SOCIETE GENERALE INDIA

Annual Report 2013-14

COMMITTED TO SERVING OUR CUSTOMERS AND THE ECONOMY

BUILDING TOGETHER

TEAM SPIRIT

SOCIETE GENERALE

HISTORY

On 4 May 1864 Napoleon III signed Societe Generale's founding decree. Founded by a group of industrialists and financiers driven by the ideals of progress, the bank's mission has always been "fostering business and industrial growth."

Since its beginnings, Societe Generale has worked to modernise the economy, following the model of a universal bank at the cutting edge of financial innovation. Its branch network grew rapidly throughout the French territory, increasing from 32 to 1,500 branches between 1870 and 1940. During the interwar period, it became the leading French credit institution in terms of deposits.

At the same time, Societe Generale began to build its international reach by financing infrastructure essential to the economic development of a number of countries in Latin America, Europe and Africa. This expansion was accompanied by the establishment of an international retail network. In 1871, the bank opened its London branch. On the eve of World War I, Societe Generale already had a presence in 14 countries, either directly or through one of its subsidiaries, especially in Russia. This network was then expanded by opening branches in New York, Buenos Aires, Abidjan and Dakar and by acquiring stakes in financial institutions in central Europe.

Societe Generale was nationalised by the act of 2 December 1945 and played an active role in financing the reconstruction of French territory. It thrived during the prosperous post-war decades. The Bank contributed to the promulgation of banking techniques by launching innovative products for companies, including medium-term discountable credit and lease financing agreements, for which it is a market leader.

Societe Generale demonstrated its ability to adapt to its new environment by taking advantage of the banking reforms that followed the Debré laws of 1966-1967. While continuing to support the businesses with which it was partnered, it wasted no time in focusing its business on individual customers. In this way, it supported the emergence of a consumer society by diversifying the credit and savings products it offered households.

In July 1987, Societe Generale was privatised. It had a successful IPO, and shares were offered to Group employees. In an economic environment undergoing profound transformation, the bank reaffirmed its identity and demonstrated its strength. In France it expanded its networks by founding Fimatex (1995), which later became Boursorama, now a leading online bank, and acquiring Crédit du Nord (1997). Internationally, it established itself in central and eastern Europe (Komerčni Banka in the Czech Republic and BRD in Romania) and in Russia (Rosbank). It has 148,000 employees active in 76 countries and supports more than 32 million clients. It is continuing its transformation by adopting a sustainable growth strategy driven by its core values of professionalism, team spirit and innovation. Backed by 150 years of expertise and a commitment to developing the real economy, the Group continues to place client satisfaction at the heart of its business.

PROFILE

Societe Generale is one of the leading financial services groups in Europe. Based on a diversified universal banking model, the Group combines financial strength with a strategy of sustainable growth, putting its resources to work to finance the economy and its customers' plans.

With a solid position in Europe and a presence in countries with strong potential, more than 148,000 employees in 76 countries support 32 million individual customers (1), large corporates and institutional investors worldwide by offering a wide range of advisory services and tailored financial solutions. The Group relies on three complementary core businesses:

- French Retail Banking, which encompasses the Societe Generale, Crédit du Nord and Boursorama brands. Each offers a full range of financial services with multi-channel products that are on the cutting edge of digital innovation;
- International Retail Banking, Financial Services and Insurance, with networks in developing regions and specialised businesses that are leaders in their markets;
- Corporate and Investment Banking, Private Banking, Asset and Wealth Management and Securities Services, which offer well-known expertise, key international positions and integrated solutions.

On 4 March 2014, Societe Generale was rated AA (low) by DBRS, A by Fitch Ratings, A2 by Moody's and A by Standard & Poor's.

Societe Generale is included in the main socially-responsible investment indices: Dow Jones Sustainability Index (Europe), FSTE4Good (Global and Europe), Euronext Vigeo (Global, Europe, Eurozone and France) and 5 of the STOXX ESG Leaders indices.

PRESENCE IN INDIA

Societe Generale has been present in India since 1978 with the establishment of a Representative Office in Delhi. In 1985 following the closure of the Representative Office, Societe Generale opened its first full fledged banking branch in Mumbai, second branch in Delhi in 1993 and a third branch in Sanand, Gujarat in 2013.

The bank offers all regular banking services including Long term and Working capital financing, Trade finance, Foreign Exchange, Term Deposits, Accounts management, etc.. Other specialized advisory and financing activities like Merger and Acquisition, Project Finance, Export Credit Agency financing, Commodities hedging and financing etc. are also made available to Indian clients, with the support of our hubs in Singapore, Hong Kong, Paris and London mostly.

INDEPENDENT AUDITORS' REPORT TO THE MANAGEMENT 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, 2014, the Profit and Loss Account and the Cash Flow Statement of the Bank 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 Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, Accounting Standards notified under the Companies Act, 1956 (" the Act") (which continue to be applicable in respect of section 133 of the Companies Act, 2013 in terms of the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted India, in so far as they apply to the banks and the Guidelines issued by Reserve Bank of India. This responsibility includes the design, implementation and maintenance of internal controls 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the 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 judgement, 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 the internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as 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.

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, the Act, in the manner so required for banking companies and the Guidelines issued by Reserve Bank of India from time to time and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Bank as at 31 March, 2014;

(b) in the case of the Profit and Loss Account, of the profit of the Bank for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows of the Bank for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 227(3) of the Act and Section 30 of the Banking Regulation Act,1949, we report that:

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

   (b) In our opinion, the transactions of the Bank which have come to our notice have been within the powers of the Bank.

   (c) 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 Balance Sheet, the Profit and Loss Account and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) in so far as they apply to banks.

2. We report that during the course of our audit we have visited 2 Branches. Since the key operations of the Bank are automated with the key applications used at branches integrated to the Core Banking Systems, the audit is carried out centrally at the Mumbai Branch as all the necessary records and data required for the purposes of our audit are available therein and the Branches are not required to submit any financial returns.

Other Matters

The figures as on 31 March, 2013 stated in the financial statements have been audited by other auditors, whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included in respect of the financial statements, are based solely on the report of the other auditors.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

(Firm Registration No. 117365W)

Z. F. Billimoria

Partner

(Membership No. 42791)

Mumbai - 25 June, 2014

ZFB/RC/2013-14

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

BALANCE SHEET AS ON 31 MARCH 2014

CAPITAL & LIABILITIES	Schedule No	31-March-2014 (Rs.' 000s)	31-March-2013 (Rs.' 000s)
Capital	1	7,099,220	7,099,220
Reserves & Surplus	2	1,514,449	1,471,364
Deposits	3	20,499,917	13,825,657
Borrowings	4	7,110,369	8,363,942
Other Liabilities and Provisions	5	1,013,976	1,032,888
TOTAL		**37,237,931**	**31,793,071**
ASSETS			
Cash and Balances with Reserve Bank of India	6	1,411,938	764,520
Balances with Banks and Money at Call and Short notice	7	143,991	544,606
Investments	8	7,511,556	11,354,228
Advances	9	26,552,663	17,568,695
Fixed Assets	10	487,742	571,005
Other Assets	11	1,130,041	990,017
TOTAL		**37,237,931**	**31,793,071**
Contingent Liabilities	12	706,151,101	860,590,046
Bills for Collection		3,826,642	5,130,861
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.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2014

	Schedule No	Year Ended 31-March-2014 (Rs.' 000s)	Year Ended 31-March-2013 (Rs.' 000s)
I. INCOME			
Interest Earned	13	2,599,218	2,435,603
Other Income	14	518,404	102,675
TOTAL		**3,117,622**	**2,538,278**
II. EXPENDITURE			
Interest Expended	15	1,464,700	1,191,331
Operating Expenses	16	1,044,304	7,53,893
Provisions and Contingencies		321,291	224,050
TOTAL		**2,830,295**	**2,169,274**
III. PROFIT/LOSS			
Net Profit/(Loss) for the year		287,327	369,004
Profit/(Loss) brought forward		293,331	261,938
TOTAL		**5,80,658**	**630,942**
APPROPRIATIONS			
Transfer (from)/to Statutory Reserves		71,832	92,251
Transfer (from)/to Capital Reserve		-	-
Transfer (from)/to Investment Reserve Account		(246)	32,511
Remitted to H.O. during the year		244,242	212,849
Transfer of remittable surplus retained for CRAR		-	-
Balance carried forward to balance sheet		264,830	293,331
TOTAL		**580,658**	**630,942**
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/-
Z. F. Billimoria
Partner
Membership No. 42791

