Mizuho Bank Ltd., Indian Branches

(Incorporated in Japan with Limited Liability)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF INDIAN BRANCHES OF MIZUHO BANK LIMITED IN ACCORDANCE WITH SECTION 30 OF THE BANKING REGULATION ACT, 1949

To
Chief Executive Officer
Mizuho Bank Limited, Indian Branches

Report on the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Indian Branches of Mizuho Bank Ltd. **(the Bank),** which comprises the Balance Sheet as at 31st March, 2020, the Profit and Loss Account and Cash Flow Statement for the year then ended and 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 in so far as they are applicable to the Bank and in conformity with Forms A and B (revised) of the Third Schedule to the Banking Regulation Act, 1949 as applicable, of the state of affairs of the Bank as at 31st March, 2020, its profit and its cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 opinion on the financial statements.

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

3. The Bank's Management is responsible for the other information. The other information comprises the information included in the Basel III Pillar 3 disclosures, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

5. The Bank's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, and circulars, guidelines and directions issued by the Reserve Bank of India from time to time in so far as they are applicable to the Bank, accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("The Act ") read with Rule 7 of the Companies (Accounts) Rules, 2014, in so far as they are applicable to the Bank and in conformity with Forms A and B (revised) of the Third Schedule to the Banking Regulation Act, 1949 as applicable. 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 fraud and other irregularities; selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; 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 true and fair view and are free from material misstatement, whether due to fraud or error.

6. 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.

The Bank's Management is also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

7. 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.

The description of the auditor's responsibilities for the audit of the financial statements is given in "**Appendix I**" to this report.

Report on Other Legal and Regulatory Requirements

8. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 read with Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

9. As required by sub-section (3) of section 30 of the Baking Regulation Act, 1949 and appointment letter issued by the Bank, 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) In our opinion, the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;

10. As required by Section 143(3) of the Companies Act, 2013, we further 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 purpose 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, Profit & Loss Account and Cash Flow Statement dealt with by us in the report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent they are not inconsistent with the accounting policies prescribed by Reserve Bank of India.

(e) The requirements of Section 164(2) of the Act are not applicable considering the Bank is a branch of Mizuho Bank Limited, which is incorporated in Japan with Limited Liability.

(f) With respect to the existence of the internal financial controls with reference to financial statements of the Bank and the operating effectiveness of such controls, refer to our separate Report in '**Annexure A**'.

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

(a) The Bank has disclosed the impact of pending litigations on its financial position – Refer Note No. 38 of Schedule 18 to the financial statements;

(b) The Bank has made adequate provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts - Refer Note No. 28 of Schedule 18 to the financial statements; and

12. With respect to the matter to be included in the Auditor's Report under section 197(16):

The requirements of Section 197 of the Act are not applicable considering the Bank is a branch of Mizuho Bank Limited, which is incorporated in Japan with Limited Liability.

13. We also report that:

(a) There are no significant observations or comments on financial transactions or matters which have any adverse effect on functioning of the Bank

(b) There are no qualification, reservation or adverse remark in relation to maintenance of accounts and other matters connected therewith.

For CHOKSHI & CHOKSHI LLP
Chartered Accountants
Firm Reg. No. : 101872W/W100045

Sd/-
Nilesh Joshi
Partner
Membership No. 114749

Place : Mumbai
Date: 29 June 2020

APPENDIX - I: THE FURTHER DESCRIPTION OF THE AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 Bank has 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.

ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 10(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Financial Statements of Indian Branches of Mizuho Bank Limited.)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to financial statements of INDIAN BRANCHES OF MIZUHO BANK LIMITED ("the Bank") as of 31st March 2020 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Bank's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, both issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements are in existence and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the existence of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to Financial Statements

The Bank's internal financial control with reference to financial statements 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. The Bank's internal financial control with reference to financial statements includes those policies and procedures that-

i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank;

ii. 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 authorizations of management of the Bank; and

iii. provide reasonable assurance regarding prevention or timely detection of unauthorized 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 With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Bank has, in all material respects, internal financial controls system with reference to financial statements in existence and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control with reference to financial statements 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 CHOKSHI & CHOKSHI LLP
Chartered Accountants
Firm Reg. No. : 101872W/W100045

Sd/-
Nilesh Joshi
Partner
Membership No. 114749

Place : Mumbai
Date: 29 June 2020

BALANCE SHEET

	Schedules	As on 31-Mar-20 (Rupees 000's)	As on 31-Mar-19 (Rupees 000's)
CAPITAL & LIABILITIES			
Capital	1	30,443,353	30,443,353
Reserves and Surplus	2	21,459,837	17,436,612
Deposits	3	145,059,550	68,304,850
Borrowings	4	14,733,772	47,600,010
Other Liabilities and Provisions	5	10,147,456	5,694,005
TOTAL		**221,843,968**	**169,478,830**
ASSETS			
Cash and Balance with Reserve Bank of India	6	58,967,221	6,921,572
Balances with Banks and Money at			
Call and Short Notice	7	4,357,939	9,550,926
Investments	8	52,209,618	35,389,156
Advances	9	94,155,444	111,605,860
Fixed Assets	10	597,253	608,751
Other Assets	11	11,556,493	5,402,565
TOTAL		**221,843,968**	**169,478,830**
Contingent Liabilities	12	597,239,241	405,583,760
Bills for Collection		12,383,122	7,500,609
Deaf Accounts		67	67
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 CHOKSHI & CHOKSHI LLP
Chartered Accountants
ICAI Firm Registration
No. 101872W/ W100045

For Mizuho Bank, Ltd.
Indian Branches

Sd/-
Nilesh Joshi
Partner
Membership No. 114749

Sd/-
Naohiko Oguchi
Chief Executive Officer - India

Sd/-
Titus Menezes
Accounting & Tax

Place: Mumbai
Date: 29 June 2020

PROFIT AND LOSS ACCOUNT

	Schedules	Year ended 31-Mar-20 (Rupees 000's)	Year ended 31-Mar-19 (Rupees 000's)
I **INCOME**			
Interest Earned	13	11,974,133	9,674,653
Other Income	14	3,220,453	1,339,338
TOTAL		**15,194,586**	**11,013,991**
II **EXPENDITURE**			
Interest Expended	15	6,001,481	4,368,826
Operating Expenses	16	2,628,284	2,644,383
Provisions and Contingencies	18.28	2,541,596	2,031,201
		11,171,361	**9,044,410**
III **PROFIT AND LOSS A/C**			
Net Profit for the Year		**4,023,225**	**1,969,581**
Net Profit Brought Forward		1,240,930	1,475,907
TOTAL		**5,264,155**	**3,445,488**
IV **APPROPRIATIONS**			
Transfer to Statutory Reserve		1,005,806	492,396
Transferred to Profit Retained in India for CRAR purpose		1,240,930	1,475,907
Transferred to/(from) Investment Reserve Account		-	327
Transfer to Investment Fluctuation Reserve Account		460,201	235,927
Balance carried to Balance Sheet		2,557,218	1,240,930
TOTAL		**5,264,155**	**3,445,487**
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 CHOKSHI & CHOKSHI LLP
Chartered Accountants
ICAI Firm Registration
No. 101872W/ W100045

For Mizuho Bank, Ltd.
Indian Branches

Sd/-
Nilesh Joshi
Partner
Membership No. 114749

Sd/-
Naohiko Oguchi
Chief Executive Officer - India

Sd/-
Titus Menezes
Accounting & Tax

Place: Mumbai
Date: 29 June 2020

CASH FLOW STATEMENT

Particulars	Year ended 31-Mar-20 (Rupees 000's)	Year ended 31-Mar-19 (Rupees 000's)
Cash Flow From Operating Activities		
Net Profit Before Taxes	**6,782,784**	**3,881,744**
Adjustments For:		
Depreciation on Fixed Assets	212,112	330,133
Provision on Standard Assets ((including provision towards Unhedged Foreign Currency Exposure)	68,695	136,309
(Profit)/Loss on Sale of Fixed Assets	(9,338)	145
Provision for Country Risk	(26,500)	(16,500)
Provision for Retirement Bewnefits	20,686	17,973
Provision for Depreciation on Investment	163,442	(769)
	7,211,881	**4,349,035**
Adjustments For:		
(Increase)/Decrease in Investments	(16,983,904)	(6,596,294)
(Increase)/Decrease in Advances	17,450,416	(22,703,083)
Increase/(Decrease) in Borrowings	(32,866,238)	12,815,792
Increase/(Decrease) in Deposits	76,754,700	16,172,033
(Increase)/Decrease in Other Assets	(6,153,928)	(2,027,337)
Increase/(Decrease) in Other Liabilities & Provisions	4,390,570	2,125,892
Direct taxes Paid	(2,759,560)	(1,944,455)
Net Cash Flow From Operating Activities	**47,043,937**	**2,191,583**
Cash Flow From Investing Activities		
Purchase of Fixed Assets (Net of Movement in Capital Work in Progress)	(191,275)	(30,817)
Net Cash used in Investing Activities	**(191,275)**	**(30,817)**
Cash Flow from Financing Activities		
Increase in Capital	-	-
Net Cash Generated from Financing Activities	**-**	**-**
Net Increase / (Decrease) in Cash and Cash Equivalents	**46,852,662**	**2,160,766**
Cash and Cash Equivalents at the Beginning of The Year	**16,472,498**	**14,311,731**
Cash and Cash Equivalents at Year End	**63,325,160**	**16,472,498**

