SOCIETE GENERALE

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

INDEPENDENT AUDITOR'S REPORT
TO THE APEX COMMITTEE
SOCIETE GENERALE – INDIAN BRANCHES

Report on the Financial Statements

We have audited the accompanying financial statements of **SOCIETE GENERALE - INDIAN BRANCHES** ("the Bank"), which comprise the Balance Sheet as at 31 March 2016, the Profit and Loss account, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Bank's Apex Committee is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, in so far as applicable to banks, and the Guidelines issued by the Reserve Bank of India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Bank's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Bank's Management, and evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 and the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Bank as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act and Section 30 of the Banking Regulation Act, 1949, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, the transactions of the Bank which have come to our notice have been within the powers of the Bank.
   c) As explained in paragraph 2 below, the financial accounting systems of the Bank are centralised and, therefore, accounting returns are not required to be submitted by the Branches.
   d) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books.
   e) The Balance Sheet, the Profit and Loss account, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   f) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
   g) With respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, refer to our Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Bank's internal financial controls over financial reporting.
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Bank has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Schedule 12 and Schedule 18.21.(iii) to the financial statements.
      ii. The Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Schedule 12 and Schedule 18.21.(iii) to the financial statements.
      iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Bank.
2. We report that during the course of our audit we have performed select relevant procedures at 2 branches. Since the Bank considers its key operations to be automated, with the key applications largely integrated to the core banking systems, it does not require its branches, to submit any financial returns. Accordingly our audit is carried out centrally at the Head Office based on the necessary records and data required for the purposes of the audit being made available to us.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No.117365W)

Sd/-
Anjum A. Qazi
Partner
(Membership No.104968)

Mumbai, June 24, 2016

SOCIETE GENERALE

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of **SOCIETE GENERALE - INDIAN BRANCHES** ("the Bank") as at 31 March 2016 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Bank's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013, the Banking Regulation Act, 1949 and the Guidelines issued by the Reserve Bank of India.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.117365W)

Sd/-
Anjum A. Qazi
Partner
(Membership No.104968)

Mumbai, June 24, 2016

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

BALANCE SHEET AS ON MARCH 31, 2016

Rs. (000's)

	Schedule	As at March 31, 2016	As at March 31, 2015
CAPITAL & LIABILITIES			
Capital	1	7,099,220	7,099,220
Reserves and Surplus	2	2,485,488	1,909,548
Deposits	3	35,612,108	30,019,977
Borrowings	4	10,480,586	12,066,870
Other Liabilities and Provisions	5	4,026,240	16,373,218
TOTAL		**59,703,642**	**67,468,833**
ASSETS			
Cash and Balances with Reserve Bank of India	6	2,125,762	1,942,888
Balances with Banks and Money at Call and Short notice	7	990,752	228,388
Investments	8	16,657,590	12,085,508
Advances	9	35,497,178	36,347,954
Fixed Assets	10	833,326	1,068,837
Other Assets	11	3,599,034	15,795,258
TOTAL		**59,703,642**	**67,468,833**
Contingent Liabilities	12	369,928,768	480,320,006
Bills for Collection		2,894,739	1,815,573
Significant Accounting Policies and Notes to Accounts	17&18		

Schedules referred to herein form an integral part of the Financial Statements.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

Rs. (000's)

	Schedule	For the Year Ended March 31, 2016	For the Year Ended March 31 2015
I. INCOME			
Interest Earned	13	4,049,179	3,803,631
Other Income	14	764,846	587,680
TOTAL		**4,814,025**	**4,391,311**
II. EXPENDITURE			
Interest Expended	15	2,426,763	2,405,473
Operating Expenses	16	1,272,352	1,156,048
Provisions and Contingencies		538,970	434,691
TOTAL		**4,238,085**	**3,996,212**
III. PROFIT			
Net Profit/(Loss) for the year		575,940	395,099
Profit/(Loss) brought forward		333,610	264,830
TOTAL		**909,550**	**656,929**
IV. APPROPRIATIONS			
Transfer to Statutory Reserves		143,985	98,774
Transfer to Capital Reserve		230,622	11,558
Transfer to Investment Reserve Account		–	246
Remittance to H.O. during the year		–	–
Transfer to surplus retained for Capital Adequacy (CRAR)		284,520	215,741
Balance carried over to Balance Sheet		250,423	333,610
TOTAL		**909,550**	**659,929**
Significant Accounting Policies and Notes to Accounts	17&18		

Schedules referred to above form an integral part of the accounts

As per our attached report of even date

For **Deloitte Haskins & Sells**
Chartered Accountants

Sd/-
Anjum A. Qazi
Partner
Membership No.104968

Place : Mumbai
Date : June 24, 2016

For **Societe Generale – Indian Branches**

Sd/-
Evelyne Collin
Chief Executive and Chief Country Officer - India

Sd/-
Lokesh Chaturvedi
Chief Operating Officer - India

Sd/-
Ashok Krishnamoorthy
Chief Financial Officer - India

SOCIETE GENERALE

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INDIAN BRANCHES

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Rs. (000's)

Particulars		For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Cash Flow from Operating Activities			
Net Profit as per Profit and Loss Statement		575,940	395,099
Add: Income Tax Provision		382,000	388,000
Add: Deferred Tax (Asset)/Liability		175,971	(13,660)
Net profit before taxation and extraordinary items		1,133,911	769,439
Adjustments for:			
Depreciation on Fixed Assets		200,578	172,227
(Profit)/Loss on sale of fixed assets		(422,154)	(58)
Interest paid on sub-ordinated debt during the year		90,774	97,395
Addition to/(Write-back) of provision for Loan Losses		–	(4,286)
Addition to/(Write-back) of Standard Assets		(8,083)	38,886
Provision on Country Risk		(3,680)	4,909
Provision for Unhedged Foreign Currency Exposure		(7,238)	17,681
Other Losses/write-offs		–	3,739
Provision on Investments		–	(578)
Operating profit before working capital changes		**984,108**	**1,099,354**
(Increase)/Decrease in Investments		(4,922,082)	(4,873,374)
(Increase)/Decrease in Advances		850,776	(9,791,006)
(Increase)/Decrease in Other Assets		11,841,100	3,280,254
Increase/(Decrease) in Deposits		5,592,130	9,520,059
Increase/(Decrease) in Other Liabilities & Provisions		(12,503,947)	(2,680,178)
Income taxes (paid)/received		(7,489)	(371,863)
Net Cash Flow generated from/(used in) Operating Activities	**A**	**1,834,596**	**(3,816,754)**
Cash flows from investing activities			
Purchase of fixed assets		(73,277)	(727,063)
Proceeds from sale of fixed assets		510,977	58
Proceeds from maturity of Held to Maturity Investments		350,000	300,000
Net Cash Flow generated from/(used in) Investing Activities	**B**	**787,700**	**(427,005)**
Cash flows from financing activities			
Effect of exchange fluctuation on sub-ordinated debt		377,430	(762,496)
Interest paid on sub-ordinated debt during the year		(90,774)	(97,395)
Increase/(Decrease) in Borrowings other than Sub-ordinated debt		(1,963,714)	5,718,997
Net Cash Flow generated from/(used in) Financing Activities	**C**	**(1,677,058)**	**4,859,106**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**945,238**	**615,347**
Cash and Cash equivalents at the beginning of the year		2,171,276	1,555,929
Cash and Cash equivalents at the end of the year		**3,116,514**	**2,171,276**
Notes: Cash and Cash Equivalents represent			
Cash and Balances with Reserve Bank of India (As per Schedule 6)		2,125,762	1,942,888
Balances with Banks & Money at Call and Short Notice (As per Schedule 7)		990,752	228,388
		3,116,514	**2,171,276**
Significant Accounting Policies and Notes to Accounts	17 & 18		
Schedules referred to herein form an integral part of the Financial Statements.			

As per our attached report of even date

For **Deloitte Haskins & Sells**
Chartered Accountants

Sd/-
Anjum A. Qazi
Partner
Membership No.104968

Place : Mumbai
Date : June 24, 2016

For **Societe Generale – Indian Branches**

Sd/-
Evelyne Collin
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Chief Operating Officer - India

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Chief Financial Officer - India

SOCIETE GENERALE

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INDIAN BRANCHES

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS AS AT MARCH 31, 2016

Rs. (000's)

	As at March 31, 2016	As at March 31, 2015
SCHEDULE 1 – CAPITAL		
(i) Amount brought in by Bank by way of Capital		
As per Last Balance Sheet	7,099,220	7,099,220
Add: Capital infusion during the year	–	–
Total	**7,099,220**	**7,099,220**
(ii) Amount of deposit kept with the Reserve Bank of India under section 11(2)(b) of the Banking Regulation Act, 1949	1,050,000	950,000
SCHEDULE 2 – RESERVES & SURPLUS		
I STATUTORY RESERVE		
As per Last Balance Sheet	938,818	840,044
Add: Transfer from Profit & Loss Account	143,985	98,774
	1,082,803	**938,818**
II CAPITAL RESERVE		
As per Last Balance Sheet	13,135	1,577
Add: Transfer from Profit & Loss Account	230,622	11,558
	243,757	**13,135**
III SURPLUS RETAINED FOR CAPITAL ADEQUACY (CRAR)		
As per Last Balance Sheet	532,612	316,871
Add: Transfer from Profit & Loss Account	284,520	215,741
	817,132	**532,612**
IV INVESTMENT RESERVE ACCOUNT (IRA)		
As per Last Balance Sheet	91,373	91,127
Add: Transfer from Profit & Loss Account	–	246
	91,373	**91,373**
V BALANCE IN PROFIT AND LOSS ACCOUNT		
Balance carried forward from Profit and Loss Account	250,423	333,610
Total	**2,485,488**	**1,909,548**
SCHEDULE 3 – DEPOSITS		
A. I **Demand Deposits**		
(i) From Banks	267,533	31,176
(ii) From Others	1,821,480	1,489,892
	2,089,013	**1,521,068**
II **Savings Bank Deposits**	14,769	4,893
III **Term Deposits**		
(i) From Banks	–	–
(ii) From Others	33,508,326	28,494,016
	33,508,326	**28,494,016**
Total	**35,612,108**	**30,019,977**
B (i) Deposits of Branches in India	35,612,108	30,019,977
(ii) Deposits of branches outside India	–	–
Total	**35,612,108**	**30,019,977**

Rs. (000's)

	As at March 31, 2016	As at March 31, 2015
SCHEDULE 4 – BORROWINGS		
I Borrowings in India		
(i) Reserve Bank of India	–	–
(ii) Other Banks	2,493,825	2,000,000
(iii) Other institutions and agencies	–	–
	2,493,825	**2,000,000**
II Borrowings outside India		
(i) Subordinated Debt from Head Office	3,468,170	3,090,740
(ii) Other Banks	4,518,591	6,976,130
	7,986,761	**10,066,870**
Total (I+II)	**10,480,586**	**12,066,870**
Secured borrowings included in I & II above	–	–
SCHEDULE 5 – OTHER LIABILITIES AND PROVISIONS		
I Bills Payable	688	1,366
II Inter-Office Adjustment (Net)	–	–
III Interest Accrued	283,070	224,137
IV Provision for standard assets	229,174	244,494
V Deferred Tax Liability (Net)	187,294	11,323
VI Others (including provisions)	3,326,014	15,891,898
Total	**4,026,240**	**16,373,218**
SCHEDULE 6 – CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I Cash in hand (including foreign currency notes)	524	1,419
II Balances with Reserve Bank of India		
(i) In Current Account	2,125,238	1,941,469
(ii) In Other Account	–	–
Total (I+II)	**2,125,762**	**1,942,888**
SCHEDULE 7 – BALANCES WITH BANKS & MONEY AT CALL AND SHORT NOTICE		
I In India		
(i) Balances with Banks		
(a) In Current Account	2,153	1,783
(b) In Other Deposit Account		–
(ii) Money at Call and Short Notice		
(a) With Banks	750,000	–
(b) With Other Institutions	–	–
	752,153	**1,783**
II Outside India		
(i) In Current Account	238,599	226,605
(ii) In Other Deposit Accounts	–	–
(iii) Money at Call and Short Notice	–	–
	238,599	**226,605**
Total (I+II)	**990,752**	**228,388**

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS AS AT MARCH 31, 2016

Rs. (000's)

	As at March 31, 2016	As at March 31, 2015
SCHEDULE 8 – INVESTMENTS		
I Investments in India in		
(i) Government securities (*)	16,657,590	12,085,508
(ii) Other approved securities	–	–
(iii) Shares	–	–
(iv) Debentures and bonds	–	–
(v) Subsidiaries/Joint Ventures	–	–
(vi) Others	–	–
	16,657,590	**12,085,508**
II Investments outside India	–	–
	16,657,590	**12,085,508**
III Investments in India		
Gross Value	16,657,590	12,085,508
Less:– Provision on Investments	–	–
Net Value	**16,657,590**	**12,085,508**

* includes Securities kept with CCIL as margin for securities segment of book value of Rs. 594,177 (P. Y. BV 424,756); for CBLO segment book value of Rs. 1,132,432 (Previous Year Rs. 243,640); for Forex segment book value of Rs. 44,391 (Previous Year Rs. 26,863) and with RBI under section 11(2)(b)(ii) of Banking Regulation Act, 1949 of Face Value of Rs. 1,050,000 (Previous Year Face Value Rs. 950,000).

	As at March 31, 2016	As at March 31, 2015
SCHEDULE 9 – ADVANCES		
A (i) Bills purchased and discounted	8,909,061	5,163,321
(ii) Cash credits, Overdrafts & Loans	22,453,336	23,160,423
(iii) Term Loans	4,134,781	8,024,210
Total	**35,497,178**	**36,347,954**
B (i) Secured by tangible assets*	10,804,856	13,023,407
(ii) Covered by Bank/ Government Guarantees	7,663,165	4,860,501
(iii) Unsecured	17,029,157	18,464,046
*includes advances against book debts		
Total	**35,497,178**	**36,347,954**
C **I Advances in India**		
(i) Priority Sector	12,267,964	10,296,768
(ii) Public Sector	–	–
(iii) Banks	4,736,658	1,933,971
(iv) Others	18,492,556	24,117,215
Sub-total	**35,497,178**	**36,347,954**
II Advances outside India	–	–
Sub-total	–	–
Total	**35,497,178**	**36,347,954**
SCHEDULE 10 – FIXED ASSETS		
I.a Premises		
At book value		
Beginning of the year	649,913	54,145
Additions during the year	12,429	595,768
Deductions during the year	(1,257)	–
	661,085	649,913
Depreciation to date		
Beginning of the year	37,800	28,236
Additions during the year	37,726	9,564
Deductions during the year	(901)	–
	74,625	37,800

Rs. (000's)

	As at March 31, 2016	As at March 31, 2015
SCHEDULE 10 *(Contd.)*		
I.b Asset held for sale/disposal		
At book value		
At cost as per last Balance Sheet	533,974	533,974
Additions during the year	–	–
Deductions during the year	(533,974)	–
	–	533,974
Depreciation to date		
Beginning of the year	448,847	425,631
Additions during the year	1,935	23,216
Deductions during the year	(450,782)	–
	0	448,847
Total (I)	586,460	697,240
II Other fixed assets (including Furniture and Fixtures)		
At book value		
Beginning of the year	740,674	620,619
Additions during the year	60,848	131,295
Deductions during the year	(33,076)	(11,240)
	768,446	**740,674**
Depreciation to date		
Beginning of the year	395,336	267,129
Additions during the year	160,917	139,447
Deductions during the year	(27,800)	(11,240)
	528,453	395,336
Total (II)	239,993	345,338
III Capital work in progress	6,873	26,259
Total	**833,326**	**1,068,837**
SCHEDULE 11 – OTHER ASSETS		
I Inter-Office Adjustment (Net)	–	–
II Interest accrued	345,162	227,949
III Tax paid in advance/tax deducted at source (net of provisions)	72,545	198,154
IV Deferred Tax Assets (Net)	–	–
V Stationery and stamps	28	22
VI Others	3,181,299	15,369,133
Total	**3,599,034**	**15,795,258**
SCHEDULE 12 – CONTINGENT LIABILITIES ((refer note 18.21.iii))		
I Claims against the bank not acknowledged as debts	–	–
II Liability for partly paid investments	–	–
III Liabilities on account of outstanding forward exchange contracts	62,549,945	87,911,443
IV Liabilities on account of outstanding derivative contracts	288,319,195	371,632,511
V Guarantees given on behalf of constituents		
(a) In India	16,516,307	16,312,918
(b) Outside India	–	–
VI Acceptances, endorsements and other obligations	2,543,321	4,463,134
VII Other items for which the Banks is contingently liable	–	–
Total	**369,928,768**	**480,320,006**