Place : **Mumbai**
Date : **25th June, 2014**

For **Societe Generale** - Indian Branches

Sd/-
Rajesh Sunar
Chief Financial Officer
India

Sd/-
Marc-Emmanuel Vives
Chief Executive and
Group Chief Country Officer

SOCIETE GENERALE

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

		(Rs. in 000s) 31-March-2014	(Rs. in 000s) 31-March-2013
Cash Flow from Operating Activities			
Net profit before Taxation and Extraordinary Items		**525,338**	**649,114**
Adjustments for:			
Depreciation on Bank's property		159,667	68,729
(Profit)/Loss on Sale of Land, buildings & Other Assets		-@	417
Addition to/(Write-back) of provision for Loan Losses		(3,114)	(4,358)
Addition to/(Write-back) of Standard Assets		50,549	42,239
Provision for Country Risk		35,267	(19,171)
Provision for depreciation on Investments		578	(74,770)
Operating Profit before working capital changes		**768,285**	**662,200**
(Increase)/Decrease in Investments (net) (other than HTM)		3,042,095	7,182,207
(Increase)/Decrease in Advances (net)		(8,980,854)	(6,999,868)
(Increase)/Decrease in Other Assets		(76,300)	(83,241)
Increase/(Decrease) in Other Liabilities and Provisions		(120,618)	451,954
Increase/(Decrease) in Deposits (net)		6,674,259	1,018,475
Net Income Taxes (paid)/refund		(285,386)	(355,169)
Net Cash Flow generated from/(used in) Operating Activities	**A**	**1,021,481**	**1,876,558**
Cash Flows from Investing Activities			
Purchase of Fixed Assets		(77,053)	(384,569)
Proceeds from Sale of Fixed Assets		191	223
Proceeds from maturity of Held to Maturity Investments		800,000	-
Net Cash Flow generated from/(used in) Investing Activities	**B**	**723,138**	**(384,346)**
Cash Flow from Financing Activities			
Remittance of profit to Head office		(244,242)	(212,849)
Subordinated Debt received from Head Office		3,853,236	-
Increase/(Decrease) in Borrowings other than Subordinated debt		(5,106,810)	(897,697)
Net Cash Flow from Financing Activities	**C**	**(1,497,816)**	**(1,110,546)**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		246,803	381,666
Cash and Cash equivalents at the beginning of the year		1,309,126	927,460
Cash and Cash equivalents at the end of the year		**1,555,929**	**1,309,126**
Notes: Cash and Cash Equivalents Represent			
Cash and Balances with Reserve Bank of India (As per Schedule 6)		1,411,938	764,520
Balances with Banks & Money at Call and Short Notice (As per Schedule 7)		143,991	544,606
@ - Amount less than Rs. 1,000.			
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/-
Z. F. Billimoria
Partner
Membership No. 42791

Place : **Mumbai**
Date : **25th June, 2014**

For **Societe Generale** - Indian Branches

Sd/-
Rajesh Sunar
Chief Financial Officer
India

Sd/-
Marc-Emmanuel Vives
Chief Executive and
Group Chief Country Officer

SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs.' 000s)

	31-Mar-14	31-Mar-13
SCHEDULE 1 - CAPITAL		
For Banks Incorporated Outside India		
I Capital		
Opening Balance	7,099,220	7,099,220
Additions during the year	–	–
TOTAL	**7,099,220**	**7,099,220**
II Face Value of Securities deposited with the Reserve Bank of India u/s 11(2)(b) of the Banking Regulation Act, 1949.	850,000	750,000
SCHEDULE 2 - RESERVES & SURPLUS		
I. Statutory Reserves		
(i) Opening Balance	768,212	675,961
(ii) Additions during the year	71,832	92,251
(iii) Deductions during the year	–	–
TOTAL	**840,044**	**768,212**
II. Capital Reserves		
(i) Opening Balance	1,577	1,577
(ii) Additions during the year	–	–
(iii) Deductions during the year	–	–
TOTAL	**1,577**	**1,577**
III. Remittable Surplus retained for CRAR		
(i) Opening Balance	316,871	316,871
(ii) Additions during the year	–	–
(iii) Deductions during the year	–	–
TOTAL	**316,871**	**316,871**
IV. Investment Reserve Account		
(i) Opening Balance	91,373	58,862
(ii) Additions / (Deductions) during the year (See note 18.12.v)	(246)	32,511
(iii) Transfer to Profit and Loss account	–	–
TOTAL	**91,127**	**91,373**
V. Balance in Profit and Loss A/c		
Balance carried forward from Profit and Loss Account	264,830	293,331
TOTAL	**264,830**	**293,331**
GRAND TOTAL	**1,514,449**	**1,471,364**
SCHEDULE 3 - DEPOSITS		
A. I. Demand Deposits		
(i) From Banks	19,485	84,856
(ii) From Others	1,453,280	1,116,391
TOTAL	**1,472,765**	**1,201,247**
II. Savings Bank Deposits	**14,450**	**19,796**
III. Term Deposits		
(i) From Banks	–	–
(ii) From Others	19,012,702	12,604,614
TOTAL	**19,012,702**	**12,604,614**
TOTAL (I+II+III)	**20,499,917**	**13,825,657**

(Rs.' 000s)

	31-Mar-14	31-Mar-13
SCHEDULE 3 - *(Contd.)*		
B (i) Deposits of Branches in India	20,499,917	13,825,657
B (ii) Deposits of Branches outside India	–	–
TOTAL	**20,499,917**	**13,825,657**
SCHEDULE 4 - BORROWINGS		
I. Borrowings in India		
(i) Reserve Bank of India	–	–
(ii) Other Banks	500,000	5,559,990
(iii) Other Institutions and Agencies	1,231,336	2,314,217
TOTAL	**1,731,336**	**7,874,207**
II. Borrowings outside India		
Subordinated Debt from HO	3,853,236	–
Other Borrowings	1,525,797	489,735
	5,379,033	**489,735**
TOTAL (I+II)	**7,110,369**	**8,363,942**
Secured borrowings included in I & II above	*1,231,336*	*2,314,217*
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS		
I. Bills Payable	2,405	1,414
II. Inter-Office Adjustments (net)	–	–
III. Interest Accrued	216,879	136,192
IV. Others (including Provisions)*	794,692	895,282
TOTAL	**1,013,976**	**1,032,888**

* Includes Deferred Tax Liability - Rs 24,986 (P.Y 9,094) and Standard Assets Provision Rs. 187,928 (P.Y. Rs. 137,379)

	31-Mar-14	31-Mar-13
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I. Cash in hand (including foreign currency notes)	**2,051**	**1,338**
II. Balances with Reserve Bank of India		
(i) in Current Account	1,409,887	763,182
(ii) in Other Accounts	–	–
TOTAL	**1,409,887**	**763,182**
TOTAL (I+II)	**1,411,938**	**764,520**
SCHEDULE 7 - BALANCES WITH BANKS & MONEY AT CALL AND SHORT NOTICE		
I. In India		
(i) Balances with banks in India		
(a) in Current Accounts	2,103	2,050
(b) in Other Deposit Accounts	–	–
TOTAL	**2,103**	**2,050**
(ii) Money at Call and Short notice		
(a) With banks	–	–
(b) With other institutions	–	–
TOTAL	–	–
TOTAL (i+ii)	**2,103**	**2,050**

SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs.' 000s)

	31-Mar-14	31-Mar-13
SCHEDULE 7 ***(Contd.)***		
II. Outside India		
(i) In Current Accounts	141,888	542,556
(ii) In Deposit Accounts	-	-
(iii) Money at Call and Short notice	-	-
TOTAL (i+ii+iii)	**141,888**	**542,556**
TOTAL (I+II)	**143,991**	**544,606**
SCHEDULE 8 - INVESTMENTS		
1. Investments in India		
(i) Government Securities*	7,511,556	7,409,931
(ii) Other Approved Securities	-	-
(iii) Shares -	-	
(iv) Debentures and Bonds	-	-
(v) Investments in Subsidiaries and Joint Ventures	-	-
(vi) Others	-	3,944,297
	7,511,556	**11,354,228**
2. Investments outside India	**-**	**-**
TOTAL (1+2)	**7,511,556**	**11,354,228**

** Includes Securities kept with CCIL as margin for Securities Segment - Rs285,300 ; (P.Y. Rs 287,250) CCIL as margin for CBLO - Rs 773,010; (P.Y. 581,350) RBI as margin towards RTGS Rs. 5,024,869; (P.Y - Rs. 4,049,997) RBI under section 11 (2) (b) of the Banking Regulation Act ,1949 Face Value Rs. 850,000; (P.Y. Rs. 750,000)*

	31-Mar-14	31-Mar-13
SCHEDULE 9 - ADVANCES		
A.(i) Bills purchased and Discounted	3,693,124	2,652,207
(ii) Cash credits, Overdrafts and Loans Repayable on Demand	18,438,068	12,971,663
(iii) Term loans	4,421,471	1,944,825
TOTAL	**26,552,663**	**17,568,695**
B.(i) Secured by Tangible Assets - Includes amounts secured by book debts	6,952,499	3,840,893
(ii) Covered by Bank/ Govt. Guarantees	3,322,170	2,179,082
(iii) Unsecured	16,277,994	11,548,720
TOTAL	**26,552,663**	**17,568,695**
C. I. Advances in India		
(i) Priority Sectors	6,694,965	3,600,279
(ii) Banks	1,241,364	1,733,143
(iii) Others	18,616,334	12,235,273
TOTAL	**26,552,663**	**17,568,695**
C. II. Advances outside India	**-**	**-**
GRAND TOTAL: (CI + CII)	**26,552,663**	**17,568,695**

