

18 Notes forming part of the Financial Statements

For the year ended 31 March, 2019

1.1 Statutory disclosures as per RBI

1.1.1 'Provisions and contingencies' recognised in the Profit and Loss Account comprise of:

	(₹ in crores)	
For the year ended	31 March, 2019	31 March, 2018
Provision for income tax		
- Current tax	3,009.84	1,671.19
- Deferred tax (Refer 1.2.11)	(712.36)	(1,825.30)
	2,297.48	(154.11)
Provision for non-performing assets (including bad debts written off and write backs)	10,221.48	16,598.71
Provision for restructured assets/strategic debt restructuring/sustainable structuring	(19.66)	(307.16)
Provision towards standard assets	809.79	(135.00)
Provision for depreciation in value of investments	300.02	(211.01)
Provision for unhedged foreign currency exposure	18.79	(9.30)
Provision for country risk	-	(19.94)
Provision for other contingencies*	700.60	(443.39)
Total	14,328.50	15,318.80

* includes provision for non-banking assets, legal cases and other contingencies

1.1.2 The capital adequacy ratio of the Bank, calculated as per the RBI guidelines (under Basel III) is set out below:

	(₹ in crores)	
	31 March, 2019	31 March, 2018
Common Equity Tier I	62,238.37	60,476.35
Tier I	69,238.37	67,476.27
Tier II	18,221.21	18,298.59
Total capital	87,459.58	85,774.86
Total risk weighted assets and contingents	5,52,048.06	517,630.78
Capital ratios		
Common Equity Tier I	11.27%	11.68%
Tier I	12.54%	13.04%
Tier II	3.30%	3.53%
CRAR	15.84%	16.57%
Amount of equity capital raised	-	33.07*
Amount of additional Tier I capital raised of which:		
Perpetual Non-Cumulative Preference Shares (PNCPS)	-	-
Perpetual Debt Instruments (PDI) (details given below)	-	3,500.00
Amount of Tier II capital raised of which:		
Debt capital instrument (details given below)	-	5,000.00
Preferential capital instrument	-	-

*excluding securities premium of ₹8,646.70 crores

During the year ended 31 March, 2019, the Bank has not raised debt instruments eligible for Tier-I/Tier-II capital.

During the year ended 31 March, 2018, the Bank raised debt instruments eligible for Tier-I/Tier-II capital, the details of which are set out below:

Instrument	Capital	Date of maturity	Period	Coupon	Amount
Subordinated debt	Tier-II	15 June, 2027	120 months	7.66% p.a.	₹5,000 crores
Perpetual debt	Additional Tier I	-*	-	8.75% p.a.	₹3,500 crores

*Call option on expiry of 60 months from the date of allotment

During the year ended 31 March, 2019, the Bank redeemed debt instruments eligible for Tier-I/Tier-II capital, the details of which are set out below:

Instrument	Capital	Date of maturity	Period	Coupon	Amount
Subordinated debt	Tier II	7 November, 2018	120 months	11.75% p.a.	₹1,500 crores
Subordinated debt	Tier II	28 March, 2019	120 months	9.95%p.a.	₹200 crores

During the year ended 31 March, 2018, the Bank redeemed debt instruments eligible for Tier-I/Tier-II capital, the details of which are set out below:

Instrument	Capital	Date of maturity	Period	Coupon	Amount
Upper Tier-II	Tier II	28 June, 2017*	180 months	7.125% p.a.	\$60 million

* represents call date

1.1.3 The key business ratios and other information is set out below:

As at	31 March, 2019	31 March, 2018
	%	%
Interest income as a percentage to working funds [#]	7.38	7.15
Non-interest income as a percentage to working funds [#]	1.76	1.71
Operating profit ^{\$\$} as a percentage to working funds [#]	2.55	2.43
Return on assets (based on working funds [#])	0.63	0.04
Business (deposits less inter-bank deposits plus advances) per employee ^{**}	₹16.53 crores	₹14.84 crores
Profit per employee ^{**}	₹7.61 lacs	₹0.47 lacs
Net non-performing assets as a percentage of net customer assets [*]	2.06	3.40

[#] Working funds represent average of total assets as reported to RBI in Form X under Section 27 of the Banking Regulation Act, 1949 during the year

^{\$\$} Operating profit represents total income as reduced by interest expended and operating expenses

^{**} Productivity ratios are based on average employee numbers for the year

^{*} Net Customer assets include advances and credit substitutes

1.1.4 The provisioning coverage ratio of the Bank computed in terms of the RBI guidelines as on 31 March, 2019 was 76.78% (previous year 65.05%).

1.1.5 Asset Quality

i) Net non-performing advances to net advances is set out below:

	31 March, 2019	31 March, 2018
	%	%
Net non-performing advances as a percentage of net advances	2.20	3.64

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

(₹ in crores)

	31 March, 2019		
	Advances	Investments	Total
Gross NPAs as at the beginning of the year	30,876.32	3,372.32	34,248.64
Intra Category Transfer	(2.60)	2.60	-
Additions (fresh NPAs) during the year	13,510.75	360.34	13,871.09
Sub-total (A)	44,384.47	3,735.26	48,119.73
Less:-			
(i) Upgradations	4,982.66	90.94	5,073.60
(ii) Recoveries (excluding recoveries made from upgraded accounts)#	3,977.11	50.13	4,027.24
(iii) Technical/Prudential Write-offs	6,847.63	843.46	7,691.09
(iv) Write-offs other than those under (iii) above#	1,430.62	107.74	1,538.36
Sub-total (B)	17,238.02	1,092.27	18,330.29
Gross NPAs as at the end of the year (A-B)	27,146.45	2,642.99	29,789.44

including sale of NPAs

(₹ in crores)

	31 March, 2018		
	Advances	Investments	Total
Gross NPAs as at the beginning of the year	20,045.66	1,234.82	21,280.48
Intra Category Transfer	(537.85)	537.85	-
Additions (fresh NPAs) during the year@	31,218.46	2,200.54	33,419.00
Sub-total (A)	50,726.27	3,973.21	54,699.48
Less:-			
(i) Upgradations@	4,740.13	169.71	4,909.84
(ii) Recoveries (excluding recoveries made from upgraded accounts)#	3,836.02	17.13	3,853.15
(iii) Technical/Prudential Write-offs	9,773.94	376.21	10,150.15
(iv) Write-offs other than those under (iii) above#	1,499.86	37.84	1,537.70
Sub-total (B)	19,849.95	600.89	20,450.84
Gross NPAs as at the end of the year (A-B)	30,876.32	3,372.32	34,248.64

@ Over the quarters ended 31 December, 2017 and 31 March, 2018, the Bank has changed its practice of reporting additions and upgradations to NPAs considering the days past due status of an account at the end of each day as against at the end of each quarter of a financial year, followed hitherto. Accordingly, the additions/upgradations to NPAs for FY 2017-18 shown above reflect this change prospectively over the respective periods.

including sale of NPAs

iii) Movement in net non-performing assets is set out below:

(₹ in crores)

	31 March, 2019		
	Advances	Investments	Total
Opening balance at the beginning of the year	16,004.42	587.29	16,591.71
Additions during the year	3,958.27	(63.98)	3,894.29
Effect of exchange rate fluctuation	(76.29)	(8.74)	(85.03)
Reductions during the year	(9,120.94)	(142.36)	(9,263.30)
Interest Capitalisation – Restructured NPA Accounts	109.30	28.63	137.93
Closing balance at the end of the year[#]	10,874.76	400.84	11,275.60

[#] net of balance outstanding in interest capitalisation-restructured NPA accounts amounting to ₹163.05 crores

(₹ in crores)

	31 March, 2018		
	Advances	Investments	Total
Opening balance at the beginning of the year	8,487.20	139.35	8,626.55
Additions during the year	15,539.27	742.22	16,281.49
Effect of exchange rate fluctuation	(5.70)	(1.91)	(7.61)
Reductions during the year	(8,202.20)	(253.75)	(8,455.95)
Interest Capitalisation – Restructured NPA Accounts	185.85	(38.62)	147.23
Closing balance at the end of the year[#]	16,004.42	587.29	16,591.71

[#] net of balance outstanding in interest capitalisation-restructured NPA accounts amounting to ₹300.98 crores

iv) Movement in provisions for non-performing assets is set out below:

(₹ in crores)

	31 March, 2019		
	Advances	Investments	Total
Opening balance at the beginning of the year	14,744.08	2,611.87	17,355.95
Intra-Category Transfer	(2.60)	2.60	-
Provisions made during the year	9,552.47	424.32	9,976.79
Effect of exchange rate fluctuation	76.29	8.74	85.03
Transfer from restructuring provision	-	-	-
Write-offs/(write back) of excess provision*	(8,117.07)	(949.91)	(9,066.98)
Closing balance at the end of the year	16,253.17	2,097.62	18,350.79

* includes provision utilised for sale of NPAs amounting to ₹469.58 crores

(₹ in crores)

	31 March, 2018		
	Advances	Investments	Total
Opening balance at the beginning of the year	11,244.79	960.93	12,205.72
Intra-Category Transfer	(434.71)	434.71	-
Provisions made during the year	15,543.21	1,561.46	17,104.67
Effect of exchange rate fluctuation	5.70	1.91	7.61
Transfer from restructuring provision	32.84	-	32.84
Write-offs/(write back) of excess provision*	(11,647.75)	(347.14)	(11,994.89)
Closing balance at the end of the year	14,744.08	2,611.87	17,355.95

* includes provision utilised for sale of NPAs amounting to ₹552.14 crores

v) Movement in technical/prudential written off accounts is set out below:

(₹ in crores)

	31 March, 2019	31 March, 2018
Opening balance at the beginning of the year	13,221.26	3,221.08
Add: Technical/Prudential write-offs during the year*	7,691.09	10,150.15
Sub-total (A)	20,912.35	13,371.23
Less: Recovery made from previously technical/prudential written-off accounts during the year	1,724.46	91.33
Less: Sacrifice made from previously technical/prudential written-off accounts during the year	416.04	58.64
Sub-total (B)	2,140.50	149.97
Closing balance at the end of the year (A-B)	18,771.85	13,221.26

* includes effect of exchange fluctuation for foreign currency loans written off in earlier years

vi) Total exposure (funded and non-funded) to top four non-performing assets is given below:

(₹ in crores)

	31 March, 2019	31 March, 2018
Total exposure (funded and non-funded) to top four NPA accounts	4,513.63	5,340.06

vii) Sector-wise advances:

(₹ in crores)

Sr. No.	Sector	31 March, 2019			31 March, 2018		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
A	Priority Sector						
1	Agriculture and allied activities	27,829.60	1,533.92	5.51%	27,636.39	1,086.38	3.93%
2	Advances to industries sector eligible as priority sector lending	26,871.04	901.97	3.36%	23,520.58	870.49	3.70%
	- Chemical & Chemical products	2,539.72	54.26	2.14%	1,942.47	45.17	2.33%
	-Basic Metal & Metal Products	2,585.52	28.08	1.09%	2,076.66	56.08	2.70%
	-Infrastructure	618.69	33.49	5.41%	593.03	29.60	4.99%
3	Services	21,122.23	707.41	3.35%	17,192.15	583.39	3.39%
	-Banking and Finance other than NBFCs and MFs	2,082.82	14.64	0.70%	2,042.63	82.38	4.03%
	-Non-banking financial companies (NBFCs)	1,091.99	-	-	1,360.01	-	-
	-Commercial Real Estate	377.24	18.82	4.99%	242.44	45.89	18.93%
	-Trade	12,464.07	564.13	4.53%	10,342.95	392.76	3.80%
4	Personal loans	44,740.94	376.42	0.84%	31,643.30	530.51	1.68%
	-Housing	36,873.80	271.41	0.74%	27,742.70	305.74	1.10%
	-Vehicle Loans	4,496.31	60.98	1.36%	3,226.47	178.07	5.52%
	Sub-total (A)	120,563.81	3,519.72	2.92%	99,992.42	3,070.77	3.07%

Sr. No.	Sector	31 March, 2019			31 March, 2018		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
B	Non Priority Sector						
1	Agriculture and allied activities	-	-	-	-	-	-
2	Industry	145,127.78	18,512.21	12.76%	132,677.66	22,865.46	17.23%
	-Chemical & Chemical products	18,345.25	1,304.13	7.11%	13,869.33	778.97	5.62%
	-Basic Metal & Metal Products	20,510.98	1,095.61	5.34%	19,340.99	3,600.93	18.62%
	-Infrastructure	44,367.96	10,863.83	24.49%	37,886.52	11,211.30	29.59%
3	Services	91,160.11	3,912.57	4.29%	90,635.99	3,563.69	3.93%
	-Banking and Finance other than NBFCs and MFs	27,735.77	190.55	0.69%	31,024.41	-	-
	-Non-banking financial companies (NBFCs)	14,374.90	5.49	0.04%	10,875.27	5.49	0.05%
	-Commercial Real Estate	15,925.72	1,689.73	10.61%	16,094.85	1,469.12	9.13%
	-Trade	10,852.94	378.75	3.49%	12,239.86	514.92	4.07%
4	Personal loans	154,244.74	1,201.95	0.78%	131,244.78	1,376.40	1.05%
	-Housing	78,327.84	753.18	0.96%	72,748.14	912.70	1.25%
	-Vehicle Loans	19,371.98	164.77	0.85%	15,010.29	171.63	1.14%
	Sub-total (B)	390,532.63	23,626.73	6.05%	354,558.43	27,805.55	7.84%
	Total (A+B)	511,096.44	27,146.45	5.31%	454,550.85	30,876.32	6.79%

Classification of advances into sector is based on Sector wise Industry Bank Credit return submitted to RBI

Figures in italics represent sub-sectors where the outstanding advance exceeds 10% of total outstanding advance to that sector.

viii) Divergence in Asset Classification and Provisioning for NPAs

In terms of the RBI circular no. DBR.BP.BC.No.32/21.04.018/2018-19 dated 1 April, 2019, banks are required to disclose the divergences in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to the financial statements, wherever either or both of the following conditions are satisfied: (a) the additional provisioning for NPAs assessed by RBI exceeds 10 per cent of the reported profit before provisions and contingencies for the reference period and (b) the additional Gross NPAs identified by RBI exceed 15 per cent of the published incremental Gross NPAs for the reference period.

Based on the above, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's annual supervisory process for the year ended 31 March, 2018.

1.1.6 Disclosure on exposure to Infrastructure Leasing & Financial Services Limited (ILFS) and its group entities

(₹ in crores)

Sr. No.	Particulars	31 March, 2019
1.	Amount of fund based outstanding*	266.78
2.	Of (1) total fund based outstanding which are NPAs as per IRAC norms and not classified as NPA	14.31
3.	Provisions required to be made as per IRAC norms.	58.70
4.	Provisions actually held	55.12

*Non fund based outstanding is ₹451.51 crores

1.1.7 During the years ended 31 March, 2019 and 31 March, 2018 none of the loans and advances held at overseas branches of the Bank have been classified as NPA by any host banking regulator for reasons other than record of recovery.

1.1.8 Movement in floating provision is set out below:

(₹ in crores)		
For the year ended	31 March, 2019	31 March, 2018
Opening balance at the beginning of the year	3.25	3.25
Provisions made during the year	-	-
Draw down made during the year	-	-
Closing balance at the end of the year	3.25	3.25

1.1.9 Provision on Standard Assets

(₹ in crores)		
	31 March, 2019	31 March, 2018
Provision towards Standard Assets [includes ₹38.14 crores (previous year ₹26.57 crores) of standard provision on derivative exposures] [[Refer schedule 17 (4.2)]]	3,040.44	2,207.52

1.1.10 Details of Investments are set out below:

i) Value of Investments:

(₹ in crores)		
	31 March, 2019	31 March, 2018
1) Gross value of Investments		
a) In India	172,597.47	153,247.04
b) Outside India	5,029.73	3,495.44
2) (i) Provision for Depreciation		
a) In India	(560.31)	(254.54)
b) Outside India	-	-
(ii) Provision for Non-Performing Investments		
a) In India	(1,903.39)	(2,410.68)
b) Outside India	(194.22)	(201.18)
3) Net value of Investments		
a) In India	170,133.77	150,581.82
b) Outside India	4,835.51	3,294.26

ii) Movement of provisions held towards depreciation on investments:

(₹ in crores)		
	31 March, 2019	31 March, 2018
Opening balance	254.54	409.86
Add: Provisions made during the year*	326.46	101.60
Less: Write offs/write back of excess provisions during the year	(20.69)	(256.92)
Closing balance	560.31	254.54

* including transfer from interest capitalization account

iii) Details of category wise investments are set out below:

(₹ in crores)

Particulars	31 March, 2019				31 March, 2018			
	HTM	AFS	HFT	Total	HTM	AFS	HFT	Total
Government Securities	104,003.78	15,286.85	948.75	120,239.38	88,712.15	13,836.13	1,504.70	104,052.98
Other approved Securities	-	-	-	-	-	-	-	-
Shares	-	1,010.84	-	1,010.84	-	1,612.90	-	1,612.90
Debentures and Bonds	-	31,807.51	8,361.32	40,168.83	-	24,531.73	6,330.94	30,862.67
Subsidiary/Joint Ventures	2,286.12	-	-	2,286.12	2,092.71	-	-	2,092.71
Others	3.86	5,689.50	5,570.75	11,264.11	6.65	5,932.38	9,315.79	15,254.82
Total	106,293.76	53,794.70	14,880.81	174,969.28	90,811.51	45,913.14	17,151.43	153,876.08

1.1.11 A summary of lending to sensitive sectors is set out below:

(₹ in crores)

As at	31 March, 2019	31 March, 2018
A. Exposure to Real Estate Sector		
1) Direct Exposure		
(i) Residential mortgages	123,297.28	102,152.04
- of which housing loans eligible for inclusion in priority sector advances	33,799.67	26,414.52
(ii) Commercial real estate	23,982.81	29,328.94
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial real estate	75.00	75.00
2) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	26,232.39	20,522.69
Total Exposure to Real Estate Sector	173,587.48	152,078.67
B. Exposure to Capital Market		
1. Direct investments in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt*	1,726.94	2,510.46
2. Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	4.68	4.70
3. Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds are taken as primary security	1,414.36	1,649.84
4. Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds i.e. where primary security other than shares/convertible bonds/convertible debentures/units of equity-oriented mutual funds does not fully cover the advances	2,566.92	3,074.53

As at	31 March, 2019	31 March, 2018
5. Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	5,115.79	5,001.87
6. Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	10.83	6.13
7. Bridge loans to companies against expected equity flows/issues	1.44	6.09
8. Underwriting commitments taken up in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds	-	-
9. Financing to stock brokers for margin trading	-	-
10. All exposures to Venture Capital Funds (both registered and unregistered)	112.45	118.16
Total exposure to Capital Market (Total of 1 to 10)	10,953.41	12,371.78

* excludes investment in equity shares on account of conversion of debt into equity as part of restructuring amounting to ₹1,694.02 crores as on 31 March, 2019 (previous year ₹1,838.02 crores) which are exempted from exposure to Capital Market

1.1.12 As on 31 March, 2019, outstanding receivables acquired by the Bank under factoring stood at ₹419.39 crores (previous year ₹218.73 crores) which are reported under 'Bills Purchased and Discounted' in Schedule 9 of the Balance Sheet.

