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
The Chief Executive Officer
Mizuho Bank Limited, Indian Branches

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Indian Branches of Mizuho Bank Ltd. **(the Bank),** which comprise the Balance Sheet as at 31st March, 2021, the Profit and Loss Account and Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 ("the Act") in the manner so required for Banking Companies, and give a true and fair view in conformity with the accounting principles generally accepted in India, including Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), in so far as they are applicable to the Bank, of the state of affairs of the Bank as at 31st March, 2021, its profit and its cash flows for the year ended on that date.

Basis for Opinion

3. 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

4. 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), which we obtained prior to the date of this auditor's report.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
5. 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

6. The Bank's Management is responsible for the matters stated in Section 134(5) of the Act with respect to 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 accounting principles generally accepted in India, including Accounting Standards specified under section 133 of the Act and 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. 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.
7. 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

8. 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

9. 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 and Rule 7 of the Companies (Accounts) Rules, 2014.
10. As required by sub-section (3) of section 30 of the Banking 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 during the course of audit, have been within the powers of the Bank;
11. 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 in this 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 the 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**'.
12. 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.
    (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; and
    (c) The Bank does not have any amount, which was required to be transferred to the Investor Education and Protection Fund.
13. 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.
14. 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/-
Vineet Saxena
Partner
Membership No. 100770
UDIN 21100770AAAAFW9214

Place : Mumbai
Date: 28 June 2021

APPENDIX – I: 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 with reference to financial statements 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 2021 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 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" (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 issued by ICAI and the Standards on Auditing, 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 established and maintained 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 with reference to financial statements in existence and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2021, 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.

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

Sd/-
Vineet Saxena
Partner
Membership No. 100770

Place : Mumbai

Date: 28 June 2021

UDIN 21100770AAAAFW9214

Mizuho Bank Ltd., Indian Branches

(Incorporated in Japan with Limited Liability)

BALANCE SHEET

	Schedules	As on 31-Mar-21 (Rupees 000's)	As on 31-Mar-20 (Rupees 000's)
CAPITAL & LIABILITIES			
Capital	1	30,443,353	30,443,353
Reserves and Surplus	2	23,937,443	21,459,837
Deposits	3	119,623,382	145,059,550
Borrowings	4	5,882,709	14,733,772
Other Liabilities and Provisions	5	8,752,436	10,087,218
TOTAL		**188,639,323**	**221,783,730**
ASSETS			
Cash and Balance with Reserve Bank of India	6	8,983,348	5,717,221
Balances with Banks and Money at			
Call and Short Notice	7	37,592,285	57,607,939
Investments	8	47,219,778	52,209,618
Advances	9	84,715,214	94,155,444
Fixed Assets	10	610,079	597,253
Other Assets	11	9,518,619	11,496,255
TOTAL		**188,639,323**	**221,783,730**
Contingent Liabilities	12	603,468,212	597,239,241
Bills for Collection		10,102,419	12,383,122
Deaf Accounts		116	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

Sd/-
Vineet Saxena
Partner
Membership No. 100770

Place: Mumbai
Date: 28 June 2021

For Mizuho Bank, Ltd.
Indian Branches

Sd/-
Naohiko Oguchi
Chief Executive Officer - India

Sd/-
Ashish Adukia
Accounting & Tax

PROFIT AND LOSS ACCOUNT

		Schedules	Year ended 31-Mar-21 (Rupees 000's)	Year ended 31-Mar-20 (Rupees 000's)
I	**INCOME**			
	Interest Earned	13	9,737,163	11,974,133
	Other Income	14	2,244,594	3,220,453
	TOTAL		**11,981,757**	**15,194,586**
II	**EXPENDITURE**			
	Interest Expended	15	4,059,033	6,001,481
	Operating Expenses	16	3,092,138	2,628,284
	Provisions and Contingencies	18.28	2,352,980	2,541,596
			9,504,151	**11,171,361**
III	**PROFIT AND LOSS A/C**			
	Net Profit for the Year		**2,477,606**	**4,023,225**
	Net Profit Brought Forward		2,557,218	1,240,930
	TOTAL		**5,034,824**	**5,264,155**
IV	**APPROPRIATIONS**			
	Transfer to Statutory Reserve		619,402	1,005,806
	Transferred to Profit Retained in India for CRAR purpose		2,557,218	1,240,930
	Transferred to/(from) Investment Reserve Account		-	-
	Transfer to Investment Fluctuation Reserve Account		248,268	460,201
	Balance carried to Balance Sheet		1,609,936	2,557,218
	TOTAL		**5,034,824**	**5,264,155**
	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

Sd/-
Vineet Saxena
Partner
Membership No. 100770

Place: Mumbai
Date: 28 June 2021

For Mizuho Bank, Ltd.
Indian Branches

Sd/-
Naohiko Oguchi
Chief Executive Officer - India

Sd/-
Ashish Adukia
Accounting & Tax

MIZUHO

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

CASH FLOW STATEMENT

Particulars	Year ended 31-Mar-21 (Rupees 000's)	Year ended 31-Mar-20 (Rupees 000's)
Cash Flow From Operating Activities		
Net Profit Before Taxes	**4,749,605**	**6,782,784**
Adjustments For:		
Depreciation on Fixed Assets	137,797	212,112
Provision on Standard Assets (including provision towards Unhedged Foreign Currency Exposure)	(44,606)	68,695
(Profit)/Loss on Sale of Fixed Assets	10,548	(9,338)
Provision for Country Risk	(49,500)	(26,500)
Provision for Retirement Benefits	23,889	20,686
Provision for Depreciation on Investment	208,585	163,442
	5,036,318	**7,211,881**
Adjustments For:		
(Increase)/Decrease in Investments	4,781,255	(16,983,904)
(Increase)/Decrease in Advances	9,440,230	17,450,416
Increase/(Decrease) in Borrowings	(8,851,063)	(32,866,238)
Increase/(Decrease) in Deposits	(25,436,168)	76,754,700
(Increase)/Decrease in Other Assets	1,977,636	(6,153,928)
Increase/(Decrease) in Other Liabilities & Provisions	(1,264,563)	4,390,570
Direct taxes Paid	(2,271,999)	(2,759,560)
Net Cash Flow From Operating Activities	**(16,588,354)**	**47,043,937**
Cash Flow From Investing Activities		
Purchase of Fixed Assets (Net of Movement in Capital Work in Progress)	(161,173)	(191,275)
Proceeds from Sale of Fixed Assets	-	-
Net Cash used in Investing Activities	**(161,173)**	**(191,275)**
Cash Flow from Financing Activities		
Increase in Capital	-	-
Net Cash Generated from Financing Activities	**-**	**-**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(16,749,527)**	**46,852,662**
Cash and Cash Equivalents at the Beginning of The Year	**63,325,160**	**16,472,498**
Cash and Cash Equivalents at Year End	**46,575,633**	**63,325,160**

Notes to the Cash Flow Statement:

		As on 31-Mar-21	As on 31-Mar-20
1	Cash and cash equivalents include the following:		
	Cash and balances with Reserve Bank of India	8,983,348	58,967,221
	Balances with bank and money at call and short notice*	**37,592,285**	**4,357,939**
		46,575,633	**63,325,160**
	*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/-
Vineet Saxena
Partner
Membership No. 100770

Sd/-
Naohiko Oguchi
Chief Executive Officer - India

Sd/-
Ashish Adukia
Accounting & Tax

Place: Mumbai
Date: 28 June 2021

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

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As on 31-Mar-21 (Rupees 000's)	As on 31-Mar-20 (Rupees 000's)
Schedule 1 - Capital		
Head Office Account		
Opening Balance	30,443,353	30,443,353
Additions during the year	-	-
(Sum of Rs. 5,750,000 thousand [Previous year Rs. 4,535,000 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		
I Statutory Reserves		
Opening Balance	5,372,087	4,366,281
Additions during the year	619,402	1,005,806
Deductions during the year	-	-
TOTAL (I)	5,991,489	5,372,087
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	12,829,572	11,588,642
Additions during the year	2,557,218	1,240,930
Deductions during the year	-	-
TOTAL (IV)	15,386,790	12,829,572
V Investment Reserve Account		
Opening Balance	4,832	4,832
Additions during the year	-	-
Deductions during the year	-	-
TOTAL (V)	4,832	4,832
VI Investment Fluctation Reserve Account		
Opening Balance	696,128	235,927
Additions during the year	248,268	460,201
Deductions during the year	-	-
TOTAL (VI)	944,396	696,128
VI Balance in Profit and Loss Account	1,609,936	2,557,218
TOTAL (VII)	1,609,936	2,557,218
TOTAL (I, II, III, IV, V VI and VII)	**23,937,443**	**21,459,837**
Schedule 3 - Deposits		
A I Demand Deposits		
(i) From Banks	54,082	177,992
(ii) From Others	24,077,177	25,617,325
TOTAL (I)	24,131,259	25,795,317
II Saving Bank Deposits	46,638	37,465
TOTAL (II)	46,638	37,465
III Term Deposits		
(i) From Banks	-	-
(ii) From Others	95,445,485	119,226,768
TOTAL (III)	95,445,485	119,226,768
TOTAL (I, II and III)	**119,623,382**	**145,059,550**
B (i) Deposits of Branches in India	119,623,382	145,059,550
(ii) Deposits of Branches Outside India	-	-
TOTAL (i and ii)	**119,623,382**	**145,059,550**