* The Bank consistently considers Bills purchased and Discounted i.e. discounted under LCs and Bankers Acceptance as advances covered by Bank Guarantee since it tantamounts to a Bank Guarantee based on International Chamber of Commerce Rules

	31-Mar-14	31-Mar-13
SCHEDULE 10 - FIXED ASSETS		
I. Premises		
At Book value		
Beginning of the year	588,119	581,163
Additions during the year	-	6,956
Deductions during the year	-	-
	588,119	**588,119**
SCHEDULE 10 ***(Contd.)***		
Depreciation to date		
Beginning of the year	424,530	395,793
Additions during the year	29,337	28,737
Deductions during the year	-	-
	453,867	**424,530**
TOTAL: (I)	**134,252**	**163,589**
II. Other Fixed Assets (including furniture and fixtures) (See note 18.11.vi)		
At book value		
Beginning of the year	555,692	183,840
Additions during the year	77,053	377,613
Deductions during the year	(12,126)	(5,761)
	620,619	**555,692**
Depreciation to date		
Beginning of the year	148,276	113,405
Additions during the year	130,014	39,992
Deductions during the year	(11,161)	(5,121)
	267,129	**148,276**
TOTAL: (II)	**353,490**	**407,416**
III. Capital work-in-progress	**-**	**-**
TOTAl: (III)	**-**	**-**
TOTAL: (I+II+III)	**487,742**	**571,005**
SCHEDULE 11 - OTHER ASSETS		
I. Inter-Office adjustments (net)	-	-
II. Interest accrued/ Receivable	209,547	176,665
III. Tax paid in advance/tax deducted at source (net)	182,696	118,952
IV. Stationery and stamps	14	23
V. Others	737,784	694,377
TOTAL	**1,130,041**	**990,017**
SCHEDULE 12 - CONTINGENT LIABILITIES		
I. Claims against the bank not acknowledged as debt	26,007	425,897
II. Liability for partly paid outstanding forward exchange investments	-	-
III. Liability on account of outstanding forward exchange contracts	212,059,929	256,220,276
IV. Liability on account of outstanding derivative contracts	477,958,952	588,521,963
V. Guarantees given on behalf of constituents		
(a) In India	13,487,776	11,915,988
(b) Outside India	-	-
VI. Acceptances, endorsements and other obligations	2,103,002	1,730,741
VII. Other items for which the ban is contingently liable	515,435	1,775,181
TOTAL	**706,151,101**	**860,590,046**

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

(Rs.' 000s)

	Year ended 31-Mar-14	Year ended 31-Mar-13
SCHEDULE 13 - INTEREST EARNED		
I. Interest/discount on advances/bills	1,950,879	1,223,574
II. Income on investments	630,767	1,208,010
III. Interest on balances with Reserve Bank of India and other inter-bank funds	4,845	169
IV. Others	12,727	3,850
TOTAL	**2,599,218**	**2,435,603**
SCHEDULE - 14 OTHER INCOME		
I. Commission, exchange and brokerage	149,155	143,781
II. Profit/(Loss) on sale of investments (See note 18.4.iii)	34,012	57,810
III. Profit/(Loss) on sale of land, buildings and other assets	(o)@	(417)
IV. Profit/(Loss) on foreign exchange transactions	95,085	(112,120)
VI. Miscellaneous Income*	240,152	13,621
** Includes: 1) Net profit /(loss) on derivative transactions Rs. 2,823 P.Y. Rs. (19,907) 2) Recovery from Network Rs. 29,488; P.Y. Rs. 17,747*		
TOTAL	**518,404**	**102,675**

@ - Amount less than Rs. 1000

(Rs.' 000s)

	Year ended 31-Mar-14	Year ended 31-Mar-13
SCHEDULE 15 - INTEREST EXPENDED		
I. Interest on Deposits	1,289,184	866,775
II. Interest on Reserve Bank of India/Inter-bank borrowings	97,882	194,753
III. Others	77,634	129,803
TOTAL	**1,464,700**	**1,191,331**
SCHEDULE 16 - OPERATING EXPENSES		
I. Payments to and Provision for Employees	397,113	332,441
II. Rent, Taxes and Lighting	82,082	70,811
III. Printing and Stationery	3,764	2,499
IV. Advertisement and Publicity Expenses	2,597	967
V. Depreciation on Bank's Property	159,667	68,729
VI. Directors' Fees, Alowances and Expenses	–	–
VII. Auditor's Fees and Expenses	1,880	1,800
VIII. Law Charges	1,134	3,201
IX. Postage, Telegrams, Telephones etc.	16,666	19,474
X. Repairs and Maintenance	34,232	16,701
XI. Insurance	20,445	14,884
XII. Head Office Charges	93,592	64,047
XIII. Other Expenditure (Refer Schedule 18 Note 10 (v))	231,132	158,399
TOTAL	**1,044,304**	**753,893**

Schedule 17- SIGNIFICANT ACCOUNTING POLICIES

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

I Principal Accounting Policies

1. Background

The accompanying financial statements for the year ended 31 March 2014 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.

2. Basis of Preparation and Use of Estimates

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, the Accounting Standards ('AS') notified under section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continues to be applicable in respect of section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of general circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/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. 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 the current and future period.

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 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. Income and expenditure accrued in foreign currency at each month end is translated at the exchange rates prevailing on the following day.

(d) Contingent liabilities on accounts of guarantees, endorsements and other obligations 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 under “Held to Maturity”, “Available for Sale” and “Held for Trading” categories.

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.

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.

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.

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 are charged to the Profit and Loss Account. Any recoveries made by the Bank in case of NPAs written off is recognised in the Profit and Loss Account.

In accordance with RBI guidelines, 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, and gold at levels stipulated by RBI from time to time and disclosed in Schedule 5 –"Other liabilities and provisions"

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

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 rates prescribed under schedule XIV of the Companies Act, 1956 whichever is higher.

Assets	Rates(SLM)	Schedule XIV Rates
Premises	4.34 %	1.63%
Furniture and Fixtures	10.00%	6.33%
Office Equipments	14.29%	5.28%
Computers	33.33%	16.21%
Software	25.00%	16.21%
Motor Vehicles	25.00%	9.50%
Leasehold Improvements	Over the life of the lease	6.33%

(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.

4e. Staff Retirement Benefits

(a) Provident Fund:

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company 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 Company. The Company 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) Other employee benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include performance incentives.

(f) Long Service Awards

The Bank provides lump sum benefits linked to final eligible salary after completing each 5 years of service. The scheme is not funded and the unfunded accrued cost is recognized based on actuarial valuation at the Balance Sheet date carried out by an independent actuary using the Projected Unit Credit Method.

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.

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 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 issued is amortised on a straight-line basis over the period of the guarantee.

(iii) Loan processing fee is accounted for upfront when it becomes 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.

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.

5. Change in Accounting policy

Commission received on guarantees issued is amortised on a straight-line basis over the period of the guarantee post implementation of the Core Banking System w.e.f 18th Feb, 2013. Prior to 18th Feb, 2013, income on guarantees up-to Rs 50,000/- was recognized upfront at the time of issue of the guarantee.

Had the bank continued to use the earlier basis of booking commission upfront up to Rs 50,000/- the income for the current period would have been higher by Rs Nil (PY 454).

Schedule 18 - NOTES APPENDED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

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

I. Capital:

In terms of RBI circular DBOD.No.BP.BC.88/21.06.201/2012-13 dated 28th March, 2013, banks have been advised to disclose capital ratios computed under Basel III Capital Regulations from the quarter ended 30th June, 2013. Accordingly, corresponding details for previous year are not applicable and the Bank's Capital Adequacy Ratios as per Basel III guidelines as at 31st March, 2014 are as follows:

Rs.' 000s

	Capital Ratios:	**Basel III As at 31st March, 2014**
(i)	Common Equity Tier I Capital (%)	19.84%
(ii)	Tier I Capital (%)	19.84%
(iii)	Tier II Capital (%)	10.42%
(iv)	Total CRAR %	30.26%
(v)	Percentage of the shareholding of the Government of India	-
(vi)	Amount of Tier I capital	7,949,967
(vii)	Amount of Additional Tier I capital	
(viii)	Amount of Tier II Capital of which	
	Subordinated Debt from Head Office	3,853,236
	Others	319,153
	Amount of Tier II Capital	4,172,389
(ix)	**Total Capital**	
(x)	**Total Risk weighted Assets**	**40,063,814**

Previous year comparative numbers are not provided since Basel III was implemented by the RBI from April 01, 2013 onwards in a phased manner.