Notes to the Cash Flow Statement:

		As on 31-Mar-20	As on 31-Mar-19
1	Cash and cash equivalents include the following:		
	Cash and balances with Reserve Bank of India	58,967,221	5,421,572
	Balances with bank and money at call and short notice*	**4,357,939**	**11,050,926**
		63,325,160	**16,472,498**
	*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 CHOKSHI & CHOKSHI LLP
Chartered Accountants
ICAI Firm Registration
No. 101872W/ W100045

For Mizuho Bank, Ltd.
Indian Branches

Sd/-
Nilesh Joshi
Partner
Membership No. 114749

Sd/-
Naohiko Oguchi
Chief Executive Officer - India

Sd/-
Titus Menezes
Accounting & Tax

Place: Mumbai
Date: 29 June 2020

SCHEDULES FORMING PART OF THE BALANCE SHEET

Schedule 1 - Capital	As on 31-Mar-20 (Rupees 000's)	As on 31-Mar-19 (Rupees 000's)
Head Office Account		
Opening Balance	30,443,353	30,443,353
Additions during the year	-	-
(Sum of Rs. 4,535,000 thousand [Previous year Rs. 3,950,000 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-20 (Rupees 000's)	As on 31-Mar-19 (Rupees 000's)
I Statutory Reserves		
Opening Balance	4,366,281	3,873,885
Additions during the year	1,005,806	492,396
Deductions during the year	-	-
TOTAL (I)	5,372,087	4,366,281
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	11,588,642	10,112,735
Additions during the year	1,240,930	1,475,907
Deductions during the year	-	-
TOTAL (IV)	12,829,572	11,588,642
V Investment Reserve Account		
Opening Balance	4,832	4,505
Additions during the year	-	327
Deductions during the year	-	-
TOTAL (V)	4,832	4,832
VI Investment Fluctation Reserve Account		
Opening Balance	235,927	-
Additions during the year	460,201	235,927
Deductions during the year	-	-
TOTAL (VI)	696,128	235,927
VII Balance in Profit and Loss Account	2,557,218	1,240,930
TOTAL (VII)	2,557,218	1,240,930
TOTAL (I, II, III, IV, V, VI and VII)	**21,459,837**	**17,436,612**

MIZUHOBANK/1/JUNE/20

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

Schedule 3 - Deposits	As on 31-Mar-20 (Rupees 000's)	As on 31-Mar-19 (Rupees 000's)
A I Demand Deposits		
(i) From Banks	177,992	23,821
(ii) From Others	25,617,325	16,713,359
TOTAL (I)	25,795,317	16,737,180
II Saving Bank Deposits	37,465	47,362
TOTAL (II)	37,465	47,362
III Term Deposits		
(i) From Banks	-	-
(ii) From Others	119,226,768	51,520,308
TOTAL (III)	119,226,768	51,520,308
TOTAL (I, II and III)	**145,059,550**	**68,304,850**
B (i) Deposits of Branches in India	145,059,550	68,304,850
(ii) Deposits of Branches Outside India	-	-
TOTAL (i and ii)	**145,059,550**	**68,304,850**

Schedule 4 - Borrowings	As on 31-Mar-20 (Rupees 000's)	As on 31-Mar-19 (Rupees 000's)
I Borrowings in India		
(a) Reserve Bank of India	-	-
(b) Other Banks	315,000	10,482,500
(c) Other Institutions and Agencies	-	-
II Borrowings outside India		
(i) Banks	14,418,772	37,117,510
TOTAL (I and II)	**14,733,772**	**47,600,010**
Secured Borrowing included in I & II above	-	-

Schedule 5 - Other Liabilities and Provisions	As on 31-Mar-20 (Rupees 000's)	As on 31-Mar-19 (Rupees 000's)
I Bills Payable	30,711	21,137
II Inter-Office Adjustments (net)	-	-
III Interest Accrued	627,481	491,617
Others (including Provisions) *	9,489,264	5,181,251
TOTAL (I, II, III and IV)	**10,147,456**	**5,694,005**

* includes Provision for Standard Assets Rs. 533,000 thousand (Previous year: Rs. 511,500 thousand) & Provision for Unhedge Foreign Currency Exposure Rs. 183,765 thousand (Previous year: Rs. 145,700 thousand)

Schedule 6 - Cash and Balances with Reserve Bank of India	As on 31-Mar-20 (Rupees 000's)	As on 31-Mar-19 (Rupees 000's)
I Cash in Hand	6,823	3,532
(Including Foreign Currency Notes - Nil [Previous year - Nil])		
II Balances with Reserve Bank of India		
(i) in Current Accounts	5,710,398	5,418,040
(ii) in Other Accounts	53,250,000	1,500,000
TOTAL (I and II)	**58,967,221**	**6,921,572**

Schedule - 7 Balances with Banks & Money at Call and Short Notice	As on 31-Mar-20 (Rupees 000's)	As on 31-Mar-19 (Rupees 000's)
I In India		
(a) Balance with Banks		
(i) in Current Accounts	9,831	21,036
(ii) in Other Accounts	-	-
(b) Money at Call and Short Notice		
(i) With Banks	1,000,000	-
(ii) With Other Institutions	-	-
TOTAL (a and b)	1,009,831	21,036
II Outside India		
(a) In Current Accounts	3,348,108	3,029,320
(b) In Other Deposit Accounts	-	-
(c) Money at Call and Short Notice	-	6,500,570
TOTAL (a, b and c)	3,348,108	9,529,890
TOTAL (I and II)	**4,357,939**	**9,550,926**

Schedule 8 - Investments	As on 31-Mar-20 (Rupees 000's)	As on 31-Mar-19 (Rupees 000's)
I Investments in India in		
(a) Government Securities *	50,176,346	32,693,733
(b) Other Approved Securities	-	-
(c) Shares	-	-
(d) Debentures and Bonds**	1,950,000	1,950,000
(e) Subsidiaries and/or Joint Ventures	-	-
(f) Others	246,714	745,423
TOTAL GROSS VALUE (a, b, c, d, e and f)	52,373,060	35,389,156
Less: Provisions for Diminution in Value	(163,442)	-
TOTAL NET VALUE	52,209,618	35,389,156
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)	**52,209,618**	**35,389,156**

* Includes securities of face value Rs. 4,535,000 thousand (Previous year: Rs 3,950,000 thousand) held with Reserve Bank of India under Section 11(2)(b) of the Banking Regulation Act, 1949 and securities aggregating face value Rs 3,505,000 thousand (Previous year Rs 3,431,000 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-20 (Rupees 000's)	As on 31-Mar-19 (Rupees 000's)
A (i) Bills Purchased and Discounted	8,624,562	14,307,351
(ii) Cash credits, Overdrafts and Loans Repayable on demand	71,595,232	83,055,851
(iii) Term Loans	13,935,650	14,242,658
TOTAL	**94,155,444**	**111,605,860**
B (i) Secured by Tangible Assets (incl. Book Debts)	10,546,631	14,547,432
(ii) Covered by Bank/Government Guarantees	-	-
(iii) Unsecured	83,608,813	97,058,428
TOTAL	**94,155,444**	**111,605,860**
C (I) Advances in India		
(a) Priority Sectors	22,439,743	36,232,545
(b) Public Sectors	-	-
(c) Banks	4,855,494	12,012,634
(d) Others	66,860,207	63,360,681
TOTAL	**94,155,444**	**111,605,860**
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))	**94,155,444**	**111,605,860**

Schedule 10 - Fixed Assets	As on 31-Mar-20 (Rupees 000's)	As on 31-Mar-19 (Rupees 000's)
I Leasehold Improvements		
At cost as on 31st March of the preceding year	64,381	180,955
Additions during the year	-	4,108
Deductions during the year	-	-
Depreciation to date	(64,381)	(120,682)
TOTAL	-	64,381
II Other Fixed Assets (Including Furniture and Fixtures)		
At cost as on 31st March of the preceding year	532,540	699,259
Additions during the year	32,500	45,677
Deductions during the year	(22,001)	(2,946)
Depreciation to date	(147,731)	(209,450)
TOTAL	395,308	532,540
III Capital Work in Progress	201,945	11,830
TOTAL (I II & III)	**597,253**	**608,751**