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

1.1.14 Details of Non-SLR investment portfolio are set out below:

i) Issuer composition as at 31 March, 2019 of non-SLR investments*:

(₹ in crores)						
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	9,489.66	5,411.68	657.56	0.98	2,038.79
ii.	Financial Institutions	5,400.64	3,883.90	50.30	-	26.87
iii.	Banks	1,716.72	1,151.67	-	-	14.00
iv.	Private Corporates	35,451.71	24,958.00	1,059.05	753.04	11,573.72
v.	Subsidiaries	2,286.12	2,286.12	-	-	2,286.12
vi.	Others	6,459.44	3,468.09	-	-	3,579.64
vii.	Provision held towards depreciation on investments	(560.31)	N.A.	N.A.	N.A.	N.A.
viii.	Provision held towards non performing investments	(2,097.61)	N.A.	N.A.	N.A.	N.A.
	Total	58,146.37	41,159.46	1,766.91	754.02	19,519.14

Amounts reported under columns (4), (5), (6) and (7) above are not mutually exclusive.

Issuer composition as at 31 March, 2018 of non-SLR investments*:

(₹ in crores)

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	8,287.85	7,290.45	661.26	-	505.19
ii.	Financial Institutions	3,293.83	1,487.28	0.30	-	347.71
iii.	Banks	3,951.95	1,537.42	149.40	-	2,875.18
iv.	Private Corporates	31,999.97	23,027.05	1,147.71	866.50	12,622.29
v.	Subsidiaries	2,092.71	2,092.71	-	-	2,092.71
vi.	Others	5,761.36	3,662.10	-	-	3,757.63
vii.	Provision held towards depreciation on investments	(254.30)	N.A.	N.A.	N.A.	N.A.
viii.	Provision held towards non performing investments	(2,611.86)	N.A.	N.A.	N.A.	N.A.
Total		52,521.51	39,097.01	1,958.67	866.50	22,200.71

Amounts reported under columns (4), (5), (6) and (7) above are not mutually exclusive.

*excludes investments in non-SLR government securities amounting to ₹42.54 crores (previous year ₹42.54 crores)

ii) Movement in non-performing non SLR investments are set out below:

(₹ in crores)

	31 March, 2019	31 March, 2018
Opening balance	3,372.32	1,234.82
Additions during the year	362.94	2,738.39
Reductions during the year	(1,092.27)	(600.89)
Closing balance	2,642.99	3,372.32
Total provisions held	2,097.62	2,611.86

1.1.15 Details of securities sold/purchased (in face value terms) under repos/reverse repos including LAF and MSF transactions:

Year ended 31 March, 2019

(₹ in crores)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	As at 31 March, 2019
Securities sold under repos				
i. Government Securities	-	14,687.58	1,219.73	14,687.58
ii. Corporate debt Securities	-	-	-	-
Securities purchased under reverse repos				
i. Government Securities	-	23,514.53	5,109.53	23,514.53
ii. Corporate debt Securities	-	100.00	0.31	-

There have been no defaults in making the same set of securities available at the time of 2nd leg settlement of the Term Reverse Repo during the year ended 31 March, 2019.

Year ended 31 March, 2018

(₹ in crores)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	As at 31 March, 2018
Securities sold under repos				
i. Government Securities	-	12,683.10	3,578.54	6,488.43
ii. Corporate debt Securities	-	2,675.00	1,023.42	-
Securities purchased under reverse repos				
i. Government Securities	-	19,140.39	1,654.70	8,802.12
ii. Corporate debt Securities	-	50.00	0.27	-

There have been no defaults in making the same set of securities available at the time of 2nd leg settlement of the Term Reverse Repo during the year ended 31 March, 2018.

1.1.16 Details of financial assets sold to Securitisation/Reconstruction companies for Asset Reconstruction:

(₹ in crores)

	31 March, 2019	31 March, 2018
Number of accounts*	5	43 [^]
Aggregate value (net of provisions) of accounts sold	159.29	41.91
Aggregate consideration	236.61	67.48
Additional consideration realised in respect of accounts transferred in earlier years	-	-
Aggregate net gain/(loss) over net book value	77.32	25.57

*Excludes 3 accounts already written-off (previous year 5 accounts)

[^]Includes 1 account where debt has been acquired by Reconstruction company as a part of resolution plan under Insolvency and Bankruptcy Code

Excess provision reversed to the profit and loss account of sale of NPAs amounts to ₹85.83 crores (previous year ₹42.86 crores)

(₹ in crores)

Particulars	Backed by NPAs sold by the Bank as underlying		Backed by NPAs sold by other banks/financial institutions/non-banking financial companies as underlying		Total	
	As on 31 March, 2019	As on 31 March, 2018	As on 31 March, 2019	As on 31 March, 2018	As on 31 March, 2019	As on 31 March, 2018
Book value of investments in Security Receipts ('SRs')	2,908.00	2,918.39	2.26	5.58	2,910.26	2,923.97

(₹ in crores)

Particulars	As on 31 March, 2019			Total
	SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years	SRs issued more than 8 years ago	
(i) Book value of SRs backed by NPAs sold by the bank as underlying	2,664.02	243.98	-	2,908.00
Provisions held against (i)	-	(220.83)	-	(220.83)
(ii) Book value of SRs backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying	0.22	1.38	0.66	2.26
Provisions held against (ii)	-	-	(0.66)	(0.66)
Total (i) + (ii), net of provisions	2,664.24	24.53	-	2,688.77

(₹ in crores)

Particulars	As at March 31, 2018			Total
	SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years	SRs issued more than 8 years ago	
(i) Book value of SRs backed by NPAs sold by the bank as underlying	2,918.06	0.33	-	2,918.39
Provisions held against (i)	-	-	-	-
(ii) Book value of SRs backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying	4.33	1.25	-	5.58
Provisions held against (ii)	-	-	-	-
Total (i) + (ii), net of provisions	2,922.39	1.58	-	2,923.97

1.1.17 Details of the Non-Performing Financial Assets sold to other banks (excluding securitisation/reconstruction companies):

(₹ in crores)

	31 March, 2019	31 March, 2018
Number of accounts sold	4	2
Aggregate outstanding*	755.39	734.07
Aggregate consideration received	481.52	615.30

*Represents principal outstanding as on date of sale

During the years ended 31 March, 2019 and 31 March, 2018 there were no Non-Performing Financial Assets purchased by the Bank from other banks (excluding securitisation/reconstruction companies).

1.1.18 Details of securitisation transactions undertaken by the Bank are as follows:

(₹ in crores)

Sr. No.	Particulars	31 March, 2019	31 March, 2018
1	No. of SPVs sponsored by the bank for securitisation transactions	-	-
2	Total amount of securitised assets as per books of the SPVs sponsored by the Bank	-	-
3	Total amount of exposures retained by the bank to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	-	-
	Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Loss	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-

Sr. No.	Particulars	31 March, 2019	31 March, 2018
	Others	-	-
b)	On-balance sheet exposures		
i)	Exposure to own securitisations		
	First loss	-	-
	Loss	-	-
ii)	Exposure to third party securitisations		
	First loss	-	-
	Others	-	-

1.1.19 The information on concentration of deposits is given below:

	31 March, 2019	31 March, 2018
	(₹ in crores)	
Total deposits of twenty largest depositors	64,899.05	51,886.56
Percentage of deposits of twenty largest depositors to total deposits	11.83	11.44

1.1.20 The information on concentration of advances* is given below:

	31 March, 2019	31 March, 2018
	(₹ in crores)	
Total advances to twenty largest borrowers	62,677.26	66,597.41
Percentage of advances to twenty largest borrowers to total advances of the Bank	8.56	10.27

* Advances represent credit exposure (funded and non-funded) including derivative exposure as defined by RBI

1.1.21 The information on concentration of exposure* is given below:

	31 March, 2019	31 March, 2018
	(₹ in crores)	
Total exposure to twenty largest borrowers/customers	101,132.87	95,610.35
Percentage of exposures to twenty largest borrowers/customers to total exposure on borrowers/customers	12.35	13.21

* Exposure includes credit exposure (funded and non-funded), derivative exposure, investment exposure (including underwriting and similar commitments) and deposits placed for meeting shortfall in Priority Sector Lending

1.1.22 During the year ended 31 March, 2019, the Bank's credit exposure to single borrower and group borrowers was within the prudential exposure limits prescribed by RBI.

During the year ended 31 March, 2018, the Bank's credit exposure to single borrower was within the prudential exposure limits except in one case, where the single borrower limit was exceeded upto an additional exposure of 5% with the approval of the Committee of Directors. The details of such case are set out below :

Name of the Borrower	Reliance Industries Limited
Period	August, 2017
Original exposure ceiling	11,865.78 crores
Limit Sanctioned	15,821.03 crores
% of excess limit sanctioned over original ceiling	33.33%
Exposure ceiling as on 31 March, 2018	13,165.49 crores
Exposure as on 31 March, 2018	11,245.72 crores

During the year ended 31 March, 2018, the Bank's credit exposure to group borrowers was within the prudential exposure limits prescribed by RBI.

1.1.23 Details of Risk Category wise Country Exposure:

(₹ in crores)

Risk Category	Exposure (Net) as at 31 March, 2019	Provision Held as at 31 March, 2019	Exposure (Net) as at 31 March, 2018	Provision Held as at 31 March, 2018
Insignificant	-	-	-	-
Low	22,233.01	-	25,390.99	-
Moderate	2,948.18	-	3,049.83	-
High	1,038.47	-	4,095.09	-
Very High	2,827.57	-	573.60	-
Restricted	-	-	0.28	-
Off-Credit	-	-	-	-
Total	29,047.23	-	33,109.79	-

1.1.24 A maturity pattern of certain items of assets and liabilities at 31 March, 2019 and 31 March, 2018 is set out below:

As at 31 March, 2019

(₹ in crores)

	Deposits	Advances*	Investments	Borrowings	Foreign Currency Assets	Foreign Currency Liabilities
1 day	8,854.09	3,179.52	31,440.58	-	9,025.92	245.77
2 days to 7 days	22,294.97	5,234.97	4,660.62	15,062.95	4,964.20	1,418.32
8 days to 14 days	15,394.97	5,107.99	8,025.69	1,024.36	3,041.63	1,294.73
15 days to 30 days	19,159.42	13,573.13	6,803.41	5,275.12	7,739.23	4,116.12
31 days and upto 2 months	36,696.06	9,656.92	7,569.10	10,457.24	2,218.20	10,542.55
Over 2 months and upto 3 months	35,984.16	14,524.37	7,972.16	11,602.82	3,146.91	11,797.01
Over 3 months and upto 6 months	55,550.20	22,578.92	10,247.36	16,315.61	5,867.26	14,577.87
Over 6 months and upto 1 year	107,987.13	29,784.41	20,195.62	22,525.88	4,102.00	28,803.38
Over 1 year and upto 3 years	37,116.54	94,599.36	23,031.65	29,480.21	8,148.93	14,285.41
Over 3 years and upto 5 years	10,036.96	59,808.46	9,773.49	17,369.91	8,329.96	6,562.59
Over 5 years	199,396.84	236,749.92	45,249.60	23,661.68	41,488.00	4,528.35
Total	548,471.34	494,797.97	174,969.28	152,775.78	98,072.24	98,172.10

As at 31 March, 2018

(₹ in crores)

	Deposits	Advances*	Investments	Borrowings	Foreign Currency Assets	Foreign Currency Liabilities
1 day	9,306.55	2,662.93	33,116.11	-	4,769.53	216.54
2 days to 7 days	23,249.34	7,040.81	2,267.04	8,303.91	5,671.46	2,729.29
8 days to 14 days	8,090.08	3,311.69	5,607.65	1,245.13	1,560.51	1,517.86
15 days to 30 days	12,937.59	12,192.97	4,062.76	2,771.28	7,776.30	2,854.22
31 days and upto 2 months	24,011.63	10,134.53	5,920.81	6,468.16	4,294.17	7,230.06
Over 2 months and upto 3 months	25,695.76	10,919.63	7,538.01	6,795.99	3,285.83	7,922.85
Over 3 months and upto 6 months	35,196.78	18,835.00	7,991.87	19,846.64	6,542.82	17,414.16
Over 6 months and upto 1 year	66,959.06	26,028.57	17,063.60	22,631.53	8,759.21	19,517.46
Over 1 year and upto 3 years	35,569.79	74,775.86	16,784.51	30,112.68	14,199.73	21,008.16
Over 3 years and upto 5 years	16,436.37	58,233.50	9,653.42	23,198.99	11,154.08	9,664.45
Over 5 years	196,169.77	215,514.82	43,870.30	26,641.84	26,061.69	2,755.53
Total	453,622.72	439,650.31	153,876.08	148,016.15	94,075.33	92,830.58

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, which has been relied upon by the auditors. Maturity profile of foreign currency assets and liabilities excludes off balance sheet items.

* For the purpose of disclosing the maturity pattern, loans and advances that have been subject to risk participation vide Inter-Bank Participation Certificates ('IBPCs') and Funded Risk Participation ('FRPs') have been classified in the maturity bucket corresponding to the contractual maturities of such underlying loans and advances gross of any risk participation. The IBPC and FRP amounts have been classified in the respective maturities of the corresponding underlying loans.

1.1.25 Disclosure on Restructured Assets

Details of loans subjected to restructuring during the year ended 31 March, 2019 are given below:

Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
Restructured accounts as on April 1 of the FY (Opening Balance)	No. of borrowers	7	-	18	6	31	-	-	-	-	-
	Amount Outstanding – Restructured facility	427.80	-	1370.79	124.65	1,923.24	-	-	-	-	-
	Amount Outstanding – Other facility	279.33	-	350.31	34.10	663.74	-	-	-	-	-
	Provision thereon	11.28	-	28.37	-	39.65	-	-	-	-	-
Movement in balance for accounts appearing under opening balance	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding – Restructured facility	8.72	-	11.69	-	20.41	-	-	-	-	-
	Amount Outstanding – Other facility	-	-	10.50	23.97	34.47	-	-	-	-	-
	Provision thereon	0.64	-	(28.19)	-	(27.55)	-	-	-	-	-
Fresh Restructuring during the year ^{1,2}	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding – Restructured facility	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding – Other facility	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
Upgradation to restructured standard category during the FY	No. of borrowers	1	-	(1)	-	-	-	-	-	-	
	Amount Outstanding – Restructured facility	15.97	-	(15.97)	-	-	-	-	-	-	
	Amount Outstanding – Other facility	-	-	-	-	-	-	-	-	-	
	Provision thereon	0.18	-	(0.18)	-	-	-	-	-	-	

(₹ in crores)

Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
Asset Classification		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
Restructured Standard Advances which cease to attract higher provisioning and/or additional risk weight at the end of FY	No. of borrowers	(4)				(4)					-
	Amount Outstanding – Restructured facility	(178.19)				(178.19)					-
	Amount Outstanding – Other facility	(278.78)				(278.78)					-
	Provision thereon	(6.05)				(6.05)					-
Downgradation of restructured accounts during the FY ³	No. of borrowers	-	-	(1)	1	-	-	-	-	-	-
	Amount Outstanding – Restructured facility	-	-	(22.74)	22.74	-	-	-	-	-	-
	Amount Outstanding – Other facility	-	-	(5.51)	5.51	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
Write-offs of restructured accounts during the FY ^{4,5,6}	No. of borrowers	-	-	(12)	(3)	(15)	-	-	-	-	-
	Amount Outstanding – Restructured facility	(6.67)	-	(875.84)	(49.54)	(932.05)	-	-	-	-	-
	Amount Outstanding – Other facility	-	-	(265.88)	(27.82)	(293.70)	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
Restructured accounts as on March 31 of the FY (closing figures)	No. of borrowers	4	-	4	4	12	-	-	-	-	-
	Amount Outstanding – Restructured facility	267.63	-	467.93	97.86	833.42	-	-	-	-	-
	Amount Outstanding – Other facility	0.55	-	89.42	35.76	125.73	-	-	-	-	-
	Provision thereon	6.06	-	-	-	6.06	-	-	-	-	-

(₹ in crores)

Type of Restructuring		Others					Total				
Asset Classification		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
Restructured accounts as on April 1 of the FY (Opening Balance)	No. of borrowers	516	18	191	87	812	523	18	209	93	843
	Amount Outstanding – Restructured facility	757.33	4.55	3,902.96	151.90	4,816.74	1,185.13	4.55	5,273.75	276.55	6,739.98
	Amount Outstanding – Other facility	268.82	0.33	1,390.05	3.75	1,662.95	548.15	0.33	1,740.36	37.85	2,326.69
	Provision thereon	7.35	-	36.97	-	44.32	18.63	-	65.34	-	83.97

(₹ in crores)