	As on 31-Mar-21 (Rupees 000's)	As on 31-Mar-20 (Rupees 000's)
Schedule 4 - Borrowings		
I Borrowings in India		
(a) Reserve Bank of India	-	-
(b) Other Banks	1,025,000	315,000
(c) Other Institutions and Agencies	-	-
II Borrowings outside India		
(i) Banks	4,857,709	14,418,772
TOTAL (I and II)	**5,882,709**	**14,733,772**
Secured Borrowing included in I & II above	-	-
Schedule 5 - Other Liabilities and Provisions		
I Bills Payable	12,009	30,711
II Inter-Office Adjustments (net)	-	-
III Provision for tax	518,536	(60,238)
IV Interest Accrued	442,886	627,481
V Others (including Provisions) *	7,779,005	9,489,264
TOTAL (I, II, III,IV and V)	**8,752,436**	**10,087,218**
* includes Provision for Standard Assets Rs. 480,000 thousand (Previous year: Rs. 533,000 thousand) & Provision for Unhedge Foreign Currency Exposure Rs. 197,397 thousand (Previous year: Rs. 183,765 thousand)		
Schedule 6 - Cash and Balances with Reserve Bank of India		
I Cash in Hand	3,357	6,823
(Including Foreign Currency Notes - Nil [Previous year - Nil])		
II Balances with Reserve Bank of India		
(i) in Current Accounts	8,979,991	5,710,398
(ii) in Other Accounts	-	-
TOTAL (I and II)	**8,983,348**	**5,717,221**
Schedule - 7 Balances with Banks & Money at Call and Short Notice		
I In India		
(a) Balance with Banks		
(i) in Current Accounts	4,115	9,831
(ii) in Other Accounts	-	-
(b) Money at Call and Short Notice		
(i) With Banks	-	1,000,000
(ii) With Other Institutions	30,360,000	53,250,000
TOTAL (a and b)	30,364,115	54,259,831
II Outside India		
(a) In Current Accounts	5,400,420	3,348,108
(b) In Other Deposit Accounts	-	-
(c) Money at Call and Short Notice	1,827,750	-
TOTAL (a, b and c)	7,228,170	3,348,108
TOTAL (I and II)	**37,592,285**	**57,607,939**
Schedule 8 - Investments		
I Investments in India in		
(a) Government Securities *	46,845,886	50,176,346
(b) Other Approved Securities	-	-
(c) Shares	-	-
(d) Debentures and Bonds**	-	1,950,000
(e) Subsidiaries and/or Joint Ventures	-	-
(f) Others	745,919	246,714
TOTAL GROSS VALUE (a, b, c, d, e and f)	47,591,805	52,373,060
Less: Provisions for Diminution in Value	(372,027)	(163,442)
TOTAL NET VALUE	47,219,778	52,209,618
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)	**47,219,778**	**52,209,618**

* Includes securities of face value Rs. 5,750,000 thousand (Previous year: Rs 4,535,000 thousand) held with Reserve Bank of India under Section 11(2)(b) of the Banking Regulation Act, 1949 and securities aggregating face value Rs 4,055,000 thousand (Previous year Rs 3,505,000 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

MIZUHO

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

				As on 31-Mar-21 (Rupees 000's)	As on 31-Mar-20 (Rupees 000's)
Schedule 9 - Advances					
A	(i)	Bills Purchased and Discounted		10,753,006	8,624,562
	(ii)	Cash credits, Overdrafts and Loans Repayable on demand		62,996,146	71,595,232
	(iii)	Term Loans		10,966,062	13,935,650
			TOTAL	**84,715,214**	**94,155,444**
B	(i)	Secured by Tangible Assets (incl. Book Debts)		12,894,946	10,546,631
	(ii)	Covered by Bank/Government Guarantees		-	-
	(iii)	Unsecured		71,820,268	83,608,813
			TOTAL	**84,715,214**	**94,155,444**
C	**(I)**	**Advances in India**			
		(a) Priority Sectors		8,147,454	22,439,743
		(b) Public Sectors		-	-
		(c) Banks		3,691,306	4,855,494
		(d) Others		72,818,393	66,649,531
			TOTAL	**84,657,153**	**93,944,768**
C	**(II)**	**Advances Outside India**			
		(a) Due from banks		-	-
		(b) Due form others		-	-
		(i) Bills purchased and discounted		58,061	210,676
		(ii) Syndicate loans		-	-
		(iii) Others		-	-
			TOTAL	**58,061**	**210,676**
			TOTAL (C(I) and C(II))	**84,715,214**	**94,155,444**
Schedule 10 - Fixed Assets					
I	**Leasehold Improvements**				
	At cost as on 31st March of the preceding year			-	64,381
	Additions during the year			215,589	-
	Deductions during the year			-	-
	Depreciation to date			(26,579)	(64,381)
			TOTAL	189,010	-
II	**Other Fixed Assets (Including Furniture and Fixtures)**				
	At cost as on 31st March of the preceding year			395,308	532,540
	Additions during the year			138,530	32,500
	Deductions during the year			(10,548)	(22,001)
	Depreciation to date			(111,219)	(147,731)
			TOTAL	412,071	395,308
III	**Capital Work in Progress**			8,998	201,945
			TOTAL (I II & III)	**610,079**	**597,253**
Schedule 11 - Other Assets					
I	Inter-office adjustments (net)			-	-
II	Interest accrued			608,255	952,956
III	Others *			8,910,364	10,543,299
			TOTAL	**9,518,619**	**11,496,255**
* Others include Deferred Tax Asset (net of Deferred Tax Liabilities) of Rs 788,318 thousand (Previous year: Rs.754,820 thousand)					
Schedule 12 - Contingent Liabilities					
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)			221,981,835	189,191,353
	b) Currency Swaps/Interest Rate Swaps/ Options*			320,130,530	350,733,425
IV	Guarantees given on behalf of constituents				
	(a) In India			22,252,375	22,645,857
	(b) Outside India			23,153,756	21,553,813
V	Acceptances, endorsements and other obligations			15,949,716	13,114,793
VI	Other items for which the bank is contingently liable			-	-
			TOTAL	**603,468,212**	**597,239,241**

* Represents Notional Amounts

			As on 31-Mar-21 (Rupees 000's)	As on 31-Mar-20 (Rupees 000's)
Schedule 13 - Interest Earned				
I	Interest/discount on advances/bills		6,169,686	7,980,802
II	Income on investments		1,999,046	2,729,130
III	Interest on balances with Reserve Bank of India and Other inter-bank funds		1,566,855	1,227,942
IV	Others		1,576	36,259
		TOTAL	**9,737,163**	**11,974,133**
Schedule 14 - Other Income				
I	Commission, exchange and brokerage		760,343	799,067
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)		(10,548)	9,338
V	Profit /(Loss)on exchange/derivative transactions(net)		1,494,799	2,411,612
VI	Income earned by way of dividend etc. from subsidiaries/companies and		-	-
	/or joint ventures abroad/in india		-	-
VII	Miscellaneous income		-	436
		TOTAL	**2,244,594**	**3,220,453**
Schedule 15 - Interest Expended				
I	Interest on deposits		3,923,312	5,007,764
II	Interest on Reserve Bank of India/inter-bank borrowings		127,352	914,529
III	Others		8,369	79,188
		TOTAL	**4,059,033**	**6,001,481**
Schedule 16 - Operating Expenses				
I	Payments to and provisions for employees		1,161,913	1,195,154
II	Rent, taxes and lighting		366,373	348,220
III	Printing and stationery		1,523	3,940
IV	Advertisement and publicity		-	-
V	Depreciation on Bank's property		137,797	212,112
VI	Director's fees, allowances and expenses		-	-
VII	Auditor's fees and expenses		2,567	2,445
VIII	Law charges		17,659	28,324
IX	Postage, telegrams, telephones, etc.		56,723	40,725
X	Repairs and maintenance		86,369	74,120
XI	Insurance		194,919	85,278
XII	Other expenditure		1,066,295	637,966
		TOTAL	**3,092,138**	**2,628,284**

Schedule 17: Significant Accounting Policies

I. Background

Mizuho Bank, Ltd. (MHBK) is a subsidiary of Mizuho Financial Group Inc. incorporated in Japan with limited liability. It has been granted licence by Reserve Bank of India (RBI) to carry on banking business in India. The Bank commenced its operations in India in the 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, 2021 comprise the accounts of the Indian branches of Mizuho Bank Limited viz., Mumbai, Gurgaon, 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 necessary 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 is 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 is 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

<u>Classification:</u>

In accordance with the extant guidelines issued by RBI, the Bank classifies its investment portfolio between ‘Held to Maturity’ and ‘Available for Sale’ categories. 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 and with approval of senior management committee and asset liability committee. Investments that the Bank intends to hold till maturity are classified under the HTM category. All other investments are classified as AFS securities. The Bank does not classify any investments in the ‘Held for Trading’ category.