2. Investments in India

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

	31.03.2014	**31.03.2013**
Gross value of investments in India*	7,512,134	11,354,228
Provision for depreciation in India*	578	-
Net value of investments in India*	7,511,556	11,354,228

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

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

	2013-14	**2012-13**
Opening Balance at beginning of the year	-	74,770
Add: Provisions made during the year	289,129	148,818
Less: Write-off/write-back of excess provisions during the year	288,551	223,588
Closing Balance at end of the year	578	-

3. Repos and Reverse Repos

(i) Details of Repos and Reverse Repos including Liquidity Adjustment Facility (in face value terms):

Rs.' 000s

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	**As at 31.03.2014**
Securities sold under repos				
- Government Securities	-	4,780,300	488,059	500,000
- Corporate Debt Securities	-	-	-	-
Securities purchased under reverse repos				
- Government Securities	-	7,105,300	69,362	-
- Corporate Debt Securities	-	-	-	-

Rs.' 000s

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	**As at 31.03.2013**
Securities sold under repos				
- Government Securities	-	5,282,400	1,483,952	1,792,400
- Corporate Debt Securities	-	-	-	-
Securities purchased under reverse repos				
- Government Securities	-	2,240,300	1,483,952	-
- Corporate Debt Securities	-	-	-	-

4. Non-SLR Investment Portfolio

(i) Issuer Composition of Non SLR investments as at 31.03.2014 **Rs.' 000s**

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 31.03.2013 **Rs.' 000s**

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	3,944,297	-	-	-	3,944,297
4	Private Corporates	-	-	-	-	-
5	Subsidiaries/Joint Ventures	-	-	-	-	-
6	Others*	-	-	-	-	-
7	Provision held towards depreciation	-	-	-	-	-
	Total	**3,944,297**	**-**	**-**	**-**	**3,944,297**

*The Bank has not made any investment outside India

(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, 2014 and year ended 31st March, 2013, the value of sale/transfer of securities to/from HTM category (excluding onetime transfer of securities and sales to RBI under OMO auctions) was within 5% of the book value of instruments in HTM category at the beginning of the year.

5. Derivatives

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

Items	**31.03.2014**	**31.03.2013**
The Notional principal of swap agreements	465,233,476	577,832,159
Loss which would be incurred if counterparties failed to fulfill their obligations under the agreements	4,449,301	2,054,938
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	99.25%	98.68%
- Others	0.75%	1.32%
Fair value of the swap book	(84,408)	(121,812)

(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 **31.03.14**

Nature	**No.**	**Notional principal Rs.' 000s**	**Terms**
Trading Swaps	565	229,305,000	Floating Receivable v/s Fixed Payable linked to NSE MIBOR
Trading Swaps	561	226,400,000	Fixed Receivable v/s Floating Payable linked to NSE MIBOR
Trading Swaps	13	3,750,000	Floating Receivable v/s Fixed Payable linked to 6M MIFOR
Trading Swaps	16	4,100,000	Fixed Receivable v/s Floating Payable linked to 6M MIFOR
Trading Swaps	2	742,946	Floating Receivable v/s Fixed Payable linked to 6M USD LIBOR
Trading Swaps	2	742,946	Fixed Receivable v/s Floating Payable linked to 6M USD LIBOR
Trading Swaps	2	96,292	Floating Receivable v/s Fixed Payable linked to 3M USD LIBOR
Trading Swaps	2	96,292	Fixed Receivable v/s Floating Payable linked to 3M USD LIBOR
	1,163	**465,233,476**	

Outstanding as at **31.03.13**

Nature	**No.**	**Notional principal Rs.' 000s**	**Terms**
Trading Swaps	627	286,355,000	Floating Receivable v/s Fixed Payable linked to NSE MIBOR
Trading Swaps	635	284,690,000	Fixed Receivable v/s Floating Payable linked to NSE MIBOR
Trading Swaps	10	2,850,000	Floating Receivable v/s Fixed Payable linked to 6M MIFOR
Trading Swaps	7	2,100,000	Fixed Receivable v/s Floating Payable linked to 6M MIFOR
Trading Swaps	2	792,560	Floating Receivable v/s Fixed Payable linked to 6M USD LIBOR
Trading Swaps	2	792,561	Fixed Receivable v/s Floating Payable linked to 6M USD LIBOR
Trading Swaps	2	126,019	Floating Receivable v/s Fixed Payable linked to 3M USD LIBOR
Trading Swaps	2	126,019	Fixed Receivable v/s Floating Payable linked to 3M USD LIBOR
	1,287	**577,832,159**	

Nature and terms of forward rate agreements:

Outstanding as at 31.03.2014: 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, Options, 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 by the Banks Regional Office in Hong Kong. The report along with exceptions, if any is circulated to the local management, front office and Market Risk Manager. The local Market Risk Manager monitors the limits based on the reports received.

Accounting policy: 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.

Quantitative Disclosure as at 31.03.2014

Rs.' 000s

S. No.	Particulars	Currency Derivatives#	Interest Rate Derivatives
1	Derivatives (Notional Principal amount)		
	a) For hedging	-	-
	b) For trading	224,785,405	465,233,476
2	Marked to Market Positions		
	a) Assets (+)	6,609,614	4,449,301
	b) Liability (-)	(6,781,376)	(4,533,709)
3	Credit Exposure	12,206,045	8,223,286
4	Likely impact of one percentage change in interest rate (100*PV01)		
	a) on hedging derivatives	-	-
	b) on trading derivatives	48,945	112,141
5	Maximum of 100*PV01 observed during the year		
	a) on hedging	-	-
	b) on Trading	50,746	134,511
6	Minimum of 100*PV01 observed during the year		
	a) on hedging	-	-
	b) on Trading	0.14	186

Quantitative Disclosure as at 31.03.2013

Rs.' 000s

S. No.	Particulars	Currency Derivatives#	Interest Rate Derivatives
1	Derivatives (Notional Principal amount)		
	a) For hedging	-	-
	b) For trading	266,910,079	577,832,159
2	Marked to Market Positions		
	a) Assets (+)	3,995,797	2,054,938
	b) Liability (-)	(3,937,364)	(2,176,751)
3	Credit Exposure	10,206,911	6,569,060
4	Likely impact of one percentage change in interest rate (100*PV01)		
	a) on hedging derivatives	-	-
	b) on trading derivatives	3,297	51,642
5	Maximum of 100*PV01 observed during the year		
	a) on hedging	-	-
	b) on Trading	3,297	334,417
6	Minimum of 100*PV01 observed during the year		
	a) on hedging	-	-
	b) on Trading	6	71

 # Currency derivatives include forward foreign exchange contracts.

(iii) Unhedged/uncovered foreign currency exposure

The Bank's foreign currency exposures as at March 31, 2014 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 at March 31, 2014 is Rs. (933,020) (P.Y. - Rs. 42,284).

(iv) Exchange Traded Interest Rate Derivatives:

S. No.	Particulars	31.03.2014	31.03.2013
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.

6. Asset Quality

(i) Non-Performing Assets **Rs.' 000s**

Particulars	2013-14	2012-13
Net NPAs to Net Advances (%)	**-**	**-**
Gross Non-Performing Advances		
Opening Balance at beginning of the year	7,400	11,758
Additions during the year	-	-
Less: Amounts recovered	(3,114)	(4,358)
Less: Amounts written off	-	-
Closing Balance at end of the year	**4,286**	**7,400**
Provisions for Non-Performing Advances (excluding provision for standard assets)		
Opening Balance at beginning of the year	7,400	11,758
Add: Provisions made during the year	-	-
Less: Write-off/write-back of excess provisions during the year	(3,114)	(4,358)
Closing Balance at end of the year	**4,286**	**7,400**
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) Particulars of Accounts Restructured

1. Information in respect of restructured assets

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

As at 31.03.2014

Sr. no.	Type of Restructuring Asset Classification Details	Others				
		Standard	**Sub-Standard**	**Doubtful**	**Loss**	**Total**
1.	Restructured Accounts at 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	-	-	-	-	-

As at 31.03.2014

Sr. no.	Type of Restructuring / Asset Classification / Details	Others				
		Standard	Sub-Standard	Doubtful	Loss	Total
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.	Down gradations 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 31.03.2013

Sr. no.	Type of Restructuring / Asset Classification / Details	Others				
		Standard	Sub-Standard	Doubtful	Loss	Total
1.	Restructured Accounts at 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.	Down gradations 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.