Type of Restructuring		Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
Movement in balance for accounts appearing under opening balance	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding – Restructured facility	0.85	-	67.59	(1.23)	67.21	9.57	-	79.28	(1.23)	87.62
	Amount Outstanding – Other facility	(0.17)	-	5.74	-	5.57	(0.17)	-	16.24	23.97	40.04
	Provision thereon	(2.31)	-	(26.69)	-	(29.00)	(1.67)	-	(54.88)	-	(56.55)
Fresh Restructuring during the year ^{1,2}	No. of borrowers	457	1	5	-	463	457	1	5	-	463
	Amount Outstanding – Restructured facility	289.27	0.01	0.20	-	289.48	289.27	0.01	0.20	-	289.48
	Amount Outstanding – Other facility	18.84	0.01	0.01	-	18.86	18.84	0.01	0.01	-	18.86
	Provision thereon	-	-	-	-	-	-	-	-	-	-
Upgradation to restructured standard category during the FY	No. of borrowers	32	(22)	(10)	-	-	33	(22)	(11)	-	-
	Amount Outstanding – Restructured facility	338.52	(5.16)	(333.36)	-	-	354.49	(5.16)	(349.33)	-	-
	Amount Outstanding – Other facility	0.25	(0.09)	(0.16)	-	-	0.25	(0.09)	(0.16)	-	-
	Provision thereon	8.19	-	(8.19)	-	-	8.37	-	(8.37)	-	-
Restructured Standard Advances which cease to attract higher provisioning and/or additional risk weight at the end of FY	No. of borrowers	(90)				(90)	(94)				(94)
	Amount Outstanding – Restructured facility	(537.26)				(537.26)	(715.45)				(715.45)
	Amount Outstanding – Other facility	(235.70)				(235.70)	(514.48)				(514.48)
	Provision thereon	(2.70)				(2.70)	(8.75)				(8.75)
Downgradation of restructured accounts during the FY ³	No. of borrowers	(163)	107	50	6	-	(163)	107	49	7	-
	Amount Outstanding – Restructured facility	(154.37)	17.59	(23.92)	160.70	-	(154.37)	17.59	(46.66)	183.44	-
	Amount Outstanding – Other facility	(32.46)	(0.04)	(52.52)	85.02	-	(32.46)	(0.04)	(58.03)	90.53	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

(₹ in crores)

Type of Restructuring		Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
Write-offs of restructured accounts during the FY ^{4,5,6}	No. of borrowers	(7)	(1)	(203)	(88)	(299)	(7)	(1)	(215)	(91)	(314)
	Amount	(4.24)	(0.20)	(328.83)	(151.67)	(484.94)	(10.91)	(0.20)	(1,204.67)	(201.21)	(1,416.99)
	Outstanding – Restructured facility										
	Amount	(0.11)	(0.07)	(32.52)	(3.75)	(36.45)	(0.11)	(0.07)	(298.40)	(31.57)	(330.15)
Restructured accounts as on March 31 of the FY (closing figures)	No. of borrowers	745	103	33	5	886	749	103	37	9	898
	Amount	690.09	16.79	3,284.63	159.69	4,151.20	957.72	16.79	3,752.56	257.55	4,984.62
	Outstanding – Restructured facility										
	Amount	19.47	0.14	1,310.61	85.02	1,415.24	20.02	0.14	1,400.02	120.78	1,540.96
	Outstanding – Other facility										
Provision thereon	10.54	-	2.08	-	12.62	16.60	-	2.08	-	18.67	

Amount outstanding under restructuring facilities and other facilities is as on 31 March, 2019:

1. Amount reported here represents outstanding as on 31 March, 2019. Actual amount subjected to restructuring determined as on the date of approval of restructuring proposal is ₹285.58 crores for the FY 2018-19
2. Includes ₹12.56 crores of fresh/additional sanction to existing restructured accounts (entirely under restructured facility)
3. Includes accounts which were not attracting higher provisioning and/or additional risk weight at the beginning of FY
4. Includes accounts partially written-off during the year
5. Amount outstanding under restructuring facilities and other facilities is as on the date of write-off in the books
6. Includes ₹212.80 crores of reduction from existing restructured accounts by way of sale/recovery (₹151.00 crores from restructured facility and ₹61.80 crores from other facility)
7. The cumulative value of net restructured advances after reducing the provision held for diminution in fair value and balance in interest capitalization account upto 31 March, 2019 aggregated ₹886.54 crores
8. Information appearing under substandard, doubtful and loss category also include accounts slipped into NPAs from restructured standard advances along with restructured NPAs

Details of loans subjected to restructuring during the year ended 31 March, 2018 are given below:

(₹ in crores)

Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
Restructured accounts as on April 1 of the FY (Opening Balance)	No. of borrowers	15	-	16	9	40	-	-	-	-	-
	Amount	1,099.10	-	1,546.18	418.83	3,064.11	-	-	-	-	-
	Outstanding – Restructured facility										
	Amount	441.95	-	358.33	328.55	1,128.83	-	-	-	-	-
	Outstanding – Other facility										
Provision thereon	36.67	-	48.89	-	85.56	-	-	-	-	-	

(₹ in crores)

Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
Movement in balance for accounts appearing under opening balance	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding – Restructured facility	11.69	-	(108.80)	0.77	(96.34)	-	-	-	-	-
	Amount Outstanding – Other facility	(67.22)	-	13.72	-	(53.50)	-	-	-	-	-
	Provision thereon	(15.79)	-	(30.09)	-	(45.88)	-	-	-	-	-
Fresh Restructuring during the year ^{1,2}	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding – Restructured facility	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding – Other facility	49.99	-	-	-	49.99	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
Upgradation to restructured standard category during the FY	No. of borrowers	1	-	(1)	-	-	-	-	-	-	-
	Amount Outstanding – Restructured facility	35.65	-	(35.65)	-	-	-	-	-	-	-
	Amount Outstanding – Other facility	31.13	-	(31.13)	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
Restructured Standard Advances which cease to attract higher provisioning and/or additional risk weight at the end of FY	No. of borrowers	(2)				(2)					-
	Amount Outstanding – Restructured facility	(22.41)				(22.41)					-
	Amount Outstanding – Other facility	-				-					-
	Provision thereon	(0.03)				(0.03)					-
Downgradation of restructured accounts during the FY ³	No. of borrowers	(7)	-	8	1	2	-	-	-	-	-
	Amount Outstanding – Restructured facility	(621.74)	-	785.22	(137.78)	25.70	-	-	-	-	-
	Amount Outstanding – Other facility	(162.27)	-	165.82	3.42	6.97	-	-	-	-	-
	Provision thereon	(9.57)	-	9.57	-	-	-	-	-	-	-

(₹ in crores)

Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
Write-offs of restructured accounts during the FY ^{4,5,6}	No. of borrowers	-	-	(5)	(4)	(9)	-	-	-	-	-
	Amount Outstanding – Restructured facility	(74.49)	-	(816.16)	(157.17)	(1,047.82)	-	-	-	-	-
	Amount Outstanding – Other facility	(14.25)	-	(156.43)	(297.87)	(468.55)	-	-	-	-	-
Restructured accounts as on March 31 of the FY (closing figures)	No. of borrowers	7	-	18	6	31	-	-	-	-	-
	Amount Outstanding – Restructured facility	427.80	-	1,370.79	124.65	1,923.24	-	-	-	-	-
	Amount Outstanding – Other facility	279.33	-	350.31	34.10	663.74	-	-	-	-	-
	Provision thereon	11.28	-	28.37	-	39.65	-	-	-	-	-

(₹ in crores)

Type of Restructuring		Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
Restructured accounts as on April 1 of the FY (Opening Balance)	No. of borrowers	350	3	373	91	817	365	3	389	100	857
	Amount Outstanding – Restructured facility	4,522.92	417.74	728.67	693.13	6,362.46	5,622.02	417.74	2,274.85	1,111.96	9,426.57
	Amount Outstanding – Other facility	1,259.47	0.04	155.56	302.82	1,717.89	1,701.42	0.04	513.89	631.37	2,846.72
	Provision thereon	39.14	22.03	10.80	-	71.97	75.81	22.03	59.69	-	157.53
Movement in balance for accounts appearing under opening balance	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding – Restructured facility	(230.72)	5.28	(17.76)	(0.57)	(243.77)	(219.03)	5.28	(126.56)	0.20	(340.11)
	Amount Outstanding – Other facility	357.60	-	(4.56)	(7.38)	345.66	290.38	-	9.16	(7.38)	292.16
	Provision thereon	(6.22)	(12.66)	(6.48)	-	(25.36)	(22.01)	(12.66)	(36.57)	-	(71.24)
Fresh Restructuring during the year ^{1,2}	No. of borrowers	401	15	-	-	416	401	15	-	-	416
	Amount Outstanding – Restructured facility	328.36	40.58	-	-	368.94	328.36	40.58	-	-	368.94
	Amount Outstanding – Other facility	19.69	-	-	-	19.69	69.68	-	-	-	69.68
	Provision thereon	-	-	-	-	-	-	-	-	-	-
Upgradation to restructured standard category during the FY	No. of borrowers	1	-	(1)	-	-	2	-	(2)	-	-
	Amount Outstanding – Restructured facility	206.74	-	(206.74)	-	-	242.39	-	(242.39)	-	-
	Amount Outstanding – Other facility	14.44	-	(14.44)	-	-	45.57	-	(45.57)	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

(₹ in crores)

Type of Restructuring Asset Classification		Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
Restructured Standard Advances which cease to attract higher provisioning and/or additional risk weight at the end of FY	No. of borrowers	(23)				(23)	(25)				(25)
	Amount Outstanding – Restructured facility	(187.01)				(187.01)	(209.42)				(209.42)
	Amount Outstanding – Other facility	(34.90)				(34.90)	(34.90)				(34.90)
	Provision thereon	(2.29)				(2.29)	(2.32)				(2.32)
Downgradation of restructured accounts during the FY ³	No. of borrowers	(167)	1	188	63	85	(174)	1	196	64	87
	Amount Outstanding – Restructured facility	(3,770.90)	(418.21)	3,891.70	335.05	37.64	(4,392.64)	(418.21)	4,676.92	197.27	63.34
	Amount Outstanding – Other facility	(1,327.62)	0.29	1,325.39	2.25	0.31	(1,489.89)	0.29	1,491.21	5.67	7.28
	Provision thereon	(23.28)	(9.37)	32.65	-	-	(32.85)	(9.37)	42.22	-	-
Write-offs of restructured accounts during the FY ^{4,5,6}	No. of borrowers	(46)	(1)	(369)	(67)	(483)	(46)	(1)	(374)	(71)	(492)
	Amount Outstanding – Restructured facility	(112.06)	(40.84)	(492.91)	(875.71)	(1,521.52)	(186.55)	(40.84)	(1,309.07)	(1,032.88)	(2,569.34)
	Amount Outstanding – Other facility	(19.86)	-	(71.90)	(293.94)	(385.70)	(34.11)	-	(228.33)	(591.81)	(854.25)
Restructured accounts as on March 31 of the FY (closing figures)	No. of borrowers	516	18	191	87	812	523	18	209	93	843
	Amount Outstanding – Restructured facility	757.33	4.55	3,902.96	151.90	4,816.74	1,185.13	4.55	5,273.75	276.55	6,739.98
	Amount Outstanding – Other facility	268.82	0.33	1,390.05	3.75	1,662.95	548.15	0.33	1,740.36	37.85	2,326.69
	Provision thereon	7.35	-	36.97	-	44.32	18.63	-	65.34	-	83.97

Amount outstanding under restructuring facilities and other facilities is as on 31 March, 2018:

1. Amount reported here represents outstanding as on 31 March, 2018. Actual amount subjected to restructuring determined as on the date of approval of restructuring proposal is ₹366.76 crores for the FY 2017-18
2. Includes ₹51.07 crores of fresh/additional sanction to existing restructured accounts (₹0.02 crores under restructured facility and ₹51.05 crores under other facility)
3. Includes accounts which were not attracting higher provisioning and/or additional risk weight at the beginning of FY
4. Includes accounts partially written-off during the year
5. Amount outstanding under restructuring facilities and other facilities is as on the date of write-off in the books
6. Includes ₹363.46 crores of reduction from existing restructured accounts by way of sale/recovery (₹299.57 crores from restructured facility and ₹63.89 crores from other facility)
7. The cumulative value of net restructured advances after reducing the provision held for diminution in fair value and balance in interest capitalization account upto 31 March, 2018 aggregated ₹1,087.10 crores
8. Information appearing under sub-standard, doubtful and loss category also include accounts slipped into NPAs from restructured standard advances along with restructured NPAs

1.1.26 Disclosure on Flexible Structuring of existing loans

(₹ in crores)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
No. of borrowers taken up for flexible structuring	-	3
Amount of loans taken up for flexible structuring#		
- Classified as Standard*	-	682.18
- Classified as NPA*	-	290.36
Exposure weighted average duration of loans taken up for flexible structuring (years)		
- Before applying flexible structuring	-	9.43
- After applying flexible structuring	-	19.25

represents outstanding as on date of sanction of the proposal

* asset classification represents position as on 31 March of the respective year

1.1.27 Disclosure on Scheme for Sustainable Structuring of Stressed Assets (S4A)

(₹ in crores)

Particulars	As at 31 March, 2019	As at 31 March, 2018
No. of accounts where S4A has been applied	5	5
Aggregate amount outstanding*		
- Classified as Standard	365.17	486.24
- Classified as NPA	648.94	647.52
Amount outstanding in Part A		
- Classified as Standard	187.23	281.48
- Classified as NPA	397.07	409.21
Amount outstanding in Part B		
- Classified as Standard	177.94	204.76
- Classified as NPA	251.87	238.31
Provision Held		
- Classified as Standard	93.85	107.46
- Classified as NPA	620.57	567.79

*represents total of Part A and Part B

1.1.28 Disclosure in respect of Interest Rate Swaps ('IRS'), Forward Rate Agreement ('FRA') and Cross Currency Swaps ('CCS') outstanding is set out below:

An 'IRS' is a financial contract between two parties exchanging or swapping a stream of interest payments for a 'notional principal' amount on multiple occasions during a specified period. The Bank deals in interest rate benchmarks like Mumbai Inter-Bank Offered Rate (MIBOR), Indian Government Securities Benchmark Rate (INBMK), Mumbai Inter-Bank Forward Offer Rate (MIFOR) and LIBOR of various currencies.

A 'FRA' is a financial contract between two parties to exchange interest payments for 'notional principal' amount on settlement date, for a specified period from start date to maturity date. Accordingly, on the settlement date cash payments based on contract rate and the settlement rate, which is the agreed bench-mark/reference rate prevailing on the settlement date, are made by the parties to one another. The benchmark used in the FRA contracts of the Bank is London Inter-Bank Offered Rate (LIBOR) of various currencies.

A 'CCS' is a financial contract between two parties exchanging interest payments and principal, wherein interest payments and principal in one currency would be exchanged for an equally valued interest payments and principal in another currency.

(₹ in crores)

Sr. No.	Items	As at 31 March, 2019	As at 31 March, 2018
i)	Notional principal of swap agreements	236,685.35	196,069.45
ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	4,223.33	2,872.20
iii)	Collateral required by the Bank upon entering into swaps	523.97	826.23
iv)	Concentration of credit risk arising from the swaps		
	Maximum single industry exposure with Banks (previous year with Banks)		
	- Interest Rate Swaps/FRA's	2,201.10	2,695.48
	- Cross Currency Swaps	3,112.72	2,947.91
v)	Fair value of the swap book (hedging & trading)		
	- Interest Rate Swaps/FRA's	(794.06)	(804.12)
	- Currency Swaps	1,475.34	1,228.65

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

(₹ in crores)

Nature	Nos.	Notional Principal	Benchmark	Terms
Hedging	33	12,413.32	LIBOR	Fixed Receivable v/s Floating Payable
Hedging	2	1,901.76	LIBOR	Floating Receivable v/s Fixed Payable
Trading	3	175.00	INBMK	Fixed Receivable v/s Floating Payable
Trading	250	36,486.34	LIBOR	Fixed Receivable v/s Floating Payable
Trading	564	34,822.66	MIBOR	Fixed Receivable v/s Floating Payable
Trading	380	20,724.00	MIFOR	Fixed Receivable v/s Floating Payable
Trading	18	1,559.00	INBMK	Floating Receivable v/s Fixed Payable
Trading	285	43,149.73	LIBOR	Floating Receivable v/s Fixed Payable
Trading	597	30,858.54	MIBOR	Floating Receivable v/s Fixed Payable
Trading	183	9,945.00	MIFOR	Floating Receivable v/s Fixed Payable
Trading	16	3,679.05	LIBOR	Floating Receivable v/s Floating Payable
Trading	4	106.33	LIBOR	Pay Cap
Trading	4	111.51	LIBOR	Receive Cap
	2,339	195,932.24		

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

(₹ in crores)

Nature	Nos.	Notional Principal	Benchmark	Terms
Hedging	33	11,698.91	LIBOR	Fixed Receivable v/s Floating Payable
Trading	4	275.00	INBMK	Fixed Receivable v/s Floating Payable
Trading	250	36,726.98	LIBOR	Fixed Receivable v/s Floating Payable
Trading	319	22,201.66	MIBOR	Fixed Receivable v/s Floating Payable
Trading	350	17,107.00	MIFOR	Fixed Receivable v/s Floating Payable
Trading	21	1,659.00	INBMK	Floating Receivable v/s Fixed Payable
Trading	294	41,559.60	LIBOR	Floating Receivable v/s Fixed Payable
Trading	353	17,553.49	MIBOR	Floating Receivable v/s Fixed Payable
Trading	181	9,741.00	MIFOR	Floating Receivable v/s Fixed Payable
Trading	28	5,116.24	LIBOR	Floating Receivable v/s Floating Payable
Trading	5	229.07	LIBOR	Pay Cap
Trading	5	229.07	LIBOR	Receive Cap
	1,843	164,097.02		

The nature and terms of the FRA as on 31 March, 2019 are set out below:

(₹ in crores)

Nature	Nos.	Notional Principal	Benchmark	Terms
-	-	-	-	-

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

(₹ in crores)

Nature	Nos.	Notional Principal	Benchmark	Terms
Hedging	1	325.88	LIBOR	Floating Receivable v/s Fixed Payable
	1	325.88		

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

(₹ in crores)

Nature	Nos.	Notional Principal	Benchmark	Terms
Trading	93	7,416.32	Principal & Coupon Swap	Fixed Payable v/s Fixed Receivable
Trading	74	7,294.53	LIBOR	Fixed Receivable v/s Floating Payable
Trading	70	11,333.58	LIBOR	Floating Receivable v/s Fixed Payable
Trading	13	6,694.33	LIBOR/MIFOR/ MIBOR	Floating Receivable v/s Floating Payable
Trading	48	4,932.27	Principal Only	Fixed Receivable
Trading	32	3,082.09	Principal Only	Fixed Payable
	330	40,753.12		

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

(₹ in crores)

Nature	Nos.	Notional Principal	Benchmark	Terms
Trading	84	9,787.05	Principal & Coupon Swap	Fixed Payable v/s Fixed Receivable
Trading	70	6,047.29	LIBOR	Fixed Receivable v/s Floating Payable
Trading	65	7,061.51	LIBOR	Floating Receivable v/s Fixed Payable
Trading	6	2,445.14	LIBOR/MIFOR/ MIBOR	Floating Receivable v/s Floating Payable
Trading	37	3,613.89	Principal Only	Fixed Receivable
Trading	20	2,691.67	Principal Only	Fixed Payable
	282	31,646.55		

Details of Exchange Traded Interest Rate Derivatives for the year ended 31 March, 2019 are set out below:

(₹ in crores)

Sr. No.	Particulars	As at 31 March, 2019
i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year	
	717GS2028 – 7.17% GOI 2028	77.28
	FVM8 - 5 years US Note – June 2018	69.15
	TYM8 – 10 years US Note – June 2018	345.77
	FVU8 – 5 years US Note – September 2018	459.19
	TYU8 – 10 years US Note – September 2018	1,136.91
	TYZ8 – 10 years US Note – December 2018	1,569.82
	FVZ8 – 5 years US Note – December 2018	1,064.99
	EDZ8 – 90 Days Euro Futures – December 2018	5,532.40
	EDM9 – 90 Days Euro Futures – June 2019	2,863.02
	TUZ8 – 2 years US Note – December 2018	276.62
	EDZ9 – 90 Days Euro Futures – December 2019	9,681.70
	TYH9 – 10 years US Note – March 2019	3,380.30
	FVH9 – 5 Years US Note – March 2019	7,898.88
	TUH9 – 2 Years US Note – March 2019	926.68
	TUM9 – 2 Years US Note – June 2019	110.65
	FVM9 – 5 Years US Note – June 2019	2,636.19
	TYM9 – 10 Years US Note – June 2019	207.46
	EDZ0 – 90 Days Euro Futures – December 2020	2,766.20
		41,003.21
ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 March, 2019	
	FVM9 – 5 Years US Note – June 2019	818.79
	TUM9 – 2 Years US Note – June 2019	82.99
		901.78
iii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 March, 2019 and “not highly effective”	N.A.
iv)	Mark-to-market value of exchange traded interest rate derivatives outstanding as on 31 March, 2019 and “not highly effective”	N.A.