Schedule 11 - Other Assets	As on 31-Mar-20 (Rupees 000's)	As on 31-Mar-19 (Rupees 000's)
I Inter-office adjustments (net)	-	-
II Interest accrued	952,956	605,993
III Tax paid in advance/tax deducted at source [Net of provision for tax Rs -17,647,316 thousand (Previous year Rs.14,887,755 thousand)]	60,238	60,238
IV Stationery and stamps	-	-
V Non-banking assets acquired in satisfaction of claims	-	-
VI Others *	10,543,299	4,736,334
TOTAL	**11,556,493**	**5,402,565**

* Others include Deferred Tax Asset (net of Deferred Tax Liabilities) of Rs 754,820 thousand (Previous year: Rs. 331,218 thousand)

Schedule 12 - Contingent Liabilities	As on 31-Mar-20 (Rupees 000's)	As on 31-Mar-19 (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)	189,191,353	179,252,665
b) Currency Swaps/Interest Rate Swaps/Options*	350,733,425	157,522,984
IV Guarantees given on behalf of constituents		
(a) In India	22,645,857	21,442,033
(b) Outside India	21,553,813	23,394,722
V Acceptances, endorsements and other obligations	13,114,793	23,971,356
VI Other items for which the bank is contingently liable	-	-
TOTAL	**597,239,241**	**405,583,760**

* Represents Notional Amounts

Schedule 13 - Interest Earned	Year ended 31-Mar-20 (Rupees 000's)	Year ended 31-Mar-19 (Rupees 000's)
I Interest/discount on advances/bills	7,980,802	7,304,085
II Income on investments	2,729,130	2,160,132
III Interest on balances with Reserve Bank of India and Other inter-bank funds	1,227,942	189,136
IV Others	36,259	21,300
TOTAL	**11,974,133**	**9,674,653**

Schedule 14 - Other Income	Year ended 31-Mar-20 (Rupees 000's)	Year ended 31-Mar-19 (Rupees 000's)
I Commission, exchange and brokerage	799,067	783,258
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)	9,338	(146)
V Profit /(Loss)on exchange/derivative transactions(net)	2,411,612	556,124
VI Income earned by way of dividend etc. from subsidiaries/companies and	-	-
/or joint ventures abroad/in india	-	-
VII Miscellaneous income	436	102
TOTAL	**3,220,453**	**1,339,338**

Schedule 15 - Interest Expended	Year ended 31-Mar-20 (Rupees 000's)	Year ended 31-Mar-19 (Rupees 000's)
I Interest on deposits	5,007,764	3,140,911
II Interest on Reserve Bank of India/inter-bank borrowings	914,529	1,129,689
III Others	79,188	98,226
TOTAL	**6,001,481**	**4,368,826**

Schedule 16 - Operating Expenses	Year ended 31-Mar-20 (Rupees 000's)	Year ended 31-Mar-19 (Rupees 000's)
I Payments to and provisions for employees	1,195,154	1,127,840
II Rent, taxes and lighting	348,220	401,033
III Printing and stationery	3,940	4,757
IV Advertisement and publicity	-	-
V Depreciation on Bank's property	212,112	330,132
VI Director's fees, allowances and expenses	-	-
VII Auditor's fees and expenses	2,445	4,225
VIII Law charges	28,324	15,211
IX Postage, telegrams, telephones, etc.	40,725	22,434
X Repairs and maintenance	74,120	54,720
XI Insurance	85,278	64,576
XII Other expenditure	637,966	619,455
TOTAL	**2,628,284**	**2,644,383**

Schedule 17: Significant Accounting Policies

I. Background

The Mizuho Bank, Ltd. (MHBK) is the subsidiary of Mizuho Financial Group Inc. incorporated in the Japan with limited liability. It has been granted licence by Reserve Bank of India (RBI) to carry on banking business in India. The Bank has commenced its operations in India from year 1996. MHBK has two business lines in India: 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. The financial statements for the year ended 31 March, 2020 comprise the accounts of the Indian branches of Mizuho Bank Limited viz., Mumbai, Delhi, Bangalore, Chennai and Ahmedabad.

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 on Going Concern basis, unless otherwise stated and comply in all material aspects with generally accepted accounting principles in India (IGAAP), 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 as on 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 for specified maturities 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 closing spot 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 and subsequent shifting is done in conformity with regulatory guidelines.

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 (HTM):

Government securities, debentures and bonds 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 (AFS) and Held for Trading (HFT):

Investments held under AFS and HFT categories are individually revalued 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 recognised in the Profit and Loss Account. The profit from sale of investment under HTM category, if any, net of taxes and transfer to statutory reserve is appropriated from Statement of Profit and Loss to "Capital Reserve" in accordance with the RBI Guidelines.

Investments are classified as performing and non-performing, based on the guidelines issued by RBI.

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 and Derivative Exposures as per RBI guidelines.

VIII. Fixed assets and depreciation

Fixed assets are stated at their historical cost less accumulated depreciation / amortisation 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	Primary Period of Lease
i. Improvements to leasehold property	
ii. Centralised air conditioner	
iii. Fire alarm system	
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	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. Assets costing less than INR 70,000 (YEN 100,000) are fully charged to the Profit & Loss Account in the year of purchase.

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 eight risk categories namely insignificant, low risk, moderately low risk, moderate risk, moderately high risk, high risk, very high risk, and restricted 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.

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MIZUHO

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

SCHEDULES 18 - NOTES TO ACCOUNTS

1. **Capital adequacy**

The Bank's capital adequacy ratio as on 31 March 2020 computed under Basel III framework is given below:

Particulars	As on 31 March 2020	As on 31 March 2019
(i) CRAR (%)	19.42%	24.45%
(ii) Common Equity Tier I Capital Ratio (%)	18.83%	23.93%
(iii) CRAR – Tier I Capital (%)	18.83%	23.93%
(iv) CRAR – Tier II Capital (%)	0.58%	0.51%
(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 2020	As on 31 March 2019
A) Gross value of Investments		
a) In India	52,373,060	35,389,156
b) Outside India	-	-
Less:-		
B) Provision for Depreciation/Non-Performing Investments		
a) In India	163,442	-
b) Outside India	-	-
C) Net value of Investments (A-B)		
a) In India	52,209,618	35,389,156
b) Outside India	-	-

2.2 Movement of provisions held towards depreciation on investments: (Rs.000s)

Particulars	As on 31 March 2020	As on 31 March 2019
Opening balance	-	769
Add: Provisions made during the year	163,442	-
Less: Write offs/write back of excess provisions during the year	-	769
Closing balance	163,442	-

2.3 Details of securities sold/purchase (In face value term) during the year ended 31 March 2020 and 31 March 2019 under Repo's/Reverse Repo's including LAF and MSF transactions:

Year Ended 31 March 2020 (Rs.000s)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31 March 2020
Securities sold under repo				
i. Government securities	20,250	905,494	512,154	-
ii. Corporate debt securities	-	-	-	-
Securities purchased under reverse repo				
i. Government securities	226,100	259,165,760	5,811,209	49,919,100
ii. Corporate debt securities	-	-	-	-

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	-	-	-	-

2.4 Details of Non-SLR Investments Portfolio

(i) (a) Issuer composition as at 31 March 2020 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	2,46,714	-	-	-	-
vii.	Provision held towards depreciation/non-performing investments	-				
	Total	**2,196,714**	**1,950,000**	**-**	**-**	**-**

* Others include investment in CD with banks

(i) (b) 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

(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

As per the present policy of the Bank, all securities are categorized as Available for Sale and no securities are categorized under HTM or HFT category.

