-	-
2 to 7 days	9,589,161	17,697,466	14,659,167	12,966,525	12,474,687	10,548,126
8 to 14 days	4,120,321	6,085,545	769,369	162,938	223,224	177,018
15 to 30 days	9,104,149	11,220,672	1,778,049	1,578,510	1,990,243	1,594,128
31 days to 2 months	8,715,224	14,438,596	3,492,455	1,285,223	1,540,655	1,285,311
2 to 3 months	3,974,890	8,363,907	1,683,944	4,503,569	4,718,279	4,504,323
3 to 6 months	1,027,625	18,051,056	2,771,417	13,607,866	10,969,541	13,612,543
6 months to 1 year	1,300,843	4,415,904	387,974	679,587	505,106	690,691
1 to 3 years	14,300,603	7,559,823	3,222,471	-	-	-
3 to 5 years	-	793,417	-	-	-	-
Above 5 years	-	276,392	27,248	-	-	9,595
Total	**52,132,816**	**88,902,778**	**28,792,094**	**34,784,218**	**32,421,735**	**32,421,735**

Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI and which has been relied upon by the auditors.

Maturity profile of foreign currency assets and liabilities is excluding forward contracts and derivative transactions.

8. Exposures

8.1 Exposure to Real Estate Sector (Rs.000s)

	Particulars	As on 31 March 2019	As on 31 March 2018
1)	*Direct exposure*		
	(i) Residential mortgages	5,114	23,586
	- of which housing loans upto Rs. 20 lakhs*	1,760	9,268
	(ii) Commercial real estate	-	-
	(iii) Investments in mortgage backed securities (MBS) and other securitised exposures -	-	-
	a. Residential	-	-
	b. Commercial real estate	-	-
2)	*Indirect exposure*	-	-
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
	Total exposure to real estate sector	5,114	23,586

*These are housing loans given to staff.

8.2 Exposure to Capital Market

The lending to capital market sector as at 31 March 2019 is Nil {Previous Year 6,75,000 (‘000s)}. The capital market exposure primarily belongs to a Bridge Loan which is repayable through Capital Infusion (Equity Infusion).

8.3 Risk Category wise Country Exposure

As per the extant RBI guidelines, the country exposure of the Bank is categorised into various risk categories listed in following table.

(Rs.’000s)

Risk Category	Exposure (Net) as on 31 March 2019	Provision held as on 31 March 2019	Exposure (Net) as on 31 March 2018	Provision held as on 31 March 2018
Insignificant	31,930,034	80,045	40,605,218	100,000
Low	1,382,379	3,455	752,480	-
Moderate	-	-	-	-
High	-	-	55,227	-
Very high	-	-	-	-
Restricted	-	-	-	-
Off-credit	-	-	-	-
Total	33,312,413	83,500	41,412,925	100,000

8.4 Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by the Bank

RBI vide their master circular no.DBR.No.Dir.BC.12/13.03.00/2015-16 dated 1 July 2015 has prescribed exposure limits for Banks in respect of their lending to Single and Group Borrowers. The Exposure limits prescribed are 15% of the capital funds in case of Single Borrower and 40% of the capital funds in case of Group Borrowers. Additionally, Banks may in exceptional circumstances, with the approval of their Head Office and recommendation of the local management of the Bank consider enhancement of the exposure to a borrower up to a further 5% of capital funds.

During the Year ended 31 March 2019, the Bank has exceeded the prudential exposure limits let down by RBI guidelines for the Single Borrower as detailed below.

(Rs.'000s)

Name of the Borrower	Original Exposure Ceiling	Limit Sanc-tioned	% of excess limit over original ceiling	Exposure Ceiling as on 31 March 2019	Exposure as on 31 March 2019
Reliance Industries Limited	6,857,822	7,607,050	1.64%	6,857,822	7,607,050
Sun Pharmaceuticals Industries Limited	6,857,822	7,283,303	0.93%	6,857,822	7,283,303
Indian Oil Corporation Limited	6,857,822	9,069,613	4.84%	6,857,822	9,069,613
Toshiba Transmission & Distribution Systems (I) Private Limited	6,857,822	6,900,000	0.09%	6,857,822	6,900,000

During the Year ended 31 March 2018, the Bank has exceeded the prudential exposure limits let down by RBI guidelines for the Single Borrower as detailed below.

(Rs '000s)

Name of the Borrower	Original Exposure Ceiling	Limit Sanc-tioned	% of excess limit over original ceiling	Exposure Ceiling as on 31 March 2018	Exposure as on 31 March 2018
Reliance Industries Limited	6,586,276	7,169,250	1.33%	6,586,276	7,169,250
Sun Pharmaceuticals Industries Limited	6,586,276	6,843,375	0.59%	6,586,276	6,843,375

8.5 Unsecured advances against intangible assets

During the year ended 31 March 2019 and 31 March 2018 there are no unsecured advances for which intangible securities such as charge over the rights, licenses, authority etc. has been taken as collateral by the Bank.

9. Disclosures of penalties/fines imposed by RBI

During the year ended 31 March 2019 and 31 March 2018, no penalties/fines were imposed on the Bank by RBI.

10. Floating Provisions

The Bank has not created any floating provisions during the current year and previous year.

11. Draw Down from Reserves

During the year ended 31 March 2019, the Bank has not undertaken any drawdown from reserves.

12. Investment Fluctuation Reserve

In accordance with RBI guidelines, banks are required to create an Investment Fluctuation Reserve (IFR) equivalent to 2% of their HFT and AFS investment portfolios, within a period of three years starting fiscal 2019. Accordingly, during the year ended 31 March 2019, the Bank has made an appropriation of Rs 235,927 ('000)), to the IFR from the Profit and Loss Account.

13. Disclosure of complaints:

(A) Customer Complaints

	Particulars	31 March 2019	31 March 2018
(a)	No. of complaints pending at the beginning of the year	-	-
(b)	No. of complaints received during the year	-	-
(c)	No. of complaints redressed during the year	-	-
(d)	No. of complaints pending at the end of the year	-	-

The above details have been based on information provided by the management and has been relied upon by the auditor.

(B) Awards Passed by the Banking Ombudsman

	Particulars	31 March 2019	31 March 2018
(a)	No. of unimplemented Awards at the beginning of the year	-	-
(b)	No. of Awards passed by the Banking Ombuds-man during the year	-	-
(c)	No. of Awards implemented during the year	-	-
(d)	No. of unimplemented Awards at the end of the year	-	-

The above details have been based on information provided by the management and has been relied upon by the auditor.

14. Disclosure of Letters of Comfort (LoCs) issued by Bank

The Bank has not issued any Letters of Comfort (LoCs) during the current year and previous year and there are no LoCs outstanding as at the end of current and previous year.

15. Provisioning Coverage Ratio (PCR)

The Provisioning Coverage ratio of the Bank computed in terms of RBI guidelines as on 31 March 2019 was 100% (Previous year: 100%)

16. Priority Sector Lending Certificate (PSLC)

During the year ended 31 March 2019 the Bank has not purchased any PSLCs (Previous year (general) category Rs. 4,500,000 ('000)) and (MSME) category Rs. 3,500,000 ('000)).

17. Bancassurance Business

The Bank has not undertaken any Bancassurance Business during the current year and previous year.

18. Concentration of Deposits, Advances, Exposures and NPAs

18.1 Concentration of Deposits

(Rs.000s)

Particulars	As on 31 March 2019	As on 31 March 2018
Total Deposits of twenty largest depositors	40,352,543	32,399,089
Percentage of Deposits of twenty largest depositors to Total deposits of the Bank	59.08%	62.17%

18.2 Concentration of Advances (Rs.000s)

Particulars	As on 31 March 2019	As on 31 March 2018
Total Advances of twenty largest borrowers #	116,913,568	103,521,146
Percentage of Advances of twenty largest borrowers to Total Advances of the Bank	33.62%	36.39%

Advances represent credit exposure (funded & Non funded) including derivatives exposure as defined by RBI.

18.3 Concentration of Exposures (Rs.000s)

Particulars	As on 31 March 2019	As on 31 March 2018
Total exposure of twenty largest borrowers #	152,147,553	103,521,146
Percentage of exposure of twenty largest borrowers to Total exposure of the Bank	43.76%	36.39%

Exposure includes credit exposure (funded & Non funded), derivatives exposure, investment exposure as defined by RBI.