Details of Exchange Traded Interest Rate Derivatives for the year ended 31 March, 2018 are set out below:

(₹ in crores)

Sr. No.	Particulars	As at 31 March, 2018
i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year	
	679GS2027 - 6.79% GOI 2027	1,269.52
	697GS2026 - 6.97% GOI 2026	356.60
	759GS2026 - 7.59% GOI 2026	29.72
	EDM7 - 90 Days Euro Future - June 2017	1,629.38
	EDM8 - 90 Days Euro Future - June 2018	1,629.38
	EDU7 - 90 Days Euro Future - September 2017	3,258.75
	EDU8 - 90 Days Euro Future - September 2018	3,258.75
	FFF8 - 30 Days FED Funds - January 2018	3,258.75
	TUM7 - 2 Years Treasury Note - June 2017	130.35
	TUU7 - 2 Years Treasury Note - September 2017	260.70
	TYM7 - 10 Years US Note - June 2017	162.93
	TYU7 - 10 Years US Note - September 2017	239.84
	FVZ7 - 5 Years US Note - December 2017	130.35
	FVH8 - 5 Years US Note - March 2018	130.35
	TYH8 - 10 Years US Note - March 2018	82.12
	TUH8 - 2 Years US Note - March 2018	260.70
	FVM8 - 5 Years US Note - June 2018	130.35
		16,218.54
ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 March, 2018	Nil
iii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 March, 2018 and "not highly effective"	N.A.
iv)	Mark-to-market value of exchange traded interest rate derivatives outstanding as on 31 March, 2018 and "not highly effective"	N.A.

The Bank has not undertaken any transactions in Credit Default Swaps (CDS) during the year ended 31 March, 2019 and 31 March, 2018.

1.1.29 Disclosure on risk exposure in Derivatives

Qualitative disclosures:

- (a) Structure and organisation for management of risk in derivatives trading, the scope and nature of risk measurement, risk reporting and risk monitoring systems, policies for hedging and/or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/mitigants:

Derivatives are financial instruments whose characteristics are derived from an underlying asset, or from interest and exchange rates or indices. The Bank undertakes over the counter and Exchange Traded derivative transactions for Balance Sheet management and also for proprietary trading/market making whereby the Bank offers derivative products to the customers to enable them to hedge their interest rate and currency risks within the prevalent regulatory guidelines.

Proprietary trading includes Interest Rate Futures, Currency Futures and Rupee Interest Rate Swaps under different benchmarks (viz. MIBOR, MIFOR and INBMK), and Currency Options. The Bank also undertakes transactions in Cross Currency Swaps, Principal Only Swaps, Coupon Only Swaps and Long Term Forex

Contracts (LTFX) for hedging its Balance Sheet and also offers them to its customers. These transactions expose the Bank to various risks, primarily credit, market, legal, reputation and operational risk. The Bank has adopted the following mechanism for managing risks arising out of the derivative transactions.

There is a functional separation between the Treasury Front Office, Treasury Mid Office and Treasury Back Office to undertake derivative transactions. The customer and interbank related derivative transaction are originated by Derivative sales and Treasury Front Office team respectively which ensures compliance with the trade origination requirements as per the bank's policy and the RBI guidelines. The Market Risk Group within the Bank's Risk Department independently identifies measures and monitors the market risks associated with derivative transactions and apprises the Asset Liability Management Committee (ALCO) and the Risk Management Committee of the Board (RMC) on the compliance with the risk limits. The Treasury Back Office undertakes activities such as trade confirmation, settlement, ISDA documentation, accounting, valuation and other MIS reporting.

The derivative transactions are governed by the derivative policy, market risk management policy, hedging policy and the Asset Liability Management (ALM) policy of the Bank as well as by the extant RBI guidelines. As a part of the derivative policy, the Bank has implemented policy on customer suitability & appropriateness to ensure that derivative transactions entered into are appropriate and suitable to the customer. The Bank has put in place a detailed process flow on documentation for customer derivative transactions for effective management of operational risk/reputation risk.

Various risk limits are set up and actual exposures are monitored vis-à-vis the limits allocated. These limits are set up taking into account market volatility, risk appetite, business strategy and management experience. Risk limits are in place for risk parameters viz. PV01, VaR, Stop Loss, Delta, Gamma and Vega. Actual positions are monitored against these limits on a daily basis and breaches, if any, are dealt with in accordance with board approved Risk Appetite Statement. Risk assessment of the portfolio is undertaken periodically. The Bank ensures that the Gross PV01 (Price value of a basis point) position arising out of all non-option rupee derivative contracts are within 0.25% of net worth of the Bank as on Balance Sheet date.

Hedging transactions are undertaken by the Bank to protect the variability in the fair value or the cash flow of the underlying Balance Sheet item. These deals are accounted on an accrual basis except the swap designated with an asset/liability that is carried at market value or lower of cost or market value. In that case, the swap is marked to market with the resulting gain or loss recorded as an adjustment to the market value of designated asset or liability. These transactions are tested for hedge effectiveness and in case any transaction fails the test, the same is re-designated as a trading deal and appropriate accounting treatment is followed.

- (b) Accounting policy for recording hedge and non-hedge transactions, recognition of income, premiums and discounts, valuation of outstanding contracts:

The Hedging Policy of the Bank governs the use of derivatives for hedging purpose. Subject to the prevailing RBI guidelines, the Bank deals in derivatives for hedging fixed rate and floating rate coupon or foreign currency assets/liabilities. Transactions for hedging and market making purposes are recorded separately. For hedge transactions, the Bank identifies the hedged item (asset or liability) at the inception of the transaction itself. The effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. Hedge derivative transactions are accounted for in accordance with the hedge accounting principles. Derivatives for market making purpose are marked to market and the resulting gain/loss is recorded in the Profit and Loss Account. The premium on option contracts is accounted for as per FEDAI guidelines. Derivative transactions are covered under International Swaps and Derivatives Association (ISDA) master agreements with respective counterparties. The exposure on account of derivative transactions is computed as per the RBI guidelines and is marked against the credit limits approved for the respective counterparties.

(c) Provisioning, collateral and credit risk mitigation:

Derivative transactions comprise of swaps, FRAs, futures, forward contracts and options which are disclosed as contingent liabilities. Trading swaps/FRAs/futures/options/forward contracts are revalued at the Balance Sheet date with the resulting unrealised gain or loss being recognised in the Profit and Loss Account and correspondingly in other assets or other liabilities respectively. Hedged swaps are accounted for as per the RBI guidelines. In accordance with RBI guidelines, any receivables (crystallised receivables and positive MTM) under derivative contracts, which remain overdue for more than 90 days, are reversed through the Profit and Loss Account and are held in a separate Suspense account.

Collateral requirements for derivative transactions are laid down as part of credit sanction terms on a case by case basis. Such collateral requirements are determined, based on usual credit appraisal process. The Bank retains the right to terminate transactions as a risk mitigation measure in certain cases.

The credit risk in respect of customer derivative transactions is sought to be mitigated through a laid down policy on sanction of Loan Equivalent Risk (LER) limits, monitoring mechanism for LER limits and trigger events for escalation/margin calls/termination.

Quantitative disclosure on risk exposure in derivatives^{\$}:

(₹ in crores)

Sr. No.	Particulars	As at 31 March, 2019			
		Forward Contracts [^]	CCS	Options	Interest rate Derivatives
1	Derivatives (Notional Principal Amount)				
	a) For hedging	56,970.61	-	-	14,315.09
	b) For trading	272,683.15	40,753.12	46,404.77	181,617.15
2	Marked to Market Positions[#]				
	a) Asset (+)	3,764.51	2,698.28	1,485.72	1,509.36
	b) Liability (-)	(3,907.80)	(1,222.94)	(1,425.22)	(2,146.16)
3	Credit Exposure[@]	13,477.22	6,709.64	1,603.96	3,743.38
4	Likely impact of one percentage change in interest rate (100*PV01) (as at 31 March, 2019)				
	a) on hedging derivatives	3.81	-	-	49.80
	b) on trading derivatives	8.76	2.56	298.94	57.93
5	Maximum and Minimum of 100*PV01 observed during the year				
	a) on hedging				
	i) Minimum	1.02	-	-	29.67
	ii) Maximum	12.34	-	-	60.55
	b) on Trading				
	i) Minimum	0.56	2.46	20.91	53.63
	ii) Maximum	8.76	5.71	306.14	78.97
	[#] Only on trading derivatives				
	[@] Includes accrued interest				
	[^] Excluding Tom/Spot contracts				

^{\$} only Over The Counter derivatives included

(₹ in crores)

		As at 31 March, 2018			
Sr. No.	Particulars	Currency Derivatives			Interest rate Derivatives
		Forward Contracts [^]	CCS	Options	
1	Derivatives (Notional Principal Amount)				
	a) For hedging	40,335.85	-	-	12,024.79
	b) For trading	274,466.05	31,646.55	59,342.59	152,398.11
2	Marked to Market Positions[#]				
	a) Asset (+)	2,182.90	1,734.30	1,488.58	1,130.94
	b) Liability (-)	(2,464.30)	(505.64)	(1,390.53)	(1,685.31)
3	Credit Exposure[@]	13,074.02	4,799.22	1,670.63	2,991.32
4	Likely impact of one percentage change in interest rate (100*PV01) (as at 31 March, 2018)				
	a) on hedging derivatives	8.84	-	-	58.15
	b) on trading derivatives	7.32	3.68	97.84	47.27
5	Maximum and Minimum of 100*PV01 observed during the year				
	a) on hedging				
	i) Minimum	0.10	-	-	51.35
	ii) Maximum	12.84	5.32	-	85.73
	b) on Trading				
	i) Minimum	0.31	1.75	8.50	45.98
	ii) Maximum	10.19	3.68	108.73	64.71
	[#] Only on trading derivatives				
	[@] Includes accrued interest				
	[^] Excluding Tom/Spot contracts				

\$ only Over The Counter derivatives included

The outstanding notional principal amount of Exchange Traded Currency Options as at 31 March, 2019 was Nil (previous year Nil) and the mark-to-market value was Nil (previous year Nil).

1.1.30 Details of penalty/stricture levied by RBI during the year ended 31 March, 2019 is as under:

Amount (₹ in crores)	Reason for stricture issued/ levy of penalty by RBI	Date of payment of penalty
2.00	Non-compliance of RBI guidelines related to 'Collection of Account Payee Cheques – Prohibition on Crediting proceeds to Third Party Account' and Master Directions on 'Frauds- Classification and Reporting by commercial banks and select FIs'. Penalty was imposed in terms of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949	16 February, 2019
0.20	Non-compliance of RBI guidelines related to 'Detection and Impounding of Counterfeit Notes' and 'Sorting of Notes – Installation of Note Sorting Machines'. Penalty was imposed in terms of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949	5 February, 2019
-	Caution letter issued by RBI on 25 February, 2019 for non compliance of RBI directives on time bound implementation and strengthening of SWIFT related operational controls	-

Details of penalty/stricture levied by RBI during the year ended 31 March, 2018 is as under:

Amount (₹ in crores)	Reason for stricture issued / levy of penalty by RBI	Date of payment of penalty
3.00	Non-compliance of RBI guidelines on income Recognition and Asset Classification (IRAC) norms. Penalty was imposed in terms of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949	7 March, 2018

1.1.31 Disclosure of customer complaints

(a) Disclosure of customer complaints relating to Bank's customers on Bank's ATMs

	31 March, 2019	31 March, 2018
a. No. of complaints pending at the beginning of the year	284	143
b. No. of complaints received during the year	115,737	51,096
c. No. of complaints redressed during the year	116,021	50,955
d. No. of complaints pending at the end of the year	-	284

(b) Disclosure of customer complaints relating to Bank's customers on other bank's ATMs

	31 March, 2019	31 March, 2018
a. No. of complaints pending at the beginning of the year	2,360	1,233
b. No. of complaints received during the year	105,110	88,301
c. No. of complaints redressed during the year	107,470	87,174
d. No. of complaints pending at the end of the year	-	2,360

(c) Disclosure of customer complaints other than ATM transaction complaints

	31 March, 2019	31 March, 2018
a. No. of complaints pending at the beginning of the year	24,456	40,808
b. No. of complaints received during the year	78,442	229,027
c. No. of complaints redressed during the year	101,681	245,379
d. No. of complaints pending at the end of the year	1,217	24,456

(d) Total customer complaints

	31 March, 2019	31 March, 2018
a. No. of complaints pending at the beginning of the year	27,100	42,184
b. No. of complaints received during the year	299,289	368,424
c. No. of complaints redressed during the year	325,172	383,508
d. No. of complaints pending at the end of the year	1,217	27,100

The above information does not include complaints redressed within 1 working day and is as certified by the Management and relied upon by the auditors.

1.1.32 Disclosure of Awards passed by the Banking Ombudsman

	31 March, 2019	31 March, 2018
a. No. of unimplemented awards at the beginning of the year	-	-
b. No. of awards passed by the Banking Ombudsman during the year	-	-
c. No. of awards implemented during the year	-	-
d. No. of unimplemented awards at the end of the year	-	-

The above information is as certified by the Management and relied upon by the auditors.

1.1.33 Draw Down from Reserves

During the year ended 31 March, 2019 the Bank has made a draw down out of the Investment Reserve account towards depreciation on investments in AFS and HFT categories in terms of RBI guidelines.

During the year ended 31 March, 2018 the Bank has not undertaken any draw down from reserves, except towards issue expenses incurred for the equity raising through the preferential issue, which have been adjusted against the share premium account.

1.1.34 Letter of Comfort

The Bank has not issued any Letter of Comfort (LoC) on behalf of its subsidiaries during the current and previous year.

1.1.35 Disclosure on Remuneration

Qualitative disclosures**a) Information relating to the bodies that oversee remuneration:**

- ❖ Name, composition and mandate of the main body overseeing remuneration:

The Nomination and Remuneration Committee of the Board oversees the framing, review and implementation of the compensation policy of the Bank on behalf of the Board. The Committee works in close co-ordination with the Risk Management Committee of the Bank, in order to achieve effective alignment between remuneration and risks.

As at 31 March, 2019, the Nomination and Remuneration Committee comprises of the following Non-Executive Directors:

1. Shri Rakesh Makhija - Chairman
2. Shri Rohit Bhagat
3. Shri Som Mittal
4. Shri Stephen Pagliuca

In respect of Remuneration/HR matters, the Nomination and Remuneration Committee of the Board, functions with the following main objectives:

- a. Review and recommend to the Board for approval, the overall remuneration framework and associated policy of the Bank (including remuneration policy for Directors and key managerial personnel) including the level and structure of fixed pay, variable pay, perquisites, bonus pool, stock-based compensation and any other form of compensation as may be included from time to time to all the employees of the Bank including the Managing Director & CEO (MD & CEO), other Whole-Time Directors (WTD) and senior managers one level below the Board.

- b. Review and recommend to the Board for approval, the total increase in manpower cost budget of the Bank as a whole, at an aggregate level, for the next year.
- c. Recommend to the Board the compensation payable to the Chairman of the Bank.
- d. Review the Code of Conduct and HR strategy, policy and performance appraisal process within the Bank, as well as any fundamental changes in organisation structure which could have wide ranging or high risk implications.
- e. Review and recommend to the Board for approval, the talent management and succession policy and process in the Bank for ensuring business continuity, especially at the level of MD & CEO, the other WTDs, senior managers one level below the Board and other key roles and their progression to the Board.
- f. Review and recommend to the Board for approval:
 - the creation of new positions one level below MD & CEO
 - appointments, promotions and exits of senior managers one level below the MD & CEO
- g. Set the goals, objectives and performance benchmarks for the Bank and for MD & CEO, WTDs and Group Executives for the financial year and over the medium to long term.
- h. Review the performance of the MD & CEO and other WTDs at the end of each year.
- i. Review organisation health through feedback from employee surveys conducted on a regular basis.
- j. Perform such other duties as may be required to be done under any law, statute, rules, regulations etc. enacted by Government of India, Reserve Bank of India or by any other regulatory or statutory body.