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 2020	As on 31 March 2019
The notional principal of swap agreements	327,789,869	153,335,333
Losses which could be incurred if the counterparties failed to fulfil their obligations under the agreements**	8,089,552	3,254,880
Collateral required by the Bank upon entering into swaps*	-	-
Concentration of credit risk arising from the swaps # - Interest Rate Swaps (Banks) - Interest Rate Swaps (NBFCs) - Cross Currency Swaps (Banks)	 37.23% 39.17% 70.76%	 42.26% 13.67% 62.89%
The fair value of the swap book - Interest Rate Swap - Cross Currency Swap	 139,796 454,106	 142,805 228,519

*As per prevailing market practice, generally collateral is not insisted upon from the counterparties.
** Including Hedging Swap amounting to Rs. 175,079 ('000) as on 31 March 2020 and Rs. 34 ('000) as on 31 March 2019.
# Maximum single industry exposure for IRS and CCS

(b) The nature and terms of the CCS as on 31 March 2020 are set out below:

(Rs.000s)

Nature	Nos.	Notional principal	Benchmark	Terms
Trading Swaps	56	51,674,293	USD Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	55	55,207,385	USD Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	6	8,217,921	JPY Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	6	8,584,675	JPY Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	7	621,494	EUR Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	7	594,278	EUR Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	1	7,659,630	MIBOR	Fixed Payable v/s Floating Receivable
Trading Swaps	2	6,925,600	MIBOR	Floating Payable v/s Fixed Receivable
Trading Swaps	33	52,695,102	-	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 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

(c) The nature and terms of the IRS as on 31 March 2020 are set out below:

(Rs.000s)

Nature	Nos.	Notional principal	Benchmark	Terms
Trading Swaps	25	22,000,000	MIBOR	Floating Payable v/s Fixed Receivable
Trading Swaps	15	21,500,000	MIBOR	Fixed Payable v/s Floating Receivable
Trading Swaps	17	39,041,154	USD Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	17	39,041,154	USD Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	3	5,788,591	JPY Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	3	5,788,591	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 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

(e) **Nature & Terms of Forward Rate Agreements:**

Outstanding as at 31 March 2020: 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 2020 (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
- Settlement 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 2020				As on 31 March 2019			
		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	2,993,488	-	1,950,000	500,000	-	-
b)	For trading	192,180,379	133,159,490	186,197,865	22,943,556	99,359,644	51,525,689	180,772,094	4,187,650
(ii)	Mark to Market Positions								
a)	Asset (+)	6,122,666	1,966,886	3,240,986	530,005	2,795,504	459,375	1,509,667	9,790
b)	Liability (-)	(5,668,560)	(1,827,090)	(3,053,690)	(530,005)	(2,566,985)	(316,571)	(1,813,562)	(9,639)
(iii)	Credit Exposure	24,385,781	3,400,640	9,265,481	1,203,063	11,372,866	1,117,318	5,384,120	42,491
(iv)	Likely impact of one percentage change in interest rate (100*PV01)*								
a)	On hedging derivatives	(3,117)	(187)	(13,768)	-	1,582	(6,119)	-	-
b)	On trading derivatives	(33,765)	27,626	(2,118)	-	(28,781)	7,286	343	-
(v)	Maximum and Minimum of 100*PV01 observed during the year *								
a)	On hedging – Maximum Minimum	 (3117) (19,416)	 (187) (585)	 (11,680) (33,479)	 - -	 4,785 56	 - (6,119)	 - -	 - -
b)	On trading – Maximum Minimum	 (21,183) (36,023)	 33,195 9,392	 1,284 (8,405)	 - -	 3,846 (64,648)	 9,488 7,286	 2,239 (193)	 - -

* 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 2020 is 0% (31 March 2019 – 0%)

ii. Movement in gross non-performing assets is set out below:

(Rs.000s)

Particulars	As at 31 March 2020	As at 31 March 2019
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 2020	As on 31 March 2019
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 2020	As on 31 March 2019
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 2020	As at 31 March 2019
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 2020.

vii. Disclosure on Scheme for Sustainable Structuring of Stressed Assets (S4A) as at 31 March, 2020

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, 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					

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'19 - March'20	-	-	-	-	-
April'18 - March'19	-	-	-	-	-

ix. Disclosure on Strategic Debt Restructuring Scheme (accounts which are currently under the stand-still period) as at 31 March 2020.

No. of accounts where SDR has been invoked	Amount outstanding as at 31 March 2020		Amount outstanding as at 31 March 2020 with respect to accounts where conversion of debt to equity is pending		Amount outstanding as at 31 March 2020 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 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						

x. Disclosure on change in ownership outside SDR Scheme (accounts which are currently under the stand-still period) as at 31 March 2020.

No. of accounts where banks have decided to effect change in ownership	Amount outstanding as at 31 March 2020		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 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								

xi. Disclosure on Change in ownership of Project under Implementation (accounts which are currently under the stand-still Period) as at 31 March 2020.

No. of project loan accounts where banks have decided to effect change in ownership	Amount outstanding as at 31 March 2020		
	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 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
-	-	-	-

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MIZUHO

Mizuho Bank Ltd., Indian Branches

(Incorporated in Japan with Limited Liability)

5.2 Particulars of Accounts Restructured

31 March 2020

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	Doubt Ful	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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	Doubt Ful	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		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. 716,765 ('000s) (Includes provision towards Unhedged Foreign Currency Exposure of Rs.183,765 ('000s)) {Previous Year – Rs. 657,200 ('000s) (Includes provision towards Unhedged Foreign Currency Exposure of Rs. 145,700 ('000s)}

6. Business Ratios

Particulars	As at 31 March 2020	As at 31 March 2019
Interest income as a percentage to working funds #	6.07%	6.16%
Non-interest income as a percentage to working funds #	1.63%	0.85%
Operating profit as a percentage to working funds ##, #	3.33%	2.55%
Return on assets (based on average working funds) $	2.04%	1.25%
Business (deposits plus advances) per employee (Rs.in Cr.) @ *	79.74%	54.19
Profit per employee (Rs.in Cr.) *	1.20	0.59
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 2020 (Rs.000s)

Maturity Buckets	Deposits	Advances	Investments	Borrowings	Foreign currency assets	Foreign currency liabilities
Day 1	-	-	-	-	-	-
2 to 7 days	29,698,180	11,533,970	19,613,099	755,915	3,472,310	4,053,423
8 to 14 days	14,396,413	4,285,416	8,799,609	2,053,798	99,672	1,849,693
15 to 30 days	32,081,030	19,988,489	5,632,253	1,832,441	2,202,716	1,853,595
31 days to 2 months	17,516,896	9,973,850	5,210,728	3,636,932	1,963,675	3,696,137
2 to 3 months	20,052,850	17,721,211	2,199,612	1,451,304	2,220,073	1,451,569
3 to 6 months	5,953,999	12,321,815	2,698,411	1,976,784	3,364,520	1,980,897
6 months to 1 year	5,769,194	6,521,298	1,568,022	3,026,600	609,877	3,050,880
1 to 3 years	19,590,988	8,313,227	2,959,309	-	-	-
3 to 5 years	-	2,965,217	-	-	-	-
Above 5 years	-	530,951	3,528,575	-	11,245,952	11,105,729
Total	**145,059,550**	**94,155,444**	**52,209,618**	**14,733,772**	**25,178,795**	**29,041,923**

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 2019 (Rs.000s)

Maturity Buckets	Deposits	Advances	Investments	Borrowings	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.

8. Exposures

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

Particulars	As on 31 March 2020	As on 31 March 2019
1) *Direct exposure*		
(i) Residential mortgages	4,878	5,114
- of which housing loans upto Rs. 20 lakhs*	1,665	1,760
(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)	1,742,879	-
Total exposure to real estate sector	**1,747,757**	**5,114**

*These are housing loans given to staff.

8.2 Exposure to Capital Market

The lending to capital market sector as at 31 March 2020 is Nil {Previous Year Nil}. 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 2020	Provision held as on 31 March 2020	Exposure (Net) as on 31 March 2019	Provision held as on 31 March 2019
Insignificant	23,668,401	57,000	31,930,034	80,045
Low	22,915	-	1,382,379	3,455
Moderate	-	-	-	-
High	-	-	-	-
Very high	-	-	-	-
Restricted	-	-	-	-
Off-credit	-	-	-	-
Total	23,691,316	57,000	33,312,413	83,500

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

RBI vide their master circular no. DBR.No.BP.BC.43/21.01.003/2018-19 dated 3 June 2019 has prescribed exposure limits for Banks in respect of their lending to Single and Group Borrowers. The Exposure limits prescribed are 20% of the Tier I Capital in case of Single Borrower and 25% of the Tier I Capital 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 Tier I Capital in case of Single Borrower.

During the Year ended 31 March 2020, 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 Sanctioned	% of excess limit over original ceiling	Exposure Ceiling as on 31 March 2020	Exposure as on 31 March 2020
NIL					

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 Sanctioned	% 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

8.5 Unsecured advances against intangible assets

During the year ended 31 March 2020 and 31 March 2019 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 2020 and 31 March 2019, 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 2020, 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 2020. Accordingly, during the year ended 31 March 2020, the Bank has made an appropriation of Rs 460,201 ('000) (Previous Year 235,927 ('000)), to the IFR from the Profit and Loss Account.