18.4 Concentration of NPA's (Rs.000s)

Particulars	As on 31 March 2019	As on 31 March 2018
Total Exposure to top four NPA accounts	63,400	63,400

Note – Represent exposure to Gross NPA

19. Sector wise advances (Rs.000s)

Sl No	Sector	As on 31 March 2019			As on 31 March 2018		
		Outstanding Total Advances #	Gross NPAs	Percentage of Gross NPAs to Total Advances in that Sector	Outstanding Total Advances #	Gross NPAs	Percentage of Gross NPAs to Total Advances in that Sector
A	**Priority Sector**						
1	Agriculture & allied activity	-	-	-	-	-	-
2	Advances to Industries sector eligible for priority sector lending	27,922,948	63,400	0.23%	20,807,795	63,400	0.30%
3	Services	8,372,997	-	-	4,089,448	-	-
4	Personal Loans	-	-	-	-	-	-
	Sub Total (A)	**36,295,945**	**63,400**	**0.17%**	**24,897,243**	**63,400**	**0.25%**
B	**Non Priority Sector**						
1	Agriculture & allied activity	-	-	-	-	-	-
2	Industry	34,305,757	-	-	29,196,347	-	-
3	Services	41,015,200	-	-	34,801,283	-	-
4	Personal Loans	52,358	-	-	71,306	-	-
	Sub Total (B)	**75,373,315**	**-**	**-**	**64,068,936**	**-**	**-**
	Total (A + B)	**111,669,260**	**63,400**	**0.06%**	**88,966,178**	**63,400**	**0.07%**

 # Represents Gross Advances

Industries having more than 10% exposure in the related Sector (Rs.000s)

Sl No	Sector	As on 31 March 2019			As on 31 March 2018		
		Outstanding Total Advances #	Gross NPAs	Percentage of Gross NPAs to Total Advances in that Sector	Outstanding Total Advances #	Gross NPAs	Percentage of Gross NPAs to Total Advances in that Sector
1	Agriculture & allied activity	-	-	-	-	-	-
2	**Industry (2.1+2.2+2.3)**						
2.1	Vehicle Parts & Transport Equipments	19,065,326	-	-	11,304,593	-	-
2.2	Chemicals & Pharmaceuticals	13,170,465	-	-	10,486,518	-	-
2.3	All Engineering	-	-	-	3,352,981	-	-
2.4	Petroleum Products	-	-	-	3,851,435	-	-
2.5	All Others (Manufacturing)	34,452,915	63,400	0.18%	21,008,615	63,400	0.30%
	Sub Total (2)	**66,688,706**	**63,400**	**0.10%**	**50,004,142**	**63,400**	**0.13%**
3	**Services (3.1+3.2)**						
3.1	NBFCs	18,180,333	-	-	15,160,000	-	-
3.2	Trade – Wholesale Trade	12,012,634	-	-	6,205,570	-	-
3.3	Banks	5,220,066	-	-	9,829,375	-	-
3.4	All Others (Services)	9,515,165	-	-	7,695,785	-	-
	Sub Total (3)	**44,928,198**	**-**	**-**	**38,890,730**	**-**	**-**
4	Personal Loans	52,358	-	-	71,306	-	-
	Gross Advances	**11,669,262**	**63,400**	**0.06%**	**88,966,178**	**63,400**	**0.07%**

 # Represents Gross Advances

20. Overseas Assets, NPAs and Revenue (Rs.000s)

Particulars	As at 31 March 2019	As at 31 March 2018
Total Assets	-	-
Total NPAs	-	-
Total Revenues	–	–

21. Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

There are no off-balance sheet domestic or overseas SPVs sponsored by the Bank during the current year and previous year.

22. As on 31 March 2019, outstanding receivables acquired by the Bank under factoring stood at Rs. 1,364,786 (000s) (Previous year Rs. 1,961,144 (000s)) which are reported under 'Bills Purchased and Discounted' in Schedule 9 of the Balance sheet.

23. Accounting Standard 15 – Employee Benefits

(a) Provident fund

The contribution to the employee's provident fund amounted to Rs. 49,404 (000s) for the year ended 31 March 2019 {Previous Year - Rs. 49,568 (000s)}.

(b) Compensated absences

The Bank has an amount of Rs. 27,084 (000s) as liability for compensated absences for the year ended 31 March 2019 and previous Year the Bank has an amount of Rs. 25,531 (000s) as liability for compensated absence.

(c) Gratuity

The Bank has a defined benefit scheme for Gratuity as per the payment of Gratuity Act 1972. Every employee who has completed five years or more of service gets a gratuity on departure for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarize the principal assumptions, components of amount recognised in the Profit and Loss Account, the funded status and net asset/liability recognised in the balance sheet for gratuity & leave.

Profit and Loss Account

Net employee benefit expenses (recognized in employee cost)

(Rs.000s)

Particulars	Year ended 31 March 2019		Year ended 31 March 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	12,620	6,980	7,355	9,193
Interest on defined benefit assets	6,878	1,825	4,802	2,321
Net actuarial losses/(gains) recognized in the year	1,462	(4,207)	(1,468)	(19,607)
Expected return on plan assets	(7,584)	-	(3,951)	-
Past service cost	-	-	22,899	-
Losses/(Gains) on "curtailments & settlements"	-	-	-	-
Losses/(Gains) on "acquisition/divestiture"	-	-	-	-
Effect of the limit in para 59(b) of Accounting Standard 15	-	-	-	-
Total included in employee benefit expense	**13,376**	**4,598**	**29,637**	**(8,093)**

Balance Sheet

(Rs.000s)

Particulars	As on 31 March 2019		As on 31 March 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of funded obligations	107,045	27,084	94,175	25,531
Fair value of plan assets	(128,981)	-	(94,614)	-
Present value of unfunded obligations	-	-	-	-
Unrecognized past service cost	-	-	-	-
Net liability / (Asset)	(21,936)	27,083	(439)	25,531

Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

Changes in the present value of the defined benefit obligation are as follows:

(Rs.000s)

Particulars	As on 31 March 2019		As on 31 March 2018	
	Gratuity	Leave Encash-ment	Gratuity	Leave Encash-ment
Changes in defined benefit obligation*	-	-	22,899	4,556
Opening defined benefit obligation	94,175	25,531	67,185	32,819
Current service cost	12,620	6,980	7,355	9,193
Interest cost	6,878	1,825	4,802	2,321
Actuarial losses/(gains)	716	(4,207)	(1,753)	(19,607)
Benefit paid	(7,344)	(3,046	(6,313)	(3,751)
Closing defined benefit obligation	**107,045**	**27,083**	**94,175**	**25,531**

*The change in the Gratuity liability is due to change in Gratuity limit from INR 10 lakhs to INR 20 lakhs. Reflected under "Plan Amendments Cost/(Credit)" in the actuarial report.

*The change in the Leave liability is with respect to the leave availment liability that was not included in the opening liability. Reflected under "Adjustment" in the actuarial report.

Changes in the fair value of plan assets are as follows: (Rs.000s)

Particulars	As on 31 March 2019		As on 31 March 2018	
	Gratuity	Leave Encash-ment	Gratuity	Leave Encash-ment
Changes in fair value of assets*	-	-	23,339	-
Opening fair value of plan assets	94,614	-	30,867	-
Expected return on plan assets	7,584	-	3,951	-
Actuarial gains/(losses)	(745)	-	(285)	-
Assets distributed on settlements	-	-	-	-
Contribution by the Bank	34,872	-	43,055	-
Benefit paid	(7,344)	-	(6,313)	-
Closing fair value of plan assets	**128,981**	-	**94,614**	-
Actual Return on Plan Assets	6,839	-	3,666	-

*The change in the Fair value of asset is with respect to the asset value that was not included in the opening assets. Reflected under "Adjustment" in the actuarial report.

The major categories of plan assets as a percentage of fair value of total plan assets:

Category of assets (% allocation)	As on 31 March 2019	As on 31 March 2018
Issuer managed funds	100.00%	100.00%

Principal actuarial assumptions at the balance sheet date:

Particulars	As on 31 March 2019		As on 31 March 2018	
	Gratuity	Leave Encash-ment	Gratuity	Leave Encash-ment
Discount rate (p.a.)	7.40%	7.40%	7.60%	7.60%
Expected rate of return on plan assets (p.a.)	7.55%	-	7.55%	-
Salary escalation rate (p.a.)	9.00%	9.00%	9.00%	9.00%
Employee turnover	8.00%	8.00%	8.00%	8.00%
Leave Availment Rate	-	2.50%	-	2.50%

The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

The expected rate of return on plan assets is based on the average long-term rate of return expected on investments of the fund during the estimated term of the obligations. As the contribution expected to be paid to the plan during the annual period beginning after the balance sheet date is based on various internal/external factors, a best estimate of the contribution is not determinable.

Experience Adjustment (Rs.000s)

Gratuity

Description	As on 31 March 2015	As on 31 March 2016	As on 31 March 2017	As on 31 March 2018	As on 31 March 2019
1) Present Value of Defined Benefit Obligation	47,117	53,963	67,185	94,175	107,045
2) Fair Value of Plan Assets	(31,508)	(38,571)	(30,867)	(94,614)	(128,981)
3) (Surplus)/Deficit	15,609	15,392	36,318	(439)	(21,936)
4) Experience adjustment on Plan Liability (Gain)/Loss	(3,917)	(8,730)	9,092	(1,753)	(901)
5) Experience adjustment on Plan Assets (Gain)/Loss	2,858	30	-	286	745

24. Accounting Standard 17 – Segment Reporting

Effective 1 April 2008, the Bank has adopted RBI's revised guidelines on Segment Reporting issued on 18 April 2007 vide RBI Circular No. DBOD.No.BP.BC. 81/21.04.018/2006-07 in terms of which the business of the Bank is divided into two segments: Treasury, Corporate/ Wholesale Banking. The principal activities of these segments are as under:

Primary Segment	Principal activities
Treasury	Treasury operations include investments in sovereign, trading operations, derivative trading and foreign exchange operations on the proprietary account and for customers and central funding
Corporate/Wholesale Banking	Includes corporate relationships comprising of wholesale loans & advances to corporate

The Bank does not have Retail Banking Segment.

Revenues of the treasury services segment primarily consist of foreign exchange & derivative cover operations and interest income on the investment portfolio. The principal expenses of the segment consist of interest expense on funds borrowed from external sources, premises expenses, personnel costs, other direct overheads and allocated expenses.

Revenues from the corporate/wholesale Banking lending activity consist of interest and fees earned on loans given to customers falling under this segment. Expenses of the Corporate/Wholesale Banking activity primarily comprise interest expense on deposits, infrastructure and premises expenses and other delivery channels, personnel costs, other direct overheads and allocated expenses.