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

Rs. (000's)

	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
SCHEDULE 13 – INTEREST EARNED		
I Interest/Discount on Advances/Bills	2,984,734	2,786,275
II Income on Investments	1,057,907	1,011,365
III Interest on balance with Reserve Bank of India and other inter-bank funds	5,475	1,827
IV Others	1,063	4,164
Total	**4,049,179**	**3,803,631**
SCHEDULE 14 – OTHER INCOME		
I Commission, Exchange and Brokerage	194,759	139,548
II Profit/(Loss) on sale of Investments (net)	21,372	48,269
III Profit/(Loss) on sale of assets (net)	422,154	58
IV Profit/(Loss) on Foreign Exchange Transactions (net)	(169,078)	901,029
V Income earned by way of dividends, etc. from subsidiaries, companies, joint venture abroad/ in India	–	–
VI Miscellaneous Income (refer note 18.21.xv)	295,639	(501,224)
Total	**764,846**	**587,680**

Rs. (000's)

	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
SCHEDULE 15 – INTEREST EXPENDED		
I Interest on Deposits	2,226,263	2,187,601
II Interest on Reserve Bank of India/Inter-bank borrowings	174,575	141,468
III Others	25,925	76,404
Total	**2,426,763**	**2,405,473**
SCHEDULE 16 – OPERATING EXPENSES		
I Payment to and provisions for employees	451,604	450,935
II Rent, Taxes and Lighting	51,088	62,967
III Printing and Stationery	4,456	3,621
IV Advertisement and Publicity	5,924	5,081
V Depreciation on Bank's Property	200,578	172,227
VI Directors' Fees, Allowances and Expenses	–	–
VII Auditors' Fees and Expenses	2,430	1,509
VIII Law Charges	2,854	2,853
IX Postage, Telegrams, Telephones etc.	13,587	11,043
X Repairs and Maintenance	39,962	40,653
XI Insurance	37,411	30,520
XII Head Office Charges	151,432	116,912
XIII Intra-Group Service Fee	110,288	71,290
XIV Inter-unit recharges	95,158	74,023
XV CSR Expenditure	5,250	6,500
XVI Other Expenditure (refer note 18.19.iv)	100,330	105,914
Total	**1,272,352**	**1,156,048**

Schedule 17- SIGNIFICANT ACCOUNTING POLICIES

I Principal Accounting Policies

1. Background

The accompanying financial statements for the year ended 31st March 2016 comprise the accounts of the Indian branches of Societe Generale, which is incorporated in France as a Public Limited Company. The Indian operations are located in Mumbai, New Delhi and Sanand with Mumbai being the headquarters.

The Apex Committee is supreme body of the bank. The members of the Apex Committee includes:

- Chief Executive Officer
- Chief Operating Officer
- Chief Financial Officer
- Head – HR
- Head – Legal & Compliance
- Head – Internal Audit
- Head – Operations
- Head – Market Risk
- Head – Operational Risk
- Head – IT
- Head – Communications
- Head – Credit
- Head – Corporate Banking (on rotation)
- Head – Trade Finance (on rotation)

2. Basis of Preparation

The financial statements have been prepared in accordance with statutory requirements prescribed under the Banking Regulation Act, 1949. The accounting and reporting policies of Societe Generale India used in the preparation of these financial statements is the accrual method of accounting and historical cost convention and it conforms with Generally Accepted Accounting Principles in India ("Indian GAAP"), the guidelines issued by Reserve Bank of India ("RBI") from time to time, Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the 2013 Act, as applicable and practices generally prevalent in the banking industry in India.

3. Use of estimates

The preparation of the financial statements requires Management to make estimates and assumptions that affect the reported amounts of assets, liabilities (including contingent liabilities) as at the date of the financial statements, revenues and expenses during the period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Any revision to the accounting estimates is recognized prospectively in current and future periods.

4. Significant Accounting Policies

4a. Transactions involving foreign exchange

(a) Foreign currency monetary assets, liabilities and off Balance Sheet items are translated at the Balance Sheet date at exchange rates notified by the Foreign Exchange Dealers' Association of India ('FEDAI'). The resulting gains or losses are accounted in the Profit and Loss Account.

(b) Foreign exchange positions are revalued at the rates notified by FEDAI. The resulting gains or losses are recognized in the Profit and Loss Account.

(c) Income and expenditure in foreign currency is translated at the exchange rates prevailing on the date of the transaction.

(d) Monetary assets and liabilities, contingent liabilities on accounts of guarantees, endorsements and other obligations denominated in foreign currencies are stated at the exchange rates notified by FEDAI at the Balance Sheet date.

4b. Investments

Classification & income recognition

As per the guidelines for investments laid down by the Reserve Bank of India ('RBI'), the investment portfolio of the Bank is classified as on the date of purchase under "Held to Maturity", "Available for Sale" and "Held for Trading" categories. The Bank follows settlement date accounting for its investments.

Costs including brokerage and commission pertaining to investments, paid at the time of acquisition, are charged to the Profit and Loss Account. Cost of investments is computed based on the First-In-First-Out (FIFO) method

Profit/loss on sale of investments in the 'Held to Maturity' category is recognised in the Profit and Loss Account and Profit is thereafter appropriated (net of applicable taxes and statutory reserve requirements) to Capital Reserve.

Profit/loss on sale of investments in 'Available for Sale' and 'Held for Trading' categories is recognised in the Profit and Loss Account.

Broken period interest (the amount of interest from the previous interest payment date till the date of purchase/sale of instruments) on debt instruments is treated as a revenue item.

Provision for non-performing investments is made based on a periodic review of investments as per Bank's policy and after having considered the provisioning guidelines issued by the RBI.

Basis of classification

Investments that are held principally for resale within 90 days from the date of purchase are classified under HFT category. Investments which the Bank intends to hold till maturity are classified as HTM securities. Investments in the equity of subsidiaries/joint ventures are categorised as HTM in accordance with the RBI guidelines. Investments which are not classified in the above categories are classified under AFS category.

Short Sale

The Bank undertakes short sale transactions in Central Government dated securities in accordance with RBI guidelines. The short position is reflected as the amount received on sale and is classified under 'Other Liabilities'. The short position is marked to market and loss, if any, is charged to the Statement of Profit and Loss while gain, if any, is ignored. Profit/Loss on settlement of the short position is recognised in the Statement of Profit and Loss.

Valuation & provisioning

a) Treasury Bills, Commercial Paper and Certificates of Deposit being discounted instruments, are valued at carrying cost.

b) Held to Maturity: Investments under this category are carried at cost of acquisition, adjusted for the premium, which is amortized over the residual maturity of the security. Any diminution, other than temporary, in the value of such securities is provided for.

Realized gains on sale of investments under HTM category are recognized in the Profit and Loss Account and the profit is thereafter appropriated (net of taxes, if any and net of transfer to Statutory Reserve as applicable) to Capital Reserve Account in accordance with the RBI guidelines. Loss on sale is recognized in the Profit and Loss Account.

c) Available for Sale & Held for Trading: Investments in both of these categories are valued - at lower of cost of acquisition or market value as declared by Primary Dealers Association of India jointly with Fixed Income Money Market and Derivatives Association ('FIMMDA'). Securities under each category are valued scrip-wise and depreciation/appreciation is aggregated for each classification. Net depreciation, if any, in aggregate for each classification is recognized in the Profit and Loss Account and net appreciation, if any, is ignored. Except in cases where provision for diminution other than temporary is created, the book value of the individual securities is not changed as a result of periodic valuations.

d) Quoted investments are valued based on prices declared by Primary Dealers Association of India jointly with Fixed Income Money Market and Derivatives Association (FIMMDA) periodically, subsidiary general ledger account transactions and price list of RBI.

e) Market value of investments where current quotations are not available is determined as per the norms laid down by the RBI as under:

(i) Market value of unquoted Government Securities, where interest is received regularly, is derived by applying a mark-up above the corresponding 'yield to maturity' for Government Securities of equivalent maturity put out by FIMMDA.

(ii) In case of unquoted bonds and debentures, where interest is received regularly, the market price is derived based on the 'yield to maturity' for Government Securities as suitably marked up for credit risk applicable to the credit rating of the instrument.

Transfer between categories: Reclassification of investments from one category to the other, if done, is in accordance with RBI guidelines and any such transfer is accounted for at the lower of acquisition cost/book value/market value, as at the date of transfer. Depreciation, if any, on such transfer is fully provided for.

Accounting for Repo/Reverse Repo: In accordance with RBI circular No. IDMD 4135/11.08.43/2009-10 dated 23rd March, 2010, Repo and Reverse Repo transactions in securities are accounted for as collateralised borrowing and lending transactions respectively. The borrowing cost on repo transactions is accounted as Interest Expense and revenue on reverse repo transactions is accounted as Interest Income.

Repo and reverse repo transactions with the RBI under the Liquidity Adjustment Facility (LAF) are accounted for as secured borrowing and lending transactions.

4c. Advances

Advances are classified as performing and non-performing advances ('NPAs') based on the RBI guidelines and are stated net of bills rediscounted, specific provisions, interest in suspense for non-performing advances, claims received from Export Credit Guarantee Corporation, provisions for funded interest term loan classified as non-performing advances and provisions in lieu of diminution in the fair value of restructured assets. Also, NPAs are classified into sub-standard, doubtful and loss assets. Interest on NPAs is transferred to an interest suspense account and not recognised in the Profit and Loss Account.

Provisions for non-performing advances have been made based on a periodic review of advances as per the Bank's policy, which comply with the provisioning guidelines issued by the RBI. Specific loan loss provision in respect of non-performing advances is charged to the Profit and Loss Account. Any recoveries made by the Bank in case of NPAs written off are recognized in the Profit and Loss Account.

In accordance with RBI guidelines and prudential provisioning norms, the Bank has provided general provision on standard assets including credit exposures computed as per the current marked to market values of interest rate and foreign exchange derivative contracts at levels stipulated by RBI from time to time and disclosed in Schedule 5 –"Other liabilities and provisions".

Further to the provisions required to be held according to the asset classification status, provisions are held for individual country exposures (other than for home country exposure). Countries are categorised into risk categories as per Export Credit Guarantee Corporation of India Ltd. ('ECGC') guidelines and provisioning is done in respect of that country where the net funded exposure is one percent or more of the Bank's total assets.

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

The Bank does not have a policy of creating floating provisions.

In accordance with RBI guidelines, accelerated provision is made on non-performing advances which were not earlier reported by the Bank as Special Mention Account under "SMA-2" category to Central Repository of Information on Large Credits (CRILC). Accelerated provision is also made on non-performing advances which are erstwhile SMA-2 accounts with Aggregate exposure (AE) '1,000 million or above and Joint Lenders' Forum (JLF) is not formed or they fail to agree upon a common Corrective Action Plan (CAP) within the stipulated time frame.

4d. Fixed Assets

(a) Fixed assets are stated at historical cost less accumulated depreciation/amortisation and adjusted for impairment, if any. Cost includes cost of purchase inclusive of freight, duties, incidental expenses and all expenditure like site preparation, installation costs and professional fees incurred on the asset before it is ready to put to use. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future benefit/functioning capability from/of such assets.

(b) Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, or at the useful life prescribed under part "C" of schedule II of the Companies Act, 2013 whichever is lower. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in schedule II to the companies Act, 2013 except in respect of the premises, software and motor vehicle in which case the life of the assets has been assessed as under based on the nature of the assets, estimated usage of the asset.

Assets	Useful Life	Schedule II
Premises	23 years	60 years
Improvement to own premises	10 years	
Furniture and Fixtures	10 years	10 years
Office Equipments	5 years	5 years
Computers	3 years	3 years
Software	4 years	6 years
Motor Vehicles	4 years	8 years
Leasehold Improvements	Over the life of the lease	

(c) Depreciation on improvements to leased premises is based on the primary period of the lease of such premises.

(d) All fixed assets purchased in a block of 10 or less individually costing less than Rs. 30,000/- are fully charged to the Profit and Loss Account in the year of purchase.

(e) Profit on sale of premises, if any, is transferred to Capital Reserve as per the RBI guidelines.

(f) Fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the profit and loss statement.

4e. Staff Retirement Benefits

(a) Provident Fund

The eligible employees of the Bank are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Bank make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Profit and Loss Account during the period. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Bank. The Bank is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year incurred.

(b) Gratuity

The Bank provides for its gratuity liability which is a defined benefit scheme, based on actuarial valuation at the Balance Sheet date carried out by an independent actuary using the Projected Unit Credit Method. The actuarial gains or losses arising during the year are recognized in the Profit and Loss Account and are not deferred. The Bank makes contribution to a Gratuity Fund administered by trustees and managed by a life insurance company.

(c) Pension

The Bank has a pension scheme, which is a defined contribution plan for employees participating in the scheme. The contributions are accounted for on an accrual basis and charged to the Profit and Loss account.

(d) Short term compensated absences are provided for based on estimates, by charging to the Profit and Loss Account.

(e) Long Service Awards

The Bank provides lump sum benefits linked to final eligible salary after completing each 5 years of service. The detailed actuarial valuation of the present value of the defined benefit obligations may be made at the interval not exceeding three years. However, with a view that the amount recognized in the financial statement do not differ materially from the amount that would be determined at the balance sheet date, the most recent valuation is reviewed at the balance sheet date and updated to reflect any material transactions and other material changes in circumstances (including changes in interest rate) between the date of valuation and the balance sheet date. The fair value of any plan assets is determined at each balance sheet date.

4f. Net Profit/(Loss)

The net profit/ (loss) disclosed in the Profit and Loss Account is after provisions, if any, for:

- taxes (including deferred tax)
- non-performing advances
- standard assets and derivatives
- diminution in the value of investments
- other necessary provisions

4g. Derivatives

Notional amounts of derivative transactions comprising of forwards, swaps, futures and options are disclosed as off Balance Sheet exposures. The Bank recognises all derivative contracts (other than those designated as hedges) at fair value, on the date on which the derivative contracts are entered into and are re-measured at fair value as at the Balance Sheet or reporting dates. Changes in the fair value of derivatives other than those designated as hedges are recognised in the Profit and Loss Account.

All outstanding derivative transactions are recorded as Off-Balance Sheet items. The trading positions are Mark to market on a daily basis whereas hedge deals are recorded on accrual basis.

MTM receivables and payables are being disclosed in the Financials on a gross basis

4h. Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is determined in accordance with the Income-tax Act, 1961 and the rules framed there under. Deferred tax adjustments comprise of changes in the deferred tax assets and liabilities. Deferred tax reflects the impact of the timing differences between taxable income and accounting income for the year

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Bank has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty, supported by convincing evidence that they can be realised against future taxable profits.

At each Balance Sheet date the Bank re-assesses unrecognised deferred tax assets. It recognizes previously unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

Wealth tax liability is determined in accordance with the provisions of the Wealth Tax Act, 1957.