13. Disclosure of complaints:

(A) Customer Complaints

	Particulars	31 March 2020	31 March 2019
(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 2020	31 March 2019
(a)	No. of unimplemented Awards at the beginning of the year	-	-
(b)	No. of Awards passed by the Banking Ombudsman 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 2020 was 100% (Previous year: 100%)

16. Priority Sector Lending Certificate (PSLC)

During the year ended 31 March 2020 the Bank purchased PSLC- Micro amounting to Rs 1,250,000 ('000) and PSLC-General amounting to Rs 6,250,000 ('000) (Previous Year Nil).

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 2020	As on 31 March 2019
Total Deposits of twenty largest depositors	88,001,251	40,352,543
Percentage of Deposits of twenty largest depositors to Total deposits of the Bank	60.67%	59.08%

18.2 Concentration of Advances (Rs.000s)

Particulars	As on 31 March 2020	As on 31 March 2019
Total Advances of twenty largest borrowers #	73,230,123	116,913,568
Percentage of Advances of twenty largest borrowers to Total Advances of the Bank	39.87%	33.62%

Advances represent credit exposure (funded & Non funded) including derivatives exposure and investment exposure.

18.3 Concentration of Exposures (Rs.000s)

Particulars	As on 31 March 2020	As on 31 March 2019
Total exposure of twenty largest borrowers #	82,648,785	152,147,553
Percentage of exposure of twenty largest borrowers to Total exposure of the Bank	45.00%	43.76%

1. # Exposure includes credit exposure (funded & Non funded), derivatives exposure, investment exposure as defined by RBI.
2. Exposure is calculated on Group borrower limit.

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

Particulars	As on 31 March 2020	As on 31 March 2019
Total Exposure to NPA accounts	63,400	63,400

Note – There is only one NPA accounts which represent exposure to Gross NPA

19. Sector wise advances (Rs.000s)

Sl No	Sector	As on 31 March 2020			As on 31 March 2019		
		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	16,396,352	63,400	0.39%	27,922,948	63,400	0.23%
3	Services	6,106,791	-	-	8,372,997	-	-
4	Personal Loans	-	-	-	-	-	-
	Sub Total (A)	**22,503,143**	**63,400**	**0.28%**	**36,295,945**	**63,400**	**0.17%**
B	**Non Priority Sector**						
1	Agriculture & allied activity	-	-	-	-	-	-
2	Industry	36,475,287	-	-	34,305,757	-	-
3	Services	35,183,503	-	-	41,015,200	-	-
4	Personal Loans	56,912	-	-	52,358	-	-
	Sub Total (B)	**71,715,702**			**75,373,315**	**-**	**-**
	Total (A + B)	**94,218,845**	**63,400**	**0.07%**	**111,669,260**	**63,400**	**0.06%**

Represents Gross Advances

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MIZUHO

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

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

Sl No	Sector	As on 31 March 2020			As on 31 March 2019		
		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	17435,242	-	-	19,065,326	-	-
2.2	Chemicals & Pharmaceuticals	3,149,972	-	-	13,170,465	-	-
2.3	All Engineering	9,045,232	-	-	-	-	-
2.4	Petroleum Products	-			-	-	-
2.5	All Others (Manufacturing)	23,291,193	63,400	0.27%	34,452,915	63,400	0.18%
	Sub Total (2)	**52,871,639**	**63,400**	**0.12%**	**66,688,706**	**63,400**	**0.10%**
3	**Services (3.1+3.2)**						
3.1	NBFCs	16,635,280	-	-	18,180,333	-	-
3.2	Banks	4,855,494	-	-	12,012,634	-	-
3.3	Trade – Wholesale Trade	4,891,586	-	-	5,220,066	-	-
3.4	All Others (Services)	14,907,934	-	-	9,515,165	-	-
	Sub Total (3)	**41,290,294**	**-**	**-**	**44,928,198**	**-**	**-**
4	Personal Loans	56,912	-	-	52,358	-	-
	Gross Advances	**94,218,845**	**63,400**	**0.07%**	**111,669,262**	**63,400**	**0.06%**

Represents Gross Advances

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

Particulars	As at 31 March 2020	As at 31 March 2019
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 2020, outstanding receivables acquired by the Bank under factoring stood at Rs. 2,037,956 (000s) (Previous year Rs. 1,364,786 (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. 52,265 (000s) for the year ended 31 March 2020 {Previous Year - Rs. 49,404 (000s)}.

(b) Compensated absences

The Bank has an amount of Rs. 26,739 (000s) as liability for compensated absences for the year ended 31 March 2020 and previous Year the Bank has an amount of Rs. 27,084 (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 2020		Year ended 31 March 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	12,289	7,408	12,620	6,980
Interest on defined benefit assets	7,288	1,870	6,878	1,825
Net actuarial losses/(gains) recognized in the year	7,820	(5,995)	1,462	(4,207)
Expected return on plan assets	(9,994)	-	(7,584)	-
Past service cost	-	-	-	-
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	**17,403**	**3,283**	**13,376**	**4,598**

Balance Sheet (Rs.000s)

Particulars	As on 31 March 2020		As on 31 March 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of funded obligations	116,883	26,739	107,045	27,083
Fair value of plan assets	(147,297)	-	(128,981)	-
Present value of unfunded obligations	-	-	-	-
Unrecognized past service cost	-	-	-	-
Net liability / (Asset)	**(30,414)**	**26,739**	**(21,936)**	**27,083**

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

(Rs.000s)

Particulars	As on 31 March 2020		As on 31 March 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Changes in defined benefit obligation*	-	-	-	-
Opening defined benefit obligation	107,045	27,084	94,175	25,531
Current service cost	12,289	7,408	12,620	6,980
Interest cost	7,289	1,870	6,878	1,825
Actuarial losses/(gains)	7,370	(5,996)	716	(4,207)
Benefit paid	(17,110)	(3,627)	(7,344)	(3,046)
Closing defined benefit obligation	**116,883**	**26,739**	**107,045**	**27,083**

** 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 2020		As on 31 March 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Changes in fair value of assets*	-	-	-	-
Opening fair value of plan assets	128,981	-	94,614	-
Expected return on plan assets	9,994	-	7,584	-
Actuarial gains/(losses)	(449)	-	(745)	-
Assets distributed on settlements / Acquisition adjustment	2000	-	-	-
Contribution by the Bank	23,881	-	34,872	-
Benefit paid	(17,110)	-	(7,344)	-
Closing fair value of plan assets	**147,297**	**-**	**128,981**	**-**
Actual Return on Plan Assets	9,544	-	6,839	-

** 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 2020	As on 31 March 2019
Issuer managed funds	100.00%	100.00%

Principal actuarial assumptions at the balance sheet date:

Particulars	As on 31 March 2020		As on 31 March 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (p.a.)	6.70%	6.70%	7.40%	7.40%
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 2016	As on 31 March 2017	As on 31 March 2018	As on 31 March 2019	As on 31 March 2020
1) Present Value of Defined Benefit Obligation	53,963	67,185	94,175	107,045	116,883
2) Fair Value of Plan Assets	(38,571)	(30,867)	(94,614)	(128,981)	(147,297)
3) (Surplus)/Deficit	15,392	36,318	(439)	(21,936)	(30,414)
4) Experience adjustment on Plan Liability (Gain)/Loss	(8,730)	9,092	(1,753)	(901)	1,267
5) Experience adjustment on Plan Assets (Gain)/Loss	30	-	286	745	449

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	6,404,943	2,486,555	8,789,643	8,527,436	15,194,586	11,013,991
Result	5,814,210	1,767,566	544,974	2,114,177	6,359,184	3,881,743
Unallocated expenses					-	-
Operating Profit					6,359,184	3,881,743
Income taxes					2,335,959	1,912,162
Extraordinary profit/ loss	-	-	-	-	-	-
Net profit					4,023,225	1,969,581
Other information:	-	-	-	-	-	-
Segment assets	125,716,181	51,134,442	95,312,729	117,952,934	221,028,910	169,087,376
Unallocated Assets					815,058	391,454
Total assets					221,843,968	169,478,830
Segment liabilities	14,255,618	21,581,516	155,685,160	100,017,348	169,940,778	121,598,864
Unallocated liabilities					-	-
Total Liabilities (excluding Capital and Reserve & Surplus)					169,940,778	121,598,864
Capital and Reserve & Surplus					51,903,190	47,879,966

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 2020	As on 31 March 2019
Future lease rentals payable as at the end of the year:	**687,591**	**924,441**
- Not later than one year	290,071	275,246
- Later than one year and not later than five years	397,521	649,195
- Later than five years	-	-
Total of minimum lease payments recognized in the profit and loss account for the year	316,416	315,184
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 2020	As on 31 March 2019
Deferred tax assets on account of provision for retirement benefits	25,831	24,845
Deferred tax assets on account of depreciation on fixed assets	291,393	276,417
Deferred tax assets on others	437,597	29,958
Net deferred tax asset/(liability)	**754,821**	**331,220**

28. Provisions and Contingencies

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

(Rs.000s)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Provision for income tax		
- Current tax for the year	2,759,560	1,944,000
- Deferred tax for the year	(423,601)	(31,838)
Provision for wealth tax	-	-
Provision for non-performing advances and investments	-	-
Provision towards standard assets	21,500	107,050
Provision for depreciation in value of investments	163,442	(769)
Provision for country risk	(26,500)	(16,500)
Provision for unhedged foreign currency exposure	38,065	29,258
Provision For Large Exposure Through Market Mechanism	9,130	-
Total	**2,541,596**	**2,031,201**

29. Provident Fund ruling

The Hon'ble Supreme Court of India issued an order dated February 28, 2020 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. 183,765 (000's) (Previous year Rs. 145,700 (000's)) and incremental capital of Rs. 573,032 (000's) (Previous year Rs. 257,550 (000's)) on account of UFCE of its borrowers as of 31 Mar 2020.