The Bank does not compute inter-segment revenue separately.

The Bank renders its services within one geographical segment in India and hence no secondary segmental disclosure (geographical segment) has been made.

(Rs.000s)

Business Segments	Treasury		Corporate / Wholesale Banking		Total	
Particulars	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue	2,486,555	3,630,902	8,527,436	6,130,636	11,013,991	9,761,538
Result	1,767,566	2,919,785	2,114,177	795,100	3,881,743	3,714,885
Unallocated expenses					-	-
Operating Profit					3,881,743	3,714,885
Income taxes					1,912,162	1,747,445
Extraordinary profit/ loss	-	-	-	-	-	-
Net profit					1,969,581	1,967,440
Other information:	-	-	-	-	-	-
Segment assets	51,134,442	44,253,845	117,952,934	91,644,740	169,087,376	135,898,585
Unallocated Assets					391,454	359,164
Total assets					169,478,830	136,257,749
Segment liabilities	21,581,516	32,183,251	100,017,348	58,164,112	121,598,864	90,347,364

Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

Business Segments	Treasury		Corporate / Wholesale Banking		Total	
Particulars	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Unallocated liabilities					-	-
Total Liabilities (excluding Capital and Reserve & Surplus)					121,598,864	90,347,364
Capital and Reserve & Surplus					47,879,966	45,910,385

Note :- The segment information have been prepared based on certain assumption used by the Bank, which has been relied upon by the auditors.

25. Accounting Standard 18 – Related Party Disclosures

Related Party Relationships:

1. Parent/Head Office: The Mizuho Bank, Ltd. - Japan and its branches
2. Key Management Personnel: Mr. Naohiko Oguchi, Chief Executive Officer
3. Subsidiaries of Parent.

As per the guidelines on compliance with the accounting standard by Banks issued by RBI on 29 March 2003, the Bank has not disclose the details pertaining to the related party where there is only one entity/person in any category of related party. (i.e. Head Office & its branches and Key Management Personnel).

26. Accounting Standard 19 – Leases

Operating Leases

The lease agreements entered into pertain to use of office premises/staff quarters of the Bank.

(Rs.000s)

Particulars	As on 31 March 2019	As on 31 March 2018
Future lease rentals payable as at the end of the year:	**924,441**	**1,047,381**
- Not later than one year	275,246	240,262
- Later than one year and not later than five years	649,195	807,119
- Later than five years	-	-
Total of minimum lease payments recognized in the profit and loss account for the year	315,184	317,366
Total of future minimum sublease payments expected to be received under non-cancellable subleases	-	-
Sub-lease payments recognized in the profit and loss account for the year	-	-

The Bank has not sub-leased any of its properties taken on lease

The terms of renewals/purchase options and escalation clauses are those normally prevalent in similar agreements. There are generally no undue restriction or onerous clauses in the agreements.

27. Accounting Standard 22 – Accounting for Taxes on Income

The major components of deferred tax assets and deferred tax liabilities arising out of timing differences are as under:

(Rs.000s)

Particulars	As on 31 March 2019	As on 31 March 2018
Deferred tax assets on account of provision for retirement benefits	24,845	23,232
Deferred tax assets on account of depreciation on fixed assets	276,417	273,801
Deferred tax assets on others	29,958	2,349
Net deferred tax asset/(liability)	331,220	299,382

28. Provisions and Contingencies

Provisions and contingencies recognized in the Profit and Loss Account include: -

(Rs.000s)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Provision for income tax		
- Current tax for the year	1,944,000	1,749,000
- Deferred tax for the year	(31,838)	1,555)
Provision for wealth tax	-	-
Provision for non-performing advances and investments	-	-
Provision towards standard assets	107,050	58,450
Provision for depreciation in value of investments	(769)	769
Provision for country risk	(16,500)	45,500
Provision for unhedged foreign currency exposure	29,258	(36,436)
Total	**2,031,201**	**1,815,728**

29. Provident Fund ruling

The Hon'ble Supreme Court of India issued an order dated February 28, 2019 of relating to employer's contribution to the Provident Fund (PF) under the Employee's Provident Funds and Miscellaneous Provisions Act, 1952. The Bank is in process of evaluating the said order and would consider any further effect in its financial statements upon receiving additional clarity on the subject.

30. Disclosures on Remuneration

In terms of guidelines issued by RBI vide circular no. DBOD No. BC 72/29.67.001/2011-12 dated 13th Jan 2012 on "Compensation of Whole Time director / Chief Executive Officers / Risk takers and Control function staff, etc.", the Bank has submitted a declaration received from its Head Office to RBI to the effect that the compensation structure in India, including that of CEO's, is in conformity with the FSB principles and standards.

31. Disclosure relating to Securitisation

There are no securitisation transactions entered by the Bank during the current year and previous year.

32. Intra-Group Exposure

The Bank has NIL Intra-Group Exposure during the year (Previous Year NIL) as prescribed in RBI Guidelines on Management of Intra-Group Transactions and Exposures (RBI/2013-14/487 DBOD.No.BP.BC.96/21.06.102/2013-14) dated 11.02.2014.

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

(Rs.000s)

Particulars	Current year	Previous year
Opening balance of amounts transferred to DEAF	67	67
Add : Amounts transferred to DEAF during the year	-	-
Less : Amounts reimbursed by DEAF towards claims	-	-
Closing balance of amounts transferred to DEAF	67	67

34. Unhedged Foreign Currency Exposure

The Bank has in place a policy on managing credit risk arising out of Unhedged Foreign Currency Exposure (UFCE) of its borrowers. UFCE exposes the borrowers to the risk of exchange rate fluctuation, impacting the corporate's profitability and ability to service the debt. The objective of the Bank is to monitor and review the UFCE of the borrowers to hedge their UFCE and to evaluate the risk arising out of UFCE of the borrowers while approving the credit facilities and price them in the credit risk premium. The credit analysis critically evaluates the risks arising out of UFCE of the borrowers and its impact on the corporate's profitability and financial profile, with due consideration given to the foreign currency receivables generated by the borrower's export activities and the extent to which this might mitigate the foreign currency exposure.

The Bank reviews the UFCE across its portfolio on a periodic basis. The Bank also maintains incremental provision and capital towards the UFCE of its borrowers in line with the extant RBI guidelines

In accordance with RBI's Circular DBOD No. BP.BC.85/21.06.200/2013-14 dated 15th January 2014 effective 1st April 2014, the Bank has maintained provision of Rs. 145,700 (000's) (Previous year Rs. 116,441 (000's)) and incremental capital of Rs. 257,550 (000's) (Previous year Rs. 248,997 (000's)) on account of UFCE of its borrowers as of 31 Mar 2019.

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(Incorporated in Japan with Limited Liability)

35. Liquidity Coverage Ratio

(Rs.000s)

		Q1 Avg		Q2 Avg		Q3 Avg		Q4 Avg	
		2018-19		2018-19		2018-19		2018-19	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)	19,619,930	19,619,930	23,023,598	23,023,598	28,537,177	28,537,177	28,015,496	28,015,496
Cash Outflows									
2	Retail deposits and deposits from small business customers, of which:	53,992	5,399	58,853	5,885	54,147	5,415	50,860	5,086
(i)	Stable deposits	-	-	-	-	-	-	-	-
(ii)	Less stable deposits	53,992	5,399	58,853	5,885	54,147	5,415	50,860	5,086
3	Unsecured wholesale funding, of which:	64,368,066	33,710,856	68,375,085	32,431,083	90,111,132	43,099,222	84,344,854	38,746,371
(i)	Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii)	Non-operational deposits (all counterparties)	51,095,350	20,438,140	59,906,669	23,962,668	78,353,183	31,341,273	75,997,472	30,398,989
(iii)	Unsecured debt	13,272,716	13,272,716	8,468,415	8,468,415	11,757,949	11,757,949	8,347,382	8,347,382
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which	18,226,834	2,091,714	18,268,201	2,247,963	17,404,511	2,244,343	19,278,923	2,691,601
(i)	Outflows related to derivative exposures and other collateral requirements	298,923	298,923	467,937	467,937	559,880	559,880	848,565	848,565
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facility	17,927,911	1,792,791	17,800,265	1,780,026	16,844,631	1,684,463	18,430,358	1,843,036
6	Other contractual funding obligations	443,094	443,094	414,316	414,316	439,699	439,699	489,233	489,233
7	Other contingent funding obligations	38,006,468	1,140,194	47,173,759	1,415,213	56,160,418	1,684,813	63,996,748	1,919,902
8	**Total Cash Outflows**	121,098,454	37,391,257	134,290,213	36,514,461	164,169,907	47,473,492	168,160,618	43,852,194
Cash Inflows									
9	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	50,810,150	25,930,138	51,007,903	26,054,385	57,767,541	30,660,596	48,988,535	26,589,144
11	Other cash inflows	611,783	458,925	877,246	694,318	1,146,480	931,177	1,271,783	1,027,074
12	Total Cash Inflows	51,421,933	26,389,063	51,885,149	26,748,703	58,914,021	31,591,773	50,260,317	27,616,217
13	TOTAL HQLA	19,619,930	19,619,930	23,023,598	23,023,598	28,531,177	28,531,177	28,015,496	28,015,496
14	Total Net Cash Outflows	69,676,520	11,002,194	82,405,064	9,765,758	105,255,886	15,881,719	117,900,301	16,235,976
15	Liquidity Coverage Ratio (%)	**178.33%**		**235.76%**		**179.69%**		**172.55%**	