4i. Revenue Recognition

(i) Interest income is recognized in the Profit and Loss Account as it accrues, except in the case of interest on non-performing assets which is recognized on receipt basis as per income recognition and asset classification norms of the RBI.

(ii) Commission received on guarantees and letters of credit issued is amortised on a straight-line basis over the period of the contract.

(iii) Loan processing fee is recognized as income when due.

(iv) Income on discounted instruments is recognized over the tenure of the instrument on a straight line basis.

4j. Lease transactions

Lease of assets under which all the risks and benefits of ownership are actively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

4k. Provisions, contingent liabilities and contingent assets

The Bank estimates the probability of any loss that might be incurred on outcome of contingencies on the basis of information available up to the date on which the financial statements are prepared. A provision is recognised when an enterprise has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted and are determined based on management estimates of amounts required to settle the obligation at the Balance Sheet date, supplemented by experience of similar transactions. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made in the financial statements. In case of remote possibility neither provision nor disclosure is made in the financial statements. The Bank does not account for or disclose contingent assets, if any.

Provisions for onerous contract are recognized when the expected benefits to be derived by the Bank from a contract are lower than the unavoidable cost of meeting the future obligation under the contract. The provision is measured at the present value of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Bank recognizes any impairment loss on the asset associated with that contract.

4l. Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice(including the effect of changes in exchange rates on cash and cash equivalents in foreign currency).

4m. Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. Impairment loss, if any, is provided in the Profit and Loss Account to the extent of carrying amount of assets exceeds their estimated recoverable amount.

4n. Segment Information

The disclosure relating to segment information is in accordance with the guidelines issued by RBI.

4o. Societe Generale has policy of allocating certain costs incurred centrally by Head Office, subsidiaries and branches based on group cost allocation methodology.

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

Schedule18 -NOTES APPENDED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2016

All amts in Rs. '000s, unless otherwise stated

1. Internal Controls over Financial Reporting

The Apex Committee of the Bank certifies that it has laid down the internal financial controls to be followed by the Bank and that such controls are adequate and were operating effectively.

2. Capital:

The Bank's capital adequacy ratio as on March 31, 2016 computed under Basel III is given below: **Rs. '000s**

Sr. No.	Particulars	As at 31st March, 2016	As at 31st March, 2015
i)	Common Equity Tier I Capital (%)	18.87%	17.77%
ii)	Tier I Capital (%)	18.87%	17.77%
iii)	Tier II Capital (%)	7.93%	7.36%
iv)	Total CRAR %	26.80%	25.13%
v)	Percentage of the shareholding of the Government of India	–	–
vi)	Amount of Tier I capital	9,117,584	8,383,161
vii)	Amount of Additional Tier I capital	–	
viii)	Amount of Tier II Capital of which		
	– Subordinated Debt from Head Office	3,468,170	3,090,740
	– Others	361,873	380,874
	Amount of Tier II Capital	3,830,043	3,471,614
(ix)	**Total Capital**	**12,947,627**	**11,854,775**
(x)	**Total Risk weighted Assets**	**48,310,074**	**47,172,116**

Subordinated Debt: **Rs. '000s**

Particulars	31.03.2016	31.03.2015
EUR 46 million for a period of 10 years	3,468,170	3,090,740

The subordinated debt is revalued, at the year end and the resulting gain or loss on revaluation is recognized in the Profit and Loss Account. The Subordinated debt as revalued as on March 31, 2016 amounts to Rs. 3,468,170 (P.Y Rs. 3,090,740).

3. Investments in India –

Value of Investments: **Rs. '000s**

Particulars	31.03.2016	31.03.2015
Gross value of investments in India*	16,657,590	12,085,508
Provision for depreciation in India*	–	–
Net value of investments in India*	16,657,590	12,085,508

** The Bank has not made any investment outside India*

Movement in provision for depreciation on investments: **Rs. '000s**

Particulars	2015-16	2014-15
Opening Balance at beginning of the year	–	578
Add: Provisions made during the year	–	–
Less: Write-off/write-back of excess provisions during the year	–	(578)
Closing Balance at end of the year	–	–

4. Repos and Reverse Repos

(i) Details of Repos and Reverse Repos including Liquidity Adjustment Facility (in face value terms): **Rs. '000s**

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	As at 31.03.2016
Securities sold under repos				
– Government Securities	–	4,845,600	181,986	–
– Corporate Debt Securities	–	–	–	–
Securities purchased under reverse repos	–	–	–	–
– Government Securities	–	1,040,000	5,315	–
– Corporate Debt Securities				

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	As at 31.03.2015
Securities sold under repos				
– Government Securities	–	4,618,700	406,441	–
– Corporate Debt Securities	–	–	–	–
Securities purchased under reverse repos	–	–	–	–
– Government Securities	–	2,222,700	16,970	–
– Corporate Debt Securities	–	–	–	–

5. Non-SLR Investment Portfolio:

(i) Issuer Composition of Non SLR investments as at 31.03.2016

No	Issuer	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)
1	PSUs	–	–	–	–	–
2	FIs	–	–	–	–	–
3	Banks	–	–	–	–	–
4	Private Corporates	–	–	–	–	–
5	Subsidiaries/Joint Ventures	–	–	–	–	–
6	Others	–	–	–	–	–
7	Provision held towards depreciation	–	–	–	–	–
	Total	–	–	–	–	–

Issuer Composition of Non SLR investments as at 31.03.2015

No	Issuer	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)
1	PSUs	–	–	–	–	–
2	FIs	–	–	–	–	–
3	Banks	–	–	–	–	–
4	Private Corporates	–	–	–	–	–
5	Subsidiaries/Joint Ventures	–	–	–	–	–
6	Others *	–	–	–	–	–
7	Provision held towards depreciation	–	–	–	–	–
	Total	–	–	–	–	–

(ii) Non performing Non-SLR Investments: Nil (P.Y. – Nil) and total provision held: Nil (P.Y. – Nil)

(iii) During the year ended 31st March, 2016 and 31st March 2015, the sale of securities from HTM portfolio was within 5% of the book value of instrument in HTM category at the beginning of the year. During the year ended 31st March 2016 and 31st March 2015 there was no transfer of securities to/from HTM category.

6. Derivatives

(i) Forward rate agreements/Interest Rate Swaps outstanding: **Rs. '000s**

Items	31.03.2016	31.03.2015
The Notional principal of swap agreements	280,228,662	359,196,607
Loss which would be incurred if counterparties failed to fulfill their obligations under the agreements	1,640,472	1,426,274
Collateral required by the Bank upon entering into swaps	Note (a)	Note (a)
Concentration of credit risk arising from the swaps %		
– Banks and Financial Institutions	99.998%	99.976%
– Others	0.002%	0.024%
Fair value of the swap book	(31,528)	(67,377)

(a) As per prevailing market practice, the Bank does not insist on collateral from the counterparties to these contracts.

Nature and terms of interest rate swaps:

Outstanding as at 31.03.16:

Nature	No.	Notional principal (Rs.' 000s)	Terms
Trading Swaps	358	140,805,000	Floating Receivable v/s Fixed Payable linked to NSE MIBOR
Trading Swaps	336	133,900,000	Fixed Receivable v/s Floating Payable linked to NSE MIBOR
Trading Swaps	10	2,750,000	Floating Receivable v/s Fixed Payable linked to 6M MIFOR
Trading Swaps	11	2,750,000	Fixed Receivable v/s Floating Payable linked to 6M MIFOR
Trading Swaps	0	–	Floating Receivable v/s Fixed Payable linked to 6M USD LIBOR
Trading Swaps	0	–	Fixed Receivable v/s Floating Payable linked to 6M USD LIBOR
Trading Swaps	2	11,831	Floating Receivable v/s Fixed Payable linked to 3M USD LIBOR
Trading Swaps	2	11,831	Fixed Receivable v/s Floating Payable linked to 3M USD LIBOR
	719	**280,228,662**	

Outstanding as at 31.03.15:

Nature	No.	Notional principal (Rs.' 000s)	Terms
Trading Swaps	454	176,455,000	Floating Receivable v/s Fixed Payable linked to NSE MIBOR
Trading Swaps	460	176,130,000	Fixed Receivable v/s Floating Payable linked to NSE MIBOR
Trading Swaps	11	3,000,000	Floating Receivable v/s Fixed Payable linked to 6M MIFOR
Trading Swaps	13	3,500,000	Fixed Receivable v/s Floating Payable linked to 6M MIFOR
Trading Swaps	0	–	Floating Receivable v/s Fixed Payable linked to 6M USD LIBOR
Trading Swaps	0	–	Fixed Receivable v/s Floating Payable linked to 6M USD LIBOR
Trading Swaps	2	55,804	Floating Receivable v/s Fixed Payable linked to 3M USD LIBOR
Trading Swaps	2	55,804	Fixed Receivable v/s Floating Payable linked to 3M USD LIBOR
	942	**359,196,608**	

Nature and terms of forward rate agreements:

Outstanding as at 31.03.2016: Nil (P.Y. – Nil)

(ii) Risk Exposure in Derivatives: –

Qualitative Disclosures

The Bank undertakes transactions in Derivatives, namely, Foreign exchange forward contracts, Interest rate swaps, Currency interest rate swaps within the limits approved.

There is a clear segregation of duties between the front and back offices and each function independently.

The global risk management systems of the Societe Generale group are adopted by the Indian branches for both market and credit risk. The calculation of the various market risk parameters is undertaken both by the Banks Regional Office in Hong Kong (DFIN/MPC/MAC) and by the local Branch Risk Manager (BRM). The report along with exceptions, if any is circulated to the local management and front office. BRM monitors the limits based on the reports generated locally as well as the reports received from Regional Office.

Quantitative Disclosure as at 31.03.2016: **Rs. '000s**

Sr. No.	Particulars	Currency Derivatives #	Interest Rate Derivatives
1	Derivatives (Notional Principal amount)		
	a) For hedging	–	–
	b) For trading	70,640,478	280,228,662
2	Marked to Market Positions		
	a) Assets (+)	728,221	1,640,472
	b) Liability (–)	(887,378)	(1,671,999)
3	Credit Exposure	3,110,175	3,881,065
4	Likely impact of one percentage change in interest rate (100*PV01)		
	a) on hedging derivatives	–	–
	b) on trading derivatives	26,909	146,984
5	Maximum of 100*PV01 observed during the year		
	a) on hedging	–	–
	b) on Trading	26,909	159,374
6	Minimum of 100*PV01 observed during the year		
	a) on hedging	–	–
	b) on Trading	12,734	1,521

Quantitative Disclosure as at 31.03.2015: **Rs. '000s**

Sr. No.	Particulars	Currency Derivatives #	Interest Rate Derivatives
1	Derivatives (Notional Principal amount)		
	a) For hedging	–	–
	b) For trading	100,347,347	359,196,607
2	Marked to Market Positions		
	a) Assets (+)	873,202	1,426,274
	b) Liability (–)	(1,491,470)	(1,493,651)
3	Credit Exposure	3,835,303	4,296,340
4	Likely impact of one percentage change in interest rate (100*PV01)		
	a) on hedging derivatives	–	–
	b) on trading derivatives	12,664	13,568
5	Maximum of 100*PV01 observed during the year		
	a) on hedging	–	–
	b) on Trading	49,602	120,115
6	Minimum of 100*PV01 observed during the year		
	a) on hedging	–	–
	b) on Trading	12,664	398

Currency derivatives include forward foreign exchange contracts.

(iii) Unhedged/uncovered foreign currency exposure

The Bank's foreign currency exposures as at March 31, 2016 that are not hedged /covered by either derivative instruments or otherwise are within the Net Overnight Open Position limit (NOOP) and the Aggregate Gap limit, as approved by the RBI. NOOP as at March 31, 2016 is Rs. (137,262) (P.Y. – Rs. 163,062).

(iv) Exchange Traded Interest Rate Derivatives:

Sr. No.	Particulars	31.03.2016	31.03.2015
1	Notional principal amount of exchange traded interest rate derivatives undertaken during the year.	–	–
2	Notional principal amount of exchange traded interest rate derivatives outstanding at the end of the year.	–	–
3	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective".	–	–
4	Mark to market value of exchange traded interest rate derivatives outstanding and not "highly effective".	–	–

(v) Credit default swaps:

The Bank has not entered into any Credit Default Swap transactions.

7. Asset Quality

(i) Non-Performing Assets

Particulars	2015-16	2014-15
Net NPAs to Net Advances (%)	–	–
Gross Non-Performing Advances	–	
Opening Balance at beginning of the year	–	4,286
Additions during the year	–	–
Less: Amounts recovered	–	4,286
Less: Amounts written off	–	–
Closing Balance at end of the year	–	–
Provisions for Non-Performing Advances (excluding provision for standard assets)		
Opening Balance at beginning of the year	–	4,286
Add: Provisions made during the year	–	–
Less: Write-off/write-back of excess provisions during the year	–	4,286
Closing Balance at end of the year	–	–
Net Non-Performing Advances		
Opening Balance at beginning of the year	–	–
Additions during the year	–	–
Less: Amounts recovered	–	–
Less: Amounts written off	–	–
Closing Balance at end of the year	–	–

(ii) Details of financial assets sold to Securitization/Reconstruction Company for Asset Reconstruction

No financial assets have been sold to Securitization/Reconstruction Company for Asset Reconstruction during the year (P.Y. – Nil)

(iii) Details of non-performing financial assets purchased/sold

No non-performing financial assets have been purchased/sold from/to other banks during the year (P.Y. - Nil)

(iv) Provision on Standard Assets

Rs. '000s

Particulars	31.03.2016	31.03.2015
Standard Advances*	201,184	211,967
Credit Exposure on Derivatives	27,990	32,527
Total	**229,174**	**244,494**

* includes provision towards un-hedged foreign currency exposure of Rs. 10,443 (in '000s) (P.Y Rs. 17,681 in 000s).

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

(v) Particulars of Accounts Restructured

The following tables set forth, for the periods indicated, details of loan assets subjected to restructuring.

As at 31st March, 2016

Sr. no.	Type of Restructuring / Asset Classification / Details		Others: Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 of the FY (opening figures)*	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
1A	Movement in Opening Balances (Recoveries)	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
2	Fresh Restructuring during the year	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
3	Upgradations to restructured standard category during the FY	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
4	Restructured Standard Advances which cease to attract higher provisioning and/ or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
5	Downgradations of restructured accounts during the FY	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
6	Write-offs of restructured accounts during the FY	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
7	Restructured Accounts as on March 31 of the FY (closing figures*)	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–

As at 31st March, 2015

Sr. no.	Type of Restructuring / Asset Classification / Details		Others: Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 of the FY (opening figures)*	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
1A	Movement in Opening Balances (Recoveries)	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
2	Fresh Restructuring during the year	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
3	Upgradations to restructured standard category during the FY	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
4	Restructured Standard Advances which cease to attract higher provisioning and/ or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
5	Downgradations of restructured accounts during the FY	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
6	Write-offs of restructured accounts during the FY	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–
7	Restructured Accounts as on March 31 of the FY (closing figures*)	No. of borrowers	–	–	–	–	–
		Amount outstanding	–	–	–	–	–
		Provision thereon	–	–	–	–	–

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

There are no cases restructured on account of CDR mechanism or SME debt restructuring in the current or previous year.

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

8. Business Ratios:

Particulars	2015-16	2014-15
Interest Income as a percentage to Working Funds**	6.20%	7.05%
Non-Interest Income as a percentage to Working Funds**	1.17%	1.09%
Operating profit[&] as a percentage to Working Funds**	1.71%	1.54%
Return on assets [$]	0.88%	0.73%
Business per employee (Rs. 000s)[#@]	687,784	571,869
Profit per employee (Rs. 000s)[#]	5,592	3,406

** *Working Funds represents the average of total assets as reported to RBI by the Bank in Form X under Section 27 of the Banking Regulation Act, 1949.*

$ *Net profit as a percentage to working funds*

Productivity ratios are based on average employee numbers.