35. Liquidity Coverage Ratio (Rs.000s)

		Q1 Avg 2019-20		Q2 Avg 2019-20		Q3 Avg 2019-20		Q4 Avg 2019-20	
		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)	33,662,029	33,662,029	33,374,786	33,374,786	55,967,061	55,967,061	93,874,693	93,887,538
Cash Outflows									
2	Retail deposits and deposits from small business customers, of which:	42,546	4,255	46,758	4,676	46,087	4,609	43,422	4,342
(i)	Stable deposits	-	-	-	-	-	-	-	-
(ii)	Less stable deposits	42,546	4,255	46,758	4,676	46,087	4,609	43,422	4,342
3	Unsecured wholesale funding, of which:	98,411,298	45,662,548	92,500,935	40,432,721	124,788,350	57,304,530	159,993,077	69,711,810
(i)	Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii)	Non-operational deposits (all counterparties)	87,914,584	35,165,834	86,780,356	34,712,142	112,473,033	44,989,213	150,468,778	60,187,511
(iii)	Unsecured debt	10,496,714	10,496,714	5,720,579	5,720,579	12,315,317	12,315,317	9,524,299	9,524,299
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which	18,533,636	2,624,175	16,751,228	2,215,597	14,133,934	1,856,782	15,912,539	2,377,912
(i)	Outflows related to derivative exposures and other collateral requirements	856,457	856,457	600,527	600,527	492,654	492,654	874,065	874,065
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facility	17,677,179	1,767,718	16,150,701	1,615,070	13,641,280	1,364,128	15,038,474	1,503,847
6	Other contractual funding obligations	862,038	862,038	666,889	666,889	1,687,897	1,687,897	1,068,736	1,068,736
7	Other contingent funding obligations	64,226,388	1,926,792	60,148,603	1,804,458	58,617,276	1,758,518	55,114,863	1,653,446
8	**Total Cash Outflows**	182,075,907	51,079,808	170,114,412	45,124,342	199,273,544	62,612,336	232,132,637	74,816,246
Cash Inflows									
9	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	56,664,951	29,826,511	45,973,931	23,936,132	48,386,584	24,591,189	52,812,505	26,734,704
11	Other cash inflows	1,396,674	1,094,434	1,160,354	894,782	1,127,286	804,910	1,626,236	1,301,697
12	Total Cash Inflows	58,061,625	30,920,945	47,134,285	24,830,914	49,513,870	25,396,099	54,438,741	28,036,401
13	TOTAL HQLA	33,662,029	33,662,029	33,374,786	33,374,786	55,967,061	55,967,061	93,874,693	93,887,538
14	Total Net Cash Outflows	124,014,282	20,158,863	122,980,127	20,293,428	149,759,674	37,216,237	177,693,896	46,779,845
15	Liquidity Coverage Ratio (%)	**166.98%**		**164.46%**		**150.38%**		**200.70%**	

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MIZUHO

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

(Rs.000s)

		Year ended 31 March 2020	
		Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets			
1	Total High Quality Liquid Assets (HQLA)	54,219,642	54,222,854
Cash Outflows			
2	Retail deposits and deposits from small business customers, of which:	44,703	4,470
(i)	Stable deposits	-	-
(ii)	Less stable deposits	44,703	4,470
3	Unsecured wholesale funding, of which:	118,923,415	53,277,902
(i)	Operational deposits (all counterparties)	-	-
(ii)	Non-operational deposits (all counterparties)	109,409,188	43,763,675
(iii)	Unsecured debt	9,514,227	9,514,227
4	Secured wholesale funding	-	-
5	Additional requirements, of which	16,332,834	2,268,617
(i)	Outflows related to derivative exposures and other collateral requirements	705,926	705,926
(ii)	Outflows related to loss of funding on debt products	-	-
(iii)	Credit and liquidity facility	15,626,908	1,562,691
6	Other contractual funding obligations	1,071,390	1,071,390
7	Other contingent funding obligations	59,526,782	1,785,803
8	**Total Cash Outflows**	195,899,124	58,408,182
Cash Inflows			
9	Secured lending (e.g. reverse repos)	-	-
10	Inflows from fully performing exposures	50,959,493	26,272,134
11	Other cash inflows	1,327,637	1,023,956
12	Total Cash Inflows	52,287,130	27,296,090
13	TOTAL HQLA	54,219,642	54,222,854
14	Total Net Cash Outflows	143,611,994	31,112,091
15	Liquidity Coverage Ratio (%)	**174.28%**	

1. Main drivers of LCR computation: The Liquidity Coverage Ratio is mainly impacted by the outflow of deposits and Inter Bank 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 and also coupon bearing Government securities due to its high liquidity in the market to improve the LCR ratio.
2. The LCR during the year 2019-20 has been maintained much above the Regulatory requirement of 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. In order to have a healthy liquidity position and also to minimize the Liquidity Risk, bank has a policy of monitoring the LCR on daily basis and place the results on daily basis before the Management
7. The average monthly LCR maintained during the year has been furnished in the below table.
8. LCR 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.

(Figure in %)

Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
149.53%	188.40%	166.34%	187.03%	161.83%	148.21%	147.61%	153.66%	149.46%	169.16%	222.28%	205.81%

(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
(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	28,018,742	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%**	

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 2019-19 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.
7. LCR 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.

(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%

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 2020 (Previous year: NIL).

37. Description of contingent liabilities

Contingent Liability	Brief Description
1) a) Liability on account of outstanding forward exchange contracts.	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.
b) Currency Swaps/IRS	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 the financial statements, where applicable.

40. Disclosure on provisioning pertaining to fraud accounts

	31 March 2020	31 March 2019
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. 73,782 (000's) towards CSR activities during the year ended March 2020 (Previous year Rs. 75,678 (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. The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Bank has evaluated impact of this pandemic on its business operations at the time of finalisation of accounts for the financial year 2019-20 and based thereon and keeping in view current indicators of future economic conditions, there is no significant impact on the financial statements for 2019-20 and accordingly accounts have been prepared on a going concern basis. The Bank will continue to closely monitor any material changes to future economic conditions.

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

For CHOKSHI & CHOKSHI LLP
Chartered Accountants
ICAI Firm Registration
No. 101872W/ W100045

For Mizuho Bank, Ltd.
Indian Branches

Sd/-
Nilesh Joshi
Partner
Membership No. 114749

Sd/-
Naohiko Oguchi
Chief Executive Officer - India

Sd/-
Titus Menezes
Accounting & Tax

Place: Mumbai
Date: 29 June 2020

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

1. Background

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.

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 RBI has implemented Basel III capital regulations in India with effect from April 1, 2013. Pillar 3 disclosure requirements were introduced under Basel III regulations effective from July 2013. The purpose of the Pillar 3 disclosure is to ensure comparability of the capital adequacy of banks across jurisdictions with details of regulatory capital and regulatory adjustments to it.

Banks are required to maintain a minimum Pillar 1 Capital to Risk-weighted Assets Ratio (CRAR) of 9% on an on-going basis. Banks are also required to maintain a capital conservation buffer of 2.5% of Common Equity Tier 1 capital. The RBI has extended the transition period for implementing the last tranche of 0.625% under capital conservation buffer (CCB) by six months i.e. from March 31, 2020 to September 30, 2020. Additionally, the Financial Stability Board (FSB), in consultation with Basel Committee on Banking Supervision (BCBS) and national authorities, has identified the list of global systemically important banks (G-SIBs), which are required to maintain an additional Capital Buffers to an extent of 1%. As Mizuho Bank Ltd is designated as G-SIB, 1 % additional Capital buffer is also required to be maintained by the Bank. Upon full implementation of Basel III guidelines, the total capital to risk-weighted assets ratio (CRAR) would be 12.50% (includes minimum total Capital ratio 9%, Capital Conservation buffer 2.50% and G-SIB 1%).