(Rs.000s)

		Year ended 31 March 2019	
		Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets			
1	Total High Quality Liquid Assets (HQLA)	26,840,424	26,840,424
Cash Outflows			
2	Retail deposits and deposits from small business customers, of which:	48,220	4,822
(i)	Stable deposits		
(ii)	Less stable deposits	48,220	4,822
3	Unsecured wholesale funding, of which:		
(i)	Operational deposits (all counterparties)		
(ii)	Non-operational deposits (all counterparties)	68,602,630	27,441,052
(iii)	Unsecured debt	15,325,857	15,325,857
4	Secured wholesale funding		
5	Additional requirements, of which		
(i)	Outflows related to derivative exposures and other collateral requirements	1,509,686	1,509,686

		Year ended 31 March 2019	
		Total Unweighted Value (average)	Total Weighted Value (average)
(ii)	Outflows related to loss of funding on debt products		
(iii)	Credit and liquidity facility	19,762,090	1,976,209
6	Other contractual funding obligations	1,329,106	1,329,106
7	Other contingent funding obligations	68,808,111	2,064,243
8	**Total Cash Outflows**	175,385,700	49,650,975
Cash Inflows			
9	Secured lending (e.g. reverse repos)	1,500,000	-
10	Inflows from fully performing exposures	47,379,728	27,189,337
11	Other cash inflows	2,478,742	1,982,296
12	Total Cash Inflows	76,898,470	29,171,634
13	TOTAL HQLA	26,840,424	26,840,424
14	Total Net Cash Outflows	98,487,230	20,479,341
15	Liquidity Coverage Ratio (%)	**131.06%**	

Mizuho Bank Ltd., Indian Branches

(Incorporated in Japan with Limited Liability)

1. Main drivers of LCR computation: The Liquidity Coverage Ratio is mainly impacted by the outflow of deposits and borrowings. However, in order to keep the ratio above the regulatory requirements, Bank has been keeping High Quality Liquid Assets in the form of excess cash balance and securities held above the regulatory requirements. Bank has been consciously maintaining the securities in the form of Treasury bills due to its high liquidity in the market to improve the LCR ratio.
2. The LCR during the year 2018-19 has been maintained much above the Regulatory requirement of 90% & 100%
3. Though Bank has derivative exposures, there were no potential collateral calls occurred as Bank is at present not having derivatives with such conditions.
4. The Bank has a centralised Treasury at Mumbai catering to the liquidity requirements of all the branches in India. However, all the matters related to Liquidity Management including the status of LCR is discussed in the ALCO meetings held on monthly basis where representatives from all branches are members. The Liquidity situation is also discussed on weekly basis in the Managers' committee meetings.
5. The main source of funding for the Bank is deposits from corporates, overseas borrowing by Treasury of the Bank.
6. The average monthly LCR maintained during the year has been furnished in the below table.

(Figure in %)

Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
172.26%	178.97%	180.20%	218.82%	183.13%	251.54%	172.51%	187.52%	177.22%	176.49%	152.24%	190.00%

(Rs.000s)

		Q1 Avg		Q2 Avg		Q3 Avg		Q4 Avg	
		2017-18		2017-18		2017-18		2017-18	
		Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)	356,213	356,213	370,164	370,164	385,379	385,379	287,859	287,859
Cash Outflows									
2	Retail deposits and deposits from small business customers, of which:	584	58	582	58	613	61	581	58
(i)	Stable deposits								
(ii)	Less stable deposits	584	58	582	58	613	61	581	58
3	Unsecured wholesale funding, of which:	727,737	317,497	735,787	327,980	714,574	320,193	721,236	351,482
(i)	Operational deposits (all counterparties)								
(ii)	Non-operational deposits (all counterparties)	683,733	273,493	679,678	271,871	657,301	262,920	616,257	246,503
(iii)	Unsecured debt	44,004	44,004	56,109	56,109	57,273	57,273	104,979	104,979
4	Secured wholesale funding								
5	Additional requirements, of which	82,383	10,002	118,117	13,433	161,152	17,830	179,099	20,326
(i)	Outflows related to derivative exposures and other collateral requirements	1,960	1,960	1,801	1,801	1,905	1,905	2,685	2,685
(ii)	Outflows related to loss of funding on debt products								
(iii)	Credit and liquidity facility	80,423	8,042	116,316	11,632	159,247	15,925	176,414	17,641
6	Other contractual funding obligations	3,063	3,063	2,994	2,994	3,406	3,406	3,112	3,112
7	Other contingent funding obligations	290,829	8,725	290,673	8,720	287,647	8,629	345,376	10,361
8	**Total Cash Outflows**	1,104,596	339,345	1,148,153	353,185	1,167,392	350,119	1,249,404	385,339
Cash Inflows									
9	Secured lending (e.g. reverse repos)								
10	Inflows from fully performing exposures	318,582	167,179	303,698	159,464	341,250	184,749	396,930	204,665
11	Other cash inflows	5,228	3,734	5,570	3,773	4,611	3,491	4,592	3,417
12	Total Cash Inflows	323,810	170,913	309,268	163,237	345,861	188,240	401,522	208,082
13	TOTAL HQLA	356,213	356,213	370,164	370,164	385,379	385,379	287,859	287,859
14	Total Net Cash Outflows	780,786	168,432	838,885	189,948	821,531	161,879	847,882	177,257
15	Liquidity Coverage Ratio (%)	211		195		238		162	

(Rs.000s)

		Year ended 31 March 2018	
		Total Un-weighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets			
1	Total High Quality Liquid Assets (HQLA)	349,904	349,904
Cash Outflows			
2	Retail deposits and deposits from small business customers, of which:	590	59
(i)	Stable deposits		
(ii)	Less stable deposits	590	59
3	Unsecured wholesale funding, of which:	724,833	329,288
(i)	Operational deposits (all counterparties)		
(ii)	Non-operational deposits (all counterparties)	659,242	263,697
(iii)	Unsecured debt	65,591	65,591
4	Secured wholesale funding		
5	Additional requirements, of which	135,188	15,398
(i)	Outflows related to derivative exposures and other collateral requirements	2,088	2,088
(ii)	Outflows related to loss of funding on debt products		
(iii)	Credit and liquidity facility	133,100	13,310
6	Other contractual funding obligations	3,144	3,144
7	Other contingent funding obligations	303,631	9,109
8	**Total Cash Outflows**	1,167,386	356,998
Cash Inflows			
9	Secured lending (e.g. reverse repos)		
10	Inflows from fully performing exposures	340,115	179,014
11	Other cash inflows	5,000	3,604
12	**Total Cash Inflows**	345,115	182,618
13	TOTAL HQLA	349,904	349,904
14	Total Net Cash Outflows	822,271	174,380
15	Liquidity Coverage Ratio (%)	**200.66**	

1. Main drivers of LCR computation: The Liquidity Coverage Ratio is mainly impacted by the outflow of deposits and borrowings. However, in order to keep the ratio above the regulatory requirements, Bank has been keeping High Quality Liquid Assets in the form of excess cash balance and securities held above the regulatory requirements. Bank has been consciously maintaining the securities in the form of Treasury bills due to its high liquidity in the market to improve the LCR ratio.
2. The LCR during the year 2017-18 has been maintained much above the Regulatory requirement of 80% & 90%
3. Though Bank has derivative exposures, there were no potential collateral calls occurred as Bank is at present not having derivatives with such conditions.

4. The Bank has a centralised Treasury at Mumbai catering to the liquidity requirements of all the branches in India. However, all the matters related to Liquidity Management including the status of LCR is discussed in the ALCO meetings held on monthly basis where representatives from all branches are members.
5. The main source of funding for the Bank is deposits from corporates, overseas borrowing by Treasury of the Bank.
6. The average monthly LCR maintained during the year has been furnished in the below table.

(Figure in %)

Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
186.03	229.39	217.92	177.53	184.38	237.04	213.87	266.55	237.23	182.64	155.77	144.00

36. Credit Default Swaps

The Bank has not undertaken any transactions in Credit Default Swaps (CDS) during the current year and previous year and there is no outstanding as on 31 March 2019 (Previous year: NIL).

37. Description of contingent liabilities

Contingent Liability	Brief Description
1) a) Liability on account of outstanding forward exchange contracts. b) Currency Swaps/IRS	The Bank enters into currency swap, interest rate swaps, currency options and forward exchange contract with inter-Bank participants on its own account and for customers. Forward exchange contract are commitment to buy or sell foreign currency at future date at the contracted rate. Currency swaps are commitments to exchange cash flow by way of interest / principal in one currency against another, based on predetermined rates. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows. The notional amount that are recorded as contingent liabilities are amount used as benchmark for calculation of the interest component of the contracts. , currency options
2) Guarantees given on behalf of constituents. a) In India b) Outside India	As a part of its commercial Banking activities, the Bank issues documentary credit and guarantees on behalf of its customers. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfil its financial or performance obligations.
3) Acceptances, Endorsements and other obligations.	These include documentary credit issued by the Bank on the behalf of its customers and bills drawn by Bank's customers that are accepted or endorsed by the Bank.

38. Pending Litigation

The Company's pending litigations comprise of proceedings pending with tax and other government authorities. The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

39. Foreseeable losses

The Bank has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Bank has reviewed and recorded adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) in the books of account and disclose the same under the relevant notes in financial statements, where applicable.