(iii) 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)

(iv) 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)

(v) Provision on Standard Assets (Advances) and Derivatives

Rs.' 000s

	31.03.2014	31.03.2013
Standard Advances	106,211	70,275
Credit Exposure on Derivatives	81,717	67,104
TOTAL	**187,928**	**137,379**

7. Business Ratios:

Particulars	2013-14	2012-13
Interest Income as a percentage to Working Funds**	7.97%	8.08%
Non-Interest Income as a percentage to Working Funds**	1.59%	0.34%
Operating profit as a percentage to Working Funds**	1.87%	1.97%
Return on assets $	0.88%	1.22%
Business per employee (Rs. 000s)#@	456,632	303,976
Profit per employee (Rs. 000s)#	2,790	3,583

*** 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

8. Asset Liability Management

Maturity Pattern of certain items of assets and liabilities as at 31.03.2014 **Rs.' 000s**

	1-14 Days	15-28 Days	29 Days-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	2,760,505	277,852	2,811,738	3,169,269	834,048	16,462,939	233,608	2,704	26,552,663
Investment Securities	1,632,861	2,938,705	1,739,758	861,428	111,632	207,409	18,659	1,104	7,511,556
Deposits	4,506,725	3,087,779	9,845,162	1,702,260	517,026	756,136	80,093	4,736	20,499,917
Borrowings	3,257,133	-	-	-	-	-	-	3,853,236	7,110,369
Foreign Currency Assets	988,386	123,737	1,703,020	2,694,748	88,674	-	-	-	5,598,565
Foreign Currency Liabilities	(1,444,530)	-	-	2,507	-	-	-	7,378,119	5,936,096

Maturity Pattern of certain items of assets and liabilities as at 31.03.2013 **Rs.' 000s**

	1-14 Days	15-28 Days	29 Days-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	3,000,749	82,303	2,175,524	1,370,657	188,347	10,604,265	133,322	13,528	17,568,695
Investment Securities	6,423,085	544,987	1,523,237	156,624	115,232	199,048	18,440	2,373,575	11,354,228
Deposits	3,551,940	2,321,809	6,595,947	544,632	374,858	347,118	80,183	9,170	13,825,657
Borrowings	8,255,372	-	108,570	-	-	-	-	-	8,363,942
Foreign Currency Assets	1,321,216	72,224	821,986	1,321,158	187,826	-	-	-	3,724,410
Foreign Currency Liabilities	2,048,271	-	108,570	-	-	-	-	-	2,156,841

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.

9. **Exposures**

(i) Exposure to Real Estate Sector*

Rs.' 000s

Category	31.03.2014	31.03.2013
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) and 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	31.03.2014	31.03.2013
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	706	700
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	**100,706**	**100,700**

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

(iii) Country Risk Exposure

Rs.' 000s

Risk Category	Exposure (net) as at 31.03.14	Provision held as at 31.03.14	Exposure (net) as at 31.03.13	Provision held as at 31.03.13
Insignificant	2,174,283	4,345	1,595,069	3,941
Low	1,472,924	3,301	1,233,495	890
Moderate	864,209	32,452	223,509	-
High	19,443	-	-	-
Very High	-	-	-	-
Restricted	-	-	-	-
Off-credit	-	-	18,931	-
Total	**4,530,859**	**40,098**	**3,071,004**	**4,831**

(iv) Disclosure on Single/Group Borrower Limits

During the year 2013-14, the Bank's credit exposures to single borrowers and group borrowers were within the limits prescribed by Reserve Bank of India.

During the year 2012-13, 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.

(vi) Concentration of Deposits, Advances, Exposures and NPAs

(a). Concentration of Deposits

Rs.' 000s

	31.03.2014	31.03.2013
Total deposits of twenty largest depositors	20,201,158	13,588,893
% of deposits of twenty largest depositors to total deposits	98.54%	98.29%

Concentration of Advances*

Rs.' 000s

	31.03.2014	31.03.2013
Total advances to twenty largest borrowers	36,515,882	16,802,246
% of advances of twenty largest borrowers to total advances	47.33%	54.22%

** Advances computed based on definition of Credit Exposure including derivatives as per Master Circular on Exposure Norms DBOD.No.Dir.BC. 13/13.03.00/2013-14 dated July 1, 2013. 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.*

(b) Concentration of Exposures**

Rs.' 000s

	31.03.2014	31.03.2013
Total exposure to twenty largest borrowers/customers	36,515,882	16,802,246
% of exposures to twenty largest borrowers/customers to total advances	47.33%	54.22%

*** Exposures represent credit, derivatives and investment exposure as prescribed in Master Circular on Exposure Norms BOD.No.Dir.BC. 13/13.03.00/2013-14 dated July 1, 2013. 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 NPAs

Rs.' 000s

	31.03.2014	31.03.2013
Total exposure to top four NPA accounts*	4,286	7,400

**Represents Gross exposure*

(d) Sector Wise NPAs

Sr. No	Sector	% of NPAs to total advances in that sector - 31.03.2014	% of NPAs to total advances in that sector - 31.03.2013
1	Agriculture & allied activities	-	-
2	Industry (Micro & small, medium and large)	-	-
3	Services	0.02%	0.04%
4	Personal Loans	-	-

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.

(e) Movement of NPAs

Rs.' 000s

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
i. Net NPAs to Net Advances %	-	-
ii. Movement of NPAs (Gross)		
Gross NPAs as on 1st April (opening balance)	7,400	11,758
Additions (Fresh NPAs) during the year	-	-
Sub-total (A)	7,400	11,758

(e) Movement of NPAs

Rs.' 000s

Particulars	**Year ended 31.03.2014**	**Year ended 31.03.2013**
Less:		
(i) Upgradations	-	-
(ii) Recoveries (excluding recoveries made from upgraded accounts)	3,114	4,358
(iii) Technical / Prudential Write-offs	-	-
(iv) Write-offs other than those under (iii) above	-	-
Sub-total (B)	3,114	4,358
Gross NPAs as on 31st March (closing balance) (A-B)	4,286	7,400
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	7,400	11,758
b. Provisions made during the year	-	-
c. Write-off / write-back of excess provisions	3,114	4,358
d. Closing balance	4,286	7,400

(f) Movement of Technical Write-offs and Recoveries:

Rs.' 000s

Particulars	**As at 31.03.2014**	**As at 31.03.2013**
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)	-	-

(g) The Provision Coverage Ratio (PCR) of the Bank after considering technical write-off is 100 % as at 31st March, 2014 (previous year: 100 %).

(h) Overseas Assets, NPAs and Revenue

Rs.' 000s

Particulars	**31.03.14**	**31.03.13**
Total Assets	-	-
Total NPAs	-	-
Total Revenues	-	-

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

10. Miscellaneous

(i) Amount of provisions made for Income-Tax during the year

Rs.' 000s

Particulars	**2013-14**	**2012-13**
- Current tax expense	222,095	251,000
- Additional tax expense for previous year	-	-
- Deferred tax expense/(benefit)	15,889	29,055
- Wealth tax	27	55
TOTAL	**238,011**	**280,110**

(ii) Disclosure of Penalties imposed by RBI

No penalties were levied by Reserve Bank of India under section 46 (4) of the Banking Regulation Act, 1949 during the year. (P.Y. - Nil)

(iii) Bancassurance Business

Rs.' 000s

Nature of Income	2013-14	2012-13
Selling life insurance policies	-	-
Selling non life insurance policies	-	-
Selling mutual fund products	-	7
Others (to be specified)	-	-

(iv) Subordinated Debt: The Bank has raised subordinated debt during the year

Rs.' 000s

Particulars	31.03.2014	31.03.2013
EUR 46 million for a period of 10 years	3,853,236	-

Subordinated debt is reported in the financial statements at the exchange rate on the date the foreign currency was swapped into Indian Rupees. The subordinated debt is revalued, at the year end and the resulting gain or loss on revaluation is recognised in the Profit and Loss Account. The Subordinated debt as revalued as on March 31, 2014 amounts to Rs. 385.32 crores (2013- Rs. NIL) and the revaluation gain thereon amounting to Rs. 4.97 crores (2013 – Rs. NIL) is included under 'Others' in Other Liabilities and Provisions.