- ❖ External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process:

The Nomination and Remuneration Committee has commissioned Aon Hewitt, a globally renowned compensation benchmarking firm, to conduct market benchmarking of employee compensation. The Bank participates in the salary benchmarking survey conducted by Aon Hewitt every year. Aon Hewitt collects data from multiple private sector peer banks across functions, levels and roles which is then used by the Bank to assess market competitiveness of remuneration offered to Bank employees.

- ❖ A description of the scope of the Bank's remuneration policy, including the extent to which it is applicable to foreign subsidiaries and branches:

The Committee monitors the remuneration policy for both domestic and overseas branches of the Bank on behalf of the Board. However, it does not oversee the compensation policy for subsidiaries of the Bank.

- ❖ A description of the type of employees covered and number of such employees:

Employees are categorised into following three categories from remuneration structure and administration standpoint:

Category 1

MD & CEO and WTDs. This category includes 5 employees.

Category 2

All the employees in the Grade of Vice President and above engaged in the functions of Risk Control and Compliance. This category includes 27 employees.

Category 3: Other Staff

'Other Staff' has been defined as a "group of employees who pose a material risk". This category includes all the employees of the Bank in the grade of Executive Vice President (EVP) and above and also few other key business roles in case they are below the grade of Executive Vice President. This category includes 32 employees.

b) Information relating to the design and structure of remuneration processes:

- ❖ An overview of the key features and objectives of remuneration policy:

The compensation philosophy of the Bank aims to attract, retain and motivate professionals in order to enable the Bank to attain its strategic objectives and develop a strong performance culture in the competitive environment in which it operates. To achieve this, the following principles are adopted:

- Affordability: Pay to reflect productivity improvements to retain cost-income competitiveness
- Maintain competitiveness on fixed pay in talent market
- Pay for performance to drive meritocracy through variable pay
- Employee Stock Options for long-term value creation
- Benefits and perquisites to remain aligned with market practices and provide flexibility

Apart from the above, the compensation structure for MD & CEO and WTDs is aligned to RBI's guidelines for sound compensation practices (effective FY 2012-13) and addresses the general principles of:

- Effective and independent governance and monitoring of compensation
- Alignment of compensation with prudent risk-taking through well designed and consistent compensation structures
- Clear and timely disclosure to facilitate supervisory oversight by all stakeholders

Accordingly, the compensation policy for MD & CEO and WTDs seeks to:

- Ensure that the compensation, in terms of structure and total amount, is in line with the best practices, as well as competitive vis-à-vis that of peer banks
- Establish the linkage of compensation with individual performance as well as achievement of the corporate objectives of the Bank
- Include an appropriate variable pay component tied to the achievement of pre-established objectives in line with Bank's scorecard while ensuring that the compensation is aligned with prudent risk taking

- d) Encourage attainment of long term shareholder returns through inclusion of equity linked long-term incentives as part of compensation

Compensation is structured in terms of fixed pay, variable pay and employee stock options (for selective employees), with a strong linkage of variable pay to performance. The compensation policy of the Bank is approved by the Nomination and Remuneration Committee. Additional approval from Shareholders and RBI is obtained specifically for compensation of MD & CEO and WTDs.

- ❖ Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made:

The Nomination and Remuneration committee reviews the Bank's remuneration policy every year. There were no major changes made in the remuneration policy during the year.

- ❖ A discussion of how the Bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee:

The Bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee and is guided by the individual employee performance. The remuneration is determined on the basis of relevant risk measures included in the Balanced Scorecard / key deliverables of staff in these functions. The parameters reviewed for performance based rewards are independent of performance of the business area they oversee and commensurate with their individual role in the Bank. Additionally, the ratio of fixed and variable compensation is weighed towards fixed compensation.

- c) **Description of the ways in which current and future risks are taken into account in the remuneration processes:**

- ❖ An overview of the key risks that the Bank takes into account when implementing remuneration measures:

The business activity of the Bank is undertaken within the limits of the following risk measures to achieve the financial plan. The Financial Perspective in the Bank's BSC contains metrics pertaining to growth, profitability and asset quality. These metrics along with other metrics in customer, internal process and compliance and people perspective are taken into account while arriving at the remuneration decisions. The metrics on internal process and compliance ensure due weightage to non – financial risk that bank may be exposed to.

- ❖ An overview of the nature and type of key measures used to take account of these risks, including risk difficult to measure:

The Bank has a robust system of measuring and reviewing these risks. The risk parameters are a part of the Balanced Scorecard used for setting of performance objectives and for measuring performance which includes, besides financial performance, adherence to internal processes, compliance and people perspectives. Weightage is placed on not only financial or quantitative achievement of objectives but also on qualitative aspects detailing how the objectives were achieved.

- ❖ A discussion of the ways in which these measures affect remuneration:

The relevant risk measures are included in the scorecards of MD & CEO and WTDs. Inclusion of the above mentioned measures ensures that performance parameters are aligned to risk measures at the time of performance evaluation. The Nomination and Remuneration Committee takes into consideration all the above aspects while assessing organisational and individual performance and making compensation related recommendations to the Board.

- ❖ A discussion of how the nature and type of these measures have changed over the past year and reasons for the changes, as well as the impact of changes on remuneration:

During FY 2018-19, the risk measures were reviewed and certain additional metrics pertaining to Operations Risk were incorporated in the Balanced Scorecards, in view of the challenges faced by the Banking industry in recent years.

d) **Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration:**

The Bank's performance management and compensation philosophies are structured to support the achievement of the Bank's on-going business objectives by rewarding achievement of objectives linked directly to its strategic business priorities. These strategic priorities are cascaded through annualised objectives to the employees.

The Bank follows the Balanced Scorecard approach in designing its performance management system. Adequate attention is given to the robust goal setting process to ensure alignment of individual objectives to support the achievement of business strategy, financial and non-financial goals across and through the organisation. The non-financial goals for employees includes customer service, process improvement, adherence to risk and compliance norms, operations and process control, learning and knowledge development.

❖ An overview of main performance metrics for Bank, top level business lines and individuals:

The Bank follows a Balanced Scorecard approach for measuring performance for the Bank, top business lines and individuals. The approach broadly comprises financial, customer, internal processes, compliance and people perspectives and includes parameters on revenue and profitability, business growth, customer initiatives, operational efficiencies, regulatory compliance, risk management and people management.

❖ A discussion of how amounts of individual remuneration are linked to the Bank-wide and individual performance:

The Bank's remuneration practices are underpinned by principles of meritocracy and fairness. The remuneration system strives to maintain the ability to attract, retain, reward and motivate the talent in order to enable the Bank to attain its strategic objectives within the increasingly competitive context in which it operates. The Bank's pay-for-performance approach strives to ensure both internal and external equity in line with emerging market trends. However, the business model and affordability form the overarching boundary conditions.

The Bank follows a Balanced Scorecard approach for measuring performance at senior levels. The Balanced scorecard parameters for individuals are cascaded from the Bank's Balanced Scorecard. The Management Committee or the Nomination and Remuneration Committee reviews the achievements against the set of parameters which determines the performance of the individuals. For all other employees, performance appraisals are conducted annually and initiated by the employee with self-appraisal. The immediate supervisor reviews the appraisal ratings in a joint consultation meeting with the employee and assigns the performance rating. The final ratings are discussed by a Moderation Committee comprising of senior officials of the Bank. Both relative and absolute individual performances are considered for the moderation process. Individual fixed pay increases, variable pay and ESOPs are linked to the final performance ratings.

❖ A discussion of the measures the Bank will in general implement to adjust remuneration in the event that performance metrics are weak:

In cases where the performance metrics are weak or not well defined to measure the performance effectively, the Bank uses discretion to reward such employees. The remuneration is then influenced by the operational performance parameters of the Bank along with individual performance achievement.

Whilst determining fixed and variable remuneration, relevant risk measures are included in scorecards of senior employees. The Financial Perspective in the Bank's BSC contains metrics pertaining to growth,

profitability and asset quality. These metrics along with other metrics in customer, internal process and compliance and people perspective are taken into account while arriving at the remuneration decisions. The metrics on internal process and compliance ensure due weightage to non – financial risk that bank may be exposed to.

As a prudent measure, a portion of variable pay if it exceeds a certain threshold is deferred and is paid proportionately over a period of 3 years. The deferred variable pay amount of reference year would be held back in case of any misrepresentation or gross inaccuracy resulting in a wrong risk assessment.

e) **Description of the ways in which the Bank seeks to adjust remuneration to take account of the longer term performance:**

- ❖ A discussion of the Bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance:

The deferral of the Variable Pay for the three categories of employees as stated earlier is given below:

Category 1: MD & CEO and WTDs

Variable Pay will not exceed 70% of the Fixed Pay

To ensure that risk measures do not focus only on achieving short term goals, variable payout is deferred. If the variable pay exceeds 40% of fixed pay, 45% of the variable pay to be deferred proportionately over a period of three years.

Category 2: All the employees in the Grade of Vice President and above engaged in the functions of Risk Control and Compliance

- Variable Pay will be paid on the basis of laid down risk control, compliance and process improvement parameters in the balanced scorecard / key deliverables of staff in this function
- The parameters will be independent of performance of the business area they oversee and will commensurate with their key role in the Bank
- The ratio of fixed and variable compensation will be weighed towards fixed compensation
- Percentage of variable pay to be capped at 70% of fixed pay
- Appropriate deferral structure as approved by the Nomination and Remuneration Committee will be applicable to this category of employees

Category 3: Other Staff

- Variable Pay will be paid on the basis of performance against key deliverables and overall business performance for the financial year
- Percentage of variable pay to be capped at 70% of fixed pay
- Appropriate deferral structure as approved by the Nomination and Remuneration Committee will be applicable to this category of employees

- ❖ A discussion of the Bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back arrangements:

The deferred portion of the variable pay may be delayed in the event of an enquiry determining gross negligence or breach of integrity. The deferred portion is withheld by the Bank till the completion of such enquiries, if any. As a result, no claw back arrangements are made on the deferred portion of the variable pay.

f) Description of the different forms of variable remuneration that the Bank utilizes and the rationale for using these different forms:

- ❖ An overview of the forms of variable remuneration offered:
 - Variable Pay: Variable Pay is linked to corporate performance, business performance and individual performance and ensures differential pay based on the performance levels of employees
 - Employee Stock Options (ESOPs): ESOPs are given to selective set of employees at senior levels based on their level of performance and role. ESOP scheme has an inbuilt deferred vesting design which helps in directing long term performance orientation among employees
- ❖ A discussion of the use of different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or group of employees, a description of the factors that determine the mix and their relative importance:

Variable pay in the form of performance based bonus is paid out annually and is linked to performance achievement against balanced performance measures and aligned with the principles of meritocracy. The proportion of variable pay in total pay shall be higher at senior management levels. The payment of all forms of variable pay is governed by the affordability of the Bank and based on profitability and cost income ratios. At senior management levels (and for certain employees with potential to cause material impact on risk exposure), a portion of variable compensation may be paid out in a deferred manner in order to drive prudent behaviour as well as long term & sustainable performance orientation. Long term variable pay is administered in the form of ESOPs with an objective of enabling employee participation in the business as an active stakeholder and to usher in an 'owner-manager' culture. The quantum of grant of stock options is determined and approved by the Nomination and Remuneration Committee, in terms of the said Regulations and in line with best practices, subject to the approval of RBI. The current ESOP design has an inbuilt deferral intended to spread and manage risk.

Quantitative disclosures

- a) The quantitative disclosures pertaining to the MD & CEO, Whole Time Directors and other risk takers for the year ended 31 March, 2019 and 31 March, 2018 are given below. Other risk takers include all employees in the grade of Executive Vice President (EVP) and above and also cover certain select roles in case they are below the grade of EVP.

	31 March, 2019	31 March, 2018
a. i) Number of meetings held by the Remuneration Committee (main body overseeing remuneration) during the financial year	16	8
ii) Remuneration paid to its members (sitting fees)	₹29,50,000	₹15,00,000
b. Number of employees having received a variable remuneration award during the financial year	29*	33*
c. Number and total amount of sign-on awards made during the financial year	N.A.	N.A.
d. Number and total amount of guaranteed bonus awarded during the financial year, if any	N.A.	N.A.
e. Details of severance pay, in addition to accrued benefits, if any	N.A.	N.A.
f. Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms	-	₹0.34 crores (cash bonus)

	31 March, 2019	31 March, 2018
g. Total amount of deferred remuneration paid out in the financial year	₹0.34 crores	₹0.65 crores
h. Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred, different forms used	Fixed - ₹49.80 crores#	Fixed - ₹41.00 crores#
	Variable - ₹9.41 crores*	Variable - ₹9.78 crores*
	Deferred - Nil	Deferred - Nil
	Non-deferred - ₹9.41 crores*	Non-deferred - ₹9.78 crores*
	Number of stock options granted during the financial year - 2,479,000	Number of stock options granted during the financial year - 3,067,750
i. Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments	N.A.	N.A.
j. Total amount of reductions during the financial year due to ex-post explicit adjustments	N.A.	N.A.
k. Total amount of reductions during the financial year due to ex-post implicit adjustments	N.A.	N.A.

* pertains to FY 2016-17 paid to MD & CEO and WTDs and for FY 2017-18 paid to other risk takers (previous years pertains to other risk takers for FY 2016-17)

Fixed Remuneration includes basic salary, fixed allowance, leave fare concession, house rent allowance, super annuation allowance, certain other allowances, gratuity payout, leave encashment and contribution towards provident fund and superannuation fund. Payments in nature of reimbursements have been excluded from fixed remuneration

b) Disclosure for compensation of Non-executive Directors (Except Part-time Chairman):

	31 March, 2019	31 March, 2018
a. Amount of remuneration paid during the year (pertains to preceding year)	-	1.02

1.1.36 The details of fees / brokerage earned in respect of insurance broking, agency and bancassurance business undertaken by the Bank are as under:

Sr. No.	Nature of Income	31 March, 2019	31 March, 2018
1.	For selling life insurance policies	640.50	539.49
2.	For selling non-life insurance policies	68.62	56.40
3.	For selling mutual fund products	416.09	388.46
4.	Others (wealth advisory, RBI and other bonds etc.)	99.11	88.48
	Total	1,224.32	1,072.83

1.1.37 The Bank has not sponsored any special purpose vehicle which is required to be consolidated in the consolidated financial statements as per accounting norms.

1.1.38 Amount of total assets, non-performing assets and revenue of overseas branches is given below:

(₹ in crores)

Particulars	31 March, 2019	31 March, 2018
Total assets	47,941.15	61,007.58
Total NPAs	3,727.06	4,311.02
Total revenue	3,416.09	2,380.67

1.1.39 During the years ended 31 March, 2019 and 31 March, 2018 the value of sales/transfers of securities to/from HTM category (excluding one-time transfer of securities and sales to RBI under OMO auctions) did not exceed 5% of the book value of investments held in HTM category at the beginning of the year.

1.1.40 Disclosure on transfers to Depositor Education and Awareness Fund (DEAF)

(₹ in crores)

Particulars	31 March, 2019	31 March, 2018
Opening balance of amounts transferred to DEAF	97.14	64.90
Add : Amounts transferred to DEAF during the year	66.85	34.07
Less : Amounts reimbursed by DEAF towards claims	(2.46)*	(1.83)*
Closing balance of amounts transferred to DEAF	161.53	97.14

*includes ₹0.16 crores (previous year ₹0.39 crores) of claim raised and pending settlement with RBI

1.1.41 Disclosure on Intra-Group Exposures

(₹ in crores)

Particulars	31 March, 2019	31 March, 2018
Total amount of intra-group exposures	6,895.64	4,954.82
Total amount of top-20 intra-group exposures	6,895.64	4,954.80
Percentage of intra-group exposures to total exposure of the Bank on borrowers/customers	0.85	0.68

During the years ended 31 March, 2019 and 31 March, 2018, the intra-group exposures were within the limits specified by RBI.

The above information is as certified by the Management and relied upon by the auditors.

1.1.42 Unhedged Foreign Currency Exposure

The Bank's Corporate Credit Policy lays down the framework to manage credit risk arising out of unhedged foreign currency exposures of the borrowers. Both at the time of initial approval as well as subsequent reviews/renewals, the assessment of credit risk arising out of foreign currency exposure of the borrowers include details of imports, exports, repayments of foreign currency borrowings, as well as hedges done by the borrowers or naturally enjoyed by them vis-a-vis their intrinsic financial strength, history of hedging and losses arising out of foreign currency volatility. The extent of hedge/cover required on the total foreign currency exposure including natural hedge and hedged positions, is guided through a matrix of internal ratings. The hedging policy is applicable for existing as well as new clients with foreign currency exposures above a predefined threshold. The details of un-hedged foreign currency exposure of customers for transactions undertaken through the Bank are monitored periodically. The Bank also maintains additional provision and capital, in line with RBI guidelines.

During the year ended 31 March, 2019, the Bank made a provision of ₹18.79 crores (previous year write back of ₹9.30 crores) towards un-hedged foreign currency exposures. As on 31 March, 2019, the Bank held incremental capital of ₹191.52 crores (previous year ₹220.11 crores) towards borrowers having un-hedged foreign currency exposures.