40. Disclosure on provisioning pertaining to fraud accounts

	31 March 2019	31 March 2018
Number of frauds reported during the year	-	-
Amounts involved	-	-
Provisions held at the beginning of the year	-	-
Provisions made during the year	-	-
Provisions held at the end of the year	-	-
Unamortised provision debited from 'other reserves' as at the end of the year	-	-

41. Corporate Social responsibility

The Bank has CSR department which was continuously involved in implementing financial literacy programme and other need base initiative during the current year. The Bank has spent Rs. 75,678 (000's) towards CSR activities during the year ended March 2019 (Previous year Rs. 2,709 (000's)).

42. To the extent of the information available with the Bank from its vendor, there are no transactions with "suppliers" as defined under the Micro, Small and Medium Enterprises Development Act, 2006 during the financial year, hence the disclosures as required under the said Act are not applicable. This has been relied upon by the auditors.

43. Figures of previous year have been regrouped or reclassified, where necessary to conform to current year's presentation.

For S.R. Batliboi & Co LLP Chartered Accountants ICAI Firm Registration No.: 301003E/E300005	**For Mizuho Bank, Ltd.** Indian Branches	
per Jitendra H. Ranawat Partner Membership Number: 103380	**Naohiko Oguchi** Chief Executive Officer - India	**Titus Menezes** Asst. General Manager (Accounting & Reporting)

Place: Mumbai
Date: 27 June 2019

PILLAR III DISCLOSURES IN COMPLIANCE TO BASEL III REQUIREMENTS AS STIPULATED BY RESERVE BANK OF INDIA (RBI).

1. Background

The Mizuho Bank, Ltd. (former Fuji Bank) set up its India operations in 1996 by opening its first branch in Mumbai. The Mizuho Bank, Ltd. (MHBK) is the subsidiary of Mizuho Financial Group Inc. Mizuho Financial Group ("the Group") is composed of MHFG (holding company) and its subsidiaries and affiliates and provides banking, trust banking, securities and other financial services. Mizuho Group has broad global network with a focus on Asia, where economic growth is continuing. Currently group network is extended in 38 countries. It is listed in Tokyo stock exchange and New York stock exchange.

The name of the bank has been changed to Mizuho Bank, Ltd, due to a merger between Mizuho Corporate Bank, Ltd and Mizuho Bank, Ltd. that took place globally on 1 July, 2013. The constitution of the bank has remained the same and there has been only a name change. Further to the above change, the Reserve Bank of India (RBI) had approved the change in name from Mizuho Corporate Bank, Ltd. to Mizuho Bank, Ltd. (MHBK) with effect from 27 December, 2013.

MHBK has five branches in India, viz, Mumbai, New Delhi, Bangalore - Devanhalli, Chennai and Ahmedabad. The operations of the bank in India are involved in two main business lines viz, Treasury Operations and Corporate Banking. In line with the business strategy of the Group, the bank is focused purely on the corporate segment with no presence in the retail segment.

2. Overview

The Basel III capital regulations are being implemented in India with effect from 1 April, 2013. Banks have to comply with the regulatory limits and minima as prescribed under Basel III capital regulations, on an ongoing basis. Basel III capital regulations would be fully implemented as on 31 March, 2019. 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.

DF-1 Scope of Application

Name of the head of the banking group to which the framework applies: Mizuho Bank, Limited Indian Branches.

MHBK's strategy for its India operations is to use its large capital buffers to support its future growth plans. While the bank displays a healthy risk appetite for growing its business, it is risk adverse vis-à-vis regulatory requirements, and is likely to maintain more than adequate Capital to Risk weighted Assets Ratio (CRAR) even in scenario involving high NPAs.

Qualitative Disclosures:

Not Applicable.

DF-2 Capital Adequacy

Qualitative Disclosures

Capital instruments eligible for inclusion in Tier 1 comprise of interest free capital received from head office, statutory and revenue reserves and deductions in relation to intangible assets (INR 732 Million) i.e. Deferred Tax Assets (INR 331 Million), and Software Development (Intangible Asset) (INR 401 Million). Tier II capital consists of provisions made against standard assets, country risk, investment reserves, investment fluctuation reserve and unhedged foreign currency exposure.

The CRAR as per Basel III as at 31 March, 2019 is at 24.45%. The existing level of capital is adequate to meet the Bank's current and future business requirements and the CRAR of the Bank is significantly higher than that prescribed by the regulators.

Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

The Asset Liability Committee (ALCO) of the bank is responsible for ALM management, fixing of interest rates, risk policies for hedging and /or mitigating risk and strategies for monitoring future funding activities of the bank. A well-defined Credit and Investment Policy for the bank is in place and the same is reviewed on an annual basis or more frequently whenever required to incorporate regulatory guidelines. Impact of Liquidity Risk is assessed through gap analysis for maturity mismatches based on residual maturity in different time buckets and management of the same is done within the prudential limits fixed thereon.

Quantitative Disclosure

Summary of Capital Funds

(Rs.000s)

Summary of Capital Funds			
Sr. No.	Components of Tier I Capital	Bank's Amount	Eligible Amount
1	Paid-up Share Capital	30,443,353	30,443,353
2	Statutory Reserves	4,336,281	4,366,281
3	Revenue Reserve	-	-
4	Remittable Surplus	11,588,314	11,588,314
5	Deductions : Intangible Assets	732,198	732,198
	Tier I Capital	45,665,750	45,665,750
Sr. No.	**Components of Tier II Capital**		
1	Provision for country Risk	83,500	83,500
2	Provision for Standard Assets	511,500	511,500
3	Unhedged foreign currency exposure	145,700	145,700
4	Investment Reserve Account	4,505	4,505
5	Investment Fluctuation Reserves	235,928	235,928
	Tier II Capital	**981,133**	**981,133**
	Total Eligible Capital	**46,646,883**	**46,646,883**

Capital Requirements for Credit Risk, Market Risk and Operational Risk

(Rs.000s)

Capital Adequacy	
Credit Risk – Standardized Approach	
Total Portfolio subject to credit risk (RWA)	173,143,323
Capital Requirement under standardized approach	15,582,899
Market Risk – Standardized Duration Approach	
(i) Interest rate risk	257,133
(ii) Equity risk	-
(iii) Foreign exchange risk	270,000
Capital Requirement : Total (i+ii+iii)	**527,133**
Operational Risk - Basic Indicator Approach (BIS)	
Capital Requirement under BIS	885,995
Total	**16,996,027**

Capital Adequacy Ratio (CRAR)

CRAR	24.45%
CRAR – Tier 1 Capital (%)	**23.93%**

DF-3 Credit risk: General Disclosures

Qualitative Disclosures

Overview of policies and procedures

The key objectives of Bank's Credit Policy are as follows:

- ❑ Establish an appropriate credit risk environment and control system for credit risk management.
- ❑ Adhere to the Reserve Bank of India (RBI) prudential requirements with respect to lending norms and ensure correcting any breaches to such prudential guidelines.
- ❑ De-risk the Corporate Banking and Trade Finance business by mobilizing self-securing, self-liquidating credit products.
- ❑ The bank will deploy credit across various sectors with the twin objectives of increased profitability and less exposure to unforeseen risks.
- ❑ The bank will identify and regularly review loan target segment, thrust areas, low priority loans and priority sector lending keeping the overall objectives of Bank and RBI guidelines.
- ❑ The bank will establish and strictly follow prudential limits for various aspects of credit i.e. Borrower-wise lending limits, Industry and activity wise exposure limits, Sensitive sectors, substantial exposure limits etc.
- ❑ Credit facilities are reviewed / renewed at least on an annual basis as defined by policy framework.
- ❑ The bank is guided by its Head Office Policies and will continue to follow the same in addition to guidelines given by RBI.

Credit Risk Management Framework

- ❑ The bank believes that Risk Identification is a continuous and pro-active process. It covers all the current activities of the Bank as well as new products and initiatives.
- ❑ The Senior Management Committee (SMC) approved policy documents for Credit Risk, framed in line with the policy of Head Office, comprehensively addresses various aspects of risk management and monitoring. Bank has a Loan Policy as well as Credit Risk Mitigation Policy for credit Risk.
- ❑ The Bank continually monitors and validates risk parameters affecting the course of normal business, and ensures a thorough compliance with RBI regulatory requirements.
- ❑ The Bank has a HO stipulated control environment to monitor and enforce approved policies and procedures and various operational aspects with regard to implementation of the same.
- ❑ The Bank applies methodical and well-organized risk reporting structure at all levels of the organization, which culminates in HO approval.

Past Due and Impaired Loans

Bank considers an asset as non-performing when it ceases to generate income for the bank based on 90-days delinquency norms.

Non-Performing Loans are tracked by various methods like:

- Rating Analysis.
- Industry wise Analysis.
- Reviews.
- Time Schedule for renewal of limits.

Provisioning norms:

- ❑ Provisioning for "sub-standard assets' & "doubtful" as per regulatory guidelines.
- ❑ 100% provisioning for "Loss Assets".