(v) Operating Expenses: The major components of Other expenditure are as follows:

Rs.' 000s

Particulars	2013-14	2012-13
Intra group service fees	119,143	91,292
Inter-unit Recharges	60,085	9,471
Professional Fees	19,847	6,151
Travel Expenses	11,411	9,808
Outsourced Expenses	3,704	4,038

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

(i) Employee Benefits- AS15

Provident Fund: The contribution to the employee's provident fund amounted to Rs. 13,068 for the year ended 31 March 2014 (P.Y. – Rs. 11,274) Pension Fund: The contribution to the employee's pension fund amounted to Rs. 13,861 for the year ended 31 March 2014 (P.Y. – Rs. 11,574)

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	2013-14	2012-13
Present Value of the Obligation at the beginning of the year	42,566	34,734
Interest cost	3,377	2,793
Current service cost	4,369	3,533
Benefits paid	(11,315)	(3,248)
Actuarial loss on obligations	(4,221)	4,754
Present Value of the Obligation at the end of the year	34,776	42,566

Rs.' 000s

Reconciliation of Fair Value of Plan Assets	2013-14	2012-13
Fair Value Plan Assets at the beginning of the year	32,370	31,297
Expected return on Plan Assets	2,354	2,176
Employer's contribution	-	1,517
Benefits paid	(11,315)	(3,248)
Actuarial gain /(loss) on obligations	(188)	628
Assets distributed on settlements	-	-
Fair Value Plan Assets at the end of the year	23,221	32,370

Rs.' 000s

Amount to be recognized in Balance Sheet	2013-14	2012-13
Present Value of funded obligations	34,776	42,566
Fair value of Plan Assets	(23,220)	(32,370)
Present Value of unfunded obligations	-	-
Unrecognized past service cost	-	-
Amt not recognized as an asset	-	-
Net Asset/Liability in Balance Sheet under "Other Assets/Other Liabilities and Provisions"	11,556	10,196

Rs.' 000s

Amount to be recognized in Profit and Loss Account	2013-14	2012-13
Current service cost	4,369	3,533
Interest on defined benefit obligation	3377	2,793
Expected Return on Plan Assets	(2,354)	(2,176)
Net Actuarial losses/(gains) recognized during the year	(4,032)	4,127
Past service cost	-	-
Total expense recognized in the Profit & Loss Account under "Payments to and Provision for Employees"	1,359	8,277
Actual Return on Plan Assets	2,165	2,804

Experience Adjustments #	2013-14	2012-13	2011-12	2010-11	2009-10
Defined Benefit Obligation	34,776	42,566	34,734	31,155	26,319
Plan Assets	23,220	32,370	31,297	21,745	19,544
Surplus/(Deficit)	(11,556)	(10,196)	(3,437)	(9,410)	(6,775)
Exp. Adj. on plan liabilities	(796)	4,760	(807)	(254)	514
Exp. Adj. on plan assets	(188)	628	556	387	138

Summary of Principal Actuarial Assumptions	2013-14	2012-13
Discount Rate (p.a.)	9.20%	8.05%
Expected rate of return on assets (p.a.)	7.50%	7.50%
Salary Escalation rate (p.a.)	10.00% for first 2 years & 7% thereafter	10.00% for first 3 years & 7% thereafter
Mortality rate	Indian Assured Lives Mortality (2006-2008)	Indian Assured Lives Mortality (2006-2008)

Particulars	2013-14	2012-13
Expected Employer's Contribution for next year	8,000	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. 3,641 as liability for leave encashment for the year ended 31 March, 2014 (P.Y. – Rs. 1,714)

(ii) Segment Reporting- AS17

(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/ Particulars	**Treasury**		**Other Banking operations**		**Residual Operations**		**Total**	
	31.3.2014	**31.3.2013**	**31.3.2014**	**31.3.2013**	**31.3.2014**	**31.3.2013**	**31.3.2014**	**31.3.2013**
Gross Revenue	308,792	667,594	2,779,342	1,852,938	29,488	17,747	3,117,622	2,538,279
Intersegment revenue	126,288	(63,627)	(126,288)	63,627	-	-	-	-
Segment Revenue	435,080	603,967	2,653,054	1,916,565	29,488	17,747	3,117,622	2,538,279
Unallocated Revenue	-	-	-	-	-	-	-	-
Results	(89,107)	(5,542)	584,958	653,117	29,488	1,539	525,339	649,114
Unallocated Expenses							-	-
Operating Profit							525,339	649,114
Income Tax							(238,012)	(280,111)
Extraordinary Profit/Loss							-	-
Net profit							**287,327**	**369,004**
OTHER INFORMATION								
Segment Assets	2,743,078	6,303,191	33,813,919	24,700,878	21,740	10,722	36,578,737	31,014,791
Unallocated assets							659,194	778,280
Total Assets							**37,237,931**	**31,793,071**
Segment Liabilities	7,475,752	8,751,162	29,663,487	22,768,891	-	-	37,139,239	31,520,053
Unallocated Liabilities							98,692	273,018
Total Liabilities							**37,237,931**	**31,793,071**

Geographical Segment

	Domestic		**International**		**Total**	
	2013-14	**2012-13**	**2013-14**	**2012-13**	**2013-14**	**2012-13**
Revenue	3,117,622	2,538,279	-	-	3,117,622	2,538,279
Assets	37,237,931	31,793,071	-	-	37,237,931	31,793,071

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

(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. Banque De Polynesie, Tahiti
3. BFV SG Madagascar
4. BRD Groupe SG Bucharest
5. Credit Du Nord
6. Family Credit Ltd
7. Komercini Banka
8. National Société Générale Bank
9. Newedge Broker India Pvt Ltd.
10. Rosbank
11. Société Générale de Banques Au Sénégal
12. Société Générale Marocaine De Banques, Casablanca
13. SG-Social Security Bank Limited - Ghana
14. SG Asia Holding (India) P Ltd
15. SG Bank And Trust Singapore
16. SG Bank And Trust Hongkong
17. SG Banka Srbija Ad Beograd
18. Société Générale de Banques en Cote d'Ivoire
19. SG Global Solution Centre Pvt Ltd
20. SG Hambros Trust Ltd
21. SG Wealth Management Solution Pvt Ltd
22. Société Générale Cyprus
23. Societe Generale (China) Ltd.
24. Société Générale Algérie
25. Societe Generale De Banque En Espagne
26. SG Warsaw
27. Societe Generale Succarsale De Varsovie
28. Splitska Bank
29. Union Intl De Banque, Tunis

Key Management Personnel:

Names: **Marc-Emmanuel Vives** – Chief Executive and Group Chief Country Officer
Eric Hautefeuille - Chief Operating Officer-India
Details of Remuneration paid:
FY 2013-2014 (Rs 000s): 21,989
FY 2012-2013 (Rs 000s): 35,793

Disclosure in respect of transactions with subsidiaries of Head Office:

Rs.' 000s

Particulars	31.03.2014	Maximum Outstanding during the year	31.03.2013	Maximum Outstanding during the year
Deposits	12,328,116	14,548,446	6,652,396	6,652,396
Advances	729,695	2,054,287	1,000,982	1,193,998
Non-Funded Commitments	423,248	1,352,367	842,699	1,062,915
Receivables	814	814	203	636
Payables	184,975	184,975	15,397	15,397

Rs.' 000s

Particulars	2013-14	2012-13
Interest Expense	680,972	424,273
Interest Income	85,756	99,881
Rendering of Services*	32,205	41,563
Receipt of Services	69,800	14,491

** 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 2014. 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, 2014, the Bank purchased fixed assets from SG Global Solution Centre Pvt Ltd. amounting to Rs.93,847 (P.Y. – Rs. 76,233).

Interest Expense

Interest on deposits paid to SG Asia Holding (India) P Ltd Rs 411,147 (P.Y. – Rs. 243,117), Newedge Broker India Pvt Ltd Rs. 204,861 (P.Y. – Rs. 162,393)

Interest Income

Interest on loans from ALD Automotive Pvt Ltd Rs. 83,378 (P.Y. – Rs. 95,568)

Rendering of Services

Fee and Commission Income / Other Income / Income on Foreign Exchange transactions received from ALD Automotive Pvt Ltd Rs. 8,723 (P.Y. – Rs. 18,927), SG Global Solution Centre Pvt Ltd - Rs 13,552 (P.Y. - Rs. 9,077), SG Asia Holding (India) P Ltd Rs 1,960 (P.Y. – Rs 1,427) and Société Générale Algérie – Rs. 288 (P.Y. – Rs. 6,263)

Receipt of Services

Payment to ALD Automotive Pvt Ltd Rs. 7,556 (P.Y. - Rs. 3,796) towards car leasing services and SG Global Solution Centre Pvt Ltd Rs 62,244 (P.Y. – Rs 10,695) 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. 24,236; (P.Y.- Rs. 30,673)

Rs.' 000s

Particulars	2013-14	2012-13
Up to 1 year	9,193	27,490
1-5 years	15,043	3,183
Above 5 years	-	-
TOTAL	**24,236**	**30,673**

c. Lease payments recognized in the Profit and Loss Account during the year : Rs. 69,090 (P.Y. Rs. 60,436)

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

Components of deferred tax liability (net) as included in "Others" in Schedule 5 – "Other Liabilities and Provisions" as at March 31, 2014 are given below:

Rs.' 000s

Particulars	31.03.2014	31.03.2013
Deferred Tax Asset		
- Accumulated Losses	-	-
- Provision for doubtful debts	40,491	19,069
- Amortization of Premium on HTM Securities	202	5,980
- Provision for employee benefits	13,079	14,278
Deferred Tax Liability		
- Fixed Assets	78,755	(48,421)
Net Deferred Tax (Liability)/Asset	**(24,983)**	**(9,094)**

(vi) Intangible assets - AS26

Rs.' 000s

Application Software	31.03.2014	31.03.2013
At cost as at 31st March of the preceding year	387,282	52,930
Additions during the year	67,227	334,352
Deductions during the year	-	-
TOTAL:	**454,509**	**387,282**
Depreciation / Amortisation		
As at 31st March of the preceding year	37,956	11,755
Charge for the year	108,809	26,201
Deductions during the year	-	-
Depreciation to date	**146,764**	**37,956**
Net block	**307,745**	**349,327**

(vii) Capital Commitments

Rs.' 000s

Capital Commitments	**31.03.2014**	**31.03.2013**
Estimated amount of contracts remaining to be executed on capital account and not provided for.	12,314	32,231

12. 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. 2,413 (P.Y: Rs. 952) 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.