@ *Business means total of advances and deposits as at year end, excluding interbank deposits*

& *Operating Profit = Interest Income + Other Income – Interest Expenses – Operating Expenses*

% *Previous year's figures are not reclassified to conform to current year's presentation.*

9. Exposures

(i) Exposure to Real Estate Sector* **Rs. '000s**

Category	31.03.2016	31.03.2015
a) Direct exposure:		
(i) Residential mortgages	–	–
(ii) Commercial real estate	–	–
(iii) Investments in mortgage backed securities (MBS) and other securitised exposures:		
a) Residential		
b) Commercial Real Estate	–	–
b) Indirect exposure:		
Fund based and non-fund based exposures on National Housing Bank (NHB) andf housing finance companies (HFCs)	–	–
Total Real Estate Exposure	**–**	**–**

* – On limit basis or outstanding basis whichever is higher.

(ii) Exposure to Capital Market* **Rs. '000s**

No	Particulars	31.03.2016	31.03.2015
1	Direct investments made 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	–	–
2	Advances against shares, bonds, debentures or other securities or on clean basis to individuals for investment in equity shares (including IPO's/ ESOPS), convertible bonds or convertible debentures, units of equity oriented mutual funds	–	–
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	–	–
4	Advances for any other purposes to the extent secured by collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances	–	–
5	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	100,000	100,000
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	–	–
7	Bridge loans to companies against expected equity flows/issues	–	–
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 stockbrokers for margin trading	–	–
10	All exposures to venture capital funds (both registered and unregistered) deemed to be on par with equity and hence reckoned for capital market exposure.	–	–
	Total Exposure to Capital Market	**100,000**	**100,000**

* – *Basis limit basis outstanding, whichever is higher.*

(iii) Country Risk Exposure **Rs. '000s**

Risk Category	Exposure (net) as at 31.03.16	Provision held as at 31.03.16	Exposure (net) as at 31.03.15	Provision held as at 31.03.15
Insignificant	4,788,966	7,816	4,451,914	10,056
Low	2,543,441	2,821	812,027	–
Moderate	1,381,243	30,688	1,709,319	34,950
High	140,239	–	187,500	–
Very High	25,369	–	153,814	–
Restricted	–	–	–	–
Off-Credit	–	–	–	–
Total	**8,879,258**	**41,325**	**7,314,574**	**45,006**

The Bank has compiled the data for the purpose of this disclosure (from its internal MIS system and has been furnished by the management) which has been relied upon by the auditors.

(iv) Disclosure on Single/Group Borrower Limits

During the year 2015-16, the Bank's credit exposures to single borrowers and group borrowers were within the limits prescribed by Reserve Bank of India. However, due to a merger sanctioned by the Hon. High Court of Delhi, between our two of our clients, viz. "Vodafone Mobile Services Limited" and "Vodafone Spacetel Limited", belonging to the same Corporate Group, the Bank found itself to have exceeded the exposure on a single counterparty, to the extent of the merger. However, the Group Borrower Limits were not exceeded, either before or after the merger. The Bank has already initiated necessary steps in informing the Clients, to reduce exposure, on maturity of the facilities drawn.

The Bank does not consider its exposure to financial institutions including Banks for purpose of monitoring individual and group exposure limits as per RBI guidelines.

During the year 2014-15, the Bank's credit exposures to single borrowers and group borrowers were within the limits prescribed by Reserve Bank of India.

(v) Unsecured Advances

There are no advances for which intangible security such as charge over the rights, licenses, authority, etc. are accepted as collateral by the Bank.

10. Disclosures for the dealings with the Group entities

31 March 2016 **Rs. '000s**

Sr. No.	Type of Entity	Name of Entity	Total Intra Group Exposure [(E)= (A)+(B)+(C) - (D)]	Total Exposure as per cent of Paid-up Capital and Reserves
1		BRD GROUPE SOCIETE GENERALE SA	16,246	0.18%
2		KOMERCNI BANK	525,598	5.83%
3		ROSBANK	66,255	0.74%
4		SG ASIA HOLDINGS (INDIA) PVT LTD	100,000	1.11%
5		SOCIETE GENERALE ALGERIE	74,321	0.82%
6	**Subsidiary –**	SOCIETE GENERALE CHINA LIMITED	509,718	5.66%
7	**Parent**	SOCIETE GENERALE GLOBAL SOLUTION CENTRE PVT. LTD.	48,875	0.54%
8		SG MAROCAINE CASABLANCA	2,058	0.02%
9		SOGECAP SPOLKA AKCYJNA ODDZIAL W POLSCE	45,068	0.50%
10		SG DE BANQUES EN COTE DIVOIRE	11,793	0.13%
11		SOCIETE GENERALE SENEGAL	9,142	0.10%
12		CREDIT DU NORD	20,909	0.23%
		Total Intra Group Exposure	1,429,983	
		Total Exposure of the Bank	87,142,813	
		% of Intra-group exposure to total exposure of the bank	**1.64%**	

Note: The exposures to M/s. ALD Automotive Private Limited are excluded from the above computation of Intra Group Exposures for F.Y. 2015-16 based on the exemption as per Master Circular on Intra Group Transactions and Exposures DBOD.No.BP.BC.96/21.06.102/2013-14 dated February 11, 2014 reference no. 3.4.C. The Letter of Comfort is issued by Societe Generale Paris (Head Office of Societe Generale India) for the facility sanctioned by Societe Generale India to M/s. ALD Automotive Private Limited.

During the Financial Year 2015-16 there was no breach in intra-group exposure, during the previous Financial Year 2014-15 there was a breach in case of two group entities namely ALD Automative Pvt. Ltd. and SG Algeria.

31 March 2015 **Rs. '000s**

Sr. No.	Type of Entity	Name of Entity	Total Intra Group Exposure [(E)= (A)+(B)+(C) - (D)]	Total Exposure as per cent of Paid-up Capital and Reserves
1	Subsidiary – Parent	ALD Automotive Private Limited	1,799,964	20.90
2		BRD Groupe SG Bucharest	3,251	0.04
3		Credit Du Nord	143	0.00
4		Komercini Bank	551,059	6.40
5		Rosbank	2,020	0.02
6		SG Asia Holdings (India) Pvt Ltd	100,000	1.16
7		SG Algerie	2,190,485	25.43
8		SG China Limited	105,900	1.23
9		SG Global Solution Centre Pvt Ltd	39,476	0.46
10		SG Marocaine,Casablanca	7,353	0.09
		Total Intra Group Exposure	4,799,651	
		Total Exposure of the Bank	85,364,211	
		% of Intra-group exposure to total exposure of the bank	**5.62%**	

Limits breached as at March 31, 2015 **Rs. '000s**

Entity	Amount	Total Exposure as per cent of Paid-up Capital and Reserves
ALD Automotive Private Limited	1,799,964	20.90
SG Algeria	2,190,485	25.43

11. Asset Liability Management

Maturity Pattern of certain items of assets and liabilities as at 31.03.2016 **Rs. '000s**

Particulars	Day 1	2 to 7 days	8 to 14 days	15 to 28 days	29 days to 3 months	Over 3 Months to 6 months	Over 6 Months to 12 months	Over 1 Year to 3 years	Over 3 Years to 5 years	Over 5 Years	Total
Loans and Advances	4,985,343	536,991	653,610	1,298,175	4,424,575	2,838,014	532,665	18,727,579	1,395,102	105,104	35,497,168
Investment	5,890,934	–	–	4,211,494	3,071,089	2,255,628	131,530	321,501	1,304	774,110	16,557,590
Deposits	791,553	2,855,593	1,842,339	4,185,000	19,439,217	4,674,949	504,507	1,313,245	5,705	–	35,612,108
Borrowings	–	3,951,435	808,311	–	2,252,670	–	–	–	–	3,468,170	10,480,586
Foreign Currency Assets	843,020	313,378	403,748	416,473	2,157,174	1,429,096	29	4,381,231	–	–	9,944,419
Foreign Currency Liabilities	438,867	2,451,558	808,311	4,553	2,252,670	2,903	477,090	76,612	–	3,468,170	9,980,734

Maturity Pattern of certain items of assets and liabilities as at 31.03.2015 **Rs. '000s**

Particulars	Day 1	2 to 7 days	8 to 14 days	15 to 28 days	29 days to 3 months	Over 3 Months to 6 months	Over 6 Months to 12 months	Over 1 Year to 3 years	Over 3 Years to 5 years	Over 5 Years	Total
Loans and Advances	2,804,184	134,140	1,005,601	1,155,759	4,545,601	3,292,359	2,153,267	19,763,469	1,304,361	189,213	36,347,954
Investment	1,823,035	–	–	3,654,999	4,990,879	1,203,707	143,592	267,969	1,327	–	12,085,508
Deposits	505,844	162,176	4,211,500	2,922,939	17,560,651	2,746,384	286,175	1,618,650	5,658	–	30,019,977
Borrowings	–	5,851,130	–	–	3,125,000	–	–	–	–	3,090,740	12,066,870
Foreign Currency Assets	364,411	125,140	968,934	785,232	3,262,444	2,306,951	8,446,857	–	–	–	16,259,969
Foreign Currency Liabilities	218,168	3,851,163	-	-	3,125,000	1,812	2,896,963	-	-	6,164,170	16,257,276

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 is excluding off Balance Sheet transactions.

12. Concentration of Deposits, Advances, Exposures and NPAs

a) Concentration of Deposits **Rs. '000s**

Particulars	31.03.2016	31.03.2015
Total deposits of twenty largest depositors	34,586,405	29,691,869
% of deposits of twenty largest depositors to total deposits	97.12%	98.91%

b) Concentration of Advances* **Rs. '000s**

Particulars	**31.03.2016**	**31.03.2015**
Total advances to twenty largest borrowers	34,916,440	34,310,418
% of advances of twenty largest borrowers to total advances	40.07%	40.19%

* *Advances computed based on definition of Credit Exposure including derivatives as per Master Circular on Exposure Norms DBR.No.Dir.BC.12 /13.03.00/2015-16 dated July 1, 2015.*

The Bank has compiled the data for the purpose of this disclosure (from its internal MIS system and has been furnished by the management) which has been relied upon by the auditors.

c) Concentration of Exposures** **Rs. '000s**

Particulars	**31.03.2016**	**31.03.2015**
Total exposure to twenty largest borrowers/customers	34,916,440	34,310,418
% of exposures to twenty largest borrowers/customers to total advances	40.07%	40.19%

** *Exposures represent credit, derivatives and investment exposure as prescribed in Master Circular on Exposure Norms DBR.No.Dir. BC.12/13.03.00/2015-16 dated July 1, 2015.*

The Bank has compiled the data for the purpose of this disclosure (from its internal MIS system and has been furnished by the management) which has been relied upon by the auditors.

d) Concentration of NPAs **Rs. '000s**

Particulars	**31.03.2016**	**31.03.2015**
Total exposure to top four NPA accounts*	–	–

* *Represents Gross exposure*

13. Sector Wise Advances **Rs. '000s**

Particulars		**2015-16**			**2014-15**		
Sr. No.	**Sector***	**Outstanding Total Advances**	**Gross NPAs Gross**	**Percentage of Gross NPAs to Total Advances in that sector**	**Outstanding Total Advances**	**Gross NPAs**	**Percentage of Gross NPAs to Total Advances in that sector**
A	**Priority Sector**						
1	Agriculture and allied activities	200,000	–	0.00%	–	–	0.00%
2	Advances to industries sector eligible as priority sector lending	11,530,565	–	0.00%	8,235,726	–	0.00%
3	Services	537,399	–	0.00%	2,061,042	–	0.00%
4	Personal loans	–	–	0.00%	–	–	0.00%
	Sub-total (A)	**12,267,964**	**–**	**–**	**10,296,768**		**–**
B	**Non Priority Sector**						
1	Agriculture and allied activities	–	–	0.00%	–	–	0.00%
2	Industry	18,492,556	–	0.00%	22,152,829	–	0.00%
3	Services	4,736,658	–	0.00%	3,896,409	–	0.00%
4	Personal loans	–	–	0.00%	1,948	–	0.00%
	Sub-total (B)	**23,229,214**	**–**	**0.00%**	**26,051,186**		**0.00%**
	Total (A+B)	**35,497,178**	**–**	**0.00%**	**36,347,954**		**0.00%**

* *The Bank has compiled the data for the purpose of this disclosure (from its internal MIS system and has been furnished by the management) which has been relied upon by the auditors.*

14. Movement of NPAs **Rs. '000s**

Particulars	**2015-2016**	**2014-2015**
i. Net NPAs to Net Advances %	–	–
ii. Movement of NPAs (Gross)	–	
Gross NPAs as on 1st April (opening balance)	–	4,286
Additions (Fresh NPAs) during the year	–	–
Sub-total (A)	–	4,286
Less: –		
(i) Up gradations	–	–
(ii) Recoveries (excluding recoveries made from upgraded accounts)	–	4,286
(iii) Technical/Prudential Write-offs	–	–
(iv) Write-offs other than those under (iii) above	–	–
Sub-total (B)	–	4,286
Gross NPAs as on 31st March (closing balance) (A-B)	–	–

14. Movement of NPAs *(Continued)* Rs. '000s

Particulars	2015-2016	2014-2015
iii. Movement of Net NPAs	–	
a. Opening balance	–	–
b. Additions during the year	–	–
c. Reductions during the year	–	–
d. Closing balance	–	–
iv. Movement of provisions for NPAs (excluding provisions on standard assets)	–	
a. Opening balance	–	4,286
b. Provisions made during the year	–	–
c. Write-off/write-back of excess provisions	–	4,286
d. Closing balance	–	–

Movement of Technical Write-offs and Recoveries: Rs. '000s

Particulars	2015-2016	2014-2015
Opening balance of Technical/Prudential written-off accounts as at 1st April	–	–
Add: Technical/Prudential write-offs during the year	–	–
Sub-Total (A)	–	–
Less: Recoveries/Reductions made from previously Technical/Prudential written-off accounts during the year (B)	–	–
Closing Balance as at 31st March (A-B)	–	–

15. The Provision Coverage Ratio (PCR) of the Bank after considering technical write-off is NIL as at 31st March, 2016 (previous year: Nil).

16. Overseas Assets, NPAs and Revenue Rs. '000s

Particulars	31.03.2016	31.03.2015
Total Assets	–	–
Total NPAs	–	–
Total Revenues	–	–

17. Off Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)- Domestic and Overseas: NIL (P.Y. – Nil)

18. The bank has not undertaken any factoring business during the Financial Year 2015-16 (P.Y. Nil).

19. Miscellaneous

(i) Amount of provisions made for Income-Tax during the year Rs. '000s

Particulars	2015-16	2014-15
– Current tax expense	382,000	388,000
– Deferred tax expense/(benefit)	175,971	(13,660)
TOTAL	**557,971**	**374,340**

(ii) Disclosure of Penalties imposed by RBI

The Reserve Bank of India, in terms of the circular dated July 24, 2010 bearing ref. IDMD.DOD.17/11.01.01 (B) 2010-11, imposed a penalty of INR 500,000/- (P.Y. 774,387) for 'SGL bouncing' for the security shortfall incident that occurred in the Financial Year 2014-15.

During the Financial year 2014-15, Reserve Bank of India levied penal interest of Rs. 53,238 u/s 46(4) of the Banking Regulation Act, 1949 due to shortfall in CRR maintenance.