Quantitative Disclosures

Total Credit Risk Exposure and Geographic Distribution

(Rs.000s)

Geographic Distribution of Exposures			
	Domestic	**Overseas**	**Total**
Fund Based	274,994,798	-	274,994,798
Non-fund Based	70,791,809	-	70,791,809
Investment Exposure	1,950,000	-	1,950,000
Total Gross Credit Exposure	**347,736,597**	**-**	**347,736,597**

Industry Type distribution of Exposure

(Rs.000s)

Industry	Fund Limit	%age	Non Fund Limit	%age	NON SLR	%age	Credit Exposure	%age
Vehicle, Vehicle Parts and Transport Equipments	52,256,671	19.00%	8,884,912	12.55%	0.00	0.00%	61,141,583	17.58%
NBFCs	43,353,334	15.77%	754,883	1.07%	0.00	0.00%	46,058,217	13.25%
Chemicals and Chemical Products	40,318,569	14.66%	1,880,817	2.66%	0.00	0.00%	42,199,385	12.14%
Other Services	16,484,902	5.99%	8,702,114	12.29%	0.00	0.00%	25,187,015	7.24%
Trade	16,913,735	6.15%	2,854,088	4.03%	0.00	0.00%	19,767,823	5.68%
Banks	19,549,835	7.11%	7,093,202	10.02%	0.00	0.00%	26,643,037	7.66%
Infrastructure	15,286,625	5.56%	6,948,140	9.81%	0.00	0.00%	22,234,765	6.39%
All Engineering	11,871,784	4.32%	9,467,638	13.37%	0.00	0.00%	21,339,421	6.14%
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	14,060,321	5.11%	6,891,374	9.73%	0.00	0.00%	20,951,694	6.03%
Other Industries	13,568,086	4.93%	3,738,562	5.28%	0.00	0.00%	17,306,647	4.98%
Basic Metal and Metal Products	6,651,182	2.42%	4,309,960	6.09%	0.00	0.00%	10,961,141	3.15%
Cement & Cement Products	2,750,000	1.00%	0	0.00%	0.00	0.00%	2,750,000	0.79%

Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

Industry	Fund Limit	%age	Non Fund Limit	%age	NON SLR	%age	Credit Exposure	%age
Rubber, Plastic and their Products	4,650,936	1.69%	177,770	0.25%	0.00	0.00%	4,828,705	1.39%
Construction-Construction	4,022,186	1.46%	5,150,409	7.28%	0.00	0.00%	9,172,594	2.64%
Professional Services	550,689	0.20%	3,047,790	4.31%	0.00	0.00%	3,598,479	1.03%
Computer Software	2,892,501	1.05%	448,739	0.63%	0.00	0.00%	3,341,239	0.96%
Transport Operators	2,253,722	0.82%	76,645	0.11%	0.00	0.00%	2,330,367	0.67%
Food Processing	2,219,155	0.81%	211,579	0.30%	0.00	0.00%	2,430,734	0.70%
Paper and Paper Products	2,860,923	1.04%	18,391	0.03%	0.00	0.00%	2,879,314	0.83%
Glass & Glass Products	430,007	0.16%	32,994	0.05%	0.00	0.00%	463,000	0.13%
Mining and Quarrying	100,000	0.04%	0	0.00%	0.00	0.00%	100,000	0.03%
Textile	1,828,875	0.67%	101,570	0.14%	0.00	0.00%	1,930,445	0.56%
Gems & Jewellery	63,401	0.02%	0	0.00%	0.00	0.00%	63,401	0.02%
Real Estate Activities	5,000	0.00%	232	0.00%	0.00	0.00%	5,232	0.00%
Staff Loan	52,359	0.02%	0	0.00%	0.00	0.00%	52,359	0.02%
Grand Total	274,994,798		70,791,809		0.00		347,736,597	

Maturity Breakdown of Assets

(Rs. Lakhs)

Maturity Buckets	Cash and Balances with Reserve Bank of India	Balances with Banks & Money at Call and Short Notice	Investments	Advances	Fixed Assets	Other Assets	Total
Day 1	-	-	-	-	-	1	1
2 to 7 days	28,659	95,509	100,583	96,527	-	6,584	327,862
8 to 14 days	6,936	-	33,380	167,961	-	8	208,284
15 to 30 days	4,549	-	24,379	143,936	-	3,799	176,663
31 days to 2 months	7,152	-	36,888	122,555	-	2	166,597
2 to 3 months	3,409	-	16,404	206,973	-	2,336	229,122
3 to 6 months	8,054	-	38,761	184,672	-	613	232,101
6 months to 1 year	3,574	-	17,199	54,262	-	3,882	106,917
1 to 3 years	6,812	-	52,281	128,468	-	-	187,561
3 to 5 years	-	-	-	9,144	-	-	9,144
Above 5 years	71	-	34,017	1,561	6,088	8,800	50,537
Total	**69,216**	**95,509**	**353,892**	**1,116,059**	**6,088**	**54,026**	**1,694,789**

The disclosure format has been made based on RBI circular DBR.BP.BC.No.86/21.04.098/2015-16.

Amount of Non-Performing Assets (NPAs)

(Rs.000s)

NPAs (Gross)	
Category	**Amount**
Sub-Standard	0.00
Doubtful 1	0.00
Doubtful 2	0.00
Doubtful 3	-
Loss	63,400
Total	**63,400**

Amount of Net NPAs:

Our Net NPAs is NIL as at 31 March 2019.

NPA Ratios

NPA Ratios	
Gross NPAs to Gross Advances	0.08%
Net NPAs to Net Advances	0.00%

Movement of NPAs and Movement of Provisions for NPA

(Rs.000s)

Movement of NPAs (Gross)		Movement of Provisions for NPAs (Gross)	
(i) Opening Balance	**63,400**	(i) Opening Balance	**63,400**
(ii) Additions during the year	-	(ii) Provisions made during the year	-
(iii) Reductions during the year	-	(iii) Write-offs made during the year	-
(iv) Write-offs made during the year	-	(iv) Write-back of excess provisions made during the year	-
Closing Balance	**63,400**	Closing Balance	**63,400**

Amount of Non-Performing Investments:

Amount of Provisions held for Non-Performing Investments is NIL as at 31 March 2018.

Movement of Provision for Depreciation on Investments:

(Rs.000s)

Particulars	Amount
Opening Balance	769
Provisions made during the year	-
Write-Off	769
Write-back of excess provisions	-
Closing Balance	-

The investments mainly comprises of Treasury Bills of Government of India and investments in Government Securities. The investments in Treasury Bills of Government of India are held for SLR purpose and these are valued at carrying cost as per Reserve Bank of India guidelines.

DF-4 Disclosures for Portfolios subject to Standardised approach

Qualitative Disclosures

Rating Agency Used:

As per the RBI guidelines, the bank has identified CARE, CRISIL, ICRA and Fitch India (Domestic Credit Rating Agencies) and Fitch, Moody's and S & P (International Rating Agencies) as approved rating agencies, for the purpose of rating the domestic and overseas exposures respectively, whose ratings are to be used for the purpose of capital calculation. However, currently all credit exposures of the bank are treated as unrated.

Types of exposures for which each agency will be used

- For exposures with a contractual maturity of less than or equal to one year (except cash credit, overdraft and other revolving credits), short-term ratings given by approved rating agencies to be used.
- For domestic cash credit, overdraft and other revolving credits (irrespective of the period) and for Term Loan exposures of over one year, long term ratings to be used.
- For overseas exposures, irrespective of the contractual maturity, long term ratings given by approved rating agencies to be used.

Process used to transfer public issue ratings onto comparable assets in the Banking Book:

The above is not applicable to our bank.

Quantitative Disclosures

Exposure Amounts after Risk Mitigation (subject to the standardised approach)

(Rs.000s)

Sr. no.	Exposure amounts after risk mitigation	Amount
1	Below 100% risk weight exposure outstanding	56,184,351
2	100% risk weight exposure outstanding	133,035,911
3	More than 100% risk weight exposure outstanding	18,946,205
4	Deducted	-

DF-5 Credit Risk Mitigation (CRM)

Qualitative Disclosures

Types of Credit Risk Mitigation

MHBK uses an assortment of financial and non-financial collaterals and guarantees to mitigate the underlying credit risk in its regular lending operations. The following collaterals have been accepted at the bank as at 31 March, 2017.

- **Financial Collateral**
  - Lien/Pledge of Fixed Deposits, Term Deposits
- **Non-financial collateral**
  - Hypothecation of Stocks / Book Debts / Accounts Receivables.
  - Equitable mortgage over real estate / property / factory land & building etc.
- **Guarantees**
  - Bank Guarantees
  - Corporate Guarantees
- **Others**
  - Assignment of employment lien, retirement benefits and mortgage in case of loans to staff.

Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

Key highlights of the Bank's risk mitigation strategies and procedures for acceptance and monitoring of effectiveness of mitigation are as follows:

- Acceptance criteria for collateral are preceded by a thorough analysis on a case to case basis prior to granting a facility.
- Comprehensive analysis of collaterals is performed for assessing the liquidity and the legal aspects.
- Creation of minimum stipulations and conditions for acceptance and valuation of collaterals.
- Appropriate analysis of guarantees received, in terms of its coverage of exposure amount and associated legal documentation.
- Regular monitoring and valuation of collaterals.

Valuation

Bank has no formal policy / documentation for valuation of collaterals. However, unit visits and securities inspection of the value of the collaterals is performed annually by relationship managers in order to confirm the validity of the same, wherever deemed necessary.

Risk Concentration in CRM

- Bulk of the bank's CRM is in the form of guarantees received, i.e. unfunded CRM.
- The Bank has received guarantees mainly from parent and its overseas branches as part of credit risk mitigation.

Quantitative Disclosures

For credit risk portfolio under the standardised approach, the total exposure covered by eligible financial collateral, after application of haircuts is INR 251,881('000).MHBK has extended guarantees to its foreign corporate obligors on the basis of counter guarantee provided by its parent.

DF-6 Securitisation Exposures: Disclosure for Standardised Approach

The Bank currently does not have any exposures by way of securitization.

Qualitative Disclosures:

Bank does not have any Securitization Exposures.