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	**2013-14**	**2012-13**
I. Taxation Charge		
- Current tax expense	222,095	251,000
- Additional tax expense for previous year	-	-
- Deferred tax expense/ (benefit)	15,889	29,055
- Wealth tax	27	55
II. Provision / (Write back) for loan losses	(3,114)	(4,358)
III. Provision for Standard Assets	50,549	42,239
IV. Write-off of Bad Debts	-	-
V. Provision for depreciation on Investments	578	(74,770)
VI. Others – Provision for Country Risk	35,267	(19,171)
TOTAL	**321,291**	**224,050**

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

(v) Draw down from Reserves:

In accordance with the RBI requirement on creation and utilisation of Investment reserve in respect of HFT and AFS investments, reserve of Rs. 246 (in'000s) has been utilised.

(vi) Disclosure of Complaints:

Customer Complaints	2013-14	2012-13
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	4	-
c) No. of complaints redressed received during the year	3	-
d) No. of complaints pending at the end of the year	1	-

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

Awards passed by the Banking Ombudsman	2013-14	2012-13
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 regarding their subsidiaries 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) 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.

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

For Societe Generale – Indian Branches

Rajesh Sunar
Chief Financial Officer - India

Marc-Emmaneul Vives
Chief Executive and
Group Chief Country Officer - India

Place: Mumbai
Date: 25th June, 2014

Basel III disclosures of the Indian Branches for the year ended 31 March 2014

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

1. Scope of application

Qualitative 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 2014 is 9% with minimum Common Equity Tier 1 (CET1) of 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, 2014, 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: Reserves not attributable to the actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses are included in Tier 2 capital subject to a maximum of 1.25 per cent of the total risk-weighted assets. Such provisions and reserves include General Provisions on Standard Assets', Provisions held for Country 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	840,044
Remittable Surplus Retained in India for CRAR	316,871
Capital Reserves	1,577
Interest-free funds remitted from Head Office for acquisition of property	345,070
Less : Intangible Assets	(307,745)
Total Tier 1 Capital	**7,949,967**

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

General Provisions	187,928
Investment Reserve	91,127
Country Risk Provisions	40,098
Total Tier 2 Capital	**319,153**

(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	**3,853,236**
of which amount raised during the current year	3,853,236
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 12,122,356 (thousand).

3. 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) - Pillar 2 requirements of Basel II norms based on the position as of March 31'2013. The capital requirement will be re-assessed taking into consideration the position of the Bank for the financial year ended March 31'2014.

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 2014 is presented below:

Quantitative Disclosures (Rs. '000s)

(a) Capital Requirements for Credit Risk:	
Portfolios subject to Standardised Approach	3,141,219
Securitisation Exposures	-
(b) Capital Requirements for Market Risk: Standardised Duration Approach	
Interest Rate Risk	111,595
Foreign Exchange risk (including Gold)	180,000
Equity Risk	-

Quantitative Disclosures (cont.)

(Rs. '000s)

(c) Capital Requirements for Operational Risk:	
Basic Indicator Approach	172,929
Total Eligible Capital	12,122,356
Total Risk Weighted Assets	40,063,814
Total Capital Ratio	30.26%
Tier 1 Capital Ratio	19.84%

4. 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 counter party 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.

Quantitative Disclosures

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

	Fund Based (Note 1)	Non Fund Based (Note 2)	Total
As at 31.03.2014	36,932,413	31,631,383	68,563,796

1. The above amounts represent exposures before credit risk mitigants.
2. Non fund based exposures exclude credit lines which are unconditionally cancellable at the Bank's sole discretion or, effectively provide for automatic cancellation of credit lines due to deterioration of borrower's creditworthiness.
3. The credit risk exposures or equivalents in respect of Non fund based exposures are computed as under:
   - In case of exposures other than FX and derivatives, credit equivalent is arrived at by multiplying the notional principal amount with the credit conversion factors.
   - In case of FX and derivatives, credit equivalents are computed using the current exposure method.

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

			As at 31.03.2014
	Fund Based	Non Fund Based	Total
Overseas	-	-	-
Domestic	36,932,413	31,631,383	68,563,796
Total	**36,932,413**	**31,631,383**	**68,563,796**

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

			As at 31.03.2014
Industry	Fund Based	Non Fund Based	Total
All Engineering	995,689	1,970,371	2,966,060
Banking and Finance	3,326,500	11,700,418	15,026,918
Basic Metal & Metal Products	197,527	-	197,527
Chemical and chemicals products	6,359,237	432,436	6,791,673
Computer Software	0	-	0
Construction	0	-	0
Drugs & Pharmaceuticals	0	-	0
Gems & Jewellery	1,684,740	-	1,684,740
Infrastructure	4,094,763	661,975	4,756,738
NBFC	1,800,000	-	1,800,000
Other Industries	5,221,687	801,275	6,022,962
Other Residual Advances	1,776	-	1,776
Paper & Paper products	400,000	-	400,000
Petroleum	117,000	-	117,000
Rubber	828,064	-	828,064
Telecom	0	-	0
Textiles	335,875	20,661	356,536
Trading	0	-	0
Vehicles, Vehicle Parts and Transport Equipments	1,194,090	3,642	1,197,732
Total	**26,556,948**	**15,590,778**	**42,147,726**

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

	As at 31.03.2014
1 day	5,127,813
2-7 days	346,506
8-14 days	328,370
15-28 days	3,830,242
29 days -3 months	4,854,325
Over 3 months -6 months	4,258,618
Over 6 months -upto 1 year	990,072
Over 1 year -upto 3 years	16,707,728
Over 3 years to 5 years	255,515
Over 5 years	538,742
Total	**37,237,931**

e) Amount of NPAs (Gross) – Rs. 4,286 (P.Y. Rs. 7,400)

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

g) NPA Ratios
Gross NPAs to gross advances 0.02% (P.Y.0.04%)
Net NPAs to net advances- 0% (P.Y.0%)

h) Movement of NPAs Rs.' 000s

			As at 2013-14
	Gross NPAs	Provision	Net NPA
Opening balance	7,400	7,400	-
Additions	-	-	-
Reduction (including write backs / write offs)	3,114	3,114	-
Closing balance	**4,286**	**4,286**	**-**

i) Non performing investments – Nil

j) Provisions held for non-performing investments – Nil

k) Movement of provisions for depreciation on investments (Rs. '000s)

	2013-14
Opening Balance at beginning of the year	-
Add: Provisions made during the year	289,129
Less: Write-off/write-back of excess provisions during the year	288,551
Closing Balance at end of the year	578

5. 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.
2) CRISIL Ltd.
3) FITCH India
4) ICRA Ltd, Brickwork, SME

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		Risk weights
CARE	CRISIL	FITCH	ICRA	
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

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 31.03.2014
Below 100 % risk weight	8,576,829
100 % risk weight	26,325,609
More than 100 % risk weight	-
Deducted	-
Total	34,902,438

6. 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, 2014, the total exposure covered by eligible financial collateral after application of haircuts was Rs. 87,574 (P.Y. Rs. 445,628)

7. Securitisation: disclosure for standardised approach

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

8. 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 market risk limits are reviewed at periodic intervals. The approved market risk limit is based on capital allocated to trading activity, market environment and the risk perception at Head office.

Structure and organisation of market risk management

The Market Risk Department in Hong Kong is in charge of computation of all the risk parameters. It computes the exposure of the bank on a daily basis by using TRAAB system and sends the report to all concerned. The exposures are not computed separately at the local level. The local Market Risk Manager monitors the limits, based on the report sent by Hong Kong office. The Market Risk function is independent of the front office.

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.

VaR estimates the potential losses that could occur on risk positions as a result of movements in market rates and prices over a specified time horizon and to a given level of confidence. The Bank calculates VaR using the historical simulation methodology covering the last 250 working days' market data and at 99% confidence level for a one-day holding period.

The sensitivity limit measures the profit/loss arising out of a 10 basis point parallel shift in the interest rates of the respective financial instruments. The stress test is used to study the effect on portfolio of a specific set of changes in risk factors resulting from exceptional, but plausible, events. Three types of test (historical, hypothetical and adverse) allow the Bank to limit exposure to risks coming from exceptional shock.