As at March 31, 2020, Mizuho Bank Ltd. (the Bank) is required to maintain minimum Tier 1 Capital ratio of 7%, minimum Tier 2 ratio of 2%, Capital Conservation Buffer (CCB) of 1.875% and 1% as a Global Systematically Important Bank (G-SIB).

The Basel III framework consists of three-mutually reinforcing pillars:

- Pillar 1: Minimum capital requirements for credit risk, market risk and operational risk
- Pillar 2: Supervisory review of capital adequacy
- Pillar 3: Market discipline

Market discipline (Pillar 3) comprises set of disclosures on the capital adequacy and risk management framework of the Bank. These disclosures have been set out in the following sections.

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

The Bank has assessed its capital requirement taking into account the three main risks as defined in Pillar 1 of the Basel III norms viz: Credit Risk, Market Risk and Operational Risk. The Credit Risk is computed using the Standardised Approach, the Market Risk is calculated using the Standardised Duration Approach and the Operational Risk is calculated using the Basic Indicator Approach. The risk computation under each of these 3 Categories is adequately covered by the Capital of the Bank.

The Bank has assessed its future capital requirement and the same has been documented in the ICAAP (Internal Capital Adequacy Assessment Process). The existing level of Capital is adequate to meet the Bank's current and future business requirements and the CRAR ratio of the Bank is significantly higher than that prescribed by the regulators.

The regulatory capital consists Tier 1 Capital (Common Equity Tier 1 + Additional Tier 1) and Tier 2 Capital. The Capital instruments eligible for inclusion in Tier 1 comprises of interest free capital received from head office, statutory reserves, remittable surplus retained (non-repatriable) and Capital reserves. The regulatory deductions in relation to Tier 1 Capital includes Intangible Assets (INR 1,127 million) i.e. Deferred Tax Assets (INR 755 million) and Software Development Cost and its depreciation (INR 372 million).

The Tier II capital consists of provisions made against standard assets, floating provisions, country risk, investment reserve account, unhedged foreign currency exposure, excess provisions which arise on account of sale of NPAs and countercyclical provisioning buffer. The items under Tier 2 capital will be reckoned up to a maximum of 1.25% of the total credit risk-weighted assets under the standardized approach. The CRAR as per Basel III as at March 31, 2020 is at 19.42%. 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 i.e. 11.875 %.

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	5,372,086	5,372,086
3	Revenue Reserve	-	-
4	Remittable Surplus	12,829,573	12,829,573
5	Deductions : Intangible Assets	1,126,866	1,126,866
	Tier I Capital	**47,518,146**	**47,518,146**
Sr. No.	**Components of Tier II Capital**		
1	Provision for country Risk	57,000	57,000
2	Provision for Standard Assets	533,000	533,000
3	Unhedged foreign currency exposure	183,765	183,765
4	Investment Reserve Account	4,832	4,832
5	Investment Fluctuation Reserves	696,128	696,128
	Tier II Capital	**1,474,725**	**1,474,725**
	Total Eligible Capital	**48,992,871**	**48,992,871**

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)	235,025,701
Capital Requirement under standardized approach	21,152,313
Market Risk – Standardized Duration Approach	
(i) Interest rate risk	187,925
(ii) Equity risk	-
(iii) Foreign exchange risk	270,000
Capital Requirement : Total (i+ii+iii)	**457,925**
Operational Risk - Basic Indicator Approach (BIS)	
Capital Requirement under BIS	921,622
Total	**22,531,860**
Total Eligible Capital	**48,992,871**

Capital Adequacy Ratio (CRAR)

CRAR	**19.42%**
CRAR – Tier 1 Capital (%)	**18.84%**

DF-3 Credit risk: General Disclosures

Qualitative Disclosures

Overview of policies and procedures

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

- 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.

MIZUHOBANK/6/JUNE/20

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MIZUHO

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

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	280,825,496	-	280,825,496
Non-fund Based	116,743,796	-	116,743,796
Investment Exposure	1,950,000	-	1,950,000
Total Gross Credit Exposure	**399,519,292**	-	**399,519,292**

Industry Type distribution of Exposure (Rs.000s)

Industry	Funded Exposure	%age	Non Funded Expsoure	%age	NON SLR Exposure	%age	Total Credit Expsoure	%age
NBFCs	45,643,333	16%	6,445,910	6%	1,950,000	100%	54,039,244	14%
Trade - Wholesale Trade	24,389,817	9%	4,260,651	4%	0	0%	28,650,468	7%
Vehicle, Vehicle Parts and Transport Equipments	51,116,887	18%	13,330,152	11%	0	0%	64,447,040	16%
Chemicals and Chemical Products	29,768,082	11%	9,391,111	8%	0	0%	39,159,194	10%
All Engineering	22,405,029	8%	11,831,090	10%	0	0%	34,236,119	9%
Banks	13,214,263	5%	16,269,391	14%	0	0%	29,483,654	7%
Other Industries	13,375,019	5%	7,854,458	7%	0	0%	21,229,476	5%
Other Services	12,704,365	5%	7,334,441	6%	0	0%	20,038,805	5%
Basic Metal and Metal Products	14,685,483	5%	1,242,919	1%	0	0%	15,928,401	4%
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	6,300,000	2%	8,421,279	7%	0	0%	14,721,279	4%
Computer and Related Activities	8,137,914	3%	5,820,158	5%	0	0%	13,958,073	3%
Construction-Construction	2,053,200	1%	7,922,173	7%	0	0%	9,975,373	2%
Infrastructure - Communication - Telecommunication and Telecom Services	5,000,000	2%	3,930,921	3%	0	0%	8,930,921	2%
Food Processing	5,746,875	2%	2,464,302	2%	0	0%	8,211,177	2%
Infrastructure - Energy - Electricity Generation - Private Sector	3,700,000	1%	3,600,000	3%	0	0%	7,300,000	2%
Rubber, Plastic and their Products	6,332,175	2%	265,833	0%	0	0%	6,598,008	2%
Infrastructure - Transport - Ports	5,674,875	2%	15,148	0%	0	0%	5,690,023	1%
Infrastructure - Energy - Electricity Transmission - Private Sector	2,600,000	1%	1,146,517	1%	0	0%	3,746,517	1%
Professional Services	100,000	0%	3,642,515	3%	0	0%	3,742,515	1%
Paper and Paper Products	2,831,852	1%	343,365	0%	0	0%	3,175,218	1%
Transport Operators	2,566,389	1%	110,653	0%	0	0%	2,677,042	1%
Textile	1,891,625	1%	103,317	0%	0	0%	1,994,942	0%
Aviation	0	0%	600,000	1%	0	0%	600,000	0%
Glass & Glass Products	283,000	0%	180,000	0%	0	0%	463,000	0%
Mining and Quarrying - Others	180,000	0%	214,654	0%	0	0%	394,654	0%
Gems & Jewellery	63,400	0%	0	0%	0	0%	63,400	0%
Real Estate Activities	5,000	0%	0	0%	0	0%	5,000	0%
Computer Software	0	0%	2,838	0%	0	0%	2,838	0%
Staff Loans	56,912	0%	0	0%	0	0%	56,912	0%
Grand Total	**280,825,496**		**116,743,796**		**1,950,000**		**399,519,292**	

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	-	-	-	-	-	-	-
2 to 7 days	12,716	201,079	196,131	115,340	-	1,593	526,859
8 to 14 days	14,465	375,000	87,996	42,854	-	2,287	522,602
15 to 30 days	9,259	-	56,323	199,885	-	7,829	273,296
31 days to 2 months	5,360	-	52,107	99,739	-	3,187	160,393
2 to 3 months	3,210	-	21,996	177,212	-	2,145	204,563
3 to 6 months	4,513	-	26,984	123,218	-	1,940	156,655
6 months to 1 year	2,578	-	15,680	65,213	-	6,099	89,570
1 to 3 years	4,865	-	29,593	83,132	-	-	117,590
3 to 5 years	-	-	-	29,652	-	-	29,652
Above 5 years	207	-	35,286	5,310	5,978	251,893	298,674
Total	**57,172**	**576,079**	**522,096**	**941,554**	**5,978**	**276,973**	**2,379,854**

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

*** For Major currencies as per LR Return**

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 2020.

NPA Ratios

NPA Ratios	
Gross NPAs to Gross Advances	0.07%
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 2020.