Quantitative Disclosures:

NIL

DF-6 Securitisation Exposures: Disclosure for Standardised Approach

The Bank currently does not have any exposures by way of securitization.

Qualitative Disclosures:

Bank does not have any Securitization Exposures.

Quantitative Disclosures:

NIL

DF-7 Market Risk

Qualitative Disclosures

Overview of Policies and Procedures

The Investment Policy of MHBK lays down the broad investment objectives; prudential exposures limit norms, set up for considering investments, methods of follow up, accounting/auditing/review/reporting systems and authority structure to put through the deal transaction. Besides, the Bank has put in place an ALM policy, Risk Management Policy, Derivative Policy and Stress Test Policy with defined roles, authorizations, limits, etc. governing the bank's market activities.

The Bank has Risk Management Committee (RMC) as well as Asset Liability Committee (ALCO), which are responsible for giving guidelines on market risk management. The Bank has set up a Market risk Monitoring Department, to supervise the day to day monitoring requirements of various Market Related Risk parameters.

MHBK has established a very comprehensive delegation of authority across various functionaries. Policy prescribes monitoring counterparty exposure on daily basis by capturing daily exposure details and reporting of any breaches to Senior Management for taking necessary steps. MHBK policy covers regular internal audit, periodic review and reporting as per RBI guidelines and investment policy.

Interest rate risk

As per the bank's policy, all investments in Government securities are in AFS category. The investments in AFS book are mostly Treasury-bills and coupon bearing Government Securities which have only general market risk. As the bank runs a matched position in derivative instruments, the market risk from OTC derivative positions is very low. Therefore, the interest rate risk comprises only general market risk on account of long position in T-bills and coupon bearing Government securities. At present, the Bank has very small exposure to Non-SLR securities at INR 2,695.42 million as on 31st Mar 2019 including Certificate of Deposits. The interest rate risk calculations and mark to market workings including related capital computations are carried out by Market Risk Monitoring department.

Equity & commodity risk

The bank has no position in these segments.

Foreign Exchange Risk

MHBK has an aggregate net open position limit of Rs. 3,000.00 million for all currencies. The daily open positions are monitored Market Risk Monitoring department as per the Regulatory guidelines.

The Capital assessment required for market risk is computed using the Standardized Duration Method. Forex VaR on gaps is calculated and maintained on a daily basis as per FEDAI declared rates. Bank has prescribed Forex VaR limit of USD 3.50 million. The Aggregate gap limit for all Forex positions has been fixed at USD 600 million as approved by Senior Management Committee and intimated to RBI. This limit is also monitored by Market Risk Department on a daily basis.

Quantitative Disclosures

Bank's Capital Requirement for Market Risk

Summary as on 31 March 2019 is given below:

(Rs.000s)

Risk Category	Capital charge
I. Interest Rate (a+b)	257,133
a. General market risk	167,357
i) Net position (parallel shift)	125,162
ii) Horizontal disallowance (curvature)	6,652
iii) Vertical disallowance (basis)	35,543
iv) Options	-
b. Specific risk	24,330
II. Equity (a+b)	-
a. General market risk	-
b. Specific risk	-
III. Foreign Exchange & Gold	270,000
IV. Total Capital charge for Market risks (I+II+III)	**527,133**

DF-8 Operational Risk

Qualitative Disclosures

Overview of Policies and Procedures

- MHBK India has put in place separate Operational Risk Management Policy and also follows Head Office policies for Operational Risk Management. Issues Relating to Operational Risk Management (ORM) for India operations are dealt with by the Operations Planning department and Risk Management Committee.
- The Bank follows the Basic Indicator Approach for calculating Operational Risk capital charge as per Basel III / RBI guidelines.
- The operational risk management practice is governed by well-defined IT/ Operations polices and Compliance manual.
- MHBK India follows HO issued policy/procedures for Operational Risk management. HO also issues periodic circulars to cover specific areas like self-assessment, etc. which is comprehensively developed according to the parent bank's Advanced Measurement requirements.
- MHBK India exhibits sufficient responsiveness to account for underlying risks and has a defined process for tackling the same.
- The Bank has a robust IT security framework and a comprehensive Disaster Recovery Plan, which incorporates elements of Business Continuity Planning. Bank systems are well equipped to account for system failure, internet fraud, hacking attacks, etc.
- MHBK has a backup site which is sufficiently distant from base location, which is equipped with basic IT and infrastructure to resume essential functioning in low turnaround time.

Mizuho India has adopted the Basic Indicator Approach for Operational Risk. As on 31st March, 2019, the Operational Risk Capital Charge for the Bank was Rs.885,995 ('000) based on previous 3 years' average gross income.

DF-9 Interest rate risk in banking book (IRRBB)

Qualitative Disclosures

Overview of Policies and Procedures

Bank has well defined policies and strategies for management of Interest Rate Risk as part of the ALM. The Standardized duration gap methodology as prescribed by RBI has been adopted for computing interest rate risk in the banking book. Based on interest rate sensitivity, Interest rate risk in banking book is assessed on monthly basis as per RBI guidelines. Both on balance sheet and off balance sheet items are slotted to respective maturity buckets for assessing the interest rate sensitivity. On-balance sheet items are taken at book value.

Interest Rate Risk in Banking Book is derived under following two approaches

• Traditional Gap Analysis – Earnings perspective

- Duration Gap Analysis – Economic value perspective

Earning at risk is computed based on Gap analysis.

Liquidity Ratios as per RBI guidelines are monitored periodically and reported to ALCO.

Derivatives are converted into positions in the relevant underlying. The amounts considered are the principal amount of the underlying or of the notional underlying. Swaps are treated as two notional positions with relevant maturities

Capital charge:

Quantitative Disclosures

The change in Economic value of equity for 200 bps interest rate shock is Rs. 27.06 crores as on 31 March, 2019, which is 0.60% of our capital and which is much lower than the threshold of 20% prescribed by RBI. Hence, no additional capital is earmarked for IRRBB. Earnings at Risk for a 100 bps shock is Rs. 42.73 crores as on 31 March, 2019.

DF-10 General Disclosure for exposure related to counterparty credit risk

Qualitative Disclosures

The Bank process for managing and monitoring derivative and counterparty credit risk is based on its assessment of the potential future credit risk as per HO/RBI guidelines.

Counterparty limits are monitored and reported daily and internal triggers have been put in place to guard against breach in limits. Credit exposures to investments, advances, etc. are monitored separately under the prudential norms for exposure to a single borrower as per Bank's Loan policy or Investment policy as applicable.

Quantitative Disclosures

Bank does not use any collateral as risk mitigation tool for derivative exposures. The credit equivalent amounts of derivatives that are subject to risk weighting are calculated as per Current Exposure Method (CEM). The exposure of derivatives is as follows.

(Rs.000s)

Product	Notional Amount	Credit Equivalent
I. Currency Swap	101,358,343	11,372,866
II. Interest Rate Swap	52,025,689	1,117,318
III. Forex Forwards	178,768,392	5,384,089
IV. Options	4,187,650	83,753
Total Current Exposure	**336,340,075**	**17,958,026**

Table DF-11 : Composition of Capital

DATA TABLES FOR BALANCESHEET DISCLOSURE AS AT 31ST MARCH 2019

(Rs. Millions)

DF 11 – COMPOSITION OF CAPITAL AS AT MARCH 31ST, 2019			**Amounts Subject to Pre-Basel III Treatment**	**Ref No.**
Common Equity Tier 1 capital: instruments and reserves				
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	30,443		A1
2	Retained earnings	15,226		A2+A3+A4
3	Accumulated other comprehensive income (and other reserves)			
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies[1])			
	Public sector capital injections grandfathered until January 1, 2018			
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)			
6	Common Equity Tier 1 capital before regulatory adjustments	45,670		
Common Equity Tier 1 capital : regulatory adjustments				
7	Prudential valuation adjustments			
8	Goodwill (net of related tax liability)			
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	401		B1
10	Deferred tax assets[2]	331		B2
11	Cash-flow hedge reserve			

(Rs. Millions)

DF 11 – COMPOSITION OF CAPITAL AS AT MARCH 31ST, 2019			**Amounts Subject to Pre-Basel III Treatment**	**Ref No.**
12	Shortfall of provisions to expected losses			
13	Securitisation gain on sale			
14	Gains and losses due to changes in own credit risk on fair valued liabilities			
15	Defined-benefit pension fund net assets			
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)			
17	Reciprocal cross-holdings in common equity			
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)			
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)[3]			
20	Mortgage servicing rights[4] (amount above 10% threshold)			
21	Deferred tax assets arising from temporary differences[5] (amount above 10% threshold, net of related tax liability)			
22	Amount exceeding the 15% threshold[6]			
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[7] (26a+26b+26c+26d)			
26a	of which : Investments in the equity capital of unconsolidated insurance subsidiaries			
26b	of which : Investments in the equity capital of unconsolidated non-financial subsidiaries[8]			
26c	of which : Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank[9]			
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			
	of which : [INSERT TYPE OF ADJUSTMENT] For example: filtering out of unrealised losses on AFS debt securities (not relevant in Indian context)			
	of which : [INSERT TYPE OF ADJUSTMENT]			
	of which : [INSERT TYPE OF ADJUSTMENT]			
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions			

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Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

(Rs. Millions)