(iii) Bancassurance Business Rs. '000s

Nature of Income	2015-16	2014-15
Selling life insurance policies	–	–
Selling non life insurance policies	–	–
Selling mutual fund products	–	–
Others (to be specified)	–	–

(iv) Operating Expenses: The major components of other expenditure are as follows: Rs. '000s

Particulars	2015-16	2014-15
Outsourced Expenses	11,116	4,512
Professional Fees	11,617	22,493
Travel Expenses	17,374	14,395
GTR Expenses	27,622	–

20. Disclosures as per Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI)

(i) Employee Benefits- AS 15

Provident Fund: The contribution to the employee's provident fund amounted to Rs. 15,460 for the year ended 31 March 2016 (P.Y. – Rs. 15,581)

Pension Fund: The contribution to the employee's pension fund amounted to Rs. 12,217 for the year ended 31 March 2016 (P.Y. – Rs. 16,132)

Gratuity: The Bank's gratuity scheme is managed by Life Insurance Corporation of India Ltd. Based on an actuarial valuation the insurance company claims the difference between the present value of the gratuity obligation and the fund value.

The details of the Bank's post retirement benefit plans for gratuity for its employees in accordance with AS 15(R) are given below which are certified by the actuary and relied upon by the auditors:

Rs. '000s

Reconciliation of Defined Benefit Obligations	**2015-16**	**2014-15**
Present Value of the Obligation at the beginning of the year	47,725	34,776
Interest cost	4,017	3,506
Current service cost	5,630	4,047
Benefits paid	(12,730)	–
Actuarial gain/(loss) on obligations	(3,047)	5,396
Present Value of the Obligation at the end of the year	41,594	47,725

Reconciliation of Fair Value of Plan Assets	**2015-16**	**2014-15**
Fair Value Plan Assets at the beginning of the year	32,147	23,220
Expected return on Plan Assets	2,452	1,988
Employer's contribution	8,955	6,684
Benefits paid	(12,730)	–
Actuarial gain /(loss) on obligations	(63)	255
Assets distributed on settlements	–	–
Fair Value Plan Assets at the end of the year	30,761	32,147

Amount to be recognized in Balance Sheet	**2015-16**	**2014-15**
Present Value of funded obligations	41,593	47,725
Fair value of Plan Assets	(30,761)	(32,147)
Present Value of unfunded obligations	–	–
Unrecognized past service cost	–	–
Amount not recognized as an asset	–	–
Net (Asset)/Liability in Balance Sheet under "Other Assets/Other Liabilities and Provisions"	10,832	15,578

Amount to be recognized in Profit and Loss Account	**2015-16**	**2014-15**
Current service cost	5,630	4,047
Interest on defined benefit obligation	4,017	3,506
Expected Return on Plan Assets	(2,452)	(1,988)
Net Actuarial losses/(gains) recognized during the year	(2,985)	5,141
Past service cost	–	–
Total expense recognized in the Profit & Loss Account under "Payments to and Provision for Employees"	4,210	10,706
Actual Return on Plan Assets	2,389	2,243

Experience Adjustments #	**2015-16**	**2014-15**	**2013-14**	**2012-13**	**2011-12**
Defined Benefit Obligation	41,594	47,725	34,776	42,566	34,734
Plan Assets	30,761	32,147	23,220	32,370	31,297
Surplus/(Deficit)	(10,832)	(15,578)	(11,556)	(10,196)	(3,437)
Exp. Adj. on plan liabilities	(4,037)	1,215	(796)	4,760	(807)
Exp. Adj. on plan assets	(63)	255	(188)	628	556

Summary of Principal Actuarial Assumptions	**2015-16**	**2014-15**
Discount Rate (p.a.)	7.80%	8.05%
Expected rate of return on assets (p.a.)	7.50%	7.50%
Salary Escalation rate (p.a.)	7.00%	10.00% for first year & 7% thereafter
Mortality rate	Indian Assured Lives Mortality (2006-2008)	Indian Assured Lives Mortality (2006-2008)

Particulars	**2015-16**	**2014-15**
Expected Employer's Contribution for next year	10,000	8,000

As the Gratuity Fund is managed by a Life Insurance Company, details of Investment are not available with the Bank.

Leave Encashment: The Bank charged an amount of Rs. 3,504 as liability for leave encashment for the year ended 31 March, 2016 (P.Y. – Rs. 4,977)

Long Service Awards: The actuarial liability for Long Service Awards in accordance with AS-15 (R) was Rs. 2,652 (‘000s) for the year ended 31 March, 2016. Prior to 31 March 2016, provision for Long Service Awards was provided on pro-rata basis (Rs. 3,647).

(ii) Segment Reporting- AS 17

(a) The Bank in India operates as a single unit and there are no identifiable geographical segments.

(b) The Bank has classified its business into the following segments, namely:

- Treasury – primarily comprising of trading in forex, bonds, government securities and derivatives.
- Other Banking Operations – comprising of Corporate Banking and Trade Finance.
- Residual Operations – comprising of services recharged to the SG network.

(c) Segment revenues stated below are aggregate of Schedule 13 – Interest income and Schedule 14 – Other income after considering the net inter-segment fund transfer pricing.

(d) Segment result is net of expenses both directly attributable as well as allocated costs of support functions.

(e) Segment assets and liabilities include the respective amounts directly attributable to each of the segments.

Rs. ‘000s

Business Segments/	**Treasury**		**Other Banking operations**		**Residual Operations**		**Total**	
Particulars	**31.03.2016**	**31.03.2015**	**31.03.2016**	**31.03.2015**	**31.03.2016**	**31.03.2015**	**31.03.2016**	**31.03.2015**
Gross Revenue	149,481	338,967	4,223,069	4,023,761	19,321	28,583	4,391,871	4,391,311
Intersegment revenue	(106,365)	(188,626)	106,365	188,626	–	–	–	–
Segment Revenue	43,116	150,341	4,329,434	4,212,387	19,321	28,583	4,391,871	4,391,311
Unallocated Revenue	–	–	–	–	–	–	422,154	–
Results	(260,837)	(394,153)	953,273	1,138,747	19,321	24,845	1,133,911	769,439
Unallocated Expenses							–	–
Operating Profit							1,133,911	769,439
Income Tax							(557,971)	(374,340)
Extraordinary Profit/Loss							–	–
Net profit							**575,940**	**395,099**
OTHER INFORMATION								
Segment Assets	10,524,708	19,305,721	48,214,101	46,927,890	–	9,464	58,738,809	66,243,075
Unallocated assets							964,833	1,225,758
Total Assets							**59,703,642**	**67,468,833**
Segment Liabilities	13,701,773	27,686,280	45,641,015	39,791,925	–	5,053	59,342,788	67,483,258
Unallocated Liabilities							360,854	(14,425)
Total Liabilities							**59,703,642**	**67,468,833**

Geographical Segment

Business Segments/Particulars	**Domestic**		**International**		**Total**	
	2015-16	**2014-15**	**2015-16**	**2014-15**	**2015-16**	**2014-15**
Revenue	4,814,025	4,391,311	–	–		4,391,311
Assets	59,747,642	67,043,260	–	–		67,043,260

Segmental Information is provided as per the MIS available for internal reporting purposes, which includes certain estimates and assumptions. The methodology adopted in compiling and reporting the above information has been relied upon by the auditors.

(iii) Related Party Disclosures - AS 18

(a) The transactions of the Bank with related parties in terms of Accounting Standard 18 on “Related Party Disclosures” notified under the Companies (Accounting Standards) Rules, 2006 and the related guidelines issued by RBI are detailed below except where there is only one entity/ person in any category of related parties.

(b) The details of related parties are as under:

Parent

Société Générale, France - Head Office and its branches:

The Bank has considered transactions between itself and its Parent and other branches of the Parent as ‘one entity’ and accordingly as per the guidance on compliance with the accounting standards by banks issued by the Reserve Bank of India, has not disclosed details pertaining to them.

Subsidiaries/Joint ventures of the parent

1. ALD Automotive Pvt Ltd
2. BRD Groupe SG Bucharest
3. Credit Du Nord
4. Komercini Banka
5. Newedge Broker India Pvt Ltd.
6. Rosbank
7. Société Générale Marocaine De Banques, Casablanca
8. SG Spolka Akcyjna W Polsce
9. SG-Social Security Bank Limited
10. SG Asia Holding (India) P Ltd
11. Société Générale de Banques en Cote d'Ivoire
12. SG Hambros Bank Trust,Guernsey
13. SG Global Solution Centre Pvt Ltd
14. SG Wealth Management Solution Pvt Ltd
15. Société Générale Cyprus
16. Societe Generale (China) Ltd.
17. Société Générale Algérie
18. Societe Generale De Banques Au Benin
19. Socuete Generale Dr Banques Au Senegal
20. Union De Banques Arabes

Key Management Personnel:

Names:

Evelyne Collin - Chief Executive & Chief Country Officer (01st January 2015 till date)
Nancera Moreau - Chief Operating Officer - India (25th August 2014 till 25th August 2015)
Lokesh Chaturvedi – Chief Operating Officer – India (01st July 2015 till date)

Details of Remuneration paid:

FY 2015-2016 (Rs. '000s): 45,217
FY 2014-2015 (Rs. '000s): 28,919

Disclosure in respect of transactions with subsidiaries of Head Office: **Rs. '000s**

Particulars	31.03.2016	Maximum Outstanding during the year	31.03.2015	Maximum Outstanding during the year
Deposits	18,584,498	23,731,310	18,387,768	30,320,810
Advances	352,993	2,123,193	1,586,353	1,843,891
Non-Funded Commitments	2,966,890	3,802,747	2,659,536	2,771,690
Receivables	760	760	913	913
Payables	196,468	196,468	193,935	193,935

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

Rs. '000s

Particulars	2015-16	2014-15
Interest Expense	1,315,356	14,00,334
Interest Income	78,072	82,888
Rendering of Services*	13,673	11,641
Receipt of Services	121,117	81,457

** includes fee income on Non-funded Commitments and Foreign Exchange transactions*

Material related party transactions are given below:

The following were the material transactions between the Bank and its related parties for the year ended 31 March 2016. A specific related party transaction is disclosed as a material related party transaction wherever it exceeds 10% of all related party transactions in that category.

Purchase of Fixed Assets

During the year ended March 31, 2016, the Bank purchased fixed assets from SG Global Solution Centre Pvt. Ltd. amounting to Rs. NiL (P.Y. – Rs. 2,667).

Interest Expense

Interest on deposits paid to SG Asia Holding (India) P Ltd Rs. 1,058,324 (P.Y. – Rs. 784,165), Newedge Broker India Pvt Ltd Rs. 170,248 (P.Y. – Rs. 555,973), Societe Generale Global Centre Pvt. Ltd. Rs. 86,750 (P.Y. – Rs. 60,103)

Interest Income

Interest on loans from ALD Automotive Pvt Ltd Rs. 77,864 (P.Y. – Rs. 82,121)

Rendering of Services

Fee and Commission Income/Other Income/Income on Foreign Exchange transactions received from ALD Automotive Pvt. Ltd. Rs. 1,526 (P.Y. Rs. 1,890), SG Global Solution Centre Pvt. Ltd. Rs. 3,591 (P.Y. Rs. 3,402), Komercini Bank Rs. 2,814 (P.Y. – Rs. 2,065) and SG Algeria Rs. 839 (P.Y. – Rs. 1,252), SG Asia Holding(India) Pvt. Ltd Rs.2,185 (P.Y. – Rs. 1,022), RosBank Rs. 1211 (P.Y. – Rs 431).

Receipt of Services

Payment to ALD Automotive Pvt. Ltd. Rs. 7,253 (P.Y. Rs. 6,800) towards car leasing services and SG Global Solution Centre Pvt. Ltd. Rs. 113,864 (P.Y. Rs 74,656) towards back office support and software services.

(iv) Lease Accounting- AS 19

(a) Nature of Lease – Operating Lease for motor cars, office premises and residential premises for staff

(b) Minimum Lease Payments over the non-cancelable period of the lease: Rs.11,891 (P.Y.- Rs. 25,543)

Rs. '000s

Particulars	**2015-16**	**2014-15**
Up to 1 year	11,891	13,652
1-5 years	–	11,891
Above 5 years	–	–
TOTAL	**11,891**	**25,543**

(c) Lease payments recognized in the Profit and Loss Account during the year: Rs. 39,115 (P.Y. Rs. 49,198)

(d) The lease agreements do not have any undue restrictive or onerous clauses other than those normally prevalent in similar agreements regarding use of assets, lease escalation clauses, renewals and a restriction on sub-leases.

(v) Taxes on Income-AS 22

In accordance with Accounting Standard 22 on "Accounting for taxes on income" issued by the Institute of Chartered Accountants of India, the Bank has recognized Deferred Tax Asset (DTA) on timing differences to the extent there is reasonable certainty based on contracts and arrangements in place which will enable the Deferred Tax Asset to reverse:

Rs. '000s

Particulars	**31.03.2016**	**31.03.2015**
Deferred Tax Asset		
– Accumulated Losses	–	–
– Provision for doubtful debts	18,339	47,201
– Amortization of Premium on HTM Securities	480	386
– Provision for employee benefits	15,944	14,540
Deferred Tax Liability		
– Fixed Assets	222,057	73,450
Net Deferred Tax Asset/(Liability)	**(187,294)**	**(11,323)**

Note: The increase in Deferred Tax Liability on Fixed Assets was on account of Timing Difference arisen due to sale of premises held for sale.

(vi) Other than Internally generated Intangible assets

Rs. '000s

Application Software	**31.03.2016**	**31.03.2015**
Gross Block		
At cost as at 31st March of the preceding year	459,762	454,509
Additions during the year	42,542	5,253
Deductions during the year	–	–
TOTAL:	**502,304**	**459,762**
Depreciation/Amortization		
As at 31st March of the preceding year	259,137	146,764
Charge for the year	117,839	112,373
Deductions during the year	–	–
Depreciation to date	**376,976**	**259,137**
Net block	**125,328**	**200,625**

(vii) Capital Commitments

Rs. '000s

Capital Commitments	31.03.2016	31.03.2015
Estimated amount of contracts remaining to be executed on capital account and not provided for.	–	16,553

21. Additional Disclosures

(i) Termination Benefits

Payments to and provision for employees includes Rs. Nil (P.Y: Nil) towards termination benefits.

(ii) Employee Stock Options

Société Generale (Parent) provides its employees worldwide the opportunity to become shareholders of the company on preferential terms as part of the annual capital increase reserved for the employees. All eligible employees can participate in the "International Group Savings Plan" and subscribe to Societe Generale shares within their individual entitlement during the limited period of subscription.

The preferential terms includes a discount to the reference price and an "Employers Matching Contribution" up to the specified limit per employee. Payments to and provision for employees includes Rs. Nil (P.Y: Rs. 2,092) towards this scheme. There is no future liability in respect of this scheme.

(iii) Provisions and Contingencies

Description of Contingent Liabilities

Claims against the Bank not acknowledged as debt

This represents legal claim filed against the Bank in its normal course of business and tax claims/demands raised by the Income tax authorities, which are disputed by the Bank.

The Bank has been advised by RBI vide its letter dated February 2, 2016 to apply for compounding of an alleged FEMA violation related to a client account in private banking operations. The matter is under consideration and the contingent liability, if any, is not ascertainable on balance sheet date.

Liability on account of forward exchange and derivative contracts

The Bank enters into foreign exchange contracts, currency options, forward rate agreements, currency swaps, interest rate swaps and interest rate options on its own account and for customers. The notional amounts that are recorded as contingent liabilities form the basis for the calculation of the interest component on the contracts where applicable.

Guarantees given on behalf of constituents, Acceptances, Endorsements and other obligations

As a part of its normal banking activities, the Bank issues documentary credit and guarantees on behalf of its customers.