Movement of Provision for Depreciation on Investments:

(Rs.000s)

Particulars	Amount
Opening Balance	-
Provisions made during the year	163,442
Write-Off	-
Write-back of excess provisions	-
Closing Balance	163,442

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 for customers whose ratings are available from external rating agencies, for these customers, ratings are used computation of capital and for all other 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)

S/N	Exposure amounts after risk mitigation	Amount
1	Below 100% risk weight exposure outstanding	161,378,247
2	100% risk weight exposure outstanding	37,466,844
3	More than 100% risk weight exposure outstanding	135,575,387
4	Deducted	-

DF-5 Credit Risk Mitigation

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, 2020.

- **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.

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. 3

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 20,000 ('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-7 Market Risk

Qualitative Disclosures

Overview of Policies and Procedures

MHBK has a Board approved Investment Policy and it lays down the broad investment objectives; prudential and internal 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. The Bank has put in place an Asset Liability Management 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 Derivative 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 Policy guidelines.

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 1,950 million as on 31st Mar 2020 in Non-Convertible Debenture and INR 246.7 million investments in 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

As per the present Policy of the Bank, Bank cannot invest in these segments.

Foreign Exchange Risk

MHBK has an aggregate net open position limit of INR 142.74 Mio all currencies. The daily open positions are monitored by 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(INR 245.00 Mio) 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 2020 is given below: (Rs.000s)

Risk Category	Capital charge
I. Interest Rate (a+b)	187,925
a. General market risk	181,761
i) Net position (parallel shift)	137,894
ii) Horizontal disallowance (curvature)	9,097
iii) Vertical disallowance (basis)	34,770
iv) Options	-
b. Specific risk	6,164
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)	**457,925**

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, 2020, the Operational Risk Capital Charge for the Bank was INR 921,622 ('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

The Bank has prescribed limits for Interest Rate Risk as per the ALM policy. The Gap limits were fixed for INR as well as All currencies combined. Suitable limits are also in place for the impact on Net Worth for interest Rate shock based on Modified Duration method. 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. 149.75 crores as on 31 March, 2020, which is 3.18% 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. 51.47 crores as on 31 March, 2020 .

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 on monthly basis 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 large exposure framework norms for exposure to a single borrower and group borrower and 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	194,130,379	24,385,781
II. Interest Rate Swap	133,659,490	3,400,640
III. Forex Forwards	189,191,353	9,265,481
IV. Options	22,943,556	1,203,063
Total Current Exposure	**539,924,778**	**38,254,965**

Table DF-11 : Composition of Capital
DATA TABLES FOR BALANCESHEET DISCLOSURE AS AT 31ST MARCH 2020

(Rs. Millions)

	DF 11 – COMPOSITION OF CAPITAL AS AT MARCH 31ST, 2020		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		
2	Retained earnings	18,202		
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	48,645		
	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)	372		
10	Deferred tax assets[2]	755		
11	Cash-flow hedge reserve			
12	Shortfall of provisions to expected losses			
13	Securitisation gain on sale			
14	Gains and losses due to changes in own credit risk on fair valued liabilities			
15	Defined-benefit pension fund net assets			
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)			
17	Reciprocal cross-holdings in common equity			
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)			
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			

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Continued from previous page...

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

DF 11 – COMPOSITION OF CAPITAL AS AT MARCH 31ST, 2020			Amounts Subject to Pre-Basel III Treatment	Ref No.
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			
28	**Total regulatory adjustments to Common equity Tier 1**	1,127		
29	**Common Equity Tier 1 capital (CET1)**	47,518		
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**			
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)**	47,518		
Tier 2 capital : instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus			
47	Directly issued capital instruments subject to phase out from Tier 2			
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]	1,475		
51	**Tier 2 capital before regulatory adjustments**	1,475		
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)**	1,475		
58a	**Tier 2 capital reckoned for capital adequacy**[14]	1,475		
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**			
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	1,475		
59	**Total capital (TC = T1 + Admissible T2) (45 + 58c)**	48,993		
	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)**	252,290		
60a	of which : total credit risk weighted assets	235,046		
60b	of which : total market risk weighted assets	5,724		
60c	of which : total operational risk weighted assets	11,520		
Capital ratios				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	18.83%		
62	Tier 1 (as a percentage of risk weighted assets)	18.83%		
63	Total capital (as a percentage of risk weighted assets)	19.42%		
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)	779		
77	Cap on inclusion of provisions in Tier 2 under standardised approach			
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)			
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach			
Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements			
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)			
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	755
		Total as indicated in row 10	755
19		If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	
		of which : Increase in Common Equity Tier 1 capital	
		of which : Increase in Additional Tier 1 capital	
		of which : Increase in Tier 2 capital	
26b		If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then :	
	(i)	Increase in Common Equity Tier 1 capital	
	(ii)	Increase in risk weighted assets	
44a		Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)	
		of which : Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	
50		Eligible Provisions included in Tier 2 capital	1,475
		Eligible Revaluation Reserves included in Tier 2 capital	
		Total of row 50	1,475
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)	

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	21,460	21,460
		Minority Interest	-	-
		Total Capital	51,903	51,903
	ii.	Deposits	145,060	145,060
		of which : Deposits from banks	178	178
		of which : Customer deposits	144,882	144,882
		of which : Other deposits (pl. specify)	-	-
	iii.	Borrowings	14,734	14,734
		of which : From RBI	-	-
		of which : From banks	14,734	14,734
		of which : From other institutions & agencies	-	-
		of which : Others (pl. specify)	-	-
		of which : Capital instruments	-	-
	iv.	Other liabilities & provisions	10,147	10,147
		Total	**221,844**	**221,844**
B		**Assets**		
	i.	Cash and balances with Reserve Bank of India	58,967	58,967
		Balance with banks and money at call and short notice	4,358	4,358
	ii.	Investments :	52,210	52,210
		of which : Government securities	50,013	50,013
		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.)	247	247
	iii.	Loans and advances	94,155	94,155
		of which : Loans and advances to banks	4,855	4,855
		of which : Loans and advances to customers	89,300	89,300
	iv.	Fixed assets	598	598
	v.	Other assets	11,556	11,556
		of which : Goodwill and intangible assets	372	372
		of which : Deferred tax assets	755	755
	vi.	Goodwill on consolidation	-	-
	vii.	Debit balance in Profit & Loss account	-	-
Total Assets			**221,844**	**221,844**

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. million)

			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	21,460	
		Statutory Reserves	5,372	A2
		Revenue Reserves	12,830	A3
		Investment Reserves Account (Includes Investment Fluctuation Reserves)	701	A4
		Balance in Profit & Loss Account	2,557	A5
		Minority Interest		
		Total Capital	51,903	
	ii.	Deposits	145,060	
		of which : Deposits from banks	178	
		of which : Customer deposits	144,882	
		of which : Other deposits (pl. specify)		
	iii.	Borrowings	14,734	
		of which : From RBI	-	
		of which : From banks	14,734	
		of which : From other institutions & agencies		
		of which : Others (pl. specify)		
		of which : Capital instruments		
	iv.	Other liabilities & provisions	10,147	
		of which :		
		Provision for standard assets	533	C1
		Provision for Country Risk	57	C2
		Provision for Un-hedge Transactions	184	C4
		Total	**221,844**	
B		**Assets**		
	i.	Cash and balances with Reserve Bank of India	58,967	
		Balance with banks and money at call and short notice	4,358	
	ii.	Investments :	52,210	
		of which : Government securities	50,013	
		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.)	247	
	iii.	Loans and advances	94,155	
		of which : Loans and advances to banks	4,855	
		of which : Loans and advances to customers	89,300	
	iv.	Fixed assets	598	
	v.	Other assets	11,556	
		of which : Goodwill and intangible assets	1127	
		Out of which :		
		Goodwill		
		Other intangibles (excluding MSRs)	372	B1
		Deferred tax assets	755	B2
	vi.	Goodwill on consolidation		
	vii.	Debit balance in Profit & Loss account		
Total Assets			**221,844**	

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	221,844
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	36,680
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)	44,962
7	Other adjustments**	(695)
8	Leverage ratio exposure	302,791

** Other adjustments includes exposures to QCCPs, deductions under Tier 1 Capital (Intangible assets and Deferred Tax assets) and Provisions for Investments

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)	222,277
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(1,127)
3	**Total on-balance sheet exposures** (excluding derivatives and SFTs) (sum of lines 1 and 2)	221,150
	Derivative exposures	
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	11,114
5	Add-on amounts for PFE associated with all derivatives transactions	25,566
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)**	36,680
	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	74,077
18	(Adjustments for conversion to credit equivalent amounts)	(29,115)
19	**Off-balance sheet items (sum of lines 17 and 18)**	44,962
	Capital and total exposures	
20	Tier 1 capital	47,518
21	Total exposures (sum of lines 3, 11, 16 and 19)	302,791
	Leverage ratio	
22	Basel III leverage ratio	15.69%

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