DF 11 – COMPOSITION OF CAPITAL AS AT MARCH 31ST, 2019			Amounts Subject to Pre-Basel III Treatment	Ref No.
28	**Total regulatory adjustments to Common equity Tier 1**	732		
29	**Common Equity Tier 1 capital (CET1)**	44,937		
Additional Tier 1 capital : instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)			
31	of which : classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)			
32	of which : classified as liabilities under applicable accounting standards (Perpetual debt Instruments)			
33	Directly issued capital instruments subject to phase out from Additional Tier 1			
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)			
35	of which : instruments issued by subsidiaries subject to phase out			
36	**Additional Tier 1 capital before regulatory adjustments**			
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments			
38	Reciprocal cross-holdings in Additional Tier 1 instruments			
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)			
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)[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 : [INSERT TYPE OF ADJUSTMENT e.g. DTAs]			
	of which : [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 1 at 50%]			
	of which : [INSERT TYPE OF ADJUSTMENT]			
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**			

(Rs. Millions)

DF 11 – COMPOSITION OF CAPITAL AS AT MARCH 31ST, 2019			Amounts Subject to Pre-Basel III Treatment	Ref No.
44	**Additional Tier 1 capital (AT1)**			
44a	**Additional Tier 1 capital reckoned for capital adequacy[11]**			
45	**Tier 1 capital (T1 = CET1 + Admissible AT1) (29 + 44a)**	44,937		
Tier 2 capital : instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	236		
47	Directly issued capital instruments subject to phase out from Tier 2			
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[12]	745		C1+C2+C3 +C4
51	**Tier 2 capital before regulatory adjustments**	981		
Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments			
53	Reciprocal cross-holdings in Tier 2 instruments			
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)			
55	Significant investments[13] 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 insurance 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 : [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 2 at 50%]			
	of which : [INSERT TYPE OF ADJUSTMENT			
57	Total regulatory adjustments to Tier 2 capital			
58	Tier 2 capital (T2)	981		
58a	Tier 2 capital reckoned for capital adequacy[14]	981		
58b	Excess Additional Tier 1 capital reckoned as Tier 2 capital			
58c	Total Tier 2 capital admissible for capital adequacy (58a + 58b)	981		

Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

(Rs. Millions)

DF 11 – COMPOSITION OF CAPITAL AS AT MARCH 31ST, 2019			Amounts Subject to Pre-Basel III Treatment	Ref No.
59	Total capital (TC = T1 + Admissible T2) (45 + 58c)	45,919		
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment			
	of which : [INSERT TYPE OF ADJUSTMENT]			
	of which : …			
60	**Total risk weighted assets (60a + 60b + 60c)**	190,807		
60a	of which : total credit risk weighted assets	173,143		
60b	of which : total market risk weighted assets	6,589		
60c	of which : total operational risk weighted assets	11,075		
Capital ratios				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	23.55%		
62	Tier 1 (as a percentage of risk weighted assets)	23.55%		
63	Total capital (as a percentage of risk weighted assets)	24.07%		
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)	5.50%		
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%		
71	National total capital minimum ratio (if different from Basel III minimum)	9.00%		
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)	745		
77	Cap on inclusion of provisions in Tier 2 under standardised approach			

(Rs. Millions)

DF 11 – COMPOSITION OF CAPITAL AS AT MARCH 31ST, 2019			Amounts Subject to Pre-Basel III Treatment	Ref No.
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)			
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)			

Note to the template

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

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Mizuho Bank Ltd., Indian Branches

(Incorporated in Japan with Limited Liability)

Table DF-12 : Composition of Capital - Reconciliation Requirements

			(Rs. Millions)	
			Balance sheet as in financial statements	**Balance sheet under regulatory scope of consolidation**
			As on reporting date	**As on reporting date**
A	**Capital & Liabilities**			
	i.	Paid-up Capital	30,443	30,443
		Reserves & Surplus	17,437	17,437
		Minority Interest	-	-
		Total Capital	47,880	47,880
	ii.	Deposits	68,305	68,305
		of which : Deposits from banks	24	24
		of which : Customer deposits	68,281	68,281
		of which : Other deposits (pl. specify)	-	-
	iii.	Borrowings	47,600	47,600
		of which : From RBI	-	-
		of which : From banks	47,600	47,600
		of which : From other institutions & agencies	-	-
		of which : Others (pl. specify)	-	-
		of which : Capital instruments	-	-
	iv.	Other liabilities & provisions	5,694	5,694
	Total		169,479	169,479
B	**Assets**			
	i.	Cash and balances with Reserve Bank of India	6,922	6,922
		Balance with banks and money at call and short notice	9,551	9,551
	ii.	Investments :	35,389	35,389
		of which : Government securities	32,693	32,693
		of which : Other approved securities	-	-
		of which : Shares	-	-
		of which : Debentures & Bonds	1,950	1,950
		of which : Subsidiaries / Joint Ventures / Associates	-	-
		of which : Others (Commercial Papers, Mutual Funds etc.)	745	745
	iii.	Loans and advances	111,606	111,606
		of which : Loans and advances to banks	12,013	12,013
		of which : Loans and advances to customers	99,593	99,593
	iv.	Fixed assets	609	609
	v.	Other assets	5,403	5,403
		of which : Goodwill and intangible assets		
		of which : Deferred tax assets	331	331
	vi.	Goodwill on consolidation	-	-
	vii.	Debit balance in Profit & Loss account	-	-
Total Assets			169,479	169,479

Step 2

Under Step 2 banks are required to expand the regulatory-scope balance sheet (revealed in Step 1) to identify all the elements that are used in the definition of capital disclosure template set out in Table DF-11 (Part I / Part II whichever, applicable). Set out below are some examples of elements that may need to be expanded for a particular banking group. The more complex the balance sheet of the bank, the more items would need to be disclosed. Each element must be given a reference number / letter that can be used in Step 3.

			(Rs. Millions)	
			Balance sheet as in financial statements	**Balance sheet under regulatory scope of consolidation**
			As on reporting date	**As on reporting date**
A	**Capital & Liabilities**			
	i.	Paid-up Capital	30,443	A1
		of which : Amount eligible for CET1	30,443	
		of which : Amount eligible for AT1		
		Reserves & Surplus	17,437	
		Statutory Reserves	4,366	A2
		Revenue Reserves	11,589	A3
		Investment Reserves Account (Includes Investment Fluctuation Reserves)	241	A4
		Balance in Profit & Loss Account	1,241	A5
		Minority Interest		
		Total Capital	47,880	
	ii.	Deposits	68,305	
		of which : Deposits from banks	24	
		of which : Customer deposits	68,281	
		of which : Other deposits (pl. specify)		
	iii.	Borrowings	47,600	
		of which : From RBI	-	
		of which : From banks	47,600	
		of which : From other institutions & agencies		
		of which : Others (pl. specify)		
		of which : Capital instruments		
	iv.	Other liabilities & provisions	5,694	
		of which :		
		Provision for standard assets	512	C1
		Provision for Country Risk	84	C2
		Provision for Un-hedge Transactions	146	C4
		Total	169,479	
B	**Assets**			
	i.	Cash and balances with Reserve Bank of India	6.922	
		Balance with banks and money at call and short notice	9,551	
	ii.	Investments :	35,389	
		of which : Government securities	32,694	
		of which : Other approved securities		
		of which : Shares		
		of which : Debentures & Bonds	1,950	
		of which : Subsidiaries / Joint Ventures / Associates		
		of which : Others (Commercial Papers, Mutual Funds etc.)	745	
	iii.	Loans and advances	111,606	
		of which : Loans and advances to banks	12,013	
		of which : Loans and advances to customers	99,593	
	iv.	Fixed assets	609	
	v.	Other assets	5,403	
		of which : Goodwill and intangible assets		
		Out of which :		
		Goodwill		
		Other intangibles (excluding MSRs)		B1
		Deferred tax assets	331	B2
	vi.	Goodwill on consolidation		
	vii.	Debit balance in Profit & Loss account		
Total Assets			169,479	

Mizuho Bank Ltd., Indian Branches
(Incorporated in Japan with Limited Liability)

Table DF-13 : Main Features of Regulatory Capital Instruments

NA

Table DF-14 : Full Terms and Conditions of Regulatory Capital Instruments

NA

Table DF-15 : Disclosure Requirements for Remuneration

NA

Table DF-16 : Equities – Disclosure for Banking Book Positions

NA

Table DF 17 - Summary comparison of accounting assets vs. leverage ratio exposure measure

	Item	(Rs. Millions)
1	Total consolidated assets as per published financial statements	169,479
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	17,965
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	-
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	50,264
7	Other adjustments	-
8	Leverage ratio exposure	198,851

Table DF-18: Leverage ratio common disclosure template

	Item	Leverage ratio framework (Rs. Millions)
	On-balance sheet exposures	
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	130,621
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	-
3	**Total on-balance sheet exposures** (excluding derivatives and SFTs) (sum of lines 1 and 2)	130,621
	Derivative exposures	
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	4,771
5	Add-on amounts for PFE associated with all derivatives transactions	13,194
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	**Total derivative exposures (sum of lines 4 to 10)**	17,965
	Securities financing transaction exposures	
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	CCR exposure for SFT assets	-
15	Agent transaction exposures	-
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	-
	Other off-balance sheet exposures	
17	Off-balance sheet exposure at gross notional amount	50,264
18	(Adjustments for conversion to credit equivalent amounts)	-
19	**Off-balance sheet items (sum of lines 17 and 18)**	50,264
	Capital and total exposures	
20	Tier 1 capital	45,666
21	Total exposures (sum of lines 3, 11, 16 and 19)	198,851
	Leverage ratio	
22	Basel III leverage ratio	22.96%