Provisions and Contingencies recognized in the Profit and Loss Account include: Rs. '000s

PROVISIONS AND CONTINGENCIES	2015-16	2014-15
I. **Taxation Charge**		
– Current tax expense	382,000	388,000
– Deferred tax expense/ (benefit)	175,971	(13,660)
II. Provision/(Write back) for loan losses	–	(4,286)
III. Provision for Standard Assets	(8,083)	38,886
IV. Provision for depreciation on Investments	–	(578)
V. Provision for Un-hedged Foreign Currency Exposure	(7,238)	17,681
VI. Provision for Country Risk	(3,680)	4,908
VII. Others	–	3,740
TOTAL	**538,970**	**434,691**

(iv) Floating Provisions: Nil (P.Y. Nil)

(v) Draw down from Reserves:

Bank did not have draw downs from reserves during the year ended 31 March 2016. In accordance with the RBI requirement on creation and utilization of Investment reserve in respect of HFT and AFS investments, amount of Rs. 246 (in'000s) was transferred to Investment reserve account during the year ended 31 March 2015.

(vi) Disclosure of Complaints:

Sr. No.	Customer Complaints	2015-16	2014-15
a)	No. of complaints pending at the beginning of the year	–	1
b)	No. of complaints received during the year	1	–
c)	No. of complaints redressed received during the year	1	1
d)	No. of complaints pending at the end of the year	–	–

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.

Disclosure of Awards passed by the Banking Ombudsman

Sr. No.	Awards passed by the Banking Ombudsman	2015-16	2014-15
a)	No. of unimplemented awards at the beginning of the year	–	–
b)	No. of awards passed by the Banking Ombudsmen 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.

(vii) Disclosure of Letters of Comfort

The Bank has not issued any Letter of Comfort during the year. The assessed cumulative financial obligation under the Letters of Comfort issued and outstanding is Nil. (P.Y. Nil)

(viii) Disclosures on Remuneration

In accordance with the requirement of the RBI Circular No. DBOD.NO.BC.72/29.67/001/2011-12 dated 13 January 2012, the Bank has submitted to the Reserve Bank of India a letter from the Head Office which states that the compensation policies in India including that for the Chief Executive Officer are in line with the Financial Stability Board (FSB) requirements.

(ix) Disclosure on Fixed Assets

During the financial year bank sold the premises held for sale and the profit on sale of premises has been reported as profit from extra-ordinary activities in Profit and Loss Statement. In accordance with RBI guidelines profit of Rs. 224,526 was transferred to Capital Reserve net of Statutory Reserve and net of tax (at effective tax rate).

(x) Disclosure on Corporate Social Responsibility (CSR) Expenditure

(a) As per the provisions of section 135 of the Companies Act 2013, the Bank was required to spend INR 12,959 (‘000s)

(b) Amount spent during the year **Rs. ‘000s**

Particulars	Paid	Yet to be paid	Total
(i) Construction/acquisition of any asset			
(ii) On purpose other than (i) above	5,250	–	5,250

During the year 2015-16, the Bank has spent Rs. 5,250 (‘000s) on various CSR activities, which is equivalent to 0.81% of its average net profits of the last three financial years. As an integral part of society, the Bank is aware of its corporate social responsibilities and has been engaged in community and social investment. The Bank stays committed to its corporate social responsibility and intends to continually increase the impact of its CSR initiatives. The Bank will make concerted efforts to spend the prescribed CSR amount in the subsequent years.

Since the CSR provisions in the Companies Act, 2013 were notified from April 01, 2014, our focus during the first financial year has been to build capacity and putting in place strong governance and policies as well as a robust monitoring framework to ensure optimal and effective utilization of the funds that will guide CSR spending in the coming years. The shortfall in CSR funding for financial year 2015-16 is on account of significant time spent on capacity building and development of internal framework to strengthen CSR monitoring and utilization as well as inability to identify and locate sufficient number of projects within our identified areas of intervention and which cleared our stringent due diligence on financial, regulatory and program parameters.

(xi) Disclosure on transfer to Depositor Education and Awareness Fund (DEAF) **Rs. ‘000s**

Particulars	2015-16	2014-15
Opening balance of amounts transferred to DEAF	1,376	–
Add: Amounts transferred to DEAF during year	885	1,376
Less: Amounts reimbursed by DEAF towards claims	–	–
Closing balance of amounts transferred to DEAF	2,261	1,376

(xii) Based on the available information, there are no outstanding dues towards principal amount or interest thereon remaining unpaid to any supplier covered under, Micro, Small and Medium Enterprises development Act, 2006 as at the end of the accounting year.

Further, no interest was due or payable by the Bank to any supplier during the year under the provisions of the said Act.

(xiii) Unhedged Foreign Currency Exposures

The Bank has provided for unhedged foreign currency exposure as per RBI master circular DBOD.No.BP.BC.1/21.04.048/2014-15 dated 01 July 2014 on prudential norms on income recognition, asset classification and provisioning pertaining to advances. The Bank considers all customers who have borrowed from the Bank and covers gross sum of all items on the customer’s balance sheet that has an impact on the profit and loss account due to movement in foreign exchange rates. While providing for unhedged foreign currency exposure, the Bank has considered both financial hedges and natural hedges. The Bank has internally devised the mechanism of identifying the un-hedged foreign currency exposure to individual clients based on their latest audited result. This has enabled the Bank to consider incremental provisioning under the RBI norm and adhere to the requirements.

Provision towards unhedged foreign currency exposure as on 31 March 2016 is Rs 10,443 (in ‘000s) (previous year: 17,681) and the capital held by the Bank towards this risk is Rs. 13,972 (in ‘000s) (previous year: 21,612).

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

(xiv) Liquidity Coverage Ratio (LCR) **Rs. '000s**

Sr. No.	Particulars	Quarter Ended 31-Mar-2016		Quarter Ended 31-Dec-2015		Quarter Ended 30-Sep-2015		Quarter Ended 30-June-2015		Quarter Ended 31-Mar-2015	
		Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets										
1	Total High Quality Liquid Assets (HQLA)		105,232		75,160		77,249		70,703		68,018
	Cash Outflows										
2	Retail deposits and deposits from small business customers, of which:	228	14	393	24	263	16	198	12	109	7
	(i) Stable deposits	178	9	306	15	205	10	155	8	87	4
	(ii) Less stable deposits	50	5	86	9	58	6	43	4	22	2
3	**Unsecured wholesale funding, of which:**	**392,115**	**180,496**	**351,182**	**166,600**	**329,146**	**154,908**	**371,683**	**149,973**	**364,294**	**186,994**
	(i) Operational deposits (all counterparties)	–	–	–	–	–	–	–	–	5,070	2,090
	(ii) Non-operational deposits (all counterparties)	392,115	180,496	351,182	166,600	329,146	154,908	371,683	149,973	329,304	154,984
	(iii) Unsecured debt	–	–	–	–	–	–	–	–	29,920	29,920
4	Secured wholesale funding		–		–		–		–		–
5	**Additional requirements, of which**	**29,159**	**8,766**	**24,683**	**7,485**	**31,185**	**9,516**	**33,790**	**10,285**	**14,236**	**4,647**
	(i) Outflows related to derivative exposures and other collateral requirements	26	26	114	114	230	230	211	211	537	537
	(ii) Outflow related to loss of funding on debt products	–	–	–	–	–	–	–	–	–	–
	(iii) Credit and liquidity facilities	29,133	8,740	24,569	7,371	30,955	9,287	33,579	10,074	13,699	4,110
6	Other contractual funding obligations	7,840	7,840	6,914	6,914	2,357	2,357	1,188	1,188	18,279	8,657
7	Other contingent funding obligations	152,974	6,378	74,744	3,737	226,832	11,342	210,070	10,503	218,603	10,930
8	**Total Cash Outflows**		**203,494**		**184,760**		**178,139**		**171,961**		**211,235**
	Cash Inflows										
9	Secured lending	–	–	–	–	–	–	–	–	–	–
10	Inflows from fully performing exposures	1,581	1,581	687	687	1,583	1,583	13,983	13,983	40,848	20,772
11	Other cash inflows	153,337	78,700	169,227	87,824	128,813	65,370	90,656	45,348	91,868	46,217
12	**Total Cash Inflows**	**154,918**	**80,281**	**169,914**	**88,511**	**130,396**	**66,953**	**104,639**	**59,331**	**132,716**	**66,989**
		Total adjusted value		**Total adjusted value**		**Total adjusted value**		**Total adjusted value**		**Total adjusted value**	
13	**Total HQLA***		**105,232**		**75,160**		**77,249**		**70,703**		**68,018**
14	**Total Net Cash Outflows***		**123,213**		**96,249**		**111,186**		**112,630**		**144,247**
15	**Liquidity Coverage Ratio (%)***		**85.60%**		**81.48%**		**69.57%**		**65.00%**		**50.78%**

* The average weighted, unweighted amounts, TOTAL HQLA, Total Net Cash Outflow, LCR are calculated taking simple average of month end numbers for each quarter.

Qualitative Disclosure

1) In accordance with Basel III norms, the LCR requirement has been introduced by RBI for banks in India effective 1 January 2015 with a minimum 60% for the calendar year 2015, rising in equal steps each calendar year to reach the minimum 100% requirement by 1 January 2019. The minimum requirement for calendar year 2016 is 70.
2) LCR standard aims to ensure sufficient liquidity within the bank through High Quality Liquidity Assets (HQLA) to survive acute stress scenario lasting for 30 days, as it is expected that the bank will take appropriate corrective action within 30 days.
3) Banks HQLA primarily consists of GSEC investments above the SLR limit and Government securities within the mandatory SLR requirement, to the extent allowed by RBI under MSF and FALLCR.
4) The Bank's ALCO is responsible for liquidity risk management on an overall basis, providing guidance to respective stakeholders within the Bank.
5) The amounts for the period April 2015 to February 2016 have been compiled from the LCR returns submitted by the Bank to RBI on a monthly basis.

(xv) Miscellaneous income includes Net Profit/(Loss) on derivative transactions Rs. 189,819 (P.Y. Rs. (826,446)) and recovery from network Rs. 19,320 (P.Y. Rs. 28,582)

(xvi) In terms of RBI Master Circular on Foreign Investments in India dated July 01, 2015, the bank does not have any subsidiary companies and as such no certificate was required from the statutory auditors on an annual basis as regards status of compliance with the instruction on downstream investments in compliance with the FEMA provisions.

(xvii) Previous year's figures have been regrouped or rearranged, wherever necessary, to conform to current year's presentation.

For Societe Generale – Indian Branches

Sd/-	Sd/-	Sd/-
Ashok Krishnamoorthy	**Lokesh Chaturvedi**	**Evelyne Collin**
Chief Financial Officer - India	**Chief Operating Officer**	**Chief Executive and Chief Country Officer**

Place: Mumbai
Date: June 24, 2016

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

Basel III disclosures of the Indian Branches for the year ended 31 March 2016

All amts in Rs. '000s, unless otherwise stated

DF 1. Scope of application

1. **Qualitative and Quantitative Disclosures:**

The Bank is subject to the capital adequacy guidelines stipulated by RBI, which are based on the framework of the Basel Committee on Banking Supervision. As per Basel III guidelines, the Bank is required to maintain a minimum Capital to Risk Weighted Assets Ratio (CRAR) of 9% {11.5% including Capital Conservation Buffer (CCB)}, with minimum Common Equity Tier I (CET1) of 5.5% (8% including CCB) as on 31st March 2019. These guidelines on Basel III has been implemented on 1st April 2013 in a phased manner. The minimum capital required to be maintained by the Bank for the year ended 31st March 2016 is 9% with minimum Common Equity Tier 1 (CET1) of 5.5%.

The risk management framework of Indian operations is integrated with the Bank's strategy and business planning processes at global level. The Bank has comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed in conducting its activities. The risk management function in India is as per directives and framework set out at Head Office level.

As at March 31, 2016, the Bank does not have any investment in subsidiaries/Joint Ventures and Associates, significant minority equity investment in insurance, financial and commercial entities.

2. **Capital structure**

Qualitative Disclosures

Bank regulatory capital consists of two components – Tier 1 capital and Tier 2 capital. Both components of capital provide support for banking operations and protect depositors. As per Reserve Bank of India (RBI) guidelines, the composition of capital instruments for foreign banks in India would include the following elements:

Tier 1 Capital:

- Interest-free funds received from Head Office
- Statutory reserves kept in Indian books
- Remittable surplus retained in Indian books which is not repatriable so long as the bank functions in India
- Capital Reserves
- Interest-free funds remitted from Head Office for acquisition of property

Tier 2 Capital:

- General provisions and loss reserves:

  General provisions and loss reserves can be reckoned up to a maximum of 1.25 per cent of the total Credit risk-weighted assets. Such provisions and reserves include provisions on Standard Assets, Country Risk Exposures, Unhedged Foreign Currency Exposures and Investment Reserve Account'.
- Head Office borrowings in foreign currency raised by foreign banks operating in India classified as subordinated debt subject to a maximum ceiling of 50% of the Tier 1 capital maintained in India.

Quantitative Disclosures

(a) Tier 1 Capital (Rs. '000s)

Amount Received from Head Office	6,754,150
Statutory Reserves	1,082,803
Remittable Surplus Retained in India for CRAR	817,132
Capital Reserves	243,757
Interest-free funds remitted from Head Office for acquisition of property	345,070
Less : Intangible Assets	(125,328)
Total Tier 1 Capital	**9,117,584**

(b) Tier 2 Capital (Rs. '000s)

General Provisions	229,174
Investment Reserve	91,373
Country Risk Provisions	41,326
Total Tier 2 Capital	**361,873**

(c) Debt Capital Instruments Eligible for inclusion in Upper Tier 2 Capital (Rs. '000s)

Total Amount Outstanding	–
of which amount raised during the current year	–
Amount eligible to be reckoned as capital funds	–

(d) Subordinated Debt Eligible for inclusion in Lower Tier 2 Capital (Rs. '000s)

Total amount outstanding	3,468,170
of which amount raised during the current year	–
Amount eligible to be reckoned as capital funds	–

(e) Other deduction from capital.

There are no other deductions from capital.

(f) Total Eligible Capital

The total eligible capital is Rs. 12,947,627 ('000s).

SOCIETE GENERALE

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(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

DF 2. Capital Adequacy

Qualitative Disclosures

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

The Bank has assessed its future capital requirement and the same has been documented in the ICAAP (Internal Capital Adequacy Assessment Process) based on the position as of March 31'2016. The capital requirement will be re-assessed taking into consideration the position of the Bank for the financial year ended March 31'2016.

The existing level of Capital is adequate to meet the Bank's current and future business requirements and the CRAR ratio of the Bank is significantly higher than that prescribed by the regulators. A summary of the Bank's capital requirement for credit, market and operational risk and the capital adequacy ratio as on 31st March 2016 is presented below:

Quantitative Disclosures

(Rs. '000s)

(a)	Capital Requirements for Credit Risk:	
	Portfolios subject to Standardised Approach	3,333,212
	Securitisation Exposures	–
(b)	Capital Requirements for Market Risk: Standardised Duration Approach :	
	Interest Rate Risk	474,066
	Foreign Exchange risk (including Gold)	180,000
	Equity Risk	–
(c)	Capital Requirement for Operational Risk:	
	Basic Indicator Approach	247,945
Total Eligible Capital		12,947,627
Total Risk Weighted Assets		48,310,074
Total Capital Ratio		26.80 %
Tier 1 Capital Ratio		18.87 %

DF 3. Credit risk: general disclosures

Qualitative Disclosures

Credit Risk has been defined as the risk of financial loss if counterparty defaults on an obligation under a contract. It arises mainly from direct lending, off-balance sheet exposures such as guarantees and from the Bank's investments in debt securities.