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

Standardised duration approach As	at 31.03.2014
Interest rate risk	111,595
Foreign exchange risk	180,000
Equity risk	-
Capital requirements for market risk	291,595

9. 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 Risk Officer. 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 two Committee's of the bank namely the Audit & Accounts Committee and the Operational Risk Committee. Both these committees are chaired by the Chief Executive Officer -India and has the local Operational Risk Managers, Business Line Heads, Support function Heads, Compliance, Legal andAudit as members

This committee is responsible to identify and control all risks of legal, administrative and or disciplinary penalties, financial losses or injury to the image arising out of or in connection with failure to comply with the Head Office, Local/Legislative/Regulatory banking provisions/ethics and professional practices as well as SG Group instructions, standards and/or processes.

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 current threshold for reporting of losses is greater than or equal to € 2,500; these will be recorded in the internal risk data base, only risk events above € 10,000 will be reviewed by Group Operational Risk teams and also will be used to calculate capital requirements and in various risk analyses. A reporting on Operational Risk is done on a quarterly basis to the Head office.

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

10. 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% **31.03.2014**

VAR	Limit	Usage	
Global	2,000,000	-489,500	24%
Trading	2,000,000	-489,500	24%

Market country Stress Test - India	25,000,000	-415,000	2%

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

Parallel	Limit	Usage	
Global	500,000	84,675	17%

3- Stress Tests

	Limit	Usage	
Stress Test	30,000,000	-3,049,000	10%

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, 2014, broken down by currency is as follows:

Earnings Perspective **(Rs. '000s)**

Currency	Interest Rate Shock	
	2% Increase	2% Decrease
Rupees and other major currencies	-115,406	115,406
US Dollar	67,110	-67,110

Economic Value Perspective (Rs. '000s)

Currency	Interest Rate Shock	
	2% Increase	2% Decrease
Rupees and other major currencies	720,310	-720,310
US Dollar	21,302	-21,302

11. Composition of capital

(Rs. '000s)

	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	1,503,562	-	Schedule 1 & 2
3	Accumulated other comprehensive income (and other reserves)		-	
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)		-	
	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	8,257,712	-	
	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)	307,745	-	Schedule10 and Note 18.11.vi
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 : Unamortised pension funds expenditures	-	-	
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	-	-	
	of which : For example: filtering out of unrealised losses on AFS debt securities (not relevant in Indian context)	-	-	
	of which :	-	-	
	of which :	-	-	
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**	**307,745**	**-**	
29	**Common Equity Tier 1 capital (CET1)**	**7,949,967**	**-**	
	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	-	-	
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)**		**-**	
	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*	3,853,236	-	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)	319,153	-	Schedule 2 & 5(iv)
51	**Tier 2 capital before regulatory adjustments**	4,172,389	-	
	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 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	-	-	
57	**Total regulatory adjustments to Tier 2 capital**	**-**	**-**	
58	**Tier 2 capital (T2)**	**4,172,389**	**-**	
58a	**Tier 2 capital reckoned for capital adequacy**		**-**	
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)**	**12,122,356**	**-**	
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment	-	-	--
	of which : …	-	-	
60	Total risk weighted assets (60a + 60b + 60c)	40,063,814	-	
60a	of which : total credit risk weighted assets	34,902,438	-	
60b	of which : total market risk weighted assets	3,239,948	-	
60c	of which : total operational risk weighted assets	1,921,428	-	
	Capital ratios			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	19.84%	-	
62	Tier 1 (as a percentage of risk weighted assets)	19.84%	-	
63	Total capital (as a percentage of risk weighted assets)	30.26%	-	
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)	228,026	-	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	436,280	-	

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-and T2 as reported in 58a)	-
50	Eligible Provisions included in Tier 2 capital	228,026
	Eligible Revaluation Reserves included in Tier 2 capital	91,127
	Total of row 50	319,153
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)	--

Composition of Capital- Reconciliation requirements

Step 1

Rs. in '000

			Balance sheet as in published financial statements As at 31.03.2014	Under regulatory scope of consolidation As at 31.03.2014
A	**Capital & Liabilities**			
	i	Paid-up Capital (funds from HO)	7,099,220	7,099,220
		Reserves & Surplus	1,514,449	1,514,449
		Minority Interest	-	-
		Total Capital	**8,613,669**	**8,613,669**
	ii	**Deposits**	**20,499,917**	**20,499,917**
		of which : Deposits from banks	19,485	19,485
		of which : Customer deposits	20,465,982	20,465,982
		of which : Other deposits (pl. specify)	-	-
	iii	**Borrowings**	**7,110,369**	**7,110,369**
		of which : From RBI	-	-
		of which : From banks	500,000	500,000
		of which : From other institutions & agencies	1,231,336	1,231,336
		of which : Others (pl. specify) (Borrowings outside India)	5,379,033	5,379,033
		of which : Capital instruments	-	-
	iv	Other liabilities & provisions	1,013,976	1,013,976
	Total		**37,237,931**	**37,237,931**
B	**Assets**			
	i	Cash and balances with Reserve Bank of India	1,411,938	1,411,938
		Balance with banks and money at call and short notice	143,991	143,991
	ii	Investments :	7,511,556	7,511,556
		of which : Government securities	7,511,556	7,511,556
		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	26,552,663	26,552,663
		of which : Loans and advances to banks	3,322,170	3,322,170
		of which : Loans and advances to customers	23,230,493	23,230,493
	iv	Fixed assets	487,742	487,742
	v	Other assets	1,130,041	1,130,041
		of which : Goodwill and intangible assets	-	-
		of which : Deferred tax assets	-	-

Rs. in '000

			Balance sheet as in published financial statements	Under regulatory scope of consolidation
			As at 31.03.2014	As at 31.03.2014
		Capital & Liabilities		
	vi	Goodwill on consolidation	-	-
	vii	Debit balance in Profit & Loss account	-	-
	Total Assets		**37,237,931**	**37,237,931**

Step 2

Particulars (Rs. in '000s)			Balance sheet as in published financial statements	Under regulatory scope of consolidation
			As at 31.03.2014	As at 31.03.2014
A	**Capital & Liabilities**			
	i	Paid-up Capital (funds from HO)	-	-
		of which : Amount eligible for CET 1	8,257,712	8,257,712
		of which : Amount eligible for AT1	-	-
		Reserves & Surplus	**355,957**	**355,957**
		Minority Interest	-	-
		Total Capital	**8,613,669**	**8,613,669**
	ii	**Deposits**	**20,499,917**	**20,499,917**
		of which : Deposits from banks	19,485	19,485
		of which : Customer deposits	20,465,982	20,465,982
		of which : Other deposits (pl. specify)	-	-
	iii	**Borrowings**	**7,110,369**	**7,110,369**
		of which : From RBI	-	-
		of which : From banks	500,000	500,000
		of which : From other institutions & agencies	1,231,336	1,231,336
		of which : Others (pl. specify) (Borrowings outside India)	5,379,033	5,379,033
		of which : Capital instruments		
	iv	**Other liabilities & provisions**	**1,013,976**	**1,013,976**
		of which : DTLs related to goodwill	-	-
		of which : DTLs related to intangible assets	-	-
		Total	**37,237,931**	**37,237,931**
	Assets			
	i	Cash and balances with Reserve Bank of India	1,411,938	1,411,938
		Balance with banks and money at call and short notice	143,991	143,991

Step 2

		Particulars (Rs. in '000s)	Balance sheet as in published financial statements	Under regulatory scope of consolidation
			As at 31.03.2014	**As at 31.03.2014**
		Capital & Liabilities		
	ii	**Investments :**	**7,511,556**	**7,511,556**
		of which : Government securities	7,511,556	7,511,556
		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**	**26,552,663**	**26,552,663**
		of which : Loans and advances to banks	3,322,170	3,322,170
		of which : Loans and advances to customers	23,230,493	23,230,493
	iv	**Fixed assets**	**487,742**	**487,742**
	v	**Other assets**	**1,130,041**	**1,130,041**
		of which : Goodwill and intangible assets	-	-
		of which : Goodwill	–	-
		of which : Intangible assets	-	-
		Deferred tax assets	-	-
		Goodwill on consolidation	-	-
	vi	Debit balance in Profit & Loss account	-	-
		Total Assets	**37,237,931**	**37,237,931**

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**
	Directly issued qualifying common share (and equivalent for non- joint stock companies) capital plus related stock surplus	6,754,150`	6,754,150
	Retained earnings	1,503,562	1,503,562
	Accumulated other comprehensive income	0	0
	(and other reserves)	0	
	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	0	0
	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	0	0
	Common Equity Tier 1 capital before regulatory adjustments	8,257,712	8,257,712
	Prudential valuation adjustments	0	0
	Goodwill (net of related tax liability)	0	0
	Other intangibles other than mortgage-servicing rights (net of related tax liability)	307,745	307,745
	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	0	0
	Regulatory adjustments applied to Common Equity Tier 1 and Tier 2 to cover deductions	0	0
	Common Equity Tier 1 capital (CET1)	7,949,967	7,949,967

Annual Report 2013-14

BUILDING TOGETHER

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