<u>Valuation:</u>

<u>Held to Maturity (HTM):</u>

Investments classified as Held to maturity 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.

<u>Available for Sale (AFS):</u>

Investments held under AFS 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 price based valuation approach using the market price 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 & Certificate of deposits) 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.

<u>Profit or loss on sale/redemption of investments:</u>

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**	
	i. Improvements to leasehold property	Primary Period of Lease
	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) individually 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 seven risk categories namely insignificant, low risk, moderate risk, high risk, very high risk, and restricted and off credit. 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) and cross currency swap (CS) and foreign exchange options are marked to market using the present value methodology. Foreign exchange options are marked to market using the Black Scholes model.

The resulting gains / losses are recognized in the Profit and Loss Account under 'Other Income'. The corresponding unrealized gains are presented under 'Other Assets' and unrealized losses under 'Other Liabilities and Provisions' on the Balance Sheet.

(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 accounted 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 embodying economic benefits 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.

XVII. Segment Information

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

XVIII. Corporate Social Responsibility

Expenditure towards corporate social responsibility, in accordance with the Companies Act, 2013, are recognized in the Profit & Loss Account.

SCHEDULES 18 - NOTES TO ACCOUNTS

1. Capital adequacy :

The Bank's capital adequacy ratio as on 31 March 2021 computed under Basel III framework is given below:

Particulars		As on 31 March 2021	As on 31 March 2020
(i)	CRAR (%)	20.21%	19.42%
(ii)	Common Equity Tier I Capital Ratio (%)	19.58%	18.83%
(iii)	CRAR – Tier I Capital (%)	19.58%	18.83%
(iv)	CRAR – Tier II Capital (%)	0.63%	0.58%
(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 2021	As on 31 March 2020
A) Gross value of Investments		
a) In India	47,591,805	52,373,060
b) Outside India	-	-
Less:-		
B) Provision for Depreciation/Non-Performing Investments		
a) In India	372,027	163,442
b) Outside India	-	-
C) Net value of Investments (A-B)		
a) In India	47,219,778	52,209,618
b) Outside India	-	-

2.2 Movement of provisions held towards depreciation on investments:

(Rs.000s)

Particulars	As on 31 March 2021	As on 31 March 2020
Opening balance	163,442	-
Add: Provisions made during the year	208,585	163,442
Less: Write offs/write back of excess provisions during the year	-	-
Closing balance	372,027	163,442

2.3 Details of securities sold/purchase (In face value term) during the year ended 31 March 2021 and 31 March 2020 under Repo's/Reverse Repo's including LAF and MSF transactions:

Year Ended 31 March 2021 (Rs.000s)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31 March 2021
Securities sold under repo				
i. Government securities	9,740	9,740	9,740	-
ii. Corporate debt securities	-	-	-	-
Securities purchased under reverse repo				
i. Government securities	-	84,291,260	40,842,180	29,992,510
ii. Corporate debt securities	-	-	-	-

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	48,919,100
ii. Corporate debt securities	-	-	-	-

2.4 Details of Non-SLR Investments Portfolio

(i) (a) Issuer composition as at 31 March 2021 of Non-SLR investments:

(Rs.000s)

No.	Issuer	Total Amount	Extent of private placement	Extent of "below investment grade" securities	Extent of "unrated" securities	Extent of "unlisted" securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
i.	Public Sector Units	-	-	-	-	-
ii.	Financial Institutions	-	-	-	-	-
iii.	Banks	745,919	-	-	-	-
iv.	Private corporate	-	-	-	-	-
v.	Subsidiaries/Joint ventures	-	-	-	-	-
vi.	Others	-	-	-	-	-
vii.	Provision held towards depreciation/ non-performing investments	-	-	-	-	-
	Total	**745,919**	**-**	**-**	**-**	**-**

(i) (b) 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	2,46,714	-	-	-	-
iv.	Private corporate	-	-	-	-	-
v.	Subsidiaries/Joint ventures	-	-	-	-	-
vi.	Others	-	-	-	-	-
vii.	Provision held towards depreciation/ non-performing investments	-	-	-	-	-
	Total	**2,196,714**	**1,950,000**	**-**	**-**	**-**

(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 2021	As on 31 March 2020
The notional principal of swap agreements	293,164,514	327,789,869
Losses which could be incurred if the counterparties failed to fulfil their obligations under the agreements**	3,603,456	8,089,552
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)	 37.99% 39.01% 49.80%	 37.23% 39.17% 70.76%
The fair value of the swap book - Interest Rate Swap - Cross Currency Swap	 119,211 191,140	 139,796 454,106

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

** Including Hedging Swap amounting to Rs. NIL ('000) as on 31 March 2021 and Rs. 175,079 ('000) as on 31 March 2020.

Maximum single industry exposure for IRS and CCS

(b) The nature and terms of the CCS as on 31 March 2021 are set out below:

(Rs.000s)

Nature	Nos.	Notional principal	Benchmark	Terms
Trading Swaps	43	46,196,942	USD Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	42	48,179,726	USD Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	5	8,100,109.00	JPY Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	6	8,117,042.00	JPY Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	7	626,035.00	EUR Libor	Floating Payable v/s Fixed Receivable
Trading Swaps	7	577,824.00	EUR Libor	Fixed Payable v/s Floating Receivable
Trading Swaps	1	7,272,650.00	MIBOR	Fixed Payable v/s Floating Receivable
Trading Swaps	2	6,925,600.00	MIBOR	Floating Payable v/s Fixed Receivable
Trading Swaps	30	38,194,866.00	-	Fixed Payable v/s Fixed Receivable
Hedge	0	-	-	-

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

(c) The nature and terms of the IRS as on 31 March 2021 are set out below:

(Rs.000s)

Nature	Nos.	Notional principal	Benchmark	Terms
Trading Swap	34	25,650,000.00	MIBOR	Floating Payable v/s Fixed Receivable
Trading Swap	24	25,200,000.00	MIBOR	Fixed Payable v/s Floating Receivable
Trading Swap	16	33,856,144.00	USD Libor	Floating Payable v/s Fixed Receivable
Trading Swap	16	33,856,144.00	USD Libor	Fixed Payable v/s Floating Receivable
Trading Swap	3	5,205,716.00	JPY Libor	Fixed Payable v/s Floating Receivable
Trading Swap	3	5,205,716.00	JPY Libor	Floating Payable v/s Fixed Receivable
Hedge	0	-	-	-

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

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

Outstanding as at 31 March 2021: 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 2021 (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 2021				As on 31 March 2020			
		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	-	-	1,827,750	-	1,950,000	500,000	2,993,488	-
b)	For trading	164,190,794	128,973,720	220,154,079	26,966,017	192,180,379	133,159,490	186,197,865	22,943,556
(ii)	Mark to Market Positions								
a)	Asset (+)	2,167,006	1,436,450	2,968,017	230,621	6,122,666	1,966,886	3,240,986	530,005
b)	Liability (-)	(1,975,994)	(1,317,004)	(2,858,418)	(230,621)	(5,668,560)	(1,827,090)	(3,053,690)	(530,005)
(iii)	Credit Exposure	18,745,683	2,881,590	8,992,299	931,586	24,385,781	3,400,640	9,265,481	1,203,063
(iv)	Likely impact of one percentage change in interest rate (100*PV01)*								
a)	On hedging derivatives	-	-	(43)	-	(3,117)	(187)	(13,768)	-
b)	On trading derivatives	(36,940)	145,996	452	-	(33,765)	27,626	(2,118)	-
(v)	Maximum and Minimum of 100*PV01 observed during the year *								
a)	On hedging – Maximum Minimum	 213 -	 - (2,197)	 967 (306)	 - -	 (3117) (19,416)	 (187) (585)	 (11,680) (33,479)	 - -
b)	On trading – Maximum Minimum	 (36,940) (50,748)	 192,676 89,820	 913 135	 - -	 (21,183) (36,023)	 33,195 9,392	 1,284 (8,405)	 - -

* 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 2021 is 0% (31 March 2020 – 0%)

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

Particulars	As at 31 March 2021	As at 31 March 2020
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 at 31 March 2021	As at 31 March 2020
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 at 31 March 2021	As at 31 March 2020
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 2021	As at 31 March 2020
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

As per RBI circular No.DBR.BP.BC.No.32/21.04.018/2018-19 dated 01.04.2019, in case the additional provisioning for NPAs assessed by RBI exceeds 10% of the reported profit before provisions and contingencies and / or additional Gross NPAs identified by RBI exceeds 15% of published incremental Gross NPAs for the reference period then banks are required to disclose divergences from prudential norms on income recognition, asset classification and provisioning. No such instances of divergence reported during the year which requires disclosures.

vii. Disclosure on Scheme for Sustainable Structuring of Stressed Assets (S4A) as at 31 March, 2021

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, 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					

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'20 - March'21	-	-	-	-	-
April'19 - March'20	-	-	-	-	-

ix. Disclosure on Strategic Debt Restructuring Scheme (accounts which are currently under the stand-still period) as at 31 March 2021.