1.1.43 Disclosure on provisioning pertaining to fraud accounts

(₹ in crores)

Particulars	31 March, 2019	31 March, 2018
Number of frauds reported during the year*	145	521
Amounts involved	529.04	353.97
Provisions held at the beginning of the year	356.59	125.49
Provisions made during the year	172.45	228.48
Provisions held at the end of the year	529.04	353.97
Unamortised provision debited from 'other reserves' as at the end of the year	-	-

* Excluding 22 cases (previous year 2 cases) amounting to ₹540.46 crores (previous year ₹98.96 crores) reported as fraud during the year and subsequently prudentially written off

1.1.44 Disclosure on provisioning pertaining to Land held under 'Non-Banking assets acquired in satisfaction of claims'

(₹ in crores)

Particulars	31 March, 2019
Amount of Land held under 'Non-Banking assets acquired in satisfaction of claims'	2,208.61
Provisions held at the beginning of the year	-
Provisions made during the year by debiting profit and loss account	603.33
Unamortised provision debited from 'Balance in profit and loss account' under 'Reserves and Surplus'	1,605.28

1.1.45 Details of Priority Sector Lending Certificates (PSLC) purchased by the Bank are set out below:

(₹ in crores)

Category	31 March, 2019	31 March, 2018
PSLC – General	17,470.00	9,416.00
PSLC – Micro Enterprises	2,375.00	300.00
Total	19,845.00	9,716.00

Details of PSLCs sold by the Bank are set out below:

(₹ in crores)

Category	31 March, 2019	31 March, 2018
PSLC – General	385.00	-
Total	385.00	-

1.1.46 Disclosure on Liquidity Coverage Ratio

Qualitative disclosure

The Bank has adopted the Basel III framework on liquidity standards as prescribed by RBI and has put in place requisite systems and processes to enable periodical computation and reporting of the Liquidity Coverage Ratio (LCR). The mandated regulatory threshold is embedded into the Risk Appetite Statement of the Bank thus subjecting LCR

maintenance to Board oversight and periodical review. The Bank computes the LCR and reports the same to the Asset Liability Management Committee (ALCO) every month for review as well as to the Risk Management Committee of the Board.

The Bank computes LCR on a daily basis and in accordance with RBI guidelines the quarterly disclosures of LCR contain data on the simple average calculated on daily observations over a period of 90 days.

The Bank follows the criteria laid down by RBI for calculation of High Quality Liquid Assets (HQLA), gross outflows and inflows within the next 30-day period. HQLA predominantly comprises Government securities viz. Treasury Bills, Central and State Government securities. A relatively smaller part of HQLA is accounted for by the corporate bonds with mandated haircuts applied thereto.

The Bank monitors the concentration of funding sources from significant counterparties, significant instruments/products as part of the asset liability management framework. The Bank adheres to the regulatory and internal limits on Inter-bank liability and call money borrowings which form part of the ALM policy. The Bank's funding sources are fairly dispersed across sources and maturities.

Expected derivative cash outflows and inflows are calculated for outstanding contracts in accordance with laid down valuation methodologies. Cash flows, if any, from collaterals posted against derivatives are not considered.

Apart from the LCR position in all currencies put together, the Bank monitors the LCR in US Dollar currency which qualifies as a significant currency as per RBI guidelines.

The liquidity risk management of the Bank is undertaken by the Asset Liability Management group in the Treasury in accordance with the Board approved policies and ALCO approved funding plans. The Risk department measures and monitors the liquidity profile of the Bank with reference to the Board approved limits, for both domestic as well as overseas operations, on a static as well as on a dynamic basis by using the gap analysis technique supplemented by monitoring of key liquidity ratios and periodical liquidity stress testing. Periodical reports are placed before the Bank's ALCO for perusal and review.

All significant outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation template.

Quantitative disclosure

(₹ in crores)

	Quarter ended 31 March, 2019		Quarter ended 31 December, 2018		Quarter ended 30 September, 2018		Quarter ended 30 June, 2018	
	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 (HQLAs)		122,173.58		112,336.65		98,417.24		82,905.66
Cash Outflows								
2 Retail Deposits and deposits from small business customers, of which:	288,756.01	26,298.55	276,752.92	25,082.62	262,954.38	23,773.05	250,441.74	22,587.17
(i) Stable Deposits	51,541.11	2,577.06	51,853.44	2,592.67	50,447.68	2,522.38	49,140.03	2,457.00
(ii) Less Stable Deposits	237,214.90	23,721.49	224,899.48	22,489.95	212,506.70	21,250.67	201,301.71	20,130.17
3 Unsecured wholesale funding, of which :	156,131.98	79,803.19	147,846.47	74,665.27	138,551.93	71,267.03	133,534.29	68,572.86
(i) Operational deposits (all counterparties)	45,839.18	11,448.44	45,614.30	11,396.72	42,070.15	10,511.43	41,286.10	10,315.38
(ii) Non-operational deposits (all counterparties)	110,292.80	68,354.75	102,232.17	63,268.55	96,481.78	60,775.60	92,248.19	58,257.48
(iii) Unsecured debt	-	-	-	-	-	-	-	-
4 Secured wholesale funding		-		489.13		-		1,315.08
5 Additional requirements, of which:	33,663.94	22,274.62	44,959.20	31,958.57	39,442.47	27,091.98	37,859.76	25,588.32
(i) Outflows related to derivative exposures and other collateral requirements	20,690.63	20,690.63	30,309.69	30,309.69	25,518.93	25,518.93	23,839.39	23,839.39
(ii) Outflows related to loss of funding on debt products	35.28	35.28	112.93	112.93	179.59	179.59	136.23	136.23
(iii) Credit and liquidity facilities	12,938.03	1,548.71	14,536.58	1,535.95	13,743.95	1,393.46	13,884.14	1,612.70
6 Other contractual funding obligations	5,481.21	5,481.21	5,347.92	5,347.92	4,303.74	4,241.13	4,115.59	4,025.59
7 Other contingent funding obligations	229,362.92	9,296.33	232,701.55	9,189.17	236,628.98	9,380.16	226,614.14	8,914.06
8 Total Cash Outflows		143,153.90		146,732.68		135,753.34		131,003.08
Cash Inflows								
9 Secured lending (eg. reverse repo)	9,018.11	-	4,657.91	-	3,172.41	-	2,130.44	-
10 Inflows from fully performing exposures	34,209.85	24,150.15	34,751.35	24,671.71	36,368.55	24,909.84	31,469.06	20,819.65
11 Other cash inflows	20,164.89	20,164.89	30,454.88	30,454.88	25,478.59	25,478.59	23,503.92	23,503.92
12 Total Cash Inflows	63,392.85	44,315.04	69,864.14	55,126.59	65,019.55	50,388.43	57,103.42	44,323.57
	Total adjusted Value		Total adjusted Value		Total adjusted Value		Total adjusted Value	
21 Total HQLA		122,173.58		112,336.65		98,417.24		82,905.66
22 Total Net Cash Outflows		98,838.86		91,606.09		85,364.91		86,679.51
23 Liquidity Coverage Ratio %		123.61%		122.63%		115.29%		95.65%

Note: 1) Average for all the quarters is simple average of daily observations for the quarter.

2) Classification of inflows and outflows for determining the run off factors is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI, which has been relied upon by the auditors.

(₹ in crores)

	Quarter ended 31 March, 2018		Quarter ended 31 December, 2017		Quarter ended 30 September, 2017		Quarter ended 30 June, 2017		
	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 (HQLAs)	79,973.26	73,116.53	71,834.98	71,379.76				
Cash Outflows									
2	Retail Deposits and deposits from small business customers, of which:	238,884.37	21,478.87	231,420.68	20,762.31	225,670.59	20,248.80	222,834.02	19,970.18
(i)	Stable Deposits	48,191.37	2,409.57	47,595.16	2,379.76	46,365.18	2,318.26	46,264.28	2,313.21
(ii)	Less Stable Deposits	190,693.00	19,069.30	183,825.52	18,382.55	179,305.41	17,930.54	176,569.74	17,656.97
3	Unsecured wholesale funding, of which :	134,036.28	71,532.35	136,167.50	68,709.21	129,994.35	64,211.05	125,377.35	63,394.94
(i)	Operational deposits (all counterparties)	40,656.37	10,158.50	44,378.91	11,089.40	40,099.06	10,019.37	36,389.68	9,091.82
(ii)	Non-operational deposits (all counterparties)	93,379.91	61,373.85	91,788.59	57,619.81	89,895.29	54,191.68	88,987.67	54,303.12
(iii)	Unsecured debt	-	-	-	-	-	-	-	-
4	Secured wholesale funding	805.00	478.26	673.91	618.13				
5	Additional requirements, of which:	37,389.88	28,299.66	49,195.82	38,150.38	34,403.02	22,945.12	30,661.83	22,632.38
(i)	Outflows related to derivative exposures and other collateral requirements	26,614.31	26,614.31	33,064.39	33,064.39	21,302.10	21,302.10	21,433.96	21,433.97
(ii)	Outflows related to loss of funding on debt products	311.69	311.69	2,981.08	2,981.08	186.50	186.50	162.21	162.21
(iii)	Credit and liquidity facilities	10,463.88	1,373.66	13,150.35	2,104.91	12,914.42	1,456.52	9,065.66	1,036.20
6	Other contractual funding obligations	4,128.51	4,038.52	4,003.84	3,913.84	4,035.69	3,945.69	3,591.80	3,501.80
7	Other contingent funding obligations	224,085.43	8,718.93	222,696.55	8,685.97	211,371.82	8,181.74	205,149.55	7,942.22
8	Total Cash Outflows	134,873.33	140,699.97	120,206.31	118,059.65				
Cash Inflows									
9	Secured lending (eg. reverse repo)	673.75	-	673.52	-	1,323.93	-	2,799.40	-
10	Inflows from fully performing exposures	36,820.48	22,956.72	35,799.85	21,898.49	30,901.05	20,233.70	30,430.62	19,018.98
11	Other cash inflows	26,488.54	26,488.54	33,485.59	33,289.34	21,315.71	21,315.72	21,412.85	21,412.85
12	Total Cash Inflows	63,982.77	49,445.26	69,958.96	55,187.83	53,540.69	41,549.42	54,642.87	40,431.83
	Total adjusted Value								
21	Total HQLA	79,973.26	73,116.53	71,834.98	71,379.76				
22	Total Net Cash Outflows	85,428.07	85,512.14	78,656.89	77,627.82				
23	Liquidity Coverage Ratio %	93.61%	85.50%	91.33%	91.95%				

Note: 1) Average for all the quarters is simple average of daily observations for the quarter.

2) Classification of inflows and outflows for determining the run off factors is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI, which has been relied upon by the auditors.

1.2 Other disclosures

- 1.2.1 During the year, the Bank has appropriated ₹124.93 crores (previous year ₹101.65 crores) to the Capital Reserve, net of taxes and transfer to statutory reserve, being the gain on sale of HTM investments in accordance with RBI guidelines. As advised by RBI, the Bank has also appropriated ₹0.16 crores (previous year Nil) to the capital reserve, net of taxes and transfer to statutory reserve, being the profit on sale of immovable property.
- 1.2.2 During the year, the Bank has appropriated ₹600.00 crores to the Investment Fluctuation Reserve in accordance with RBI guidelines.
- 1.2.3 During the year, the Bank has appropriated ₹0.63 crores (previous year ₹1.62 crores) to Reserve Fund account towards statutory reserve in accordance with guidelines issued by Central Bank of Sri Lanka in respect of Colombo branch operations.
- 1.2.4 Earnings Per Share ('EPS')

The details of EPS computation is set out below:

	31 March, 2019	31 March, 2018
Basic and Diluted earnings for the year (Net profit after tax) (₹ in crores)	4,676.61	275.68
Basic weighted average no. of shares (in crores)	256.90	244.51
Add: Equity shares for no consideration arising on grant of stock options under ESOP (in crores)	1.58	0.75
Diluted weighted average no. of shares (in crores)	258.48	245.26
Basic EPS (₹)	18.20	1.13
Diluted EPS (₹)	18.09	1.12
Nominal value of shares (₹)	2.00	2.00

Dilution of equity is on account of 9,813,655 stock options and 6,033,509 warrants (previous year 7,517,504 stock options).

1.2.5 Employee Stock Options Scheme ('the Scheme')

Pursuant to the approval of the shareholders in February 2001, the Bank approved an Employee Stock Option Scheme under which eligible employees are granted an option to purchase shares subject to vesting conditions. Over the period till March 2019, pursuant to the approval of the shareholders, the Bank approved ESOP schemes for options aggregating 265,087,000 that vest in a graded manner over 3 years. The options can be exercised within three/five years from the date of the vesting as the case may be. Within the overall ceiling of 265,087,000 stock options approved for grant by the shareholders as stated earlier, the Bank is authorised to issue options to eligible employees and Whole Time Directors of the subsidiary companies.

253,158,700 options have been granted under the Scheme till the previous year ended 31 March, 2018.

On 25 April, 2018, the Bank granted 5,825,000 stock options (each option representing entitlement to one equity share of the Bank) to its eligible employees/directors of the Bank/subsidiary companies at a grant price of ₹504.85 per option. Further, on 7 January, 2019, the Bank granted 630,000 stock options (each option representing entitlement to one equity share of the Bank) to its MD & CEO at a grant price of ₹619.60 per option.

Stock option activity under the Scheme for the year ended 31 March, 2019 is set out below:

	Options outstanding	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	29,554,909	217.33 to 535.00	432.45	4.22
Granted during the year	6,455,000	504.85 to 619.60	516.05	-
Forfeited during the year	(748,700)	306.54 to 535.00	500.67	-
Expired during the year	(22,400)	288.96	288.96	-
Exercised during the year	(5,105,935)	217.33 to 535.00	336.29	-
Outstanding at the end of the year	30,132,874	288.96 to 619.60	465.06	4.13
Exercisable at the end of the year	17,138,224	288.96 to 535.00	436.22	2.87

The weighted average share price in respect of options exercised during the year was ₹623.15.

Stock option activity under the Scheme for the year ended 31 March, 2018 is set out below:

	Options outstanding	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	29,711,124	217.33 to 535.00	383.16	3.98
Granted during the year	6,885,750	503.00	503.00	-
Forfeited during the year	(810,120)	306.54 to 535.00	470.15	-
Expired during the year	(57,910)	217.33 to 289.51	275.32	-
Exercised during the year	(6,173,935)	217.33 to 535.00	270.47	-
Outstanding at the end of the year	29,554,909	217.33 to 535.00	432.45	4.22
Exercisable at the end of the year	16,062,159	217.33 to 535.00	378.40	2.85

The weighted average share price in respect of options exercised during the year was ₹524.51.

Fair Value Methodology

On applying the fair value based method in Guidance Note on 'Accounting for Employee Share-based Payments' the impact on reported net profit and EPS would be as follows:

	31 March, 2019	31 March, 2018
Net Profit (as reported) (₹ in crores)	4,676.61	275.68
Add: Stock based employee compensation expense included in net income (₹ in crores)	-	-
Less: Stock based employee compensation expense determined under fair value based method (Proforma) (₹ in crores)	(95.04)	(102.86)
Net Profit (Proforma) (₹ in crores)	4,581.57	172.82
Earnings per share: Basic (in ₹)		
As reported	18.20	1.13
Proforma	17.83	0.71
Earnings per share: Diluted (in ₹)		
As reported	18.09	1.12
Proforma	17.77	0.70

During the years ended, 31 March, 2019 and 31 March, 2018, no cost has been incurred by the Bank on ESOPs

issued to the employees of the Bank and employees of subsidiaries under the intrinsic value method.

The fair value of the options is estimated on the date of the grant using the Black-Scholes options pricing model, with the following assumptions:

	31 March, 2019	31 March, 2018
Dividend yield	0.76%	1.16%
Expected life	2.57-4.57 years	2.57-4.57 years
Risk free interest rate	7.07% to 7.63%	6.55% to 6.82%
Volatility	28.78% to 30.82%	31.80% to 33.56%

Volatility is the measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes options pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. For calculating volatility, the daily volatility of the stock prices on the National Stock Exchange, over a period prior to the date of grant, corresponding with the expected life of the options has been considered.

The weighted average fair value of options granted during the year ended 31 March, 2019 is ₹164.10 (previous year ₹155.53).

On 27 March, 2019, the Nomination and Remuneration Committee of the Board of Directors of the Bank has approved the grant of upto 10,500,000 stock options to eligible employees. As on March 31, 2019, there have been no allotments of options under this grant. Accordingly, these options have not been considered in the above disclosure and for disclosure of proforma net profit and EPS under fair value method for FY 2018-19.

1.2.6 Proposed Dividend

The Board of Directors, in their meeting held on 25 April, 2019 have proposed a final dividend of ₹1 per equity share amounting to ₹283.08 crores, inclusive of corporate dividend tax. The proposal is subject to the approval of shareholders at the Annual General Meeting.

1.2.7 Segmental reporting

The business of the Bank is divided into four segments: Treasury, Retail Banking, Corporate/Wholesale Banking and Other Banking Business. These segments have been identified based on the RBI's revised guidelines on Segment Reporting issued on 18 April, 2007 vide Circular No. DBOD.No.BP.BC.81/21.04.018/2006-07. The principal activities of these segments are as under:

Segment	Principal Activities
Treasury	Treasury operations include investments in sovereign and corporate debt, equity and mutual funds, trading operations, derivative trading and foreign exchange operations on the proprietary account and for customers. The Treasury segment also includes the central funding unit.
Retail Banking	Constitutes lending to individuals/small businesses through the branch network and other delivery channels subject to the orientation, nature of product, granularity of the exposure and the quantum thereof. Retail Banking activities also include liability products, card services, internet banking, mobile banking, ATM services, depository, financial advisory services and NRI services.

Segment	Principal Activities
Corporate/Wholesale Banking	Includes corporate relationships not included under Retail Banking, corporate advisory services, placements and syndication, project appraisals, capital market related services and cash management services.
Other Banking Business	Includes para banking activities like third party product distribution and other banking transactions not covered under any of the above three segments.

Unallocated assets and liabilities - All items which are reckoned at an enterprise level are classified under this segment such as deferred tax, money received against share warrants, tax paid in advance net of provision etc.

Revenues of the Treasury segment primarily consist of fees and gains or losses from trading operations and interest income on the investment portfolio. The principal expenses of the segment consist of interest expense on funds borrowed from external sources and other internal segments, premises expenses, personnel costs, other direct overheads and allocated expenses.

Revenues of the Corporate/Wholesale Banking segment consist of interest and fees earned on loans given to customers falling under this segment and fees arising from transaction services and merchant banking activities such as syndication and debenture trusteeship. Revenues of the Retail Banking segment are derived from interest earned on loans classified under this segment, fees for banking and advisory services, ATM interchange fees and cards products. Expenses of the Corporate/Wholesale Banking and Retail Banking segments primarily comprise interest expense on deposits and funds borrowed from other internal segments, infrastructure and premises expenses for operating the branch network and other delivery channels, personnel costs, other direct overheads and allocated expenses.