Strategy and processes (including credit risk management policy of the Bank)

The credit risk management framework is based upon Societe Generale group policies and revolves around certain key principles

- All transactions and facilities must be authorized in advance.
- All requests for authorizations relating to a specific client or client group are handled by a single operating division.
- All authorizations are given by an independent risk department, and approval rests on a framework based on internal counterparty risk ratings, Loss given default and a risk-adjusted return on capital analysis
- There are internal caps on the total sub-investment grade exposure (defined as internal rating of 6 (six) or below), exposure to sensitive sectors and on the extent of unsecured exposure.
- There are also specific controls on exposures to banks and financial institutions, designed to ensure against excessive risk concentration.

Structure and Organization:

The risk ratings are provided by operating divisions and are validated by the risk officers. The Risk department is independent of the operating divisions. The local Risk department was separated from Credit department in December 2011. Risk ratings are included in all credit proposals and are factored into all credit decisions. These ratings are independently validated by respective Risk Divisions in Head Office or Regional Hubs.

There is a specialized and centralized department for financial institutions which is located in Paris.

Scope and nature of risk reporting and measurement:

The internal rating models measure counterparty risk (expressed as a probability of default by the borrower in one year) and transaction risk (expressed as the amount that will be lost should a borrower default). An in house database stores all credit limits.

The risk on counterparty exposure on market transactions is measured by modeling the future mark to market value of transactions, after taking into effect netting and correlation effects.

Non-performing advances:

Non performing advances are identified by regular appraisals of the portfolio by management or in accordance with RBI guidelines, whichever is earlier. Specific provision is made on a case by case basis, subject to minimum provisioning levels prescribed by RBI. Special attention is paid to early identification of problem exposures. The Bank's approach towards problem exposures is:

- Quick identification and isolation of potential weak /non-performing credits for concentrated attention through inclusion in the watch list. Watch list discussions are attended by Senior Management, Head of Risk and the Relationship Manager.
- Continued and rigorous follow up of these credits with the intention to monitor a possible turnaround or an early exit.
- A structured and sustained pro-active approach complemented by a rigorous follow up procedures.

  For recognition of past due and impaired loans and advances, the Bank follows guidelines prescribed by Reserve Bank of India as contained in circular DBOD.No.BP.BC.1/21.04.048/2013-14 dated July 01, 2013 on "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances" and other circulars/notifications issued by RBI during the course of the year in this regard.

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

Quantitative Disclosures

a) Total gross credit risk exposure — Rs.' 000s

	Fund Based (Note 1)	Non Fund Based (Note 2)	Total
As at 31.03.2016	51,182,850	29,041,802	80,224,652

1. The above amounts represent exposures before credit risk mitigants.
2. Non fund based exposures excludes exposures pertaining to FX and Derivatives.

b) Geographic distribution of exposures — Rs.' 000s

		As at 31.03.2016	
	Fund Based	Non Fund Based	Total
Overseas	–	–	–
Domestic	51,182,850	29,041,802	80,224,652
Total	51,182,850	29,041,802	80,224,652

c) Industry type distribution of exposures — Rs.' 000s

Industry	Fund based	Non fund based	Total
All Engineering	6,702,648	8,897,121	15,599,769
Basic Metal & Metal Products	15,000	–	15,000
Cement and Cement Products	355,000	2,109,070	2,464,070
Chemical and chemicals products	7,635,000	1,695,476	9,330,476
Food Processing	3,140,000	601,416	3,741,416
Gems and Jewellery	3,900,000	95,911	3,995,911
Infrastructure	4,500,000	350,000	4,850,000
Mining and Quarrying	–	50,000	50,000
Other Industries	6,761,873	2,944,347	9,706,220
Other Residuary Advances	163	–	163
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	400,000	234,901	634,901
Rubber, Plastic and their Products	1,250,000	750,000	2,000,000
Textiles	905,000	250,107	1,155,107
Vehicles, Vehicle Parts and Transport Equipments	4,565,000	203,320	4,768,320
Banking & Finance	7,663,166	17,778,293	25,441,459
NBFC	3,390,000	–	3,390,000
Total	**51,182,850**	**35,959,963**	**87,142,813**

d) Residual contractual maturity breakdown of assets — Rs.' 000s

	As at 31.03.2016
1 day	11,981,719
2-7 days	1,288,875
8-14 days	653,610
15-28 days	6,145,723
29 days -3 months	9,034,552
Over 3 months -6 months	5,493,893
Over 6 months -upto 1 year	2,538,000
Over 1 year -upto 3 years	19,266,681
Over 3 years to 5 years	1,396,634
Over 5 years	1,903,956
Total	**59,703,642**

e) Amount of NPAs (Gross) – NIL (P.Y. Rs.NIL)

f) Net NPAs- Nil (P.Y. Nil)

g) NPA Ratios

Gross NPAs to gross advances 0.00% (P.Y.0.00%)

Net NPAs to net advances- 0% (P.Y.0%)

h) Movement of NPAs — Rs.' 000s

Gross	NPAs	Provision	Net NPA
Opening balance	–	–	–
Additions	–	–	–
Reduction (including write backs/write offs)	–	–	–
Closing balance	–	–	–

i) Non performing investments – Nil

j) Provisions held for non-performing investments – Nil

k) Movement of provisions for depreciation on investments

Rs.' 000s

	2015-16
Opening Balance at beginning of the year	–
Add: Provisions made during the year	–
Less: Write-off/write-back of excess provisions during the year	–
Closing Balance at end of the year	–

DF 4. Credit risk: disclosures for portfolios subject to the standardised approach

Qualitative Disclosures

The Bank relies on the ratings given by the following External Credit Rating Agencies (ECRAs) approved by the RBI to calculate its capital requirement under the standardised approach for credit risk

Domestic Credit Rating Agencies for external ratings of Indian Corporates:

1) Credit Analysis and Research Ltd.(CARE)
2) CRISIL.
3) India Ratings & Research Private Limited (earlier known as FITCH India)
4) ICRA Ltd, Brickwork Ratings India Pvt. Ltd., SMERA Ratings Limited

The Bank has used issue-specific solicited ratings available in the public domain (for both Long Term and Short Term facilities) from the above domestic rating agencies to allocate appropriate risk weighting for both funded as well as non-funded exposures on corporate customers.

The mapping of external credit ratings and risk weights for corporate exposures is provided in the tables below:

Risk weight mapping of long term corporate ratings

Long term ratings	Risk weights
AAA	20%
AA	30%
A	50%
BBB	100%
BB & Below	150%
Unrated	100%

Risk weight mapping of short term corporate ratings

Short Term Ratings				
CARE	**CRISIL**	**FITCH**	**ICRA**	**Risk weights**
A1+	A1+	A1+	A1+	20%
A1	A1	A1	A1	30%
A2	A2	A2	A2	50%
A3	A3	A3	A3	100%
A4 & D	A4 & D	A4 & D	A4 & D	150%
Unrated	Unrated	Unrated	Unrated	100%

The claims on banks incorporated in India and foreign banks branches in India, excluding investment in equity shares and other instruments eligible for capital status are risk weighted as under:

CRAR %	Scheduled Banks	Other Banks
> 9	20%	100%
6 to < 9	50%	150%
3 to < 6	100%	250%
0 < 3	150%	350%
Negative	625%	625%

International ECRAs for external ratings of Foreign Banks, Foreign Sovereigns, Foreign Public Sector Entities and Non-Resident Corporates:

a) Fitch
b) Moody's
c) Standard & Poor's

The mapping of external credit ratings and risk weights for the above entities are provided in the tables below to the extent applicable.

Risk weight mapping of foreign banks Updated

S&P and Fitch ratings	AAA to AA	A	BBB	BB to B	Below B	Unrated
Moody's rating	Aaa to Aa	A	Baa	Ba to B	Below B	Unrated
Risk weight	20%	50%	50%	100%	150%	50%

Amount outstanding under various risk buckets: Rs.' 000s

	As at 31.03.2016
Below 100 % risk weight	11,523,096
100 % risk weight	21,132,922
More than 100 % risk weight	2,749,136
Deducted	–
Total**	**35,405,154**

**The above Risk Weighted Assets excludes exposures to QCCP and CVA charge as at March 31, 2016.

DF 5. Credit risk mitigation: disclosures for standardised approaches:

Qualitative Disclosures

Policy for collateral valuation and Management

All corporate and institutional facilities are reviewed (and hence revalued) at least on an annual basis. All deeds of ownership/ titles related to collateral are held in physical custody under the control of executives independent of the business. Unsecured exposures cannot exceed the overall ceiling fixed for such facilities.

The main categories of recognized collateral taken by the Bank conform to the list of eligible financial collateral advised in Section 7.3.5 of RBI's Prudential guidelines on Capital Adequacy and Market discipline and include cash on deposits, marketable equities, and recognized debt securities.

The Bank also extends credit facilities against guarantees from international corporates and banks. For a corporate guarantee to be recognized as a credit risk mitigant, the guarantor must have a rating of A or above from Standard & Poor's, Fitch and/or Moody's.

The Bank is not active in securitization of standard assets in India.

Quantitative Disclosures:

As on March 31, 2016, the total exposure covered by eligible financial collateral after application of haircuts was Rs. 28,231 (P.Y. Rs. 4,913)

DF 6. Securitisation: disclosure for standardised approach

The Bank has not undertaken any securitization operation during the year.

DF 7. Market risk in trading book

Qualitative Disclosures

Market risk arises out of the fluctuation in the interest rates, foreign exchange rates and the consequent change in the prices of various financial instruments held by the Bank. The financial instruments are revalued on a daily basis as per the guidelines issued by the regulatory authorities. The change in the valuation of the financial instruments may result in profit or loss for the Bank.

The primary objective of Bank's market risk management is the continuous and independent monitoring of positions, market and counterparty risks incurred by the Bank's trading activities, and the comparison of these positions and risks with established limits.

Strategy and Process:

All open Market Risk is subject to approved limits. The limits are set based on the projected business plan of the Risk Taking Unit, market environment and the risk perception. The Risq/Mar limits are defined as per the HO Market Risk policy under which the requests for limits are made by the relevant business line accompanied by supporting rationale (viz. projected business plan and historical utilizations). Risq/Mar then reviews and validates the limits in discussion with the business lines. All approved limits are then recorded in the reference systems for Market Limits (Colibris). The approved Risq/Mar limits are also presented to the Bank's ALCO, which reviews and revalidates the limits. The Risq/Mar limits are reviewed on an annual basis or if particular circumstances arise.

In addition to the Risq/Mar limits, SG India also has local Stress Test, portfolio-wise VaR and PV01 limits. The local limits setting process involves, initiation of the request for limits by TFO to Branch Risk Manager (BRM), which then reviews and validates the limits based on the rationale provided by the TFO. While reviewing the proposed limits, the BRM considers the business plan forecasts, past utilizations, market environment and risk perception. Subsequently, the limits are then presented to ALCO for its approval. The ALCO takes into consideration TFO's capacity and capability to perform within the proposed limits evidenced by the experience of the Traders, controls and risk management, audit ratings and trading revenues. Post approval by the ALCO, the limits are documented in the limits package of SG India and updated in all the relevant risk monitoring reports. SG India also has Stop Loss limits applicable to the trading desk that is approved by the ALCO and the respective business head at the SG's Regional Office.

Structure and organisation of market risk management

The local BRM is overall responsible for the management of Market Risk under support and guidance from the Market Risk Department (Risq/Mar) at the HO Level. The local BRM, functions within the broad framework defined by Risq/Mar, HO and ensures compliance with the local regulatory requirements. It works independently of Front Office, who have no hierarchical authority over BRM and no pressure may be brought to bear by traders in relation to allocated limits or calculated risk amounts used by BRM. The Treasury Front Office (TFO) is the Risk Taking Unit within the bank. The primary responsibility for risk management of market transactions is held by TFO s as part of the ongoing management of their activities and the continuous monitoring of their positions.

Scope and nature of risk measurement, risk reporting and risk monitoring system:

Market risk is monitored and controlled using parameters, such as , Value at Risk (VaR), Sensitivity limits (parallel shift in interest rates), net open position limit (Foreign exchange positions) and stress test. The bank has set limits on each of these parameters and the utilizations are reported on a daily basis to the senior management.

All trading transactions are booked in the front office deal booking system called X-ONE. This system is capable of calculating the position and sensitivity on treasury transactions that are used by TFO to view the risk on their portfolio. . Additionally, TFO refers to another system called 'Mercury' to view the sensitivities on their positions. The Market Risk parameteres like VaR, stress tests, FTQ (flight to quality), Interest Rate sensitivity (10bps) and Forex Spot Position are computed by the Market Risk Department at HO (RISQ/MAR) using systems called RISK-ONE and AGRisk. The local BRM compiles the sensitivities and VaR report for the Bank's portfolio using reports received from the Regional Office as well as those that are generated locally using RISK-ONE system. The SG's VaR model uses historical simulation methodology based on a 1-day time horizon at the 99% confidence interval using a 1-year sliding window.

The bank has adopted stress testing as an integral part of its risk management framework and as such it is used to evaluate potential vulnerability to some unlikely but plausible events or movements in financial variable. While there is a well-defined global framework designed at the SG's HO level on stress test, that covers all the geographical locations and markets including the Indian branches of SG, the bank has adopted a localized stress test framework in order to incorporate the local risk factors having an impact on the Bank's portfolio. The Bank performs Market Risk Stress Test on a quarterly basis for both the Trading and accrual portfolios. The methodology, assumptions, scenarios and results of the Stress Test are presented to ALCO and APEX Committee for discussion and review.

Capital requirements for market risk: **Rs.' 000s**

Standardised duration approach	**As at 31.03.2016**
Interest rate risk	474,066
Foreign exchange risk	180,000
Equity risk	–
Capital requirements for market risk	654,066

DF 8. Operational risk

Qualitative disclosures

The operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, including events of low probability of occurrence, but with a risk of high loss. This definition includes legal risk but excludes strategic and reputation risks.

Strategy and Process

The Bank has an Operational risk policy in place which classifies Operational Risk events into 8 major heads and 49 sub heads to map with the Basel II Loss Event Type Classifications, Event Description, Corrective & Preventive Action plan and loss amounts & recoveries. The risk is managed through a system of prevention, control and coverage that comprises detailed procedures, permanent supervision, and insurance policies, further supported by reviews by the internal audit and the Head-office teams.

Structure and Organisation

Implementation of the Operational Risk framework of the bank is done by the Operational Risk Manager under guidance of the Chief Operating Officer and guidance from regional Security & Anti Fraud Expertise (SAFE) team responsible for Operational Risk topics. The framework rests on 5 pillars:-

- Operational Loss Collection.
- Risk & Controls Self Assessment
- Permanent Supervision
- Key Risk Indicators
- Scenario Analysis

The Operational Risk aspects are discussed in the monthly APEX Committee meeting & specific topics are discussed Operational Risk Management Committee chaired by the Chief Executive Officer – India and participants from the respective Business Functions.

Scope and nature of Risk reporting/measurement system

The Bank has clearly defined the nature, scope of risk reporting by putting in place systems and thresholds for loss data collection, measurement and reporting by category and sub category of events. The Bank's internal classification has been mapped to the Basel II Loss Event Type Classifications. Based on this classification Risk Drivers (KRIs) that convey any control weakness that could cause an Operational Risk Event are identified and assessed through multiple evaluation questions.

The Bank also has a RCSA (Risk Control & Self Assessment) process in place which helps to evaluate the inherent risk in the business and the controls in place to mitigate it. The process covers all business units of the bank.