No. of accounts where SDR has been invoked	Amount outstanding as at 31 March 2021		Amount outstanding as at 31 March 2021 with respect to accounts where conversion of debt to equity is pending		Amount outstanding as at 31 March 2021 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 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						

x. Disclosure on change in ownership outside SDR Scheme (accounts which are currently under the stand-still period) as at 31 March 2021.

No. of accounts where banks have decided to effect change in ownership	Amount outstanding as at 31 March 2021		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 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								

xi. Disclosure on Change in ownership of Project under Implementation (accounts which are currently under the stand-still Period) as at 31 March 2021.

No. of project loan accounts where banks have decided to effect change in ownership	Amount outstanding as at 31 March 2021		
	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 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
-	-	-	-

5.2 Particulars of Accounts Restructured **31 March 2021**

Disclosure of Restructured Accounts

(Rs.000s)

SR No	Type of Restructuring →		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification → / Details ↓		Standard	Sub-Standard	Doubt ful	Loss	Total	Standard	Sub-Standard	Doubt ful	Loss	Total	Standard	Sub-Standard	Doubt Ful	Loss	Total	Standard	Sub-Standard	Doubt ful	Loss	Total
1	Restructured Accounts as on April 1 of the FY (opening figures)*	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Up gradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/ or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Down gradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Recoveries/Reduction/ Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY (closing figures*)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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 → / Details ↓		Standard	Sub-Standard	Doubt ful	Loss	Total	Standard	Sub-Standard	Doubt ful	Loss	Total	Standard	Sub-Standard	Doubt Ful	Loss	Total	Standard	Sub-Standard	Doubt ful	Loss	Total
1	Restructured Accounts as on April 1 of the FY (opening figures)*	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Fresh restructuring during the year	No.of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Up gradations to restructured standard category during the FY	No.of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/ or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No.of borrowers	-	-	-	-	-	-	-	-	-			-	-	-		-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-			-	-	-		-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-			-	-	-		-	-	-	-	-
5	Down gradations of restructured accounts during the FY	No.of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Recoveries/Reduction/ Write-offs of restructured accounts during the FY	No.of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY (closing figures*)	No.of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

The amount refers to recoveries made during the year.

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

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

5.4 Details of non-performing financial assets purchased/sold

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

5.5 COVID-19 Regulatory Packages

(a) In accordance with the COVID-19 Regulatory Packages announced by the RBI on March 27, 2020, April 17, 2020 and May 23, 2020, the Bank, in accordance with its board approved policy, offered a moratorium on the repayment of all instalments and / or interest, as applicable, due between March 1, 2020 and August 31, 2020 (i.e. “the moratorium period”) to all eligible borrowers classified as standard, even if overdue, as on February 29, 2020. In respect of such accounts that were granted moratorium, the asset classification remained standstill during the moratorium period.

The disclosures as required by RBI circular dated April 17, 2020 are given below:

(Rs.'000)

Sr. No.	Particulars	Amounts
i.	Respective amounts in SMA/overdue categories, where the moratorium / deferment was extended, in terms of paragraph 2 and 3 of the circular (as of February 29, 2020)	Nil
ii.	Respective amount where asset classification benefit is extended *	Nil
iii.	Provisions made in terms of paragraph 5 of the circular	Nil
iv.	Provisions adjusted against slippages in terms of paragraph 6 of the circular	Nil
v.	Residual provisions as of March 31, 2021 in terms of paragraph 6 of the circular	Nil

**as of March 31, 2021 in respect of such accounts.*

(b) In accordance with the instructions in the RBI circular dated April 07, 2021 (circular no. RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22), the Bank is required to refund / adjust ‘interest on interest’ to all borrowers including those who had availed of working capital facilities during the moratorium period of March 1,2020 to August 31, 2020, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, methodology for calculation of the amount of such ‘interest on interest has been finalised by the Indian Banks Association (IBA) in consultation with other industry participants / bodies. In terms of the methodology finalised by the IBA, the Bank has recognised a charge of Rs. 48(‘000) towards the said amount in its Profit and Loss Account for the year ended March 31, 2021.

(c) In accordance with the instructions in the RBI circular dated October 26, 2020 (circular no. RBI/2020-21/61 DOR.No.BP.BC.26/21.04.048/2020-21), under the scheme of grant of ex-gratia payment, the Bank is required to refund the difference between compound interest and simple interest to borrowers in specified loan accounts for the period between March 1, 2020 to August 31, 2020. The Bank has recognised a charge of Rs. 0.50(‘000) towards the said amount in its Profit and Loss Account for the year ended March 31, 2021.

5.6 Provisions on Standard Assets

The provision on Standard Assets of Rs. 677,397 (‘000s) (Includes provision towards Unhedged Foreign Currency Exposure of Rs 197,397 (‘000s)) {Previous Year – Rs. 716,765 (‘000s) (Includes provision towards Unhedged Foreign Currency Exposure of Rs. 183,765 (‘000s)}

6. Business Ratios

Particulars	As at 31 March 2021	As at 31 March 2020
Interest income as a percentage to working funds #	4.74%	6.07%
Non-interest income as a percentage to working funds #	1.09%	1.63%
Operating profit as a percentage to working funds ##, #	2.35%	3.33%
Return on assets (based on average working funds) $	1.21%	2.04%
Business (deposits plus advances) per employee (Rs.in Cr.) @ *	68.11	79.74
Profit per employee (Rs.in Cr.) *	0.83	1.34
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 2021 (Rs. 000s)

Maturity Buckets	Deposits	Advances	Investments	Borrowings	Foreign currency assets	Foreign currency liabilities
Day 1	1,244,820	188,991	17,042,923	365,550	-	365,635
2 to 7 days	14,250,447	11,426,562	4,313,301	3,134,600	5,455,614	6,038,392
8 to 14 days	10,490,940	8,930,865	2,955,063	236,126	79,957	136,163
15 to 30 days	21,413,520	20,375,417	3,651,653	590,943	2,690,108	496,764
31 days to 2 months	17,864,587	12,082,550	5,849,736	736,600	1,377,923	411,615
2 to 3 months	19,231,994	4,478,810	1,715,053	214,375	609,715	214,388
3 to 6 months	14,511,081	7,500,834	3,605,611	604,515	2,055,267	604,614
6 months to 1 year	2,843,266	7,076,206	609,585	-	566,603	-
1 to 3 years	17,771,077	10,418,341	3,403,580	-	-	-
3 to 5 years	1,650	2,161,334	300	-	-	-
Above 5 years	-	75,303	4,072,973	-	8,344,238	8,231,834
Total	**119,623,382**	**84,715,214**	**47,219,778**	**5,882,709**	**21,179,424**	**16,499,405**

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 2021 (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	1,976,782	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.

8. Exposures

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

Particulars		As on 31 March 2021	As on 31 March 2020
1)	*Direct exposure*		
	(i) Residential mortgages	4,630	4,878
	- of which housing loans upto Rs. 20 lakhs*	1,564	1,665
	(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)	1,749,778	1,742,879
	Total exposure to real estate sector	**1,754,408**	**1,747,757**

*These are housing loans given to staff.

8.2 Exposure to Capital Market

The lending to capital market sector as at 31 March 2021 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 2021	Provision held as on 31 March 2021	Exposure (Net) as on 31 March 2020	Provision held as on 31 March 2020
Insignificant	7,962,299	7,500	23,668,401	57,000
Low	745,585	-	22,915	-
Moderate	-	-	-	-
High	-	-	-	-
Very high	-	-	-	-
Restricted	-	-	-	-
Off-credit	-	-	-	-
Total	**8,707,884**	**7,500**	**23,691,316**	**57,000**

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

RBI vide their master circular no. DBR.No.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 2021, the Bank has not 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 2021	Exposure as on 31 March 2021
NIL					

During the Year ended 31 March 2020, the Bank has not 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					

8.5 Unsecured advances against intangible assets

During the year ended 31 March 2021 and 31 March 2020 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 2021 and 31 March 2020, 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 2021, 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 2021, the Bank has made an appropriation of Rs 248,268 ('000) (Previous Year 460,201 ('000)), to the IFR from the Profit and Loss Account.

13. Disclosure of complaints:

(A) Summary information on complaints received by the bank from customers and from the OBOs

No.		Particulars	As on 31 March 2021	As on 31 March 2020
	Complaints received by the bank from its customers			
1		Number of complaints pending at beginning of the year	Nil	Nil
2		Number of complaints received during the year	Nil	Nil
3		Number of complaints disposed during the year	Nil	Nil
	3.1	Of which, number of complaints rejected by the bank	Nil	Nil
4		Number of complaints pending at the end of the year	Nil	Nil
	Maintainable complaints received by the bank from OBOs			
5		Number of maintainable complaints received by the bank from OBOs	Nil	Nil
	5.1	Of 5, number of complaints resolved in favour of the bank by BOs	Nil	Nil
	5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by BOs	Nil	Nil
	5.3	Of 5, number of complaints resolved after passing of Awards by BOs against the bank	Nil	Nil
6		Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in BO Scheme 2006 and covered within the ambit of the Scheme.