Segment income includes earnings from external customers and from funds transferred to the other segments. Segment result includes revenue as reduced by interest expense and operating expenses and provisions, if any, for that segment. Segment-wise income and expenses include certain allocations. Inter segment interest income and interest expense represent the transfer price received from and paid to the Central Funding Unit (CFU) respectively. For this purpose, the funds transfer pricing mechanism presently followed by the Bank, which is based on historical matched maturity and internal benchmarks, has been used. Operating expenses other than those directly attributable to segments are allocated to the segments based on an activity-based costing methodology. All activities in the Bank are segregated segment-wise and allocated to the respective segment.

Segmental results are set out below:

(₹ in crores)

	31 March, 2019				Total
	Treasury	Corporate/ Wholesale Banking	Retail Banking	Other Banking Business	
Segment Revenue					
Gross interest income (external customers)	13,848.40	17,439.94	23,697.43	-	54,985.77
Other income	2,355.65	4,320.54	5,224.37	1,229.78	13,130.34
Total income as per Profit and Loss Account	16,204.05	21,760.48	28,921.80	1,229.78	68,116.11
Add/(less) inter segment interest income	57,991.83	6,175.11	20,249.77	0.01	84,416.72
Total segment revenue	74,195.88	27,935.59	49,171.57	1,229.79	152,532.83
Less: Interest expense (external customers)	16,884.94	1,170.08	15,222.58	-	33,277.60
Less: Inter segment interest expense	54,359.22	13,520.57	16,536.06	0.87	84,416.72
Less: Operating expenses	414.52	3,800.03	11,265.40	353.45	15,833.40

	31 March, 2019				
	Treasury	Corporate/ Wholesale Banking	Retail Banking	Other Banking Business	Total
Operating profit	2,537.20	9,444.91	6,147.53	875.47	19,005.11
Less: Provision for non-performing assets/others*	690.12	9,026.31	2,248.59	66.00	12,031.02
Segment result	1,847.08	418.60	3,898.94	809.47	6,974.09
Less: Provision for tax					2,297.48
Extraordinary profit/loss					-
Net Profit					4,676.61
Segment assets	283,985.76	238,692.89	268,642.17	337.05	791,657.87
Unallocated assets					9,338.66
Total assets					800,996.53
Segment liabilities	274,441.80	129,036.23	329,975.67	53.89	733,507.59
Unallocated liabilities					812.64
Total liabilities					734,320.23
Net assets	9,543.96	109,656.65	(61,333.49)	283.16	66,676.30
Capital expenditure for the year	15.52	200.43	674.32	14.80	905.07
Depreciation on fixed assets for the year	12.17	157.17	528.78	11.60	709.72

*represents material non-cash items other than depreciation

(₹ in crores)

	31 March, 2018				
	Treasury	Corporate/ Wholesale Banking	Retail Banking	Other Banking Business	Total
Segment Revenue					
Gross interest income (external customers)	11,825.78	14,607.46	19,347.07	-	45,780.31
Other income	3,088.74	2,812.03	3,988.73	1,077.59	10,967.09
Total income as per Profit and Loss Account	14,914.52	17,419.49	23,335.80	1,077.59	56,747.40
Add/(less) inter segment interest income	49,386.08	5,402.38	17,298.22	-	72,086.68
Total segment revenue	64,300.60	22,821.87	40,634.02	1,077.59	128,834.08
Less: Interest expense (external customers)	13,305.80	810.02	13,046.76	-	27,162.58
Less: Inter segment interest expense	45,761.40	12,352.62	13,972.08	0.58	72,086.68
Less: Operating expenses	383.64	3,731.86	9,753.64	121.20	13,990.34
Operating profit	4,849.76	5,927.37	3,861.54	955.81	15,594.48
Less: Provision for non-performing assets/others*	1,759.93	11,852.41	1,860.57	-	15,472.91
Segment result	3,089.83	(5,925.04)	2,000.97	955.81	121.57
Less: Provision for tax					(154.11)
Extraordinary profit/loss					-
Net Profit					275.68
Segment assets	228,322.23	223,754.56	229,710.81	690.55	682,478.15
Unallocated assets					8,851.43
Total assets					691,329.58

	31 March, 2018				Total
	Treasury	Corporate/ Wholesale Banking	Retail Banking	Other Banking Business	
Segment liabilities	230,818.80	132,836.77	263,380.50	25.08	627,061.15
Unallocated liabilities					823.17
Total liabilities					627,884.32
Net assets	(2,496.57)	90,917.79	(33,669.69)	665.47	63,445.26
Capital expenditure for the year	15.15	225.30	501.71	15.14	757.30
Depreciation on fixed assets for the year	11.36	169.01	376.37	11.36	568.10

*represents material non-cash items other than depreciation

Geographic Segments

(₹ in crores)

	Domestic		International		Total	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
Revenue	64,700.02	54,366.73	3,416.09	2,380.67	68,116.11	56,747.40
Assets	753,055.38	630,322.00	47,941.15	61,007.58	800,996.53	691,329.58
Capital Expenditure for the year	902.89	754.29	2.18	3.01	905.07	757.30
Depreciation on fixed assets for the year	707.05	565.53	2.67	2.57	709.72	568.10

1.2.8 Related party disclosure

The related parties of the Bank are broadly classified as:

a) Promoters

The Bank has identified the following entities as its Promoters:

- Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)
- Life Insurance Corporation of India (LIC)
- General Insurance Corporation, New India Assurance Co. Limited, National Insurance Co. Limited, United India Insurance Co. Limited and The Oriental Insurance Co. Limited.

b) Key Management Personnel

- Mr. Amitabh Chaudhry (MD & CEO) (w.e.f. 1 January, 2019)
- Ms. Shikha Sharma (MD & CEO) (upto 31 December, 2018)
- Mr. V. Srinivasan (Deputy Managing Director) (upto 20 December, 2018)
- Mr. Rajesh Dahiya [Executive Director (Corporate Centre)]
- Mr. Rajiv Anand [Executive Director (Wholesale Banking)]

c) Relatives of Key Management Personnel

Mr. Sanjaya Sharma, Ms. Usha Bharadwaj, Mr. Tilak Sharma, Ms. Tvisha Sharma, Dr. Sanjiv Bharadwaj, Dr. Prashant Bharadwaj, Dr. Brevis Bharadwaj, Dr. Reena Bharadwaj, Ms. Gayathri Srinivasan, Mr. V. Satish, Ms. Camy Satish, Ms. Ananya Srinivasan, Ms. Anagha Srinivasan, Ms. Geetha N., Ms. Chitra R., Ms. Sumathi N., Mr. S. Ranganathan, Mr. R. Narayan, Ms. Gitanjali Anand, Ms. Tara Anand, Ms. Nandita Anand, Mr. P.L. Narain, Mr. P. Srinivas, Ms. Ratna Rao Shekar, Ms. P. Kamashi, Ms. Hemant Dahiya, Ms. Arooshi Dahiya, Ms. Mallika Dahiya, Ms. Jal Medha, Ms. Pooja Rathi, Mr. Jai Prakash Dahiya, Ms. Preeti Chaudhry, Mr. Anagh Chaudhry, Mr. Aruj Chaudhry, Mr. Aryan Chaudhry, Ms. Chhavi Kharb, Mr. Ashok Kharb, Mr. Om Singh Chaudhry, Ms. Kusum Chaudhry.

d) Subsidiary Companies

- Axis Capital Limited
- Axis Private Equity Limited
- Axis Trustee Services Limited
- Axis Asset Management Company Limited
- Axis Mutual Fund Trustee Limited
- Axis Bank UK Limited
- Axis Finance Limited
- Axis Securities Limited
- A.Treds Limited
- Accelyst Solutions Private Limited (w.e.f. 6 October, 2017)
- Freecharge Payment Technologies Private Limited (w.e.f. 6 October, 2017)

e) Step down subsidiary companies

- Axis Capital USA LLC (w.e.f. 2 August, 2017)

Based on RBI guidelines, details of transactions with step down subsidiaries are not disclosed since there is only one entity/party in this category.

The details of transactions of the Bank with its related parties during the year ended 31 March, 2019 are given below:

Items/Related Party	(₹ in crores)				
	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Subsidiaries	Total
Dividend paid	-	-	-	-	-
Dividend received	-	-	-	131.10	131.10
Interest paid	554.78	0.41	0.12	17.41	572.72
Interest received	0.13	1.09	-	22.19	23.41
Investment of the Bank	-	-	-	197.17	197.17
Investment in non-equity instruments of related party	341.26	-	-	50.00	391.26
Investment of related party in the Bank	-	17.93	-	-	17.93
Redemption of Hybrid capital/Bonds of the Bank	1,510.00	-	-	-	1,510.00

(₹ in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel#	Subsidiaries	Total
Purchase of investments	205.00	-	-	-	205.00
Sale of investments	857.07	-	-	-	857.07
Management contracts	-	-	-	18.64	18.64
Remuneration paid	-	18.49	-	-	18.49
Contribution to employee benefit fund	16.53	-	-	-	16.53
Repayment of security deposits by related party	0.12	-	-	-	0.12
Non-funded commitments (issued)	-	-	-	-	-
Repayment of Call/Term lending by related party	-	-	-	352.14	352.14
Swaps/Forward contracts	-	-	-	138.31	138.31
Advance granted (net)	-	-	-	22.15	22.15
Advance repaid	0.45	7.38	-	621.41	629.24
Purchase of loans	-	-	-	-	-
Sell down of loans (including undisbursed loan commitments)	-	-	-	-	-
Receiving of services	120.46	-	-	969.90	1,090.36
Rendering of services	27.88	0.03	-	195.79*	223.70
Sale of foreign exchange currency to related party	-	1.35	0.01	-	1.36
Other reimbursements from related party	-	-	-	22.68	22.68
Other reimbursements to related party	0.66	-	-	1.09	1.75

Details of transactions of the Bank with relatives of KMP are for the period during which the KMP are related parties of the Bank

* Net of reversal of ₹46 crores towards fees receivable from Axis Asset Management Company Limited, pursuant to change in SEBI guidelines

The balances payable to/receivable from the related parties of the Bank as on 31 March, 2019 are given below:

(₹ in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Call/Term lending to related party	-	-	-	-	-
Deposits with the Bank	9,146.04	13.91	0.55	378.75	9,539.25
Placement of security deposits	0.31	-	-	-	0.31
Advances	6.62	10.90	0.03	437.58	455.13
Investment of the Bank	-	-	-	2,286.12	2,286.12
Investment in non-equity instruments of related party	290.05	-	-	-	290.05
Investment of related party in the Bank	93.60	0.08	-	-	93.68
Non-funded commitments	3.33	-	-	-	3.33
Investment of related party in Hybrid capital/Bonds of the Bank	2,790.00	-	-	-	2,790.00
Payable under management contracts	-	-	-	-	-
Other receivables (net)	-	-	-	17.94	17.94
Other payables (net)	-	-	-	88.19	88.19

The maximum balances payable to/receivable from the related parties of the Bank during the year ended 31 March, 2019 are given below:

(₹ in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Deposits with the Bank	17,078.36	22.86	5.49	890.52	17,997.23
Placement of deposits	0.43	-	-	-	0.43
Advances	154.79	19.66	0.17	1,172.33	1,346.95
Investment of the Bank	-	-	-	2,286.12	2,286.12
Investment of related party in the Bank	135.32	0.52	-	-	135.84
Investment in non-equity instruments of related party	290.05	-	-	-	290.05
Non-funded commitments	3.35	-	-	0.05	3.40
Call lending	-	-	-	340.78	340.78
Swaps/Forward contracts	-	-	-	3.03	3.03
Investment of related party in Hybrid Capital/Bonds of the Bank	4,300.00	-	-	-	4,300.00
Payable under management contracts	-	3.70	-	-	3.70
Other receivables (net)	-	-	-	55.02	55.02
Other payables (net)	-	-	-	88.19	88.19

The details of transactions of the Bank with its related parties during the year ended 31 March, 2018 are given below:

(₹ in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Subsidiaries	Total
Dividend paid	343.52	1.08	-	-	344.60
Dividend received	-	-	-	256.06	256.06
Interest paid	545.58	0.22	0.19	15.48	561.47
Interest received	0.02	0.77	-	29.92	30.71
Investment of the Bank	-	-	-	325.00	325.00
Investment in non-equity instruments of related party	393.00	-	-	100.00	493.00
Investment of related party in the Bank	1,200.00	33.75	-	-	1,233.75
Redemption of Hybrid capital/Bonds of the Bank	-	-	-	-	-
Purchase of investments	188.69	-	-	-	188.69
Sale of investments	868.73	1.12	-	-	869.85
Management contracts	-	-	-	15.63	15.63
Remuneration paid	-	12.18	-	-	12.18
Contribution to employee benefit fund	16.16	-	-	-	16.16
Placement of deposits	0.05	-	-	-	0.05
Non-funded commitments (issued)	0.20	-	-	0.05	0.25

(₹ in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel#	Subsidiaries	Total
Call/Term lending to related party	-	-	-	311.94	311.94
Swaps/Forward contracts	-	-	-	131.65	131.65
Advance granted (net)	-	7.99	-	858.24	866.23
Advance repaid	6.50	0.04	-	-	6.54
Purchase of loans	-	-	-	18.17	18.17
Sell down of loans (including undisbursed loan commitments)	-	-	-	64.87	64.87
Receiving of services	105.28	-	-	785.10	890.38
Rendering of services	17.42	0.05	-	264.40	281.87
Sale of foreign exchange currency to related party	-	1.29	-	-	1.29
Other reimbursements from related party	-	-	-	8.11	8.11
Other reimbursements to related party	0.75	-	-	3.73	4.48

Details of transactions of the Bank with relatives of KMP are for the period during which the KMP are related parties of the Bank

The balances payable to/receivable from the related parties of the Bank as on 31 March, 2018 are given below:

(₹ in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Call/Term lending to related party	-	-	-	312.84	312.84
Deposits with the Bank	6,213.80	4.33	3.46	381.55	6,603.14
Placement of security deposits	0.43	-	-	-	0.43
Advances	7.07	18.31	0.04	1,016.33	1,041.75
Investment of the Bank	-	-	-	2,092.71	2,092.71
Investment in non-equity instruments of related party	205.70	-	-	-	205.70
Investment of related party in the Bank	135.29	0.50	-	-	135.79
Non-funded commitments	3.35	-	-	0.05	3.40
Investment of related party in Hybrid capital/Bonds of the Bank	4,300.00	-	-	-	4,300.00
Payable under management contracts	-	3.70	-	-	3.70
Other receivables (net)	-	-	-	35.52	35.52
Other payables (net)	-	-	-	51.85	51.85

The maximum balances payable to/receivable from the related parties of the Bank during the year ended 31 March, 2018 are given below:

(₹ in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Deposits with the Bank	10,153.25	17.12	5.78	830.10	11,006.25
Placement of security deposits	0.43	-	-	-	0.43
Advances	16.76	18.31	0.09	1,402.57	1,437.73
Investment of the Bank	-	-	-	2,092.71	2,092.71
Investment of related party in the Bank	137.76	0.50	-	-	138.26
Investment in non-equity instruments of related party	393.00	-	-	100.00	493.00
Non-funded commitments	3.39	-	-	0.05	3.44
Call lending	-	-	-	312.89	312.89
Swaps/Forward contracts	-	-	-	3.20	3.20
Investment of related party in Hybrid capital/ Bonds of the Bank	4,300.00	-	-	-	4,300.00
Payable under management contracts	-	3.70	-	-	3.70
Other receivables (net)	-	-	-	54.31	54.31
Other payables (net)	-	-	-	80.98	80.98

The transactions with Promoters and Key Management Personnel excluding those under management contracts are in nature of the banker-customer relationship.

Details of transactions with Axis Mutual Fund the fund floated by Axis Asset Management Company Ltd., the Bank's subsidiary has not been disclosed since the entity does not qualify as Related Parties as defined under the Accounting Standard 18, Related Party Disclosure, as notified under Section 2(2) and Section 133 of the Companies Act, 2013 and as per RBI guidelines.

The significant transactions between the Bank and related parties during the year ended 31 March, 2019 and 31 March, 2018 are given below. A specific related party transaction is disclosed as a significant related party transaction wherever it exceeds 10% of the aggregate value of all related party transactions in that category:

(₹ in crores)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Dividend paid		
Life Insurance Corporation of India	-	165.04
Administrator of the Specified Undertaking of the Unit Trust of India	-	137.42
Dividend received		
Axis Finance Limited	-	121.28
Axis Capital Limited	117.60	102.90
Axis Trustee Services Limited	13.50	12.38
Interest paid		
Life Insurance Corporation of India	503.97	502.36

(₹ in crores)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Interest received		
Axis Finance Limited	10.93	15.31
Axis Bank UK Limited	10.12	12.47
Investment of the Bank		
Axis Finance Limited	-	125.00
Accelyst Solutions Private Limited	-	100.00
Freecharge Payment Technologies Private Limited	-	100.00
Axis Bank UK Limited	183.77	-
Investment in non-equity instruments of related party		
United India Insurance Co. Limited	241.26	393.00
Oriental Insurance Co. Limited	100.00	-
Axis Finance Limited	50.00	100.00
Investment of related party in the Bank		
Life Insurance Corporation of India	-	1,200.00
Ms. Shikha Sharma	8.67	17.36
Mr. Rajiv Anand	4.05	6.71
Mr. Rajesh Dahiya	5.22	1.65
Redemption of Subordinated Debts		
Life Insurance Corporation of India	1,500.00	-
Purchase of investments		
United India Insurance Co. Limited	-	188.69
Oriental Insurance Co. Limited	205.00	-
Sale of investments		
New India Assurance Co. Limited	195.00	421.03
General Insurance Corporation Co. Limited	335.02	230.00
United India Insurance Co. Limited	141.29	157.44
Oriental Insurance Co. Limited	145.76	25.25
Management contracts		
Axis Securities Limited	6.61	7.05
A Treds Ltd	6.53	1.92
Axis Capital Limited	2.68	3.49
Axis Trustee Services Limited	2.80	3.10
Remuneration paid		
Ms. Shikha Sharma	6.83	4.84
Mr. V. Srinivasan	4.53	3.12
Mr. Rajiv Anand	3.18	2.44
Mr. Rajesh Dahiya	2.68	1.78
Contribution to employee benefit fund		
Life Insurance Corporation of India	16.53	16.16

(₹ in crores)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Placement of security deposits		
Life Insurance Corporation of India	-	0.05
Repayment of Call/Term lending by related party		
Axis Bank UK Limited	352.14	311.94
Swaps/Forward contracts		
Axis Bank UK Limited	138.31	131.65
Advance granted (net)		
Axis Finance Limited	-	848.20
Axis Capital Limited	19.43	0.02
Accelyst Solutions Private Limited	2.60	-
Advance repaid		
Life Insurance Corporation of India	0.45	6.50
Axis Bank UK Limited	183.77	-
Axis Finance Limited	427.61	-
Purchase of loans		
Axis Bank UK Limited	-	18.17
Sell down of loans (including undisbursed loan commitments)		
Axis Bank UK Limited	-	64.87
Receiving of services		
Axis Securities Limited	878.80	740.45
Rendering of services		
Axis Asset Management Company Limited	226.47	249.67
Sale of foreign exchange currency to related party		
Ms. Shikha Sharma	1.14	1.29
Mr. Amitabh Choudhry	0.15	N.A.
Other reimbursements from related party		
Axis Capital Limited	3.90	4.10
Accelyst Solutions Private Limited	14.40	-
Axis Asset Management Company Limited	1.81	2.55
Other reimbursements to related party		
Axis Securities Limited	0.13	2.95
Life Insurance Corporation of India	0.66	0.75
Accelyst Solutions Private Limited	-	0.47
Axis Capital Limited	0.22	0.17
Axis Bank UK Limited	0.57	0.11

1.2.9 Leases

Disclosure in respect of assets taken on operating lease

This comprise of office premises/ATMs, cash deposit machines, staff quarters, electronic data capturing machines and IT equipment.