Hedging/Mitigating techniques

The ORM policy is also designed to alert the operating divisions as soon as possible if they are vulnerable to risks so as to ensure that they react immediately to reduce potential losses and/or the severity of such losses. The gaps/residual risk identified during the above mentioned RSCA exercise are addressed by implementing additional controls to ensure a robust ORM structure.

The Bank has adopted the Basic Indicator approach to compute the capital requirement for operational risk as prescribed by RBI. The Bank has made an application to the RBI for migrating to The Standardised Approach (TSA)/ Advanced Measurement approach (AMA).

DF 9. Interest rate risk in the banking book (IRRBB)

In order to manage the risk optimally, the Interest Rate Risk in the Banking Book (IRRBB) is centralized within the ALM desk in Finance department. The Head Office has assigned sensitivity limits on the IRRBB which also covers the capital and investments held in the HTM category. The risks arising out of various commercial banking activities are transferred to the ALM desk using the internal funds transfer pricing mechanism.

The ALM desk manages and hedges, if required, the IRRBB with Treasury under the guidance of the ALCO. The IRRBB is measured on a Quarterly basis.

Quantitative Disclosures

Market Risk Limits (Amounts in EUR)

1- Value at Risk : VAR 99%

VAR	Limit	Usage	
Global	*3,000,000*	*303,500*	*10%*
Trading	*3,000,000*	*301,500*	*10%*

2 -Interest Rate Sensitivity Limits (expressed in EUR for +10bps)

Parallel	Limit	Usage	
Global	*500,000*	*42,616*	*9%*

3- Stress Tests

	Limit	Usage	
Stress Test	*20,000,000*	*1,867,000*	*9%*

As required under Pillar III norms, the increase/decline in earnings and economic value for an upward/downward rate shock of 200 basis points as on March 31, 2016, broken down by currency is as follows:

Earnings Perspective (Rs. ‘000s)

Currency	Interest Rate Shock	
	2% Increase	2% Decrease
Rupees and other major currencies	(10,898)	10898
US Dollar	(35076)	35076

Economic Value Perspective (Rs. ‘000s)

Currency	Interest rate shock	
	2% increase	2% decrease
Rupees and other major currencies	650,795	(650,795)
US Dollar	23,328	(23,328)

DF 11. Composition of capital

Rs. in ‘000

	Particulars	Amount	Amounts Subject to Pre-Basel III Treatment	Ref No.
Common Equity Tier 1 capital: instruments and reserves				
1	Directly issued qualifying common share capital plus related stock surplus (share premium) (Funds from Head Office)	6,754,150	–	Schedule 1
2	Retained earnings	817132	–	Schedule 2
3	Accumulated other comprehensive income (and other reserves)	1,671,630	–	Schedule 1 & 2
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	–	–	
	Public sector capital injections grandfathered until January 1, 2018	–	–	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	–	–	
6	**Common Equity Tier 1 capital before regulatory adjustments**	**9,242,912**	–	
Common Equity Tier 1 capital : regulatory adjustments				
7	Prudential valuation adjustments	–	–	
8	Goodwill (net of related tax liability)	–	–	
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	125,328	–	Schedule 10
10	Deferred tax assets	–	–	
11	Cash-flow hedge reserve	–	–	
12	Shortfall of provisions to expected losses	–	–	
13	Securitisation gain on sale	–	–	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	–	–	
15	Defined-benefit pension fund net assets	–	–	
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)	–	–	

17	Reciprocal cross-holdings in common equity	–	–	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	–	–	
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	–	–	
20	Mortgage servicing rights(amount above 10% threshold)	–	–	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	–	–	
22	Amount exceeding the 15% threshold	–	–	
23	of which : significant investments in the common stock of financial entities	–	–	
24	of which : mortgage servicing rights	–	–	
25	of which : deferred tax assets arising from temporary differences	–	–	
26	National specific regulatory adjustments (26a+26b+26c+26d)	–	–	
26b	of which : Investments in the equity capital of unconsolidated non-financial subsidiaries	–	–	
26c	of which : Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	–	–	
26d	of which : Unamortized pension funds expenditures	–	–	
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	–	–	
	of which : HO Debit Balance	–	–	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	–	–	
28	**Total regulatory adjustments to Common equity Tier 1**	125,328	–	Schedule 10
29	**Common Equity Tier 1 capital (CET1)**	**9,117,584**	**–**	
Additional Tier 1 capital : instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)	–	–	
31	of which : classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	–	–	
32	of which : classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	–	–	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	–	–	
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	–	–	
35	of which : instruments issued by subsidiaries subject to phase out	–	–	
36	**Additional Tier 1 capital before regulatory adjustments**	**–**	**–**	
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments	–	–	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	–	–	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	–	–	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–	–	
41	National specific regulatory adjustments (41a+41b)	–	–	
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	–	–	
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	–	–	
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	–	–	
	of which : …	–	–	

42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	–	–	
43	**Total regulatory adjustments to Additional Tier 1 capital**	–	–	
44	**Additional Tier 1 capital (AT1)**	–	–	
44a	**Additional Tier 1 capital reckoned for capital adequacy**	–	–	
45	**Tier 1 capital (T1 = CET1 + Admissible AT1) (29 + 44a)**	9,117,584	–	
Tier 2 capital : instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus		–	
47	Directly issued capital instruments subject to phase out from Tier 2*	3,468,170	–	Schedule 4
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	–	–	
49	of which : instruments issued by subsidiaries subject to phase out	–	–	
50	Provisions (Please refer to Note to Template Point 50)	361,873	–	Schedule 2 & 5(iv)
51	**Tier 2 capital before regulatory adjustments**	3,830,043	–	
Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments	–	–	
53	Reciprocal cross-holdings in Tier 2 instruments	–	–	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	–	–	
55	Significant investments[13] in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–	–	
56	National specific regulatory adjustments (56a+56b)	–	–	
56a	of which : Investments in the Tier 2 capital of unconsolidated insurance subsidiaries	–	–	
56b	of which : Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	–	–	
	Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment	–	–	
	of which : Investment in Subsidiaries	–	–	
57	**Total regulatory adjustments to Tier 2 capital**	–	–	
58	**Tier 2 capital (T2)**	3,830,043	–	
58a	**Tier 2 capital reckoned for capital adequacy[14]**		–	
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**	–	–	
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	–	–	
59	**Total capital (TC = T1 + Admissible T2) (45 + 58c)**	**12, 947,627**	–	
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment		–	
	of which : …	–	–	
60	**Total risk weighted assets (60a + 60b + 60c)**	48,310,074	–	
60a	of which : total credit risk weighted assets	37,035,691	–	
60b	of which : total market risk weighted assets	8,175,067	–	
60c	of which : total operational risk weighted assets	3,099,316	–	
Capital ratios				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	18.87%	–	
62	Tier 1 (as a percentage of risk weighted assets)	18.87%	–	
63	Total capital (as a percentage of risk weighted assets)	26.80%	–	
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	–	–	
65	of which : capital conservation buffer requirement	–	–	
66	of which : bank specific countercyclical buffer requirement	–	–	

67	of which : G-SIB buffer requirement	–	–	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	–	–	
National minima (if different from Basel III)				
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.50%	–	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%	–	
71	National total capital minimum ratio (if different from Basel III minimum)	9.00%	–	
Amounts below the thresholds for deduction (before risk weighting)				
72	Non-significant investments in the capital of other financial entities	–	–	
73	Significant investments in the common stock of financial entities	–	–	
74	Mortgage servicing rights (net of related tax liability)	–	–	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	–	–	
Applicable caps on the inclusion of provisions in Tier 2				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	270,500	–	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	462,946	–	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	N.A.	–	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	N.A.	–	
Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements	N.A.	–	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	N.A.	–	
82	Current cap on AT1 instruments subject to phase out arrangements	N.A.	–	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	N.A.	–	
84	Current cap on T2 instruments subject to phase out arrangements	N.A.	–	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	N.A.	–	

* Subordinated debt received from Head Office

Note to the template

Row No. of the template	Particular	Rs. in '000
10	Deferred tax assets associated with accumulated losses	–
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	–
	Total as indicated in row 10	–
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	–
	of which : Increase in Common Equity Tier 1 capital	–
	of which : Increase in Additional Tier 1 capital	–
	of which : Increase in Tier 2 capital	–
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then :	–
	(i) Increase in Common Equity Tier 1 capital	–
	(ii) Increase in risk weighted assets	–
44a	Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)	–
	of which : Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	-
50	Eligible Provisions included in Tier 2 capital	270,500
	Eligible Revaluation Reserves included in Tier 2 capital	91,373
	Total of row 50	**361,873**
58a	Excess Tier 2 capital not reckoned for capital adequacy (difference between Tier 2 capital as reported in row 58 and T2 as reported in 58a)	-

Table DF-12 : Composition of Capital- Reconciliation requirements

Step 1

Rs. in '000

			Balance sheet as in published financial statements As at 31.03.2016	Under regulatory scope of consolidation As at 31.03.2016
A	**Capital & Liabilities**			
	i.	Paid-up Capital (funds from HO)	7,099,220	7,099,220
		Reserves & Surplus	2,485,488	2,485,488
		Minority Interest	–	–
		Total Capital	**9,584,708**	**9,584,708**
	ii.	Deposits	**35,612,108**	**35,612,108**
		of which : Deposits from banks	267,533	267,533
		of which : Customer deposits	35,344,575	35,344,575
		of which : Other deposits (pl. specify)	–	–
	iii.	Borrowings	**10,480,586**	**10,480,586**
		of which : From RBI	–	–
		of which : From banks	2,493,825	2,493,825
		of which : From other institutions & agencies	–	–
		of which : Others (pl. specify) (Borrowings outside India)	7,986,761	7,986,761
		of which : Capital instruments	–	–
	iv.	Other liabilities & provisions	4,026,240	4,026,240
		Total	**59,703,642**	**59,703,642**
B	**Assets**			
	i.	Cash and balances with Reserve Bank of India	2,125,762	2,125,762
		Balance with banks and money at call and short notice	990,752	990,752
	ii.	Investments :	16,657,590	16,657,590
		of which : Government securities	16,657,590	16,657,590
		of which : Other approved securities	–	–
		of which : Shares	–	–
		of which : Debentures & Bonds	–	–
		of which : Subsidiaries/Joint Ventures/Associates	–	–
		of which : Others (Commercial Papers, Mutual Funds etc.)	–	–
	iii.	Loans and advances	35,497,178	35,497,178
		of which : Loans and advances to banks	7,663,165	7,663,165
		of which : Loans and advances to customers	27,834,013	27,834,013
	iv.	Fixed assets	833,326	833,326
	v.	Other assets	3,599,034	3,599,034
		of which : Goodwill and intangible assets	–	–
		of which : Deferred tax assets	–	–
	vi.	Goodwill on consolidation	–	–
	vii.	Debit balance in Profit & Loss account	–	–
		Total Assets	**59,703,642**	**59,703,642**

Step 2

		Particulars (Rs. in '000s)	Balance sheet as in published financial statements As at 31.03.2016	Under regulatory scope of consolidation As at 31.03.2016
A	**Capital & Liabilities**			
	i.	**Paid-up Capital (funds from HO)**		
		of which : Amount eligible for CET1	**9,242,912**	**9,242,912**
		of which : Amount eligible for AT1	–	–
		Reserves & Surplus	**341,796**	**341,796**
		Minority Interest	–	–
		Total Capital	**9,584,708**	**9,584,708**
	ii.	**Deposits**	**35,612,108**	**35,612,108**
		of which : Deposits from banks	267,533	267,533
		of which : Customer deposits	35,344,575	35,344,575
		of which : Other deposits (pl. specify)	–	–

	iii.	**Borrowings**	**10,480,586**	**10,480,586**
		of which : From RBI	–	–
		of which : From banks	2,493,825	2,493,825
		of which : From other institutions & agencies	–	–
		of which : Others (pl. specify) (Borrowings outside India)	7,986,761	7,986,761
		of which : Capital instruments	–	–
	iv.	**Other liabilities & provisions**	4,026,240	4,026,240
		of which : DTLs related to goodwill	–	–
		of which : DTLs related to intangible assets	–	–
		Total	**59,703,642**	**67,043,260**
	Assets			
B	i.	Cash and balances with Reserve Bank of India	2,125,762	2,125,762
		Balance with banks and money at call and short notice	990,752	990,752
	ii.	**Investments:**	16,657,590	16,657,590
		of which : Government securities	16,657,590	16,657,590
		of which : Other approved securities	–	–
		of which : Shares	–	–
		of which : Debentures & Bonds	–	–
		of which : Subsidiaries/Joint Ventures/Associates	–	–
		of which : Others (Commercial Papers, Mutual Funds etc.)	–	–
	iii.	**Loans and advances**	35,497,178	35,497,178
		of which : Loans and advances to banks	7,663,165	7,663,165
		of which : Loans and advances to customers	27,834,013	27,834,013
	iv.	**Fixed assets**	833,326	833,326
	v.	**Other assets**	3,599,034	3,599,034
		of which : Goodwill and intangible assets	–	–
		of which : Goodwill	–	–
		of which : Intangible assets	–	–
		Deferred tax assets	–	–
	vi.	Goodwill on consolidation	–	–
	vii.	Debit balance in Profit & Loss account	–	–
		Total Assets	**59,703,642**	**59,703,642**

Step 3 : Common Equity Tier 1 capital: instruments and reserves

		Component of regulatory capital reported by bank	Source based on reference numbers/ letters of the balance sheet under the regulatory scope of consolidation from step 2
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	6,754,150	6,754,150
2	Retained earnings	817,132	817,132
3	Accumulated other comprehensive income (and other reserves)	1,671,630	1,671,630
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	–	–
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	–	–
6	Common Equity Tier 1 capital before regulatory adjustments	9,117,584	9,117,584
7	Prudential valuation adjustments	–	–
8	Goodwill (net of related tax liability)	–	–
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	125,328	125,328
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	–	–
11	Regulatory adjustments applied to Common Equity Tier 1 and Tier 2 to cover deductions	–	–
	Common Equity Tier 1 capital (CET1)	9,117,584	9,117,584

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

DF-13: Main Features of Regulatory Capital Instruments

As of 31st March 2016, there were no regulatory capital instruments issued by SG.

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

As of 31st March 2016, there were no regulatory capital instruments issued by SG.

DF-15. Disclosure Requirements for Remuneration

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

DF-16: Equities – Disclosure for Banking Book Positions

As of 31st March 2016, it was NIL.

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

	Item	(Rs. in Millions)
1	Total consolidated assets as per published financial statements	59,704
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	–
3	Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	–
4	Adjustments for derivative financial instruments	6,991
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	–
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	12,962
7	Other adjustments	(860)
8	**Leverage ratio exposure**	**78,796**

DF 18. Leverage ratio common disclosure template

	Item	(Rs. in Millions)
	On-balance sheet exposures	
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	58,968
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(125)
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)**	**58,843**
	Derivative exposures	
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	2,369
5	Add-on amounts for PFE associated with all derivatives transactions	4,623
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	–
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	–
8	(Exempted CCP leg of client-cleared trade exposures)	–
9	Adjusted effective notional amount of written credit derivatives	–
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–
11	**Total derivative exposures (sum of lines 4 to 10)**	**6,991**
	Securities financing transaction exposures	
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	–
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	–
14	CCR exposure for SFT assets	–
15	Agent transaction exposures	–
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	**–**
	Other off-balance sheet exposures	
17	Off-balance sheet exposure at gross notional amount	44,756
18	(Adjustments for conversion to credit equivalent amounts)	(31,794)
19	**Off-balance sheet items (sum of lines 17 and 18)**	**12,962**
	Capital and total exposures	
20	**Tier 1 capital**	**9,118**
21	**Total exposures (sum of lines 3, 11, 16 and 19)**	**78,796**
	Leverage ratio	
22	**Basel III leverage ratio**	**11.57**