(B) Top five grounds of complaints received by the bank from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Ground-1	Nil	Nil	Nil	Nil	Nil
Ground-2	Nil	Nil	Nil	Nil	Nil
Ground-3	Nil	Nil	Nil	Nil	Nil
Ground-4	Nil	Nil	Nil	Nil	Nil
Ground-5	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil
Previous Year					
Ground-1	Nil	Nil	Nil	Nil	Nil
Ground-2	Nil	Nil	Nil	Nil	Nil
Ground-3	Nil	Nil	Nil	Nil	Nil
Ground-4	Nil	Nil	Nil	Nil	Nil
Ground-5	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil

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 2021 was 100% (Previous year: 100%)

16. Priority Sector Lending Certificate (PSLC)

During the year ended 31 March 2021 the Bank purchased PSLC-Micro amounting to Rs. 10,110,000(‘000) (Previous year Rs. 1,250,000 (‘000)) and PSLC-General amounting to Rs. 41,455,000 (‘000) (Previous Year Rs. 6,250,000 (‘000)).

17. Bancassurance Business

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

18. Concentration of Deposits, Advances, Exposures and NPAs

18.1 Concentration of Deposits(Rs.000s)

Particulars	As on 31 March 2021	As on 31 March 2020
Total Deposits of twenty largest depositors	66,285,927	88,001,251
Percentage of Deposits of twenty largest depositors to Total deposits of the Bank	55.41%	60.67%

18.2 Concentration of Advances (Rs.000s)

Particulars	As on 31 March 2021	As on 31 March 2020
Total Advances of twenty largest borrowers #	66,375,062	73,230,123
Percentage of Advances of twenty largest borrowers to Total Advances of the Bank	37.46%	39.87%

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 2021	As on 31 March 2020
Total exposure of twenty largest borrowers #	82,564,674	82,648,785
Percentage of exposure of twenty largest borrowers to Total exposure of the Bank	46.60%	45.00%

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 2021	As on 31 March 2020
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 2021			As on 31 March 2020		
		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	6,635,834	-	-	16,396,352	63,400	0.39%
3	Services	1,511,620	-	-	6,106,791	-	-
4	Personal Loans	-	-	-	-	-	-
	Sub Total (A)	**8,147,454**	**-**	**-**	**22,503,143**	**63,400**	**0.28%**
B	**Non Priority Sector**						
1	Agriculture & allied activity	-	-	-	-	-	-
2	Industry	35,871,723	63,400	0.18%	36,475,287	-	-
3	Services	40,707,760	-	-	35,183,503	-	-
4	Personal Loans	51,677	-	-	56,912	-	-
	Sub Total (B)	**76,631,160**	**63,400**	**0.18%**	**71,715,702**		
	Total (A + B)	**84,778,614**	**63,400**	**0.07%**	**94,218,845**	**63,400**	**0.07%**

Represents Gross Advances

Industries having more than 10% exposure in the related Sector

(Rs.000s)

Sl No	Sector	As on 31 March 2021			As on 31 March 2020		
		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	15,541,893	-	-	17,435,242	-	-
2.2	Chemicals & Pharmaceuticals	4,333,407	-	-	3,149,972	-	-
2.3	All Engineering	1,763,384	-	-	9,045,232	-	-
2.4	Petroleum Products	-	-	-	-	-	-
2.5	All Others (Manufacturing)	20,868,872	63,400	0.30%	23,241,193	63,400	0.27%
	Sub Total (2)	**42,507,556**	**63,400**	**0.15%**	**52,871,639**	**63,400**	**0.12%**
3	**Services (3.1+3.2)**						
3.1	NBFCs	14,231,133	-	-	16,635,280	-	-
3.2	Banks	-	-	-	4,855,494	-	-
3.3	Trade – Wholesale Trade	12,370,556	-	-	4,891,586	-	-
3.4	Computer and related services	4,306,600	-	-	-	-	-
3.5	All Others (Services)	11,311,092	-	-	14,907,934	-	-
	Sub Total (3)	**42,219,381**	**-**	**-**	**41,290,294**	**-**	**-**
4	Personal Loans	51,677	-	-	56,912	-	-
	Gross Advances	**84,778,614**	**63,400**	**0.07%**	**94,218,845**	**63,400**	**0.07%**

Represents Gross Advances

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

Particulars	As at 31 March 2021	As at 31 March 2020
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 2021, outstanding receivables acquired by the Bank under factoring stood at Rs. 6,529,882 (000s) (Previous year Rs. 2,037,956 (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. 58,959 (000s) for the year ended 31 March 2021 {Previous Year - Rs. 52,265 (000s)}.

(b) Compensated absences

The Bank has an amount of Rs. 35,839 (000s) as liability for compensated absences for the year ended 31 March 2021 and previous Year the Bank has an amount of Rs. 26,739 (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 2021		Year ended 31 March 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	13,879	10,208	12,289	7,408
Interest on defined benefit assets	7,613	1,732	7,288	1,870
Net actuarial losses/(gains) recognized in the year	5,220	(1,050)	7,820	(5,995)
Expected return on plan assets	(13,712)	-	(9,994)	-
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	**13,000**	**10,890**	**17,403**	**3,283**

Balance Sheet (Rs.000s)

Particulars	As on 31 March 2021		As on 31 March 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of funded obligations	(134,271)	(35,839)	116,883	26,739
Fair value of plan assets	226,840	-	(147,297)	-
Present value of unfunded obligations	-	-	-	-
Unrecognized past service cost	-	-	-	-
Net Asset / (liability)	**92,569**	**(35,839)**	**(30,414)**	**26,739**

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

(Rs.000s)

Particulars	As on 31 March 2021		As on 31 March 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Changes in defined benefit obligation*	-	-	-	-
Opening defined benefit obligation	116,883	26,739	107,045	27,084
Current service cost	13,879	10,208	12,289	7,408
Interest cost	7,613	1,732	7,289	1,870
Actuarial losses/(gains)	2,416	(1,050)	7,370	(5,996)
Benefit paid	(6,520)	(1,789)	(17,110)	(3,627)
Closing defined benefit obligation	**134,271**	**35,839**	**116,883**	**26,739**

**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 2021		As on 31 March 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Changes in fair value of assets*	-	-	-	-
Opening fair value of plan assets	147,297	-	128,981	-
Expected return on plan assets	13,711	-	9,994	-
Actuarial gains/(losses)	(2,803)	-	(449)	-
Assets distributed on settlements / Acquisition adjustment	-	-	2,000	-
Contribution by the Bank	75,155	-	23,881	-
Benefit paid	(6,520)	-	(17,110)	-
Closing fair value of plan assets	**226,840**	**-**	**147,297**	**-**
Actual Return on Plan Assets	10,909	-	9,544	-

**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 2021	As on 31 March 2020
Issuer managed funds	**100.00%**	100.00%

Principal actuarial assumptions at the balance sheet date:

Particulars	As on 31 March 2021		As on 31 March 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (p.a.)	6.60%	6.60%	6.70%	6.70%
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

Gratuity (Rs.000s)

Description	As on 31 March 2017	As on 31 March 2018	As on 31 March 2019	As on 31 March 2020	As on 31 March 2021
1) Present Value of Defined Benefit Obligation	67,185	94,175	107,045	116,883	134,271
2) Fair Value of Plan Assets	(30,867)	(94,614)	(128,981)	(147,297)	(226,840)
3) (Surplus)/Deficit	36,318	(439)	(21,936)	(30,414)	(92,569)
4) Experience adjustment on Plan Liability (Gain)/ Loss	9,092	(1,753)	(901)	1,267	1,382
5) Experience adjustment on Plan Assets (Gain)/ Loss	-	286	745	449	(2,803)

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	Previous	Current	Previous	Current	Previous
	Year	Year	Year	Year	Year	Year
Revenue	5,062,276	6,404,943	6,919,481	8,789,643	11,981,757	15,194,586
Result	4,561,659	5,814,210	154,448	544,974	4,716,107	6,359,184

Business Segments	Treasury		Corporate / Wholesale Banking		Total	
Particulars	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Unallocated expenses					-	-
Operating Profit					4,716,107	6,359,184
Income taxes					2,238,501	2,335,959
Extraordinary profit/ loss	-	-	-	-	-	-
Net profit					2,477,606	4,023,225
Other information:	-	-	-	-	-	-
Segment assets	101,954,155	125,716,181	85,896,850	95,312,729	187,851,005	221,028,910
Unallocated Assets					**788,318**	**815,058**
Total assets					188,639,323	221,843,968
Segment liabilities	**7,479,426**	**14,255,618**	**126,260,565**	**155,685,160**	**133,739,991**	**169,940,778**
Unallocated liabilities					**518,536**	**-**
Total Liabilities (excluding Capital and Reserve & Surplus)					134,258,527	169,940,778
Capital and Reserve & Surplus					54,380,796	51,903,190

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).

Balances with fellow subsidiaries and entities under common control are as follows:

(Rs.000s)

Particulars	As on 31 March 2021	Maximum outstanding during the year ended March 31, 2021	As on 31 March 2020	Maximum outstanding during the year ended March 31, 2020
Deposits	77,520	93,419	23,430	31,008
Interest Payable on Deposits	727	967	-	-
Other Receivables	44	-	-	-

Income/Expense during the year with fellow subsidiaries and entities under common control is as follows: (Rs.000s)

Particulars	As on 31 March 2021	As on 31 March 2020
Interest expense	1,857	-
Professional expenses	40,722	-
Reimbursement of expenses:		
Rent, taxes and lighting	517	568
Repairs and maintenance	37	-
Other Income - bank charges	8	-

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 2021	As on 31 March 2020
Future lease rentals payable as at the end of the year:	**693,880**	**687,591**
- Not later than one year	223,226	290,071
- Later than one year and not later than five years	355,819	397,521
- Later than five years	114,835	-
Total of minimum lease payments recognized in the profit and loss account for the year	359,839	316,416
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 2021	As on 31 March 2020
Deferred tax assets on account of provision for retirement benefits	32,791	25,831
Deferred tax assets on account of depreciation on fixed assets	273,373	291,393
Deferred tax assets on others	482,153	437,597
Net deferred tax asset/(liability)	**788,317**	**754,821**

28. Provisions and Contingencies

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

(Rs.000s)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Provision for income tax		
- Current tax for the year	2,271,999	2,759,560
- Deferred tax for the year	(33,498)	(423,601)
Provision for wealth tax	-	-
Provision for non-performing advances and investments	-	-
Provision towards standard assets	(53,000)	21,500
Provision for depreciation in value of investments	208,585	163,442
Provision for country risk	(49,500)	(26,500)
Provision for unhedged foreign currency exposure	13,632	38,065
Provision For Large Exposure Through Market Mechanism	(5,238)	9,130
Total	**2,352,980**	**2,541,596**

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	49	-
Less : Amounts reimbursed by DEAF towards claims	-	-
Closing balance of amounts transferred to DEAF	116	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. 197,397 (000's) (Previous year Rs. 183,765 (000's)) and incremental capital of 7,442,688 (000's) (Previous year Rs. 573,032 (000's)) on account of UFCE of its borrowers as of 31 Mar 2021.

35. Liquidity Coverage Ratio (Rs.000s)

	Particulars	Q1 Avg		Q2 Avg		Q3 Avg		Q4 Avg	
		2020-21		2020-21		2020-21		2020-21	
		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)	60,492,932	60,083,942	73,460,220	73,460,220	106,825,994	106,725,419	110,568,286	110,568,286
Cash Outflows									
2	Retail deposits and deposits from small business customers, of which:	44,369	4,437	56,452	5,645	58,806	5,881	53,498	5,350
(i)	Stable deposits	-	-	-	-	-	-	-	-
(ii)	Less stable deposits	44,369	4,437	56,452	5,645	58,806	5,881	53,498	5,350
3	Unsecured wholesale funding, of which:	122,495,013	52,715,627	139,934,500	58,258,956	168,540,357	69,693,452	155,930,488	65,416,995
(i)	Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii)	Non-operational deposits (all counterparties)	116,298,978	46,519,591	136,125,906	54,450,363	164,744,842	65,897,937	150,855,822	60,342,329
(iii)	Unsecured debt	6,196,036	6,196,036	3,808,593	3,808,593	3,795,515	3,795,515	5,074,666	5,074,666
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which	14,862,417	2,347,533	15,036,871	2,552,100	18,180,256	2,561,414	21,725,615	3,315,414
(i)	Outflows related to derivative exposures and other collateral requirements	956,991	956,991	1,164,904	1,164,904	825,987	825,987	1,269,836	1,269,836
(ii)	Outflows related to loss of funding on debt products								
(iii)	Credit and liquidity facility	13,905,426	1,390,543	13,871,968	1,387,197	17,354,269	1,735,427	20,455,780	2,045,578
6	Other contractual funding obligations	670,944	670,944	698,294	698,294	545,933	545,933	427,960	427,960
7	Other contingent funding obligations	56,508,865	1,695,266	56,220,910	1,686,627	56,308,112	1,689,243	59,890,944	1,796,728
8	**Total Cash Outflows**	194,581,609	57,433,807	211,947,027	63,201,622	243,633,465	74,495,923	238,028,506	70,962,446
Cash Inflows									
9	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	41,752,455	20,945,174	45,124,593	23,854,430	45,665,499	23,239,755	38,803,567	19,469,761
11	Other cash inflows	1,547,566	1,323,878	1,590,669	1,399,220	1,042,671	885,430	1,422,435	1,304,775
12	Total Cash Inflows	43,300,021	22,269,053	46,715,261	25,253,650	46,708,170	24,125,186	40,226,002	20,774,536
13	TOTAL HQLA	60,492,932	60,083,942	73,460,220	73,460,220	106,825,994	106,725,419	110,568,286	110,568,286
14	Total Net Cash Outflows	151,281,588	35,164,754	165,231,765	37,947,972	196,925,294	50,370,737	197,802,504	50,187,910
15	Liquidity Coverage Ratio (%)	**171%**		**194%**		**212%**		**220%**	

(Rs.000s)

	Particulars	Year ended 31 March 2021	
		Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets			
1	Total High Quality Liquid Assets (HQLA)	87,836,858	87,709,467
Cash Outflows			
2	Retail deposits and deposits from small business customers, of which:	53,281	5,328
(i)	Stable deposits	-	-
(ii)	Less stable deposits	53,281	5,328
3	Unsecured wholesale funding, of which:	146,725,090	61,521,257
(i)	Operational deposits (all counterparties)	-	-
(ii)	Non-operational deposits (all counterparties)	142,006,387	56,802,555
(iii)	Unsecured debt	4,718,702	4,718,702
4	Secured wholesale funding	-	-
5	Additional requirements, of which	17,451,290	2,694,115
(i)	Outflows related to derivative exposures and other collateral requirements	1,054,429	1,054,429
(ii)	Outflows related to loss of funding on debt products	-	-
(iii)	Credit and liquidity facility	16,396,861	1,639,686
6	Other contractual funding obligations	585,783	585,783
7	Other contingent funding obligations	57,232,208	1,716,966
8	**Total Cash Outflows**	222,047,652	66,523,450
Cash Inflows			
9	Secured lending (e.g. reverse repos)	42,836,529	21,877,280
10	Inflows from fully performing exposures	1,400,835	1,228,326
11	Other cash inflows	44,237,364	23,105,606
12	Total Cash Inflows	42,836,529	21,877,280
13	TOTAL HQLA	87,836,858	87,709,467
14	Total Net Cash Outflows	177,810,288	43,417,843
15	Liquidity Coverage Ratio (%)	202%	

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 2020-21 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.

   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-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
173.07%	161.61%	177.47%	208.52%	176.20%	198.70%	215.77%	202.81%	216.92%	224.09%	216.89%	220.03%

(Rs.000s)

	Particulars	Q1 Avg		Q2 Avg		Q3 Avg		Q4 Avg	
		2019-20		2019-20		2019-20		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%**	

(Rs.000s)

	Particulars	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

	Particulars	Year ended 31 March 2020	
		Total Unweighted Value (average)	Total Weighted Value (average)
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)	-	-

	Particulars	Year ended 31 March 2020	
		Total Unweighted Value (average)	Total Weighted Value (average)
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%

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 2021 (Previous year: NIL).

37. Description of contingent liabilities

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

38. Pending Litigation

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

39. Foreseeable losses

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

40. Disclosure on provisioning pertaining to fraud accounts

Particulars	31 March 2021	31 March 2020
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

(i) Brief outline on CSR Policy of the Company.

The CSR Policy sets out the framework that would guide all CSR activities and initiatives of the Bank. It also outlines the guidelines and procedure for CSR. This policy is in and will ensure compliance to the applicable law and regulation (as may be amended from time to time), more specifically CSR related provisions under Companies Act 2013. The Policy extends to all the branches/offices of Mizuho Bank, Ltd in India. The CSR Policy of the Bank shall be broadly aligned to the activities enumerated in the CSR related Schedule in Companies Act 2013. Our area of activities are is within the frame work of Schedule VII. The bank has the CSR committee and it ensures compliance to CSR policy. CSR team in IAD Mumbai coordinates with all branches in India to engage employees of the Bank in CSR activities.

(ii) Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Naohiko Oguchi	Chairperson-CSR committee General Manager India Administration Dept. and SMC Chairperson	2	2
2	Mr. Jun Kuroki	General Manager India Corporate Banking Department (ICBD) and SMC Member	2	2
3	Mr. Makoto Kakinuma	Joint General Manager – IAD and SMC Member	2	1
4	Mr. Sunil Singh	Group Head- Legal and Compliance	2	1
Special Members :				
1	Ms. Divya Dayal	Group Head- Corporate Affairs	2	2
3	Ms. Shraddha Mor	Department Head - Legal	2	2
3	Mr. Yousuke Nakanishi	Member - Planning Team, IAD	2	2
General Secretary :				
1	Mr. Rajesh Alphanso	CSR Staff - Corporate Affairs	2	2

(iii) Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

https://www.mizuhogroup.com/asia-pacific/india/service/guideline

(iv) Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).
(Rs.000s)

Particulars	31 March 2019	31 March 2020	31 March 2021	Total	Average is < 10 Cr.
CSR Obligation	75,450	72,960	96,085		81,498
Actual CSR spending	75,678	73,784	96,167	245,629	
Set off Amount	228	824	81,467		

(v) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any
(Rs.000s)

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1	2018-19	228	228
2	2019-20	824	824
TOTAL		**1,052**	**1,052**

(vi) Average net profit of the company as per section 135(5).
(Rs.000s)

Years	31 March 2018	31 March 2019	31 March 2020	Average
Profit	3,716,440	3,913,581	6,782,784	4,804,268

(vii) a) Two percent of average net profit of the company as per section 135(5) is Rs. 96,085 ('000).

b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years is Nil.

c) Amount required to be set off for the financial year 31 March 2021 is Rs. 1,052 ('000).

d) Total CSR obligation for the financial year is Rs. 95,033 ('000).

(viii) a) CSR amount spent or unspent for the financial year:
(Rs.000s)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second provison to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
96,167	-	NA	NA	-	NA

b) Details of CSR amount spent against ongoing projects for the financial year: (Rs.000s)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project	Amount spent in the current financial Year.	Amount transferred to Unspent CSR Account for the project as per Section 135(6).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Contribution to Indian Institute of Management Bangalore towards expenses related to the activities for Promotion of Education.	Promoting education	Yes	Karnataka	Bangalore	3 years	210,000	70,000	-	-	Indian Institute of Management, Bangalore	CSR00003458

c) Details of CSR amount spent against other than ongoing projects for the financial year: (Rs.000s)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Prime Ministers National Relief Fund	Contribution to the prime minister's national relief fund	No	National Level	National Level	23,090	YES	NA	NA
2.	Distribution of COVID -19 safety kits & IT items to children from underserved communities	Promoting education	Yes	New Delhi	New Delhi	63	Yes	NA	NA
3.	Distribution of stationery kits and meals for children from underserved communities	Promoting education	Yes	Gujarat	Ahmedabad	14	Yes	NA	NA
	TOTAL					23,167			

d) Amount spent in Administrative Overheads is Rs 3,000 ('000).

e) Amount spent of impact assessment is Nil.

f) Total amount spent for the Financial Year is Rs. 96,167 ('000)

g) Excess amount for set off.

(Rs.000s)

Sl. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	**96,085**
(ii)	Total amount spent for the Financial Year	96,167
(iii)	Excess amount spent for the financial year [(ii)-(i)]	81
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	81

(ix) (a) Details of Unspent CSR amount for the preceding three financial years:

(Rs.000s)

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.
				Name of the Fund	Amount	Date of transfer.	
1.	NA	-	-	NA	-	NA	NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(Rs.000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year.	Status of the project - Completed /Ongoing.
1.	NA	Contribution to Indian Institute of Management Bangalore towards expenses related to the activities for Promotion of Education	2019-20	3 years	210,000	70,000	140,000	Ongoing
	TOTAL				210,000	70,000	140,000	

(x) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

a) Date of creation or acquisition of the capital asset(s). NA

b) Amount of CSR spent for creation or acquisition of capital asset is Nil

c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address is Nil

d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) is Nil

(xi) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) is Nil

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 2020-21 and based thereon and keeping in view current indicators of future economic conditions, there is no significant impact on the financial statements for 2020-21 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/- **Vineet Saxena** Partner Membership No. 100770	**Sd/-** **Naohiko Oguchi** Chief Executive Officer - India	**Sd/-** **Ashish Adukia** Accounting & Tax

Place: Mumbai
Date: 28 June 2021

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, Gurgaon, 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 1.875% of Common Equity Tier 1 capital. 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 11.875% (includes minimum total Capital ratio 9%, Capital Conservation buffer 1.875% and G-SIB 1%).

As at March 31, 2021, 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 1,104 million) i.e. Deferred Tax Assets (INR 788 million) and Software Development Cost and its depreciation (INR 316 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, 2021 is at 20.21%. 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 %.

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

Quantitative Disclosure

Summary of Capital Funds (Rs.000s)

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	5,991,488	5,991,488
3	Revenue Reserve	-	-
4	Remittable Surplus	15,386,790	15,386,790
5	Deductions : Intangible Assets	1,103,908	1,103,908
	Tier I Capital	**50,717,723**	**50,717,723**
Sr. No.	**Components of Tier II Capital**		
1	Provision for country Risk	7,500	7,500
2	Provision for Standard Assets	480,000	480,000
3	Unhedged foreign currency exposure	197,397	197,397
4	Investment Reserve Account	4,832	4,832
5	Investment Fluctuation Reserves	944,396	944,396
	Tier II Capital	**1,634,125**	**1,634,125**
	Total Eligible Capital	**52,351,848**	**52,351,848**

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)	238,568,276
Capital Requirement under standardized approach	21,471,145
Market Risk – Standardized Duration Approach	
(i) Interest rate risk	265,410
(ii) Equity risk	-
(iii) Foreign exchange risk	270,000
Capital Requirement : Total (i+ii+iii)	**535,410**
Operational Risk - Basic Indicator Approach (BIS)	
Capital Requirement under BIS	1,105,530
Total	**23,112,084**
Total Eligible Capital	**52,351,848**

Capital Adequacy Ratio (CRAR)

CRAR	20.21%
CRAR – Tier 1 Capital (%)	19.58%

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.

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	286,558,307	365,550	286,923,857
Non-fund Based	128,542,382	-	128,542,382
Investment Exposure	-	-	-
Total Gross Credit Exposure	**415,100,689**	**365,550**	**399,519,292**

Industry Type distribution of Exposure (Rs.000s)

PARENT INDUSTRY	Funded Exposure	%age	Non Funded Exposure	%age	NON SLR Exposure	%age	TOTAL CREDIT EXPOSURE	%age
Vehicle Parts and Transport Equipments	57,321,243	20%	12,417,601	10%	-	0%	69,738,844	17%
NBFCs	53,483,333	19%	4,678,389	4%	-	0%	58,161,722	14%
Trade - Wholesale Trade	30,355,151	11%	5,119,333	4%	-	0%	35,474,484	9%
Other Services	21,339,287	7%	11,092,228	9%	-	0%	32,431,515	8%
Other Industries	21,717,342	8%	6,489,923	5%	-	0%	28,207,265	7%
All Engineering	14,332,120	5%	13,354,349	10%	-	0%	27,686,469	7%
Chemicals and Chemical Products	19,811,615	7%	4,030,357	3%	-	0%	23,841,972	6%
Head Office Counter Guarantee	-	0%	22,168,303	17%	-	0%	22,168,303	5%
Basic Metal and Metal Products	15,315,977	5%	1,552,719	1%	-	0%	16,868,696	4%
Computer and Related Activities	11,079,600	4%	5,561,010	4%	-	0%	16,640,610	4%
Banks	4,035,558	1%	11,112,574	9%	-	0%	15,148,132	4%
Petroleum Coal Products and Nuclear Fuels	2,100,000	1%	8,793,422	7%	-	0%	10,893,422	3%
Infrastructure- Electricity Generation	4,450,000	2%	6,434,640	5%	-	0%	10,884,640	3%
Construction	-	0%	9,683,067	8%	-	0%	9,683,067	2%

MIZUHO

Mizuho Bank Ltd., Indian Branches

(Incorporated in Japan with Limited Liability)

PARENT INDUSTRY	Funded Exposure	%age	Non Funded Exposure	%age	NON SLR Exposure	%age	TOTAL CREDIT EXPOSURE	%age
Food Processing	7,466,875	3%	1,999,094	2%	-	0%	9,465,968	2%
Rubber, Plastic and their Products	5,677,200	2%	133,696	0%	-	0%	5,810,896	1%
Infrastructure -Transport - Ports	5,483,250	2%	13,629	0%	-	0%	5,496,879	1%
Professional Services	1,100,000	0%	2,450,000	2%	-	0%	3,550,000	1%
Paper and Paper Products	2,803,636	1%	257,064	0%	-	0%	3,060,700	1%
Cement & Cement Products	2,750,000	1%	-	0%	-	0%	2,750,000	1%
Transport Operators	2,370,843	1%	224,998	0%	-	0%	2,595,841	1%
Infrastructure- Electricity Transmission	1,500,000	1%	639,841	0%	-	0%	2,139,841	1%
Textile	1,827,750	1%	45,000	0%	-	0%	1,872,750	0%
Glass & Glass Products	283,000	0%	180,000	0%	-	0%	463,000	0%
Mining and Quarrying	200,000	0%	111,145	0%	-	0%	311,145	0%
Gems & Jewellery	63,400	0%	-	0%	-	0%	63,400	0%
Staff Perosnal	47,047	0%	-	0%	-	0%	47,047	0%
Real Estate-Commercial	5,000	0%	-	0%	-	0%	5,000	0%
Staff Housing	4,630	0%	-	0%	-	0%	4,630	0%
Grand Total	**286,923,857**		**128,542,382**		-		**415,466,239**	

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	40,544	302,041	170,429	1,890	-	83	514,987
2 to 7 days	8,053	73,882	43,133	114,266	-	2,465	241,799
8 to 14 days	5,746	-	29,551	89,309	-	367	124,973
15 to 30 days	7,100	-	36,517	203,754	-	3,715	251,086
31 days to 2 months	9,770	-	58,497	120,826	-	1,186	190,279
2 to 3 months	3,593	-	17,151	44,788	-	-	65,532
3 to 6 months	6,965	-	36,056	75,008	-	2,447	120,476
6 months to 1 year	1,185	-	6,096	70,762	-	5,666	83,709
1 to 3 years	6,618	-	34,035	104,183	-	-	144,837
3 to 5 years	1	-	3	21,613	-	-	21,617
Above 5 years	258	-	40,730	753	6,101	205,928	253,771
Total	**89,833**	**375,923**	**472,198**	**847,152**	**6,101**	**221,857**	**2,013,066**

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	-
Doubtful 1	-
Doubtful 2	-
Doubtful 3	-
Loss	63,400
Total	**63,400**

Amount of Net NPAs:

Our Net NPAs is NIL as at 31 March 2021.

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)	
(i) Opening Balance	**63,400**
(ii) Additions during the year	-
(iii) Reductions during the year	-
(iv) Write-offs made during the year	-
Closing Balance	**63,400**

Amount of Non-Performing Investments:

Amount of Provisions held for Non-Performing Investments is NIL as at 31 March 2021.

Movement of Provision for Depreciation on Investments: (Rs.000s)

Particulars	Amount
Opening Balance	163,442
Provisions made during the year	208,585
Write-Off	-
Write-back of excess provisions	-
Closing Balance	372,027

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	124,777,573
2	100% risk weight exposure outstanding	48,340,917
3	More than 100% risk weight exposure outstanding	138,542,515
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, 2021.

- **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.

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 745.92 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 130.12 Mio in 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 2021 is given below: (Rs.000s)

Risk Category	Capital charge
I. Interest Rate (a+b)	265,410
a. General market risk	263,322
i) Net position (parallel shift)	224,949
ii) Horizontal disallowance (curvature)	9,495
iii) Vertical disallowance (basis)	28,877
iv) Options	-
b. Specific risk	2,088
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)	**535,410**

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, 2021, the Operational Risk Capital Charge for the Bank is INR 1,105,530 ('000) based on previous 3 years' average gross income.

Mizuho Bank Ltd., Indian Branches
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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

l Traditional Gap Analysis – Earnings perspective

l 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

Quantitative Disclosures

The change in Economic value of equity for 200 bps interest rate shock is Rs. 116.67 crores as on 31 March, 2021, which is 2.30% 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. 31.08 crores as on 31 March, 2021.

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	164,190,794	18,745,683
II. Interest Rate Swap	128,973,720	2,881,591
III. Forex Forwards	221,981,835	8,992,299
IV. Options	26,966,017	931,586
Total Current Exposure	**542,112,366**	**31,551,159**

Table DF-11 : Composition of Capital

DATA TABLES FOR BALANCESHEET DISCLOSURE AS AT 31ST MARCH 2021

(Rs. Millions)

DF 11 – COMPOSITION OF CAPITAL AS AT MARCH 31ST, 2021			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	21,378		
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	51,821		
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)	316		
10	Deferred tax assets[2]	788		
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			
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**	1,104		
29	**Common Equity Tier 1 capital (CET1)**	50,718		

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DF 11 – COMPOSITION OF CAPITAL AS AT MARCH 31ST, 2021			Amounts Subject to Pre-Basel III Treatment	Ref No.
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)**	50,718		
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]	1,634		
51	**Tier 2 capital before regulatory adjustments**	1,634		
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)**	1,634		
58a	**Tier 2 capital reckoned for capital adequacy**[14]	1,634		
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**			
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	1,634		
59	**Total capital (TC = T1 + Admissible T2) (45 + 58c)**	52,352		
	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)**	259,080		
60a	of which : total credit risk weighted assets	238,568		
60b	of which : total market risk weighted assets	6,693		
60c	of which : total operational risk weighted assets	13,819		
Capital ratios				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	19.58%		
62	Tier 1 (as a percentage of risk weighted assets)	19.58%		
63	Total capital (as a percentage of risk weighted assets)	20.21%		
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)			

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DF 11 – COMPOSITION OF CAPITAL AS AT MARCH 31ST, 2021			Amounts Subject to Pre-Basel III Treatment	Ref No.
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)	690		
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	788
	Total as indicated in row 10	788
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	1,634
	Eligible Revaluation Reserves included in Tier 2 capital	
	Total of row 50	1,634
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	23,937	23,937
		Minority Interest	-	-
		Total Capital	54,380	54,380
	ii.	Deposits	119,623	119,623
		of which : Deposits from banks	54	54
		of which : Customer deposits	119,569	119,569
		of which : Other deposits (pl. specify)	-	-
	iii.	Borrowings	5,883	5,883
		of which : From RBI	-	-
		of which : From banks	5,883	5,883
		of which : From other institutions & agencies	-	-
		of which : Others (pl. specify)	-	-
		of which : Capital instruments	-	-
	iv.	Other liabilities & provisions	8,753	8,753
	Total		**188,639**	**188,639**
B	**Assets**			
	i.	Cash and balances with Reserve Bank of India	8,983	8,983
		Balance with banks and money at call and short notice	37,592	37,592
	ii.	Investments :	47,220	47,220
		of which : Government securities	46,474	46,474
		of which : Other approved securities	-	-
		of which : Shares	-	-
		of which : Debentures & Bonds	-	-
		of which : Subsidiaries / Joint Ventures / Associates	-	-
		of which : Others (Commercial Papers, Mutual Funds etc.)	746	746
	iii.	Loans and advances	84,715	84,715
		of which : Loans and advances to banks	3,691	3,691
		of which : Loans and advances to customers	81,024	81,024
	iv.	Fixed assets	610	610
	v.	Other assets	9,519	9,519
		of which : Goodwill and intangible assets	316	316
		of which : Deferred tax assets	788	788
	vi.	Goodwill on consolidation	-	-
	vii.	Debit balance in Profit & Loss account	-	-
Total Assets			**188,639**	**188,639**

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	23,937	
		Statutory Reserves	5,991	A2
		Revenue Reserves	15,387	A3
		Investment Reserves Account (Includes Investment Fluctuation Reserves)	949	A4
		Balance in Profit & Loss Account	1,610	A5
		Minority Interest		
		Total Capital	54,381	
	ii.	Deposits	119,623	
		of which : Deposits from banks	54	
		of which : Customer deposits	119,569	
		of which : Other deposits (pl. specify)		
	iii.	Borrowings	5,883	
		of which : From RBI	-	
		of which : From banks	5,883	
		of which : From other institutions & agencies		
		of which : Others (pl. specify)		
		of which : Capital instruments		
	iv.	Other liabilities & provisions	8,753	
		of which :		
		Provision for standard assets	480	C1
		Provision for Country Risk	8	C2
		Provision for Un-hedge Transactions	197	C4
		Total	**188,639**	
B	**Assets**			
	i.	Cash and balances with Reserve Bank of India	8,983	
		Balance with banks and money at call and short notice	37,592	
	ii.	Investments :	47,220	
		of which : Government securities	46,474	
		of which : Other approved securities	-	
		of which : Shares	-	
		of which : Debentures & Bonds	-	
		of which : Subsidiaries / Joint Ventures / Associates	-	
		of which : Others (Commercial Papers, Mutual Funds etc.)	746	
	iii.	Loans and advances	84,715	
		of which : Loans and advances to banks	3,691	
		of which : Loans and advances to customers	81,024	
	iv.	Fixed assets	610	
	v.	Other assets	9,519	
		of which : Goodwill and intangible assets	316	
		Out of which :		
		Goodwill		
		Other intangibles (excluding MSRs)	316	B1
		Deferred tax assets	788	B2
	vi.	Goodwill on consolidation		
	vii.	Debit balance in Profit & Loss account		
Total Assets			**188,639**	

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	188,639
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	30,860
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)	54,872
7	Other adjustments**	(411)
8	Leverage ratio exposure	273,960

** 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)	189,332
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(1,104)
3	**Total on-balance sheet exposures** (excluding derivatives and SFTs) (sum of lines 1 and 2)	188,228
	Derivative exposures	
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	8,353
5	Add-on amounts for PFE associated with all derivatives transactions	22,507
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)**	30,860
	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	89,651
18	(Adjustments for conversion to credit equivalent amounts)	(34,779)
19	**Off-balance sheet items (sum of lines 17 and 18)**	54,872
	Capital and total exposures	
20	Tier 1 capital	50,718
21	Total exposures (sum of lines 3, 11, 16 and 19)	273,960
	Leverage ratio	
22	Basel III leverage ratio	18.51%