(₹ in crores)

	31 March, 2019	31 March, 2018
Future lease rentals payable as at the end of the year:		
- Not later than one year	775.07	718.43
- Later than one year and not later than five years	2,444.94	2,224.30
- Later than five years	2,235.49	1,844.71
Total of minimum lease payments recognised in the Profit and Loss Account for the year	833.95	800.26
Total of future minimum sub-lease payments expected to be received under non-cancellable subleases	5.50	4.25
Sub-lease payments recognised in the Profit and Loss Account for the year	2.08	0.60

The Bank has sub-leased certain of its properties taken on lease.

There are no provisions relating to contingent rent.

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

Disclosure in respect of assets given on operating lease

(₹ in crores)

	31 March, 2019	31 March, 2018
Gross carrying amount of premises at the end of the year	157.91	-
Accumulated depreciation at the end of the year	8.63	-
Total depreciation charged to profit and loss account for the year	0.65	-
Future lease rentals receivable as at the end of the year:		
- Not later than one year	28.99	-
- Later than one year and not later than five years	116.54	-
- Later than five years	100.08	-

There are no provisions relating to contingent rent.

1.2.10 Movement in fixed assets capitalised as application software (included in other Fixed Assets)

(₹ in crores)

Particulars	31 March, 2019	31 March, 2018
At cost at the beginning of the year	1,291.64	1,059.56
Additions during the year*	319.54	232.10
Deductions during the year	(0.22)	(0.02)
Accumulated depreciation as at 31 March	(1,056.47)	(857.75)
Closing balance as at 31 March	554.49	433.89
Depreciation charge for the year	198.72	166.09

*includes movement on account of exchange rate fluctuation

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

(₹ in crores)

As at	31 March, 2019	31 March, 2018
Deferred tax assets on account of provisions for loan losses	7,072.93	6,626.72
Deferred tax assets on account of amortisation of HTM investments	8.35	11.28
Deferred tax assets on account of provision for employee benefits	97.12	92.73
Deferred tax assets on account of other items	547.26	273.64
Deferred tax assets	7,725.66	7,004.37
Deferred tax liabilities on account of depreciation on fixed assets	61.14	103.10
Deferred tax liabilities on account of other items	23.79	24.92
Deferred tax liabilities	84.93	128.02
Net Deferred tax assets	7,640.73	6,876.35

1.2.12 Employee Benefits

Provident Fund

The rules of the Bank's Provident Fund administered by a Trust require that if the Board of Trustees are unable to pay interest at the rate declared for Employees' Provident Fund by the Government under para 60 of the Employees' Provident Fund Scheme, 1952 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Bank. Based on an actuarial valuation conducted by an independent actuary, there is no deficiency as at the Balance Sheet date.

The following tables summarise the components of net benefit expenses recognised in the Profit and Loss Account and funded status and amounts recognised in the Balance Sheet for the Provident Fund benefit plan (including staff deputed at subsidiaries).

Profit and Loss Account

Net employee benefit expenses (recognised in payments to and provisions for employees)

(₹ in crores)

	31 March, 2019	31 March, 2018
Current Service Cost*	98.60	88.99
Interest on Defined Benefit Obligation	159.70	127.95
Expected Return on Plan Assets	(189.59)	(171.00)
Net Actuarial Losses/(Gains) recognised in the year	29.89	43.05
Total included in "Employee Benefit Expense" [Schedule 16(l)]	98.60	88.99
Actual Return on Plan Assets	132.30	140.05

* includes contribution of ₹0.52 crores towards staff deputed at subsidiaries (previous year ₹0.46 crores)

Balance Sheet

Details of provision for provident fund

(₹ in crores)

	31 March, 2019	31 March, 2018
Fair Value of Plan Assets	2,245.71	2,006.65
Present Value of Funded Obligations	(2,245.71)	(2,006.65)
Net Asset	-	-
Amounts in Balance Sheet		
Liabilities	-	-
Assets	-	-
Net Asset	-	-

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

(₹ in crores)

	31 March, 2019	31 March, 2018
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	2,006.65	1,688.78
Current Service Cost	98.60	88.99
Interest Cost	159.70	127.95
Actuarial Losses/(Gains)	(27.40)	12.10
Employees Contribution	217.42	200.76
Liability transferred from/to other companies	(16.45)	(14.62)
Benefits Paid	(192.81)	(97.31)
Closing Defined Benefit Obligation	2,245.71	2,006.65

Changes in the fair value of plan assets are as follows:

(₹ in crores)

	31 March, 2019	31 March, 2018
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	2,006.65	1,688.78
Expected Return on Plan Assets	189.59	171.00
Actuarial Gains/(Losses)	(57.29)	(30.95)
Employer contribution during the period	98.60	88.99
Employee contribution during the period	217.42	200.76
Assets transferred from/to other companies	(16.45)	(14.62)
Benefits Paid	(192.81)	(97.31)
Closing Fair Value of Plan Assets	2,245.71	2,006.65

Experience adjustments*

(₹ in crores)

	31 March, 2019	31 March, 2018	31 March, 2017	31 March, 2016	31 March, 2015
Defined Benefit Obligations	2,245.71	2,006.65	1,688.78	1,439.02	1,241.53
Plan Assets	2,245.71	2,006.65	1,688.78	1,439.02	1,241.53
Surplus/(Deficit)	-	-	-	-	-
Experience Adjustments on Plan Liabilities	(27.40)	12.10	20.83	12.08	(1.78)
Experience Adjustments on Plan Assets	(57.29)	(30.95)	0.58	(6.16)	(3.99)

* information provided to the extent available with the Bank

Major categories of plan assets (managed by Insurers) as a percentage of fair value of total plan assets

	31 March, 2019 %	31 March, 2018 %
Government securities	55.91	53.75
Bonds, debentures and other fixed income instruments	40.00	42.16
Equity shares	3.77	3.79
Others	0.32	0.30

	31 March, 2019	31 March, 2018
Discount rate for the term of the obligation	7.65%	7.95%
Average historic yield on the investment portfolio	8.88%	8.90%
Discount rate for the remaining term to maturity of the investment portfolio	7.55%	7.68%
Expected investment return	8.98%	9.17%
Guaranteed rate of return	8.65%	8.55%

The contribution to the employee's provident fund (including Employee Pension Scheme) amounted to ₹161.28 crores (previous year ₹149.49 crores) for the year.

The Hon'ble Supreme Court of India ("SC") by an order dated 28 February, 2019 in one case, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Pending decision on the subject review petition and directions from the Employees' Provident Fund Organisation, no effect of the said order has been given in the financial statements.

Superannuation

The Bank contributed ₹16.29 crores (previous year ₹15.91 crores) to the employees' superannuation plan for the year.

National Pension Scheme (NPS)

During the year, the Bank contributed ₹5.19 crores (previous year ₹3.82 crores) to the NPS for employees who have opted for the scheme.

Leave Encashment

The liability of compensated absences of accumulated privileged leave of employees of the Bank is given below:

(₹ in crores)

	31 March, 2019	31 March, 2018
Liability – Privilege Leave	247.35	243.82*
Total included in “Employee Benefit Expense” [Schedule 16(I)]	46.62	47.33
Assumptions		
Discount rate	-	7.95% p.a.*
Salary escalation rate	-	7.00% p.a.*

* based on actuarial valuation

Gratuity

The following tables summarise the components of net benefit expenses recognised in the Profit and Loss Account and funded status and amounts recognised in the Balance Sheet for the Gratuity benefit plan.

Profit and Loss Account

Net employee benefit expenses (recognised in payments to and provisions for employees)

(₹ in crores)

	31 March, 2019	31 March, 2018
Current Service Cost	44.67	39.07
Interest on Defined Benefit Obligation	29.15	22.81
Expected Return on Plan Assets	(24.61)	(21.68)
Net Actuarial Losses/(Gains) recognised in the year	7.86	(16.24)
Past Service Cost	-	28.33
Total included in “Employee Benefit Expense” [Schedule 16(I)]	57.07	52.29
Actual Return on Plan Assets	33.97	26.27

Balance Sheet

Details of provision for gratuity

(₹ in crores)

	31 March, 2019	31 March, 2018
Fair Value of Plan Assets	391.91	323.72
Present Value of Funded Obligations	(402.15)	(342.56)
Unrecognised past service cost	2.33	-
Net Asset	(7.91)	(18.84)
Amounts in Balance Sheet		
Liabilities	7.91	18.84
Assets	-	-
Net Liability (included under Schedule 5 – Other Liabilities)	(7.91)	(18.84)

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

	(₹ in crores)	
	31 March, 2019	31 March, 2018
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	342.56	284.83
Current Service Cost	44.67	39.07
Interest Cost	29.15	22.81
Actuarial Losses/(Gains)	17.22	(11.65)
Past service cost	2.33	28.33
Benefits Paid	(33.78)	(20.83)
Closing Defined Benefit Obligation	402.15	342.56

Changes in the fair value of plan assets are as follows:

	(₹ in crores)	
	31 March, 2019	31 March, 2018
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	323.72	279.65
Expected Return on Plan Assets	24.61	21.68
Actuarial Gains/(Losses)	9.36	4.59
Contributions by Employer	68.00	38.63
Benefits Paid	(33.78)	(20.83)
Closing Fair Value of Plan Assets	391.91	323.72

Experience adjustments

	(₹ in crores)				
	31 March, 2019	31 March, 2018	31 March, 2017	31 March, 2016	31 March, 2015
Defined Benefit Obligations	402.15	342.56	284.83	232.55	206.96
Plan Assets	391.91	323.72	279.65	232.56	209.49
Surplus/(Deficit)	(10.24)	(18.84)	(5.18)	0.01	2.53
Experience Adjustments on Plan Liabilities	7.50	4.39	6.64	2.78	1.06
Experience Adjustments on Plan Assets	9.36	4.59	(1.64)	(5.36)	1.27

Major categories of plan assets (managed by Insurers) as a percentage of fair value of total plan assets

	31 March, 2019	31 March, 2018
	%	%
Government securities	37.43	49.04
Bonds, debentures and other fixed income instruments	47.82	39.82
Money market instruments	5.38	8.70
Equity shares	2.00	2.22
Others	7.37	0.22

Principal actuarial assumptions at the Balance Sheet date:

	31 March, 2019	31 March, 2018
Discount Rate	7.65% p.a.	7.95% p.a.
Expected Rate of Return on Plan Assets	7.50% p.a.	7.50% p.a.
Salary Escalation Rate	7.00% p.a.	7.00% p.a.
Employee Turnover		
- 18 to 30 (age in years)	20.00%	20.00%
- 31 to 44 (age in years)	10.00%	10.00%
- 45 to 59 (age in years)	5.00%	5.00%

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.

The above information is as certified by the actuary and relied upon by the auditors.

1.2.13 Provisions and contingencies

- a) Movement in provision for frauds included under other liabilities is set out below:

	31 March, 2019	31 March, 2018
Opening balance at the beginning of the year	60.98	59.40
Additions during the year	0.78	2.00
Reductions on account of payments during the year	-	(0.15)
Reductions on account of reversals during the year	(8.18)	(0.27)
Closing balance at the end of the year	53.58	60.98

- b) Other liabilities include provision for reward points made on actuarial basis, the movement of which is set out below:

	31 March, 2019	31 March, 2018
Opening provision at the beginning of the year	143.94	110.45
Provision made during the year	127.22	89.05
Reductions during the year	(65.26)	(55.56)
Closing provision at the end of the year	205.90	143.94

- c) Movement in provision for other contingencies is set out below:

	(₹ in crores)	
	31 March, 2019	31 March, 2018
Opening provision at the beginning of the year	150.66	595.62
Provision made during the year	655.26	342.25
Reductions during the year	(617.93)	(787.21)
Closing provision at the end of the year	187.99	150.66

Closing provision includes provision for legal cases and other contingencies. Provisions made and reductions during the year also include contingent provision for advances.

1.2.14 Small and Micro Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments. The above is based on the information available with the Bank which has been relied upon by the auditors.

1.2.15 Corporate Social Responsibility (CSR)

- a) Amount required to be spent by the Bank on CSR during the year ₹127.94 crores (previous year ₹186.82 crores).
- b) Amount spent towards CSR during the year and recognized as expense in the statement of profit and loss on CSR related activities is ₹137.59 crores (previous year ₹133.77 crores), which comprise of following –

	31 March, 2019			31 March, 2018		
	In cash	Yet to be paid in cash (i.e. provision)	Total	In cash	Yet to be paid in cash (i.e. provision)	Total
Construction/ acquisition of any asset	11.89	-	11.89	2.22	-	2.22
On purpose other than above	125.13	0.57	125.70	124.28	7.27	131.55

1.2.16 Description of contingent liabilities

- a) Claims against the Bank not acknowledged as debts

These represent claims filed against the Bank in the normal course of business relating to various legal cases currently in progress. These also include demands raised by income tax authorities and disputed by the Bank. Apart from claims assessed as possible, the Bank holds provision of ₹56.06 crores as on 31 March, 2019 (previous year ₹42.70 crores) towards claims assessed as probable.

- b) Liability for partly paid investments

This represents amounts remaining unpaid towards liability for partly paid investments.

c) Liability on account of forward exchange and derivative contracts

The Bank enters into foreign exchange contracts, currency options/swaps, interest rate/currency futures and forward rate agreements on its own account and for customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. Currency swaps are commitments to exchange cash flows by way of interest/principal in two currencies, based on ruling spot rates. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows. Interest rate futures are standardised, exchange-traded contracts that represent a pledge to undertake a certain interest rate transaction at a specified price, on a specified future date. Forward rate agreements are agreements to pay or receive a certain sum based on a differential interest rate on a notional amount for an agreed period. A foreign currency option is an agreement between two parties in which one grants to the other the right to buy or sell a specified amount of currency at a specific price within a specified time period or at a specified future time. An Exchange Traded Currency Option contract is a standardised foreign exchange derivative contract, which gives the owner the right, but not the obligation, to exchange money denominated in one currency into another currency at a pre-agreed exchange rate on a specified date on the date of expiry. Currency Futures contract is a standardised, exchange-traded contract, to buy or sell a certain underlying currency at a certain date in the future, at a specified price. The amount of contingent liability represents the notional principal of respective forward exchange and derivative contracts.

d) Guarantees given on behalf of constituents

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

e) Acceptances, endorsements and other obligations

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

f) Other items

Other items represent outstanding amount of bills rediscounted by the Bank, estimated amount of contracts remaining to be executed on capital account, notional principal on account of outstanding Tom/Spot foreign exchange contracts, commitments to venture capital funds/alternate investment funds, commitments towards underwriting and investment in equity through bids under Initial Public Offering (IPO) of corporates as at the year end, demands raised by statutory authorities (other than income tax) and disputed by the Bank and amount transferred to Depositor Education and Awareness Fund (DEAF).

During earlier years, the Bank, through one of its overseas branches, had arranged Trade Credit (Buyers Credit loans) against Letters of Undertaking (LOUs) issued by Punjab National Bank (PNB), which were subsequently alleged as fraudulent by PNB. Prior to this declaration by PNB, such buyer's credit loans were sold down in the secondary market by the overseas branch to various participating banks under Risk Participation Agreements. As on 31 March 2019, there is no funded exposure outstanding in the overseas branch pursuant to such sell down. PNB has repaid the aggregate amount of all LOUs due upto 31 March 2019, pursuant to an undertaking issued to PNB, and made remittance to the overseas branch which has been passed on for onward payment to the participating banks. Based on the facts and circumstances of the case, internal findings and legal opinion, the Bank does not expect PNB has any valid right at this point in time, for refund by the Bank of the aggregate amount paid by PNB towards LOUs due upto 31 March 2019. However, as a matter of prudence, the aggregate amount of LOUs issued by PNB to the overseas branch against which buyer's credit was extended, aggregating to ₹4,082.51 crores has been disclosed as part of Contingent Liabilities in the Balance Sheet.

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 disclosed the same under the relevant notes in the financial statements, where applicable.

1.2.17 Previous year figures have been regrouped and reclassified, where necessary to conform to current year's presentation.

In terms of our report attached.

For Axis Bank Ltd.

For Haribhakti & Co. LLP

Chartered Accountants

Firm Registration No.: 103523W/W100048

Sanjiv Misra

Chairman

Purushottam Nyati

Partner

Membership No.: 118970

Samir K. Barua

Director

S. Vishvanathan

Director

B. Babu Rao

Director

Amitabh Chaudhry

Managing Director & CEO

Date: 25 April, 2019

Place: Mumbai

Girish V. Koliyote

Company Secretary

Jairam Sridharan

Chief Financial Officer

Rakesh Makhija

Director

Girish Paranjpe

Director