SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

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

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Societe Generale–Indian Branches** ("the Bank"), which comprises the Balance Sheet as at 31 March 2018, the Profit and Loss Account and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Bank's Apex Committee is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, provisions of Section 29 of the Banking Regulation Act, 1949 and the circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the applicable provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and 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 internal control relevant to the Bank's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Bank's management, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements together with the notes thereon give the information required by the Banking Regulation Act, 1949 as well as the Act, in the manner so required for banking companies and give a true and fair view in conformity with the accounting principles generally accepted in India:
   i. in the case of the Balance Sheet, of the state of affairs of the Bank as at 31 March 2018;
   ii. in the case of the Profit and Loss account, of the profit of the Bank for the year ended on that date; and
   iii. 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

9. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 read with Section 133 of the Act
10. As required sub section (3) of section 30 of the Banking Regulation Act, 1949 and the appointment letter dated April 5, 2018, we report that:
    i. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
    ii. The transactions of the Bank, which have come to our notice, have been within the powers of the Bank;
    iii. As explained in paragraph 13 below, the financial accounting systems of the Bank are centralized and therefore, accounting returns for the purpose of preparing financial statements are not required to be submitted by the branches.
11. Further, as required by section 143(3) of the Act, we further report that:
    i. We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
    ii. In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books. The financial accounting systems of the Bank are centralized and therefore, accounting returns for the purpose of preparation of financial statement are not required to be submitted by the branches.
    iii. 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.
    iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act to the extent they are not inconsistent with the accounting guidelines prescribed by the RBI.
    v. The requirements of Section 164(2) of the Act are not applicable considering the Bank is a branch of Societe Generale which is incorporated with limited liability in France.
    vi. With respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

Other Matters

12. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    i. The Bank has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Schedule 12 and note 23 (iii) of Schedule 18 to the financial statements.
    ii. The Bank did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer note 23 (ix) of Schedule 18 to the financial statements.
    iii. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Bank.
13. We report that during the course of our audit we have performed select relevant procedures at one branch. Since the Bank's key operations are automated, with the key application largely integrated to the core banking systems, it does not require its branches to submit any financial returns. Accordingly, our audit is carried out centrally at the Head Office, based on the necessary records and data required for the purpose of the audit being made available to us.
14. The financial statements of the Bank for the year ended March 31, 2017, were audited by another auditor who expressed an unmodified opinion on these statements on June 16, 2017.

For **A. P. Sanzgiri & Co**
Chartered Accountants
Firm's Reg. No. 116293W

Mehul Shah
Partner
M. No. 100909

Place: Mumbai
Date: June 13, 2018

SOCIETE GENERALE

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INDIAN BRANCHES

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Societe Generale - Indian Branches

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

We have audited the internal financial controls over financial reporting of **Societe Generale - Indian Branches** ("the Bank") as of March 31, 2018 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For A. P. Sanzgiri & Co
Chartered Accountants
Firm's Reg. No. 116293W

Mehul Shah
Partner
M. No. 100909

Place: Mumbai
Date: June 13, 2018

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

BALANCE SHEET AS ON MARCH 31, 2018

Rs. (000's)

	Schedule	As at March 31, 2018	As at March 31, 2017
CAPITAL & LIABILITIES			
Capital	1	7,826,968	7,826,968
Reserves and Surplus	2	2,663,887	2,490,046
Deposits	3	26,951,622	17,892,292
Borrowings	4	8,643,140	5,920,437
Other Liabilities and Provisions	5	7,478,907	5,303,807
TOTAL		**53,564,524**	**39,433,550**
ASSETS			
Cash and Balances with Reserve Bank of India	6	2,089,947	1,210,297
Balances with Banks and Money at Call and Short notice	7	2,513,292	220,917
Investments	8	13,436,364	13,738,998
Advances	9	27,200,757	18,732,488
Fixed Assets	10	623,001	694,374
Other Assets	11	7,701,163	4,836,476
TOTAL		**53,564,524**	**39,433,550**
Contingent Liabilities	12	1,060,301,756	422,986,985
Bills for Collection		3,031,576	5,092,518
Significant Accounting Policies and Notes to Accounts	17&18		

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

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2018

Rs. (000's)

	Schedule	For the Year Ended March 31, 2018	For the Year Ended March 31 2017
I. INCOME			
Interest Earned	13	2,536,269	3,075,847
Other Income	14	857,851	535,690
		3,394,120	**3,611,537**
II. EXPENDITURE			
Interest Expended	15	1,247,410	1,872,185
Operating Expenses	16	1,177,156	1,229,791
Provisions and Contingencies		795,713	505,003
		3,220,279	**3,606,979**
III. PROFIT			
Net Profit/(Loss) for the year		173,841	4,558
Profit/(Loss) brought forward		47,437	250,423
		221,278	**254,981**
IV. APPROPRIATIONS			
Transfer to Statutory Reserve		43,460	1,553
Transfer to Capital Reserve		4,843	4,658
Transfer to Investment Reserve Account		–	–
Remittance to H.O. during the year		–	–
Transfer to surplus retained for Capital Adequacy (CRAR)		–	201,333
Balance carried over to Balance Sheet		172,975	47,437
		221,278	**254,981**
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 **A.P. Sanzgiri & Co.,**
Chartered Accountants
Firm Registration No. 116293W

Mehul Shah
Partner
Membership No. 100909

Place : Mumbai
Date : June 13, 2018

For **Societe Generale – Indian Branches**

Antoine Castel
Chief Executive and Chief Country Officer - India

Lokesh Chaturvedi
Chief Operating Officer - India

Ashok Krishnamoorthy
Chief Financial Officer - India

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

Rs. (000's)

Particulars		For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
Cash Flow from Operating Activities			
Net Profit as per Profit and Loss Statement		173,841	4,558
Add: Income Tax Provision		431,067	312,995
Add: Deferred Tax (Asset)/Liability		(172,978)	(235,619)
Net profit before taxation and extraordinary items		**431,930**	**81,934**
Adjustments for:			
Depreciation on Fixed Assets		84,424	169,989
(Profit)/Loss on sale of fixed assets (including write-off)		8,006	142
Interest paid on sub-ordinated debt during the year		80,523	81,036
Addition to/(Write-back) of provision for Loan Losses		175,000	–
Addition to/(Write-back) of Standard Assets		(53,426)	387,808
Provision on Country Risk		(7,490)	(27,740)
Provision for Un-hedged Foreign Currency Exposure		(1,160)	(8,307)
Provision for Sundry Assets (Net of Write back)		3,532	–
Other Losses/write-offs		239,000	–
Provision for Large Exposure		19,711	–
Provision for Stressed Assets		6,929	–
Provision on Investments		155,528	70,866
Operating profit before working capital changes		**1,142,507**	**755,728**
(Increase)/Decrease in Investments		(102,894)	1,747,726
(Increase)/Decrease in Advances		(8,643,269)	16,764,690
(Increase)/Decrease in Other Assets		(3,443,533)	(996,861)
Increase/(Decrease) in Deposits		9,059,330	(17,719,816)
Increase/(Decrease) in Other Liabilities & Provisions		1,968,004	925,805
Income taxes (paid)/received		353,923	(344,250)
Net Cash Flow generated from/(used in) Operating Activities	A	**334,068**	**1,133,022**
Cash flows from investing activities			
Purchase of fixed assets		(54,374)	(4,974)
Proceeds from sale of fixed assets		151	89
Proceeds from maturity of Held to Maturity Investments		250,000	1,100,000
Net Cash Flow generated from/(used in) Investing Activities	B	**195,777**	**1,095,115**
Cash flows from financing activities			
Effect of exchange fluctuation on sub-ordinated debt		529,690	(280,715)
Interest paid on sub-ordinated debt during the year		(80,523)	(81,036)
Fresh capital infusion		-	727,748
Increase/(Decrease) in Borrowings other than Sub-ordinated debt		2,193,013	(4,279,434)
Net Cash Flow generated used in Financing Activities	C	**2,642,180**	**(3,913,437)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**3,172,025**	**(1,685,300)**
Cash and Cash equivalents at the beginning of the year		1,431,214	3,116,514
Cash and Cash equivalents at the end of the year		**4,603,239**	**1,431,214**
Notes: Cash and Cash Equivalents represent			
Cash and Balances with Reserve Bank of India (As per Schedule 6)		2,089,947	1,210,297
Balances with Banks & Money at Call and Short Notice (As per Schedule 7)		2,513,292	220,917
		4,603,239	**1,431,214**
Significant Accounting Policies and Notes to Accounts	**17 & 18**		
Schedules referred to herein form an integral part of the Financial Statements.			

As per our attached report of even date

For **A.P. Sanzgiri & Co.,**
Chartered Accountants
Firm Registration No. 116293W

Mehul Shah
Partner
Membership No. 100909

Place : Mumbai
Date : June 13, 2018

For **Societe Generale – Indian Branches**

Antoine Castel
Chief Executive and Chief Country Officer - India

Lokesh Chaturvedi
Chief Operating Officer - India

Ashok Krishnamoorthy
Chief Financial Officer - India

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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS AS AT MARCH 31, 2018

Rs. (000's)

	As at March 31, 2018	As at March 31, 2017
SCHEDULE 1 – CAPITAL		
(i) Amount brought in by Bank by way of Capital		
As per Last Balance Sheet	7,826,968	7,099,220
Add: Capital infusion during the year from the Head Office	–	727,748
Total	**7,826,968**	**7,826,968**
(ii) Amount of deposit kept with the Reserve Bank of India under section 11(2)(b) of the Banking Regulation Act, 1949	1,250,000	1,200,000
SCHEDULE 2 – RESERVES & SURPLUS		
I STATUTORY RESERVE		
As per Last Balance Sheet	1,084,356	1,082,803
Add: Transfer from Profit & Loss Account	43,460	1,553
	1,127,816	**1,084,356**
II CAPITAL RESERVE		
As per Last Balance Sheet	248,415	243,757
Add: Transfer from Profit & Loss Account	4,843	4,658
	253,258	**248,415**
III SURPLUS RETAINED FOR CAPITAL ADEQUACY (CRAR)		
As per Last Balance Sheet	1,018,465	817,132
Add: Transfer from Profit & Loss Account	–	201,333
	1,018,465	**1,018,465**
IV INVESTMENT RESERVE ACCOUNT (IRA)		
As per Last Balance Sheet	91,373	91,373
Add: Transfer from Profit & Loss Account	–	–
	91,373	**91,373**
V BALANCE IN PROFIT AND LOSS ACCOUNT		
Balance carried forward from Profit and Loss Account	172,975	47,437
Total	**2,663,887**	**2,490,046**
SCHEDULE 3 – DEPOSITS		
A. I Demand Deposits		
(i) From Banks	17,131	333,729
(ii) From Others	2,649,022	1,861,545
	2,666,153	2,195,274
II Savings Bank Deposits	3,354	32,907
III Term Deposits		
(i) From Banks	–	–
(ii) From Others	24,282,115	15,664,111
	24,282,115	**15,664,111**
Total	**26,951,622**	**17,892,292**
B (i) Deposits of Branches in India	26,951,622	17,892,292
(ii) Deposits of branches outside India	–	–
Total	**26,951,622**	**17,892,292**

Rs. (000's)

	As at March 31, 2018	As at March 31, 2017
SCHEDULE 4 – BORROWINGS		
I Borrowings in India		
(i) Reserve Bank of India	–	–
(ii) Other Banks	–	1,000,000
(iii) Other institutions and agencies	3,198,857	799,929
	3,198,857	**1,799,929**
II Borrowings outside India		
(i) Subordinated Debt from Head Office	3,717,145	3,187,455
(ii) Other Banks	1,727,138	933,053
	5,444,283	**4,120,508**
Total (I+II)	**8,643,140**	**5,920,437**
Secured borrowings included in I & II above	3,198,857	799,929
SCHEDULE 5 – OTHER LIABILITIES AND PROVISIONS		
I Bills Payable	837	627
II Inter-Office Adjustment (Net)	–	–
III Interest Accrued	168,164	181,384
IV "Provision for standard assets (this also includes provision for Diminution in Fair value of Rs.148,188 (PY NIL) and stressed standard assets of Rs.140,778 (PY Rs. 488,357)"	553,113	608,675
V Deferred Tax Liability (Net)	–	–
VI Others (including provisions)	6,756,793	4,513,121
Total	**7,478,907**	**5,303,807**
SCHEDULE 6 – CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I Cash in hand (including foreign currency notes)	151	63
II Balances with Reserve Bank of India		
(i) In Current Account	2,089,796	1,210,234
(ii) In Other Account	–	–
Total (I+II)	**2,089,947**	**1,210,297**
SCHEDULE 7 – BALANCES WITH BANKS & MONEY AT CALL AND SHORT NOTICE		
I In India		
(i) Balances with Banks		
(a) In Current Account	800	26
(b) In Other Deposit Account	–	–
(ii) Money at Call and Short Notice		
(a) With Banks (including LAF with RBI)	1,600,000	–
(b) With Other Institutions	–	–
	1,600,800	**26**
II Outside India		
(i) In Current Account	912,492	220,891
(ii) In Other Deposit Accounts	–	–
(iii) Money at Call and Short Notice	–	–
	912,492	**220,891**
Total (I+II)	**2,513,292**	**220,917**

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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS AS AT MARCH 31, 2018

Rs. (000's)

		As at March 31, 2018	As at March 31, 2017
SCHEDULE 8 – INVESTMENTS			
I	**Investments in India in**		
	(i) Government securities (*)	12,791,501	13,738,998
	(ii) Other approved securities	–	–
	(iii) Shares	–	–
	(iv) Debentures and bonds	644,863	–
	(v) Subsidiaries/Joint Ventures	–	–
	(vi) Others	–	–
		13,436,364	**13,738,998**
II	**Investments outside India**	–	–
		13,436,364	**13,738,998**
III	**Investments in India**		
	Gross Value	13,662,758	13,809,863
	Less:– Provision on Investments	(226,394)	(70,866)
	Net Value	**13,436,364**	**13,738,998**

* includes Securities kept with CCIL as margin for securities segment of book value of Rs. 617,275 (P. Y. BV 618,226); for CBLO segment book value of Rs. 1,155,870 (P. Y. Rs. 1,217,108); for Forex segment book value of Rs. 132,572 (P. Y. Rs. 97,402); for repo borrowing book value of Rs. 2,163,764 (P.Y.Rs. 800,882) and with RBI under section 11(2)(b)(ii) of Banking Regulation Act, 1949 of Face Value of Rs. 1,250,000 (P. Y. Face Value Rs. 1,200,000).

		As at March 31, 2018	As at March 31, 2017
SCHEDULE 9 – ADVANCES			
A	(i) Bills purchased and discounted	5,304,096	3,683,463
	(ii) Cash credits, Overdrafts & Loans	20,494,161	12,484,963
	(iii) Term Loans	1,402,500	2,564,062
	Total	**27,200,757**	**18,732,488**
B	(i) Secured by tangible assets*	8,345,330	9,200,698
	(ii) Covered by Bank/ Government Guarantees	4,390,340	2,094,829
	(iii) Unsecured	14,465,087	7,436,961
	*includes advances against book debts		
	Total	**27,200,757**	**18,732,488**
C	**I Advances in India**		
	(i) Priority Sector	7,664,911	8,453,185
	(ii) Public Sector	–	–
	(iii) Banks	2,734,989	1,124,033
	(iv) Others	16,800,857	9,155,270
	Sub-total	**27,200,757**	**18,732,488**
	II Advances outside India	–	–
	Sub-total	–	–
	Total	**27,200,757**	**18,732,488**

		As at March 31, 2018	As at March 31, 2017
SCHEDULE 10 – FIXED ASSETS			
I.a	Premises		
	At book value		
	Beginning of the year	661,085	661,085
	Additions during the year	9,434	–
	Deductions during the year	(52,276)	–
		618,243	661,085
	Depreciation to date		
	Beginning of the year	112,308	74,625
	Additions during the year	35,295	37,683
	Deductions during the year	(47,999)	–
		99,604	112,308

Rs. (000's)

		As at March 31, 2018	As at March 31, 2017
SCHEDULE 10 *(Contd.)*			
I.b	Asset held for sale/disposal		
	At book value	–	–
	At cost as per last Balance Sheet	–	–
	Additions during the year	–	–
	Deductions during the year	–	–
		–	–
	Depreciation to date		
	Beginning of the year	–	–
	Additions during the year	–	–
	Deductions during the year	–	–
		–	–
	Total (I)	518,639	548,777
II	Other fixed assets (including Furniture and Fixtures)		
	At book value		
	Beginning of the year	772,022	768,446
	Additions during the year	44,940	4,974
	Deductions during the year	(7,682)	(1,398)
		809,280	**772,022**
	Depreciation to date		
	Beginning of the year	659,592	528,453
	Additions during the year	49,129	132,306
	Deductions during the year	(3,803)	(1,167)
		704,918	659,592
	Total (II)	104,362	112,430
III	Capital work in progress	–	33,167
	Total	**623,001**	**694,374**

		As at March 31, 2018	As at March 31, 2017
SCHEDULE 11 – OTHER ASSETS			
I	Inter-Office Adjustment (Net)	–	–
II	Interest accrued	255,635	220,813
III	Tax paid in advance/tax deducted at source (net of provisions)	33,666	103,801
IV	Deferred Tax Assets (Net)	221,303	48,325
V	Stationery and stamps	103	51
VI	Others	7,190,456	4,463,486
	Total	**7,701,163**	**4,836,476**

		As at March 31, 2018	As at March 31, 2017
SCHEDULE 12 – CONTINGENT LIABILITIES (refer note 18.23.iii)			
I	Claims against the bank not acknowledged as debts	13,100	–
II	Liability for partly paid investments	–	–
III	Liabilities on account of outstanding forward exchange contracts	257,649,479	119,598,834
IV	Liabilities on account of outstanding derivative contracts	772,643,687	271,621,861
V	Guarantees given on behalf of constituents		
	(a) In India	23,560,840	23,459,838
	(b) Outside India	–	–
VI	Acceptances, endorsements and other obligations	4,582,598	7,492,062
VII	Other items for which the Banks is contingently liable	1,852,052	814,390
	Total	**1,060,301,756**	**422,986,985**

SOCIETE GENERALE

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Rs. (000's)

	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
SCHEDULE 13 – INTEREST EARNED		
I Interest/Discount on Advances/Bills	1,497,304	1,903,429
II Income on Investments	1,019,081	1,160,266
III Interest on balance with Reserve Bank of India and other inter-bank funds	7,627	4,965
IV Others	12,257	7,187
Total	**2,536,269**	**3,075,847**
SCHEDULE 14 – OTHER INCOME		
I Commission, Exchange and Brokerage	353,728	188,108
II Profit/(Loss) on sale of Investments (net)	21,800	62,711
III Profit/(Loss) on sale of assets (net)	(8,006)	(142)
IV Profit/(Loss) on Foreign Exchange Transactions (net)	106,070	377,878
V Income earned by way of dividends, etc. from subsidiaries, companies, joint venture abroad/ in India	–	–
VI Profit/(Loss) on Derivative Transactions (net)	184,791	(136,452)
VIi Miscellaneous Income (refer note 18.23.xvii)	199,468	43,587
Total	**857,851**	**535,690**

Rs. (000's)

	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
SCHEDULE 15 – INTEREST EXPENDED		
I Interest on Deposits	995,334	1,655,197
II Interest on Reserve Bank of India/Inter-bank borrowings	196,499	179,228
III Others	55,577	37,760
Total	**1,247,410**	**1,872,185**
SCHEDULE 16 – OPERATING EXPENSES		
I Payment to and provisions for employees	514,967	502,791
II Rent, Taxes and Lighting	43,079	40,345
III Printing and Stationery	2,619	4,935
IV Advertisement and Publicity	7,248	8,504
V Depreciation on Bank's Property	84,424	169,989
VI Directors' Fees, Allowances and Expenses	–	–
VII Auditors' Fees and Expenses	2,071	3,000
VIII Law Charges	3,147	1,857
IX Postage, Telegrams, Telephones etc.	25,359	20,971
X Repairs and Maintenance	51,902	47,554
XI Insurance	21,162	35,252
XII Head Office Charges	166,265	137,674
XIII Intra-Group Service Fee	54,984	38,228
XIV Inter-unit recharges	106,613	105,941
XV Fee paid for Priority Sector Lending Certificates	8,268	18,150
XVI CSR Expenditure	20	7,112
XVII Other Expenditure (refer note 18.19.iv)	85,028	87,488
Total	**1,177,156**	**1,229,791**

Schedule 17- SIGNIFICANT ACCOUNTING POLICIES

I Principal Accounting Policies

1. Background

The accompanying financial statements for the year ended 31st March 2018 comprise the accounts of the Indian branches of Societe Generale ('The Bank'), which is incorporated in France as a Public Limited Company. The Indian operations are in Mumbai, New Delhi, Sanand and Chengalpattu with Mumbai being the headquarters.

The Apex Committee is supreme governing body of the Bank. The members of the Apex Committee comprise:

- Chief Executive Officer
- Chief Operating Officer
- Chief Financial Officer
- Chief Risk Officer
- Head – Corporate Banking
- Head – Treasury (Fixed Income and Sales)
- Head – Trade Finance (TRA and PCM)
- Head – Internal Audit
- Head – HR
- Head – Legal
- Head – Compliance
- Head – Communications
- Head – Credit
- Head – Operations
- Head – Operational Risk
- Head – IT

2. Basis of Preparation

The financial statements have been prepared and presented under the historical cost convention and accrual basis of accounting, unless otherwise stated and are in accordance with Generally Accepted Accounting Principles in India ('GAAP'), statutory requirements prescribed under the Banking Regulation Act, 1949, circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time, Accounting Standards ('AS') specified under Section 133 of the Companies Act, 2013, in so far as they apply to banks and current practices prevailing within the banking industry in India.

3. Use of estimates

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

4. Significant Accounting Policies

4a. Transactions involving foreign exchange

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

(b) Forward foreign exchange contracts are revalued FEDAI rates for specified maturity discounted to present value based on the future cash flows. The resulting gains or losses are recognized in the Profit and Loss Account.

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

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

4b. Investments

Classification & income recognition

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

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

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

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

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

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

Basis of classification

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

Short Sale

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

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 categories are valued at lower of cost of acquisition or market value as declared by Primary Dealers Association of India jointly with Financial Benchmark India Private Limited ('FBIL'). 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 FBIL periodically and the price list of RBI. Quoted equity shares are valued at their closing price on a recognized stock exchange. Unquoted equity shares are valued at the break-up value if the latest balance sheet is available, else, at Rs. 1 per company, as per relevant RBI guidelines

e) The market/ fair value of unquoted government securities included in the AFS and HFT category is determined as per the prices published by FBIL. Further, in the case of unquoted bonds, debentures, pass through certificates (other than priority sector) and preference shares, valuation is carried out by applying an appropriate mark-up (reflecting associated credit risk) over the Yield to Maturity ('YTM') rates of government securities. Such mark up and YTM rates applied are as per the relevant rates published by FIMMDA/FBIL.

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

Accounting for Repo/Reverse Repo: Repo and Reverse Repo transactions in securities (including Borrowing/Lending under Liquidity Adjustment Facility) are accounted for as collateralized 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. Unrealised Interest on NPAs is transferred to an interest suspense account and not recognised in the Profit and Loss Account.

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

In addition to the above, the Bank on a prudential basis makes provisions on advances or exposures which are not NPAs, but has reasons to believe on the basis of the extant environment or specific information or basis regulatory guidance / instructions, of a possible slippage of a specific advance or a group of advances or exposures or potential exposures. These are classified as contingent provisions and included under other liabilities.

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

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

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

For Large exposure provision, Bank follows provisioning guidelines given in circular RBI/2016-17/50 DBR.BP.BC.No.8/21.01.003/2016-17 dated 25-Aug-2016.

For Stressed sector provision, Bank follows provisioning guidelines given in circular DBR.No.BP.BC.64/21.04.048/2016-17 dated 18-Apr-2017.

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

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

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

(d) All fixed assets purchased in a block of 10 or less and individually costing less than Rs. 35,000/- are fully charged to the Profit and Loss Account in the year of purchase.

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

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

4e. Staff Retirement Benefits

(a) Provident Fund

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

(b) Gratuity

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

(c) Pension

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

The Bank received an approval from the Office of the Principal Commissioner of Income Tax (Governing Authority) for the following amendments to the pension scheme:

i. Eligibility criteria for all employees changed from 5 (five) years to 1 (one) year;

ii. To offer a one-time option to all existing employees to opt out of the SG India Pension Fund.

SG India Pension fund will pay the corpus for each of the employee who opted out from the pension fund.

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

(e) Long Service Awards

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

4f. Net Profit/ (Loss)

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

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

4g. Derivatives

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

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

MTM receivables and payables are disclosed in the Financial Statements on a gross basis in other assets & other liabilities respectively.

Option contracts are marked to market using market values after considering the premium received or paid. The profit or loss on revaluation is recorded in the Profit and Loss Account and corresponding asset or liability is shown under Other assets or Other Liabilities. Premium received or Premium paid is recognized in the Profit and Loss Account upon expiry or exercise of the option.

4h. Taxes on Income

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

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

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

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

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 and accounts under SDR/S4A. Interest on non-performing assets and accounts under SDR/S4A is recognized as per the prudential norms of the RBI. RBI has withdrawn the SDR and S4A schemes with effect from February 12, 2018. Accordingly, for cases where the SDR, change in management outside SDR or S4A schemes were not implemented at that date, asset classification and income recognition are done as per the extant RBI norms.

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

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

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

(v) Other fee and commission are recognized as and when they become due and a binding obligation to receive fees has arisen.

4j. Lease transactions

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

4k. Provisions, contingent liabilities and contingent assets

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

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

4l. Cash and cash equivalents

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

4m. Impairment

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

4n. Segment Information

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

4o. Societe Generale has policy of allocating certain costs incurred centrally by Head Office, subsidiaries and branches based on group cost allocation methodology. A brief description of the costs is as follows:

IT & Other support services: These allocated costs include various IT & other support services provided by the Head Office along-with its' regional offices. These costs are recorded as intra-group costs in the Profit and Loss Account.

Corporate Support Function: These costs include certain corporate function such as administrative services (planning, co-ordination, budgetary control, financial advises etc.), financial services (supervision of solvency, capital increases, management of refinancing) and assistance in the fields of recruiting, training, marketing and strategic planning, etc. These costs are booked as Head-Office charges in the Profit and Loss Account.

Inter-unit recharges: Expense paid for Non-Financial services (eg: group reporting, vendor payments, IT support, HR support and Backoffice support etc.) off-shored to shared service unit is reported under Inter-unit recharge category and booked in Profit and Loss Account.

Schedule 18 -NOTES APPENDED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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

1. **Internal Controls Over Financial Reporting**

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

2. **Capital:**

The Bank's capital adequacy ratio computed under Basel III is given below: **Rs. '000s**

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
i)	Common Equity Tier I Capital (%)	12.83%	21.01%
ii)	Tier I Capital (%)	12.83%	21.01%
iii)	Tier II Capital (%)	5.66%	7.62%
iv)	Total CRAR %	18.49%	28.63%
v)	Percentage of the shareholding of the Government of India	–	–
vi)	Amount of Tier I capital	9,957,797	10,099,610
vii)	Amount of Additional Tier I capital	–	–
viii)	Amount of Tier II Capital of which		
	– Subordinated Debt from Head Office	3,717,145	3,187,455
	– Others	678,198	475,299
	Amount of Tier II Capital	4,395,343	3,662,754
(ix)	**Total Capital**	**14,353,140**	**13,762,364**
(x)	**Total Risk weighted Assets**	**77,614,471**	**48,069,814**

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

Particulars	March 31, 2018	March 31, 2017
EUR 46 million for a period of 10 years	3,717,145	3,187,455

The subordinated debt is revalued, at the year end and the resulting gain or loss on revaluation is recognized in the Profit and Loss Account. The Subordinated debt as revalued as on March 31, 2018 amounts to Rs. 3,717,145 (P.Y Rs. 3,187,455). The Bank has entered into a Principal Only Swap (POS) to cover the sub-debt borrowing.

3. **Investments in India**

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

Particulars	March 31, 2018	March 31, 2017
Gross value of investments in India*	13,662,758	13,809,864
Provision for depreciation in India*	(226,394)	(70,866)
Net value of investments in India*	13,436,364	13,738,998

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

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

Particulars	2017-18	2016-17
Opening Balance at beginning of the year	70,866	–
Add: Provisions made during the year	155,528	70,866
Less: Write-off/write-back of excess provisions during the year	–	–
Closing Balance at end of the year	226,394	70,866

4. **Repos and Reverse Repos**

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

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	As at March 31, 2018
Securities sold under repos				
– Government Securities	–	5,095,300	492,459	2,195,300
– Corporate Debt Securities	–	–	–	–
Securities purchased under reverse repos				
– Government Securities	–	2,789,040	121,488	1,475,090
– Corporate Debt Securities	–	–	–	–

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	As at March 31, 2017
Securities sold under repos				
– Government Securities	–	4,041,200	315,597	811,500
– Corporate Debt Securities	–	–	–	–
Securities purchased under reverse repos				
– Government Securities	–	3,000,000	44,816	–
– Corporate Debt Securities	–	–	–	–

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

5. Non-SLR Investment Portfolio:

(i) Issuer Composition of Non SLR investments as at March 31, 2018 **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 (*)	871,251	871,251	–	871,251	800,241
5	Subsidiaries/Joint Ventures	–	–	–	–	–
6	Others	–	–	–	–	–
7	Provision held towards depreciation	(226,394)	(226,394)	–	(226,394)	(155,378)
	Total	**644,863**	**644,863**	**–**	**644,863**	**644,863**

(*) During the financial year 2017-18, the Bank received additional 149,947 equity shares at a book value of Rs. 1 per share (Total value Rs. 149,947) under Debt Restructuring from one corporate borrower. These equity shares have been held under AFS category as per RBI circular RBI/2015-16/97 DBR No BP.BC.6 /21.04.141/2015-16 dated July 01, 2015. However, since the equity shares are vulnerable to market risk and to adhere to group norms the Bank has made 100% provision on these equity shares thus reducing the book value of shares to zero. In addition, the Bank has also received 800,241 Optionally Convertible Debentures (OCDs) at a book value of Rs. 1000 per debenture under S4A and SDR from two corporate borrower. These OCDs have been held under AFS category as per RBI circular RBI/2015-16/97 DBR No BP.BC.6 /21.04.141/2015-16 dated July 01, 2015.

Issuer Composition of Non SLR investments as at March 31, 2017 **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 Corporate (*)	70,866	70,866	–	70,866	–
5	Subsidiaries/Joint Ventures	–	–	–	–	–
6	Others	–	–	–	–	–
7	Provision held towards depreciation	70,866	70,866	–	70,866	–
	Total	–	–	–	–	–

(*) During the financial year 2016-17, the Bank received 1,357,584 equity shares at a book value of Rs. 52.2 per share (Total value Rs. 70,866) under Debt from one corporate borrower. These equity shares have been held under AFS (with a lock-in period of 18 months) category as per RBI circular RBI/2015-16/97 DBR No BP.BC.6 /21.04.141/2015-16 dated July 01, 2015. However, since the equity shares are vulnerable to market risk and also to adhere to group norms the Bank has made 100% provision on these equity shares thus reducing the book value of shares to zero.

(ii) Non-performing Non-SLR Investments: **Rs. '000s**

Particulars	2017-18	2016-17
Opening Balance	–	–
Additions during the year	–	–
Reductions during the year	–	–
Closing balance	–	–
Total provisions held	–	–

(iii) During the year ended March 31, 2018 and March 31, 2017, the Bank has not sold any securities held under HTM portfolio.

During the year ended March 31, 2018, in total eight HTM securities were transferred from HTM to AFS. The transfer of securities was done in accordance with RBI circular RBI/2017-18/70 DBR.No.Ret.BC.90/12.02.001/2017-18 dated October 04, 2017 where total securities held under HTM exceeded 19.5% of the NDTL by March 31, 2018.

During the year ended March 31, 2017, two securities were transferred from HTM to AFS. The transfer of securities was done in accordance with RBI circular RBI/2015-16/261 DBR.No.BP.BC.65 /21.04.141/2015-16 where total securities held under HTM exceeded 20.5% of the NDTL w.e.f. January 01, 2017. The securities were originally bought at discount under HTM and transferred to AFS category at the acquisition price/book value.

(iv) The Reserve Bank of India vide its circular RBI/2017-18/147 DBR.No.BP.BC.102/21.04.048/2017-18 dated April 2, 2018 granted banks an option to spread provisioning for mark to market losses on investments held in AFS and HFT for the quarters ended December 31, 2017 and March 31, 2018. The circular states that the provisioning for each of these quarters may be spread equally over up to four quarters, commencing with the quarter in which the loss was incurred. The Bank has recognised the entire net mark to market loss on investments in the year ended March 31, 2018 and has not availed the said option.

6. Derivatives

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

Items	As at March 31, 2018	As at March 31, 2017
The Notional principal of swap agreements	610,098,635	244,283,210
Loss which would be incurred if counterparties failed to fulfill their obligations under the agreements	2,743,907	1,473,319
Collateral required by the Bank upon entering into swaps	Refer note below	
Concentration of credit risk arising from the swaps %		
– Banks and Financial Institutions	96.75%	98.09%
– Others	3.25%	1.91%
Fair value of the swap book	591,504	44,990

The Bank does not have collateral from the corporate counterparties for these contracts

Nature and terms of interest rate swaps:

Outstanding as at March 31, 2018:

Nature	No.	Notional principal (Rs. '000s)	Terms
Trading Swaps	500	212,000,000	Floating Receivable v/s Fixed Payable linked to FBIL O/N MIBOR
Trading Swaps	451	211,900,000	Fixed Receivable v/s Floating Payable linked to FBIL O/N MIBOR
Trading Swaps	74	31,000,000	Floating Receivable v/s Fixed Payable linked to 6M MIFOR
Trading Swaps	56	26,300,000	Fixed Receivable v/s Floating Payable linked to 6M MIFOR
Trading Swaps	21	15,622,448	Floating Receivable v/s Fixed Payable linked to 6M USD LIBOR
Trading Swaps	7	9,059,325	Fixed Receivable v/s Floating Payable linked to 6M USD LIBOR
Trading Swaps	35	51,292,725	Floating Receivable v/s Fixed Payable linked to 3M USD LIBOR
Trading Swaps	16	21,149,288	Fixed Receivable v/s Floating Payable linked to 3M USD LIBOR
Trading Swaps	1	539,399	Floating Receivable v/s Fixed Payable linked to 6M JPY LIBOR
Trading Swaps	1	655,028	Fixed Receivable v/s Floating Payable linked to 6M JPY LIBOR
Trading Swaps	1	484,845	Floating Receivable v/s Fixed Payable linked to EON EUR 1D
Trading Swaps	3	1,373,728	Fixed Receivable v/s Floating Payable linked to EON EUR 1D
Trading Swaps	1	242,423	Floating Receivable v/s Fixed Payable linked to EIB EUR 6M
Trading Swaps	3	1,212,113	Fixed Receivable v/s Floating Payable linked to EIB EUR 6M
Trading Swaps	2	739,126	Floating Receivable v/s Fixed Payable linked to EIB EUR 3M
Trading Swaps	2	739,126	Fixed Receivable v/s Floating Payable linked to EIB EUR 3M
Trading Swaps	9	3,336,960	Floating Receivable v/s Fixed Payable linked to OIS USD 1D
Trading Swaps	4	3,806,220	Fixed Receivable v/s Floating Payable linked to OIS USD 1D
Trading Swaps	4	1,866,062	Fixed Receivable v/s Floating Payable linked to OIS JPY 1D
Basis Swap	2	1,131,305	Basis Swaps Fixed Receivable v/s Fixed Payable linked to EON EUR 1D
Basis Swap	2	1,336,088	Basis Swaps Fixed Receivable v/s Fixed Payable linked to LIB USD 6M
Basis Swap	14	14,312,430	Basis Swaps Fixed Receivable v/s Fixed Payable linked to LIB USD 3M
	1,209	**610,098,639**	

Outstanding as at March 31, 2017:

Nature	No.	Notional principal (Rs. '000s)	Terms
Trading Swaps	329	115,600,000	Floating Receivable linked to NSE MIBOR v/s Fixed Payable
Trading Swaps	287	112,440,000	Fixed Receivable v/s Floating Payable linked to NSE MIBOR
Trading Swaps	11	3,750,000	Floating Receivable linked to NSE MIBOR v/s Fixed Payable
Trading Swaps	13	3,750,000	Fixed Receivable v/s Floating Payable linked to 6M MIFOR
Trading Swaps	1	713,350	Floating Receivable linked to 6M USD LIBOR v/s Fixed Payable
Trading Swaps	1	713,350	Fixed Receivable v/s Floating Payable linked to 6M USD LIBOR
Trading Swaps	2	3,242,500	Floating Receivable linked to 3M USD LIBOR v/s Fixed Payable
Trading Swaps	2	3,242,500	Fixed Receivable v/s Floating Payable linked to 3M USD LIBOR
Trading Swaps	1	415,755	Floating Receivable linked to EONIA v/s Fixed Payable
Trading Swaps	1	415,755	Fixed Receivable v/s Floating Payable linked to 6M EURIBOR
	648	**244,283,210**	

There were no forward rate agreement outstanding as at 31.03.2018 (P.Y. – Nil)

(ii) Risk Exposure in Derivatives:

Qualitative Disclosures

The Bank undertakes transactions in Derivatives, namely, Foreign exchange forward contracts, Interest rate swaps, Currency interest rate swaps and FX Options 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 done using Global Tools by the local Chief Risk Officer's (CRO) team. The consumption of the Market Risk limits is monitored by the CRO's team and relevant MIS is sent to the senior management.

The Bank has entered into Credit Support Annex (CSA) agreement with few of the local bank. CSA defines the terms or rules under which collateral is posted or transferred between derivative counterparties to mitigate the credit risk arising from "in the money" derivate positions on OTC Derivative contracts.

Quantitative Disclosure as at March 31, 2018: **Rs. '000s**

Sr. No.	Particulars	Currency Derivatives #	Interest Rate Derivatives
1	Derivatives (Notional Principal amount)		
	a) For hedging	–	–
	b) For trading	420,194,531	610,098,635
2	Marked to Market Positions		
	a) Assets (+)	3,373,558	2,743,907
	b) Liability (-)	(3,292,721)	(2,152,403)
3	Credit Exposure	30,377,294	9,349,371
4	Likely impact of one percentage change in interest rate (100*PV01)		
	a) on hedging derivatives	–	–
	b) on trading derivatives	900,754	123,978
5	Maximum of 100*PV01 observed during the year		
	a) on hedging	–	–
	b) on Trading	900,754	378,752
6	Minimum of 100*PV01 observed during the year		
	a) on hedging	–	–
	b) on Trading	990	–

Quantitative Disclosure as at March 31, 2017: **Rs. '000s**

Sr. No.	Particulars	Currency Derivatives #	Interest Rate Derivatives
1	Derivatives (Notional Principal amount)		
	a) For hedging	–	–
	b) For trading	146,937,485	244,283,210
2	Marked to Market Positions		
	a) Assets (+)	2,175,202	1,473,319
	b) Liability (-)	(2,069,216)	(1,428,329)
3	Credit Exposure	8,883,295	3,518,832
4	Likely impact of one percentage change in interest rate (100*PV01)		
	a) on hedging derivatives		
	b) on trading derivatives	29,910	200,977
5	Maximum of 100*PV01 observed during the year		
	a) on hedging		
	b) on Trading	29,910	223,720
6	Minimum of 100*PV01 observed during the year		
	a) on hedging		
	b) on Trading	18,919	1,919

Currency derivatives include forward foreign exchange contracts and FX options.

(iii) Unhedged/uncovered foreign currency exposure

The Bank's foreign currency exposures as at March 31, 2018 that are not hedged /covered by either derivative instruments or otherwise are within the Net Overnight Open Position limit (NOOP) and the Aggregate Gap limit, as approved by the RBI. NOOP as at March 31, 2018 is Rs. 231,933 (P.Y. Rs. 408,800).

(iv) Exchange Traded Interest Rate Derivatives:

Sr. No.	Particulars	2017-18	2016-17
1	Notional principal amount of exchange traded interest rate derivatives undertaken during the year.	–	–
2	Notional principal amount of exchange traded interest rate derivatives outstanding at the end of the year.	–	–
3	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective".	–	–
4	Mark to market value of exchange traded interest rate derivatives outstanding and not "highly effective".	–	–

(v) Credit default swaps:

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

7. Asset Quality

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

Particulars	2017-18	2016-17
Net NPAs to Net Advances (%)	1.93%	–
Gross Non-Performing Advances		
Opening Balance at beginning of the year	–	–
Additions during the year	700,000	–
Less: Amounts recovered	–	–
Less: Amounts written off	–	–
Closing Balance at end of the year	700,000	–
Provisions for Non-Performing Advances		
(excluding provision for standard assets)		
Opening Balance at beginning of the year	–	–
Add: Provisions made during the year	175,000	–
Less: Write-off/write-back of excess provisions during the year	–	–
Closing Balance at end of the year	175,000	–
Net Non-Performing Advances		
Opening Balance at beginning of the year	–	–
Additions during the year	525,000	–
Less: Amounts recovered	–	–
Less: Amounts written off	–	–
Closing Balance at end of the year	525,000	–

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

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

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

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

(iv) Provision on Standard Assets **Rs. '000s**

Particulars	March 31, 2018	March 31, 2017
Standard Advances	394,206	559,066
Credit Exposure on Derivatives	158,907	49,609
TOTAL	**553,113**	**608,675**

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

(v) Major component of provisions under other liabilities as mentioned in Schedule 5 **Rs. '000s**

Particulars	March 31, 2018	March 31, 2017
Provision for Un-Hedged Foreign Currency Exposure	976	2,136
Provision for Country Risk Exposure	6,095	13,585
Provision for Stressed Sector	6,929	–
Provision for Large Exposure	19,711	–
TOTAL	**33,711**	**15,721**

(vi) Particulars of Accounts Restructured

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

As at March 31, 2018 **Rs. '000s**

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

As at March 31, 2017 **Rs. '000s**

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

** Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable) and loans restructured under Strategic Debt Restructuring (SDR).*

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

vii) Disclosure on Strategic Debt Restructuring Scheme

As at March 31, 2018 **Rs. '000s**

No. of Accounts where SDR has been invoked	Amount outstanding as on the reporting date		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity has taken place	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
01*	535,400	–	–	–	535,400	–

** During the Financial Year 2017-18, for the borrower where the SDR was invoked during the previous year, Bank has received OCDs of Rs. 535,400 of newly carved-out subsidiary company of the borrower post induction of new investor. Provision held against the OCD received from the carved-out debt is Rs. 208,707 (Diminution in Fair value of Rs. 148,188 and MTM Loss of Rs. 60,519).*

As at March 31, 2017 **Rs. '000s**

No. of Accounts where SDR has been invoked	Amount outstanding as on the reporting date		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity has taken place	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
01	1,097,345	–	–	–	1,097,345	–

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

The disclosure on S4A as on 31 March 2018 is as under: **Rs. '000s**

No. of Accounts where S4A has been applied	Aggregate Amount outstanding	Amount outstanding		Provision Held
		In Part A	In Part B	
Classified as standard	701,594	365,737	335,857	454,840
Classified as NPA	–	–	–	–

During the Financial Year 2017-18, one borrower where the S4A was invoked under SDR, Bank has outstanding OCDs of Rs. 264,841, Equity Shares of Rs. 71,016 and working capital demand loan of Rs. 365,737 on which provision held is Rs. 94,859, Rs. 71,016 and Rs. 288,965 respectively.

The disclosure on S4A as on 31 March 2017: **Rs. '000s**

No. of Accounts where S4A has been applied	Aggregate Amount outstanding	Amount outstanding		Provision Held
		In Part A	In Part B	
Classified as standard	–	–	–	–
Classified as NPA	–	–	–	–

ix) As of March 31, 2018, there was no account under the stand-still period where there was change in ownership outside Strategic Debt Restructuring Scheme.

x) Bank does not have any account under flexible debt restructuring as on March 31, 2018.

xi) RBI vide its circular DBR.No.BP.BC.101/21.01.18/2017-18 dated February 12 2018 issued a revised framework for resolution of Stressed Assets which supersedes the existing guidelines of SDR, Corporate Debt Restructuring Scheme, Flexible Structuring of existing long term project loans, Change in Ownership Outside SDR and S4A with immediate effect. Under the revised framework, there were no accounts where any of these Schemes had been invoked but not yet fully implemented.

8. Business Ratios

Particulars	2017-18	2016-17
Interest Income as a percentage to Working Funds (Note 1)	5.41%	6.04%
Non-Interest Income as a percentage to Working Funds (Note 1)	1.83%	1.05%
Operating profit (Note 2) as a percentage to Working Funds (Note 1)	2.07%	1.00%
Return on assets (Note 3)	0.37%	0.009%
Business per employee (Rs. 000s) (Note 4 and 5)	535,993	370,317
Profit per employee (Rs. 000s) (Note 4)	1,721	47

Note 1: 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.
Note 2: Operating Profit = Interest Income + Other Income – Interest Expenses – Operating Expenses
Note 3: Net profit as a percentage to working funds
Note 4: Productivity ratios are based on average employee numbers.
Note 5: Business means total of advances and deposits as at year end, excluding interbank deposits
Previous years' figures are not reclassified to conform to current year's presentation.

9. Exposures

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

Category	March 31, 2018	March 31, 2017
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 the basis of limits or outstanding, whichever is higher.*

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

No	Particulars	March 31, 2018	March 31, 2017
1	Direct investments made in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	–	–
2	Advances against shares, bonds, debentures or other securities or on clean basis to individuals for investment in equity shares (including IPO's/ESOPS), convertible bonds or convertible debentures, units of equity oriented mutual funds	–	–
3	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	–	–
4	Advances for any other purposes to the extent secured by collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances	–	–
5	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	100,000	100,000
6	Loans sanctioned to Corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	–	–
7	Bridge loans to companies against expected equity flows/issues	–	–
8	Underwriting commitments taken up in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	–	–
9	Financing to stockbrokers for margin trading	–	–
10	All exposures to venture capital funds (both registered and unregistered) deemed to be on par with equity and hence reckoned for capital market exposure.	–	–
	Total Exposure to Capital Market	**100,000**	**100,000**

** - On the basis of limits or outstanding, whichever is higher.*

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

Risk Category	Exposure (Net) as at March 31, 2018 (*)	Provision held as at March 31, 2018	Exposure (Net) as at March 31, 2017 (*)	Provision held as at March 31, 2017
Insignificant	5,404,247	5,080	5,244,139	11,791
Low	2,308,524	1,015	1,137,271	1,794
Moderate	55,484	–	206,657	–
High	48,010	–	223,443	–
Very High	–	–	111,894	–
Restricted	–	–	324,250	–
Off-Credit	–	–	–	–
Total	**7,816,265**	**6,095**	**7,247,654**	**13,585**

(Net funded outstanding as at reporting date has been reported)*

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

(iv) Disclosure on Single/Group Borrower Limits

During the year 2017-18, the Bank's credit exposures to single borrowers and group borrowers were within the limits prescribed by Reserve Bank of India.

During the year 2016-17, the Bank's credit exposures to single borrowers and group borrowers were within the limits prescribed by Reserve Bank of India. However, in case of "Vatech Wabag Limited" there had been a marginal limit excess by 1.5% above the prescribed threshold mainly on account of ad-hoc facilities approved for the customer in November 2016. Nevertheless, the excess had been for 32 days and the same had been regularized during December 2016. Necessary management approvals for the same are already in place.

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

(v) **Unsecured Advances**

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

10. Disclosures for the dealings with the Group entities

March 31, 2018 **Rs. '000s**

Sr. No.	Type of Entity	Name of Entity	Total Intra Group Exposure	Total Exposure as per cent of Paid-up Capital and Reserves
1	Subsidiary– Parent	KOMERCNI BANK AS	498,936	4.75
2		SOCIETE GENERALE CHINA LIMITED	257,636	2.45
3		SOCIETE GENERALE, ALGERIE	–	–
4		SOCIETE GENERALE GLOBAL SOLUTION CENTRE PVT LTD	163,648	1.56
5		SOCIETE GENERALE SECURITIES INDIA PRIVATE LIMITED	100,000	0.95
6		BRD GROUPE SOCIETE GENERALE SA	–	–
7		CREDIT DU NORD	12,672	0.12
8		SKB BANKA DD	34,057	0.32
9		ROSBANK,MOSCOW	73,503	0.70
10		SOCIETE GENERALE SPOLKA AKCYJNA ODDZIAL W POLSCE	15,461	0.15
11		SG DE BANQUES EN COTE DIVOIRE	–	–
		Total Intra Group Exposure	**1,155,913**	**11.00**
		Total Exposure of the Bank	**120,559,023**	
		% of Intra-group exposure to total exposure of the bank	**0.96%**	

Note: The exposures to ALD Automotive Private Limited are excluded from the above computation of Intra Group Exposures for F.Y. 2017-18 based on the exemption as per Master Circular on Intra Group Transactions and Exposures DBOD.No.BP.BC.96/21.06.102/2013-14 dated February 11, 2014 reference no. 3.4.C. The Letter of Comfort is issued by Societe Generale Paris (Head Office of Societe Generale India) for the facility sanctioned by Societe Generale India to M/s. ALD Automotive Private Limited.

During the Financial Year 2016-17 there was a breach of regulatory limits in intra-group exposure in case of one group entity namely Societe Generale Algerie. The excess limits were regularised by the end of April 2017 and there was no other breach in Financial year 2017-18.

March 31, 2017 **Rs. '000s**

Sr. No.	Type of Entity	Name of Entity	Total Intra Group Exposure	Total Exposure as per cent of Paid-up Capital and Reserves
1	Subsidiary – Parent	SOCIETE GENERALE ALGERIE	2,120,083	20.16
2		KOMERCNI BANK	551,601	5.25
3		SOCIETE GENERALE CHINA LIMITED	309,550	2.94
4		SOCIETE GENERALE SECURITIES INDIA PRIVATE LIMITED (FORMERLY KNOWN AS SG ASIA HOLDINGS (INDIA) PVT LTD)	100,000	0.95
5		SOCIETE GENERALE GLOBAL SOLUTION CENTRE PVT. LTD.	99,961	0.95
6		SOCIETE GENERALE GHANA	20,233	0.19
7		BRD GROUPE SOCIETE GENERALE SA	13,178	0.13
8		SOCIETE GENERALE SPOLKA AKCYJNA ODDZIAL W POLSCE	8,967	0.09
9		CREDIT DU NORD	6,335	0.06
10		SG DE BANQUES EN COTE DIVOIRE	6,103	0.06
11		SKB BANKA DD	1,013	0.01
		Total Intra Group Exposure	3,237,024	30.79
		Total Exposure of the Bank	92,247,308	
		% of Intra-group exposure to total exposure of the bank	**3.51%**	

Note: The exposures to ALD Automotive Private Limited are excluded from the above computation of Intra Group Exposures for F.Y. 2016-17 based on the exemption as per Master Circular on Intra Group Transactions and Exposures DBOD.No.BP.BC.96/21.06.102/2013-14 dated February 11, 2014 reference no. 3.4.C. The Letter of Comfort is issued by Societe Generale Paris (Head Office of Societe Generale India) for the facility sanctioned by Societe Generale India to M/s. ALD Automotive Private Limited.

11. Asset Liability Management

Maturity Pattern of certain items of assets and liabilities as at March 31, 2018 **Rs. '000s**

Particulars	Day - 1	2-7 Days	8-14 Days	15-30 Days	31 days and upto 2 months	over 2 months and upto 3 months	Over 3 Months and upto 6 months	Over 6 Months and upto 1 year	Over 1 Year and upto 3 years	Over 3 Years and upto 5 years	Over 5 years and upto 7 years	Total
Loans and Advances	1,773,643	245,016	789,888	1,771,691	1,405,317	582,588	846,945	92,500	19,693,169	–	–	27,200,757
Investment	6,184,509	–	–	2,765,028	550,905	877,684	968,711	195,120	532,739	–	1,361,668	13,436,364
Deposits	407,205	2,252,500	2,774,139	3,981,300	2,252,437	10,472,455	1,190,000	1,278,350	2,343,236	–	–	26,951,622
Borrowing	–	4,925,995	–	–	–	–	–	–	–	–	3,717,145	8,643,140
FCY Assets	11,994,272	25,432	8,881,668	657,930	402,575	5,217,595	550,386	–	3,024,088	–	–	30,753,946
FCY Liabilities	9,323,218	1,727,138	–	–	–	–	11,792,201	1,327,288	552,328	–	6,077,762	30,799,935

Maturity Pattern of certain items of assets and liabilities as at March 31, 2017 **Rs. '000s**

Particulars	Day - 1	2-7 Days	8-14 Days	15-30 Days	31 days and upto 2 months	over 2 months and upto 3 months	Over 3 Months and upto 6 months	Over 6 Months and upto 1 year	Over 1 Year and upto 3 years	Over 3 Years and upto 5 years	Over 5 years and upto 7 years	Total
Loans and Advances	2,011,481	235,123	247,869	1,380,320	899,544	611,944	558,028	444,261	11,356,887	982,321	4,710	18,732,488
Investment	8,670,792	–	–	1,593,559	344,400	564,773	690,339	783,028	427,734	964	663,409	13,738,998
Deposits	821,374	1,866,000	2,379,939	461,000	1,593,561	3,588,984	2,403,484	3,385,859	1,387,391	4,700	–	17,892,292
Borrowing	167,823	2,565,159	–	–	–	–	–	–	–	–	3,187,455	5,920,437
FCY Assets	510,692	31,346	106,995	1,171,627	333,003	1,022,459	473,802	635,559	5,433,189	–	–	9,718,672
FCY Liabilities	699,248	765,230	–	2	–	–	–	1,132,142	3,833,218	–	3,187,456	9,617,296

Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI which has been relied upon by the auditors. Maturity profile of foreign currency assets and liabilities is excluding off Balance Sheet transactions.

12. Concentration of Deposits, Advances, Exposures and NPAs

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

Particulars	As at March 31, 2018	As at March 31, 2017
Total deposits of twenty largest depositors	26,543,496	17,607,051
% of deposits of twenty largest depositors to total deposits	98.49%	98.41%

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

Particulars	As at March 31, 2018	As at March 31, 2017
Total advances to twenty largest borrowers	57,127,130	41,685,662
% of advances of twenty largest borrowers to total advances	47.39%	45.22%

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

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

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

Particulars	As at March 31, 2018	As at March 31, 2017
Total exposure to twenty largest borrowers/customers	57,127,130	41,685,662
% of exposures to twenty largest borrowers/customers to total advances	47.36%	45.19%

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

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

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

Particulars	As at March 31, 2018	As at March 31, 2017
Total exposure to top four NPA accounts*	700,000	–

**Represents Gross exposure*

13. Sector Wise Advances Rs. '000s

Particulars		2017-18			2016-17		
Sr. No.	**Sector***	**Outstanding Total Advances**	**Gross NPAs**	**Percentage of Gross NPAs to Total Advances in that sector**	**Outstanding Total Advances**	**Gross NPAs**	**Percentage of Gross NPAs to Total Advances in that sector**
A	**Priority Sector**						
1	Agriculture and allied activities	–	–	0.00%	–	–	0.00%
2	Advances to industries sector eligible as priority sector lending	7,453,504	–	0.00%	7,973,192	–	0.00%
3	Services	211,408	–	0.00%	479,993	–	0.00%
4	Personal loans	–	–	0.00%	–	–	0.00%
5	*Net PSLC - General*	990,000	–	0.00%	3,150,000	–	0.00%
	Sub-total (A)	**8,654,912**	**–**	**0.00%**	**11,603,185**		**–**
B	**Non Priority Sector**						
1	Agriculture and allied activities	–	–	0.00%	–	–	0.00%
2	Industry	16,800,857	700,000	4.17%	9,155,270	–	0.00%
3	Services	2,734,989	–	–	1,124,033	–	0.00%
4	Personal loans	–	–	–	–	–	0.00%
	Sub-total (B)	**19,535,846**	**–**	**–**	**10,279,303**		**–**
	Total (A+B)	**28,190,758**	**700,000**	**2.48%**	**21,882,488**		**–**

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

14. Movement of NPAs Rs. '000s

Particulars	2017-2018	2016-2017
Gross NPAs as on 1st April of particular year (opening balance)	–	–
Additions (Fresh NPAs) during the year	700,000	–
Sub-total (A)	700,000	–
Less:	–	–
(i) Up gradations	–	–
(ii) Recoveries (excluding recoveries made from upgraded accounts)	–	–
(iii) Technical / Prudential Write-offs	–	–
(iv) Write-offs other than those under (iii) above	–	–
Sub-total (B)	–	–
Gross NPAs as on 31st March (closing balance) (A-B)	700,000	–

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

Particulars	2017-2018	2016-2017
Opening balance of Technical / Prudential written-off accounts as at 1st April	–	–
Add: Technical / Prudential write-offs during the year	–	–
Sub-Total (A)	–	–
Less: Recoveries / Reductions made from previously Technical / Prudential written-off accounts during the year (B)	–	–
Closing Balance as at 31st March (A-B)	–	–

15. The Provision Coverage Ratio (PCR) of the Bank after considering technical write-off is 25.00% as at March 31, 2018 (previous year: Nil).

16. Divergence in Asset Classification and Provisioning for NPAs

There is no instances of divergence in the asset classification and provisioning of advances based on the latest inspection report published by the RBI.

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

Particulars	As at March 31, 2018	As at March 31, 2017
Total Assets	–	–
Total NPAs	–	–
Total Revenues	–	–

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

19. The Bank has not undertaken any factoring business during the Financial Year 2017-18 (P.Y. Nil).

20. Indian Accounting Standards (Ind-AS)

The Institute of Chartered Accountants of India has issued Ind-AS (a revised set of accounting standards) which largely converges the Indian accounting standards with International Financial Reporting Standards (IFRS). The Ministry of Corporate Affairs (MCA) has notified these accounting standards (Ind-AS) for adoption. The Reserve Bank of India (RBI) through its press release dated April 5, 2018 has deferred the implementation of Indian Accounting Standards (Ind-AS) by one year for scheduled commercial banks. In accordance with the same, the Ind-AS is applicable to banks from April 1, 2019. In preparedness towards achieving the same, the Bank had prepared proforma financial statements as per Ind-AS as on June 30, 2017 as per extant regulatory guidelines and submitted the same to the RBI. The Bank will continue its preparation towards migration to adopting Ind-AS as per regulatory requirement.

21. Miscellaneous

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

Particulars	2017-18	2016-17
– Current tax expense	423,442	312,995
– Tax Provision (Prior Years)	7,625	–
Total Tax Expense – A	**431,067**	**312,995**
– Deferred tax expense/(benefit) – B	(172,978)	(235,619)
Total (A+B)	**258,089**	**77,376**

(ii) Disclosure of Penalties imposed by RBI

During the Financial Year 2017-18 and 2016-17, no penalties were imposed on the Bank.

(iii) Bancassurance Business **Rs. '000s**

Nature of Income	2017-18	2016-17
Selling life insurance policies	–	–
Selling non-life insurance policies	–	–
Selling mutual fund products	–	–
Others (to be specified)	–	–

(iv) Operating Expenses:

The major components of other expenditure are as follows: **Rs. '000s**

Particulars	2017-18	2016-17
Subscription charges	20,204	30,220
Professional Fees	17,066	16,103
Travel Expenses	22,830	16,460

(v) Disclosure on frauds: **Rs. '000s**

Particulars	2017-18	2016-17
No. of frauds reported during the period	–	–
Amount involved	–	–
Provision made	–	–
Unamortized provision debited from "Other Reserves"	–	–

22. Disclosures as per Accounting Standards (AS)

(i) Employee Benefits- AS 15

Provident Fund: The contribution to the employee's provident fund amounted to Rs. 17,069 for the year ended March 31, 2018 (P.Y. – Rs. 15,360)

Pension Fund: The contribution to the employee's pension fund amounted to Rs. 17,295 for the year ended March 31, 2018 (P.Y. – Rs. 16,640)

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 postretirement 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	2017-18	2016-17
Present Value of the Obligation at the beginning of the year	40,365	41,595
Interest cost	2,832	3,009
Current service cost	5,905	6,113
Benefits paid	(3,137)	(6,042)
Actuarial gain/(loss) on obligations	(2,139)	(4,310)
Present Value of the Obligation at the end of the year	43,826	40,365

Reconciliation of Fair Value of Plan Assets	2017-18	2016-17
Fair Value Plan Assets at the beginning of the year	30,939	30,761
Expected return on Plan Assets	2,319	2,222
Employer's contribution	4,780	3,775
Benefits paid	(3,137)	(6,042)
Actuarial gain /(loss) on obligations	(47)	223
Assets distributed on settlements	–	–
Fair Value Plan Assets at the end of the year	34,855	30,939

Amount to be recognized in Balance Sheet	2017-18	2016-17
Present Value of funded obligations	43,826	40,365
Fair value of Plan Assets	(34,855)	(30,939)
Present Value of unfunded obligations	–	–
Unrecognized past service cost	–	–
Amount not recognized as an asset	–	–
Net (Asset)/Liability in Balance Sheet under "Other Assets/Other Liabilities and Provisions"	8,971	9,426

Amount to be recognized in Profit and Loss Account	2017-18	2016-17
Current service cost	5,905	6,113
Interest on defined benefit obligation	2,832	3,009
Expected Return on Plan Assets	(2,319)	(2,222)
Net Actuarial losses/(gains) recognized during the year	(2,092)	(4,532)
Past service cost	–	–
Total expense recognized in the Profit & Loss Account under "Payments to and Provision for Employees"	4,326	2,368
Actual Return on Plan Assets	2,272	2,445

Experience Adjustment #	2017-18	2016-17	2015-16	2014-15	2013-14
Defined Benefit Obligation	43,826	40,365	41,595	47,725	34,776
Plan Assets	34,855	30,939	30,761	32,147	23,220
Surplus/(Deficit)	(8,971)	(9,426)	(10,834)	(15,578)	(11,556)
Gains/(Losses) due to change in assumptions	(1,730)	1,971	990	4,181	(3,425)
Exp. Adj. on plan Liabilities	(409)	(6,281)	(4,037)	1,215	(796)
Exp. Adj. on plan assets	(47)	223	(63)	255	(188)

Summary of principal actuarial assumptions	2017-18	2016-17
Discount rate (p.a.)	7.70%	7.30%
Expected rate of return (p.a.)	7.70%	7.30%
Salary escalation rate (p.a.)	7.00%	7.00%
Employees attrition rate	Upto 30 years: 10% 31-40 years: 5% 41-50 years: 3% Above 50 years: 2%	Upto 30 years: 10% 31-40 years: 5% 41-50 years: 3% Above 50 years: 2%
Mortality rate	Indian Assured Lives Mortality (2006-2008)	Indian Assured Lives Mortality (2006-2008)

Particulars	2017-18	2016-17
Expected Employer's Contribution for next year	2,159	1,465

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. 5,103 ('000s) as liability for leave encashment for the year ended March 31, 2018 (P.Y. – Rs. 4,778 (000s)).

Long Service Awards: The actuarial liability for Long Service Awards in accordance with AS-15 (R) was Rs. 2,065 for the year ended March 31, 2018 (P.Y. Rs. 2,652).

Unamortised Pension and Gratuity Liabilities

Amortisation of pension and gratuity liabilities expenditure in terms of circular no. DBOD. No.BP.BC.80/21.04.018/2010-11 dated February 09,2011 is NIL for the year under review (Previous Year: Nil)

(ii) **Segment Reporting- AS 17**

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

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

- Treasury – primarily comprising of trading in forex, bonds, government securities and derivatives.
- Corporate/Wholesale Banking - comprising of commercial client relationship and trade finance.
- Other Banking Operations – comprising of all operations including retail and other than treasury and corporate/wholesale banking.

(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.

(f) The Bank does not have retail operations in India.

FY 2017-18 **Rs. '000s**

Business Segments Particulars	Treasury	Corporate / Wholesale Banking	Other Banking Operations	Total
Revenue	1,685,388	1,716,738	–	3,402,126
Unallocated Revenue	–	–	–	(8,006)
Result	920,145	(480,208)	–	439,936
Unallocated Results				(8,006)
Unallocated Expenses				–
Operating profit				431,930
Income Taxes				258,089
Extraordinary Profit/Loss				–
Net Profit				173,841
Other Information:				
Segment Assets	25,356,246	27,285,289		52,641,535
Unallocated assets				922,989
Total Assets				53,564,524
Segment Liabilities	15,123,248	38,071,711		53,194,959
Unallocated Liabilities				369,565
Total Liabilities				53,564,524

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.

SOCIETE GENERALE

(Incorporated in France as a Public Limited Company)

INDIAN BRANCHES

FY 2016-17 **Rs. '000s**

Business Segments Particulars	Treasury	Corporate / Wholesale Banking	Other Banking Operations	Total
Revenue	1,866,437	1,745,242	–	3,611,679
Unallocated Revenue	–	–	–	(142)
Result	1,414,004	(1,334,627)	–	79,377
Unallocated Results				2,558
Unallocated Expenses				–
Operating profit				81,934
Income Taxes				(77,376)
Extraordinary Profit/Loss				–
Net Profit				4,558
Other Information:				
Segment Assets	19,665,586	18,884,713	–	38,550,299
Unallocated assets	–	–	–	883,251
Total Assets				39,433,550
Segment Liabilities	10,197,995	29,156,645	–	39,354,640
Unallocated Liabilities	–	–	–	78,910
Total Liabilities				39,433,550

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

(iii) **Related Party Disclosures - AS 18**

In the terms of the Accounting Standard 18 on "Related Party Disclosures" and the related guideline issued by the RBI, the details pertaining to Related Parties are as under:

Parent

Société Générale, France- Head Office and its branches:

The Bank has considered transactions with its Parent and other branches of the Parent as 'one entity' and accordingly as per the guidance on compliance with the Accounting Standard by Banks issued by the Reserve Bank of India, has not disclosed details pertaining to them.

The Bank has disclosed those Subsidiaries/Joint Ventures of the Parent as related parties with whom it has entered into transactions during the current and previous financial year

1. ALD Automotive Pvt Ltd
2. BRD Groupe SG Bucharest
3. Credit Du Nord
4. Komercini Banka
5. Newedge Broker India Pvt Ltd.
6. Rosbank
7. SG Hambros Bank (Channel ISL)
8. SG Hambros Bank Trust, Guernsey
9. SG Securities Asia International Holdings Ltd (Hong-Kong)
10. SG Spolka Akcyjna W Polsce
11. SG Wealth Management Solution Pvt Ltd
12. SG Global Solution Centre Pvt Ltd
13. SKB Banka DD
14. Société Générale Marocaine De Banques, Casablanca
15. Société Générale Cyprus
16. Société Générale (China) Ltd.
17. Société Générale Algérie
18. Société Générale De Banques Au Senegal
19. Société Générale Ghana
20. Société Générale Securities India Private Limited (Formerly known as SG Asia Holdings (India) Pvt. Ltd)
21. Société Générale De Banques Au Benin
22. Société Générale de Banques en Cote d'Ivoire
23. Union De banques Arabes
24. Societe Generale-Splitska Banka

The above list has been compiled by the management and relied upon by the auditors.

Key Management Personnel:

Antoine Castel - Chief Executive & Chief Country Officer (18th January 2018 till date)

Evelyne Collin - Chief Executive & Chief Country Officer (01st January 2015 till 17th January 2018)

Note:- In line with the RBI circular DBOD No. BP.BC.23/21.04.018/2015-16 dated July 01, 2015, the Bank has not disclosed details pertaining to related party where under a category there is only one entity/person. Similarly, there has been only one person under Key Management personnel at any given point of time, and therefore, those details are not disclosed.

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

Particulars	As at March 31, 2018	Maximum Outstanding during the year	As at March 31, 2017	Maximum Outstanding during the year
Deposits	6,715,138	7,849,076	6,447,135	22,554,064
Advances	1,231,632	1,512,662	216,067	1,163,556
Non-Funded Commitments	1,059,020	3,004,473	2,773,423	4,361,611
Receivables	–	–	2,148	2,148
Payables	52,533	52,533	59,544	59,544

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

Rs. '000s

Particulars	2017-18	2016-17
Interest Expense	295,327	807,568
Interest Income	35,947	44,268
Rendering of Services*	10,413	17,658
Receipt of Services	113,822	119,730

** 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 March 31, 2018. 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.

Interest Expense

Interest on deposits paid to Societe Generale Securities India Pvt. Ltd. Rs. 186,079 (P.Y. – Rs. 701,681), Societe Generale Global Centre Pvt. Ltd. Rs. 93,343 (P.Y. – Rs. 88,820).

Interest Income

Interest on loans from ALD Automotive Pvt. Ltd. Rs. 35,912 (P.Y. – Rs. 44,136)

Rendering of Services

Fee and Commission Income / Other Income / Income on Foreign Exchange transactions received from SG Global Solution Centre Pvt. Ltd. Rs. 7,094 (P.Y. Rs. 4,326), Komercini Bank Rs. 1,516 (P.Y. – Rs. 2,950) and ALD Automotive Pvt. Ltd. Rs. 33 (P.Y. Rs. 3,072).

Receipt of Services

Payment to ALD Automotive Pvt. Ltd. Rs. 7,209 (P.Y. Rs. 5,140) towards car leasing services and SG Global Solution Centre Pvt. Ltd. Rs. 106,613 (P.Y. Rs 105,941) 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. 16,625 (P.Y.- Rs. 1,191)

Rs. '000s

Particulars	2017-18	2016-17
Up to 1 year	15,270	764
1-5 years	1,355	427
Above 5 years	–	–
TOTAL	**16,625**	**1,191**

(c) Lease payments recognized in the Profit and Loss Account during the year: Rs. 31,127 (P.Y. Rs. 33,572)

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

(v) Taxes on Income-AS 22

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

Rs. '000s

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred Tax Asset		
– Provision for standard assets and other provisions	311,557	172,513
– Amortization of premium on HTM securities	953	1,132
– Provision for employee benefits	9,645	19,601
– Provision on Non-SLR Investments	31,020	30,657
– Provision for Sundry Assets	3,727	2,163
– Expenses accrued but disallowed	25,940	–
Deferred Tax Liability		
– Difference in Accounting and Tax Depreciation	161,539	177,741
Net Deferred Tax Asset/(Liability)	**221,303**	**48,325**

(vi) Particulars of intangible assets (Other than internally generated aseets) **Rs. '000s**

Application Software	As at March 31, 2018	As at March 31, 2017
Gross Block		
At cost as at 31st March of the preceding year	506,285	502,304
Additions during the year	39,513	3,981
Deductions during the year	–	–
TOTAL:	**545,798**	**506,285**
Depreciation / Amortization		
As at 31st March of the preceding year	476,016	376,976
Charge for the year	22,372	99,040
Deductions during the year	–	–
Depreciation to date	**498,388**	**476,016**
Net block	**47,410**	**30,269**

(vii) Capital Commitments **Rs. '000s**

Capital Commitments	As at March 31, 2018	As at March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for.	–	613

23. Additional Disclosures

(i) Termination Benefits

Payments to and provision for employees includes Rs. NIL (P.Y: Rs. 34,485) 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 include a discount to the reference price and an "Employers Matching Contribution" up to the specified limit per employee. Payments to and provision for employees includes Rs. Nil (P.Y: Rs. Nil) 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 represent invalid guarantee invocation claim filed by a beneficiary who is under insolvency proceedings with National Company Law Tribunal. A legal notice has been received the Bank which has been appropriately responded.

This also represents legal claims filed against the Bank in its normal course of business.

"The Bank had been advised by RBI vide its letter dated February 2, 2016 to apply for compounding of an alleged FEMA violation in relation to a client account in private banking operations. Towards this extent the Local Management met the RBI and post discussion, it has been agreed to seek condonation of RBI on the matter. The Bank has written to RBI on May 11, 2017 seeking condonation and awaits further guidance from RBI, as of date."

The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, results of operations or cash flows.

Other items for which the Bank is contingently liable

This includes reverse repo lending and Bond purchase pending for settlement as at March 31, 2018. This also includes contingent liability corresponding to amount transferred do Depositor Education and Awareness Fund (DEAF), the capital commitments given to vendors.

Tax contingent liability - The Bank expects the outcome of the appeals to be favorable based on decisions on similar issues in the previous years by the appellate authorities, based on the facts of the case and taxation laws.

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. '000**

	Provision and Contingencies	2017-18	2016-17
I	**Taxation Charge**		
	– Current tax expense	423,442	312,995
	– Tax Provision (Prior Years)	7,625	–
	– Deferred tax expense/ (benefit)	(172,978)	(235,619)
II	Provision / (Write back) for loan losses	175,000	–
III	Provision for Standard Assets	(53,426)	387,808
IV	Provision for Diminution in value of Investment	155,528	70,866
V	Provision for Country Risk	(7,490)	(27,740)
VI	Provision for Un-hedged Foreign Currency Exposure	(1,160)	(8,307)
VII	Provision for Sundry Assets (Net of Write back)	3,532	5,000
VIII	Other losses/write-offs	239,000	–
IX	Provision for Large Exposure	19,711	–
X	Provision for Stressed Assets	6,929	–
	TOTAL	**795,713**	**505,003**

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

(v) Draw down from Reserves:

The Bank did not have drawdowns from reserves during the year ended March 31, 2018 (P.Y. Nil).

(vi) Disclosure of Complaints:

Sr. No.	Customer Complaints	2017-18	2016-17
a)	No. of complaints pending at the beginning of the year	–	–
b)	No. of complaints received during the year	–	–
c)	No. of complaints redressed received during the year	–	–
d)	No. of complaints pending at the end of the year	–	–

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

(vii) Disclosure of Awards passed by the Banking Ombudsman

Sr. No.	Awards passed by the Banking Ombudsman	2017 –18	2016 –17
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.

(viii) Disclosure of Letters of Comfort

The Bank has issued Letter of Comfort during the year. The assessed cumulative financial obligation under the Letters of Comfort issued and outstanding is Rs. 268,088. (P.Y. Nil)

(ix) Provision for Long Term contracts

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

(x) PSLCs sold and purchased during the year ended March 31,2018

Particulars	2017-18		2016-17	
	Purchased	Sold	Purchased	Sold
PSLC – Agriculture	–	–	–	–
PSLC – SF/MF	–	–	–	–
PSLC – Micro Enterprises	–	–	–	–
PSLC - General	990,000	–	3,150,000	–

(xi) 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 RBI 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.

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

(a) As per the provisions of section 135 of the companies Act,2013, amount to be contributed by the Bank is Rs. 14,806 ('000) (based on 2% of average net profits before tax of three immediate preceding financial years)

(b) As per RBI circular DBOD. No. DIR.BC. 50/13.01.01/2005-06 dated December 21, 2005, amount to be contributed by the Bank is Rs. 45.58 ('000s) (based on 1% of published profits for the previous year)

(c) Amount spent during the year **Rs. '000s**

Particulars	Paid	Yet to be paid	Total
(i) Construction/ acquisition of any asset	–	–	–
(ii) On purpose other than (i) above	20.43	–	20.43

Societe Generale India is a branch office of Societe Generale Group hence the Board has decided to implement the CSR practice as described in the RBI Circular which is 1% of published profits for the previous year. Societe Generale India has spent Rs. 20.43 ('000) towards CSR Activities and Rs. 97.79 ('000) was spent towards Citizenship Activities.

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

Particulars	2017-18	2016-17
Opening balance of amounts transferred to DEAF	2,277	2,261
Add: Amounts transferred to DEAF during year	36	16
Less: Amounts reimbursed by DEAF towards claims	–	–
Closing balance of amounts transferred to DEAF	2,313	2,277

(xiv) 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. This information has been provided by the management and relied upon by the auditors.

(xv) Un-hedged Foreign Currency Exposures

The Bank has provided for un-hedged foreign currency exposure as per RBI master circular DBOD.No.BP.BC.1/21.04.048/2014-15 dated 01 July 2014 on prudential norms on income recognition, asset classification and provisioning pertaining to advances. The Bank considers all customers who have borrowed from the Bank and covers gross sum of all items on the customer's balance sheet that has an impact on the profit and loss account due to movement in foreign exchange rates. While providing for un-hedged foreign

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currency exposure, the Bank has considered both financial hedges and natural hedges. The Bank has internally devised the mechanism of identifying the un-hedged foreign currency exposure to individual clients based on the latest certificates.

Provision towards un-hedged foreign currency exposure as on March 31, 2018 is Rs 976 (in '000s) (P.Y. Rs 2,136) and the capital held by the Bank towards this risk is Rs. Nil (in '000s) (P.Y. NIL).

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

Sr. No.	Particulars	Quarter Ended 31-Mar-2018		Quarter Ended 31-Dec-2017		Quarter Ended 30-Sep-2017		Quarter Ended 30-June-2017		Quarter Ended 31-Mar-2017	
		Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets										
1	Total High Quality Liquid Assets (HQLA)	**102,218**	**102,218**	**92,824**	**92,824**	**105,575**	**105,575**	**112,450**	112,450	**121,076**	121,076
	Cash Outflows										
2	Retail deposits and deposits from small business customers, of which:	–	–	–	–	–	–	–	–	–	–
	(i) Stable deposits	–	–	–	–	–	–	–	–	–	–
	(ii) Less stable deposits	–	–	–	–	–	–	–	–	–	–
3	Unsecured wholesale funding, of which:	**291,793**	**137,546**	**246,671**	**132,379**	**198,333**	**104,231**	**232,284**	**121,754**	**238,976**	**116,585**
	(i) Operational deposits (all counterparties)	–	–	–	–	–	–	–	–	–	–
	(ii) Non-operational deposits (all counterparties)	257,079	102,832	190,487	76,195	156,838	62,735	184,217	73,687	203,985	81,594
	(iii) Unsecured debt	34,714	34,714	56,184	56,184	41,495	41,495	48,067	48,067	34,991	34,991
4	Secured wholesale funding										
5	Additional requirements, of which	**16,128**	**5,006**	**17,007**	**5,514**	**14,996**	**4,553**	**13,300**	**4,051**	**11,136**	**3,493**
	(i) Outflows related to derivative exposures and other collateral requirements	239	239	588	588	78	78	86	86	218	218
	(ii) Outflow related to loss of funding on debt products	–	–	–	–	–	–	–	–	–	–
	(iii) Credit and liquidity facilities	15,889	4,767	16,419	4,926	14,918	4,475	13,214	3,964	10,918	3,275
6	Other contractual funding obligations	54,448	54,448	44,440	44,440	48,412	48,412	30,896	30,896	15,350	15,350
7	Other contingent funding obligations	296,625	8,899	280,699	8,421	285,645	8,569	291,665	8,750	267,303	8,019
8	Total Cash Outflows	**658,994**	**205,898**	**588,818**	**190,754**	**547,386**	**165,765**	**568,145**	**165,451**	**533,051**	**143,475**
	Cash Inflows										
9	Secured lending	–	–	–	–	–	–	–	–	–	–
10	Inflows from fully performing exposures	131,685	65,918	135,340	67,670	118,763	60,160	118,899	59,801	115,181	57,590
11	Other cash inflows	62,057	62,057	52,234	54,365	54,365	54,365	33,811	33,811	17,505	17,505
12	Total Cash Inflows	**193,742**	**127,975**	**187,573**	**119,904**	**173,129**	**114,526**	**152,710**	**93,613**	**132,686**	**75,095**
13	Total HQLA*		102,218		92,824		105,575		112,450		121,076
14	Total Net Cash Outflows*		77,932		70,850		51,239		71,837		68,382
15	Liquidity Coverage Ratio (%)*		**132.07%**		**133.91%**		**199.29%**		**162.37%**		**181.15%**

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

Qualitative Disclosure

1) In accordance with Basel III norms, the LCR requirement has been introduced by RBI for banks in India effective January 1, 2015 with a minimum 60% for the calendar year 2015, rising in equal steps each calendar year to reach the minimum 100% requirement by January 1, 2019. The minimum requirement for calendar year 2016 is 70%, for 2017 is 80% and for 2018 is 90%.
2) LCR standard aims to ensure sufficient liquidity within the bank through High Quality Liquidity Assets (HQLA) to survive acute stress scenario lasting for 30 days, as it is expected that the bank will take appropriate corrective action within 30 days.
3) Banks HQLA primarily consists of GSEC investments above the SLR limit and Government securities within the mandatory SLR requirement, to the extent allowed by RBI under MSF and FALLCR.
4) The Bank's ALCO is responsible for liquidity risk management on an overall basis, providing guidance to respective stakeholders within the Bank.
5) The aforementioned table provides the quarterly LCR computation for the four quarters of the Financial Year 2017-18. The LCR is being monitored on daily basis effective January 1, 2017. Accordingly, figures are reported as simple average of daily observation for 90 days for all quarters of the FY 2017-18.
6) In computing the above information, certain estimates/assumptions have been made by the Bank's management which have been relied upon by the auditors.

(xvii) Miscellaneous income includes recovery from network, processing fees, interest on income tax refund etc.

(xviii) In terms of RBI Master Circular on Foreign Investments in India dated July 1, 2015, the bank does not have any subsidiary companies and as such no certificate was required from the statutory auditors on an annual basis as regards status of compliance with the instruction on downstream investments in compliance with the FEMA provisions.

(xix) The Bank has received no complaints for its disposal under the provisions of The Sexual Harassment of Women at Workplace (Prevention, prohibition and Redressal) Act, 2013

(xx) Previous year's financials were audited by other firm of Chartered Accountants.

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

For Societe Generale – Indian Branches

Ashok Krishnamoorthy
Chief Financial Officer

Lokesh Chaturvedi
Chief Operating Officer

Antoine Castel
Chief Executive and Chief Country Officer

Place: Mumbai
Date: June 13, 2018

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Basel III disclosures of the Indian Branches for the year ended 31 March 2018

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

DF 1. Scope of application

1. **Qualitative and Quantitative Disclosures:**

   The Bank is subject to the capital adequacy guidelines stipulated by RBI, which are based on the framework of the Basel Committee on Banking Supervision. As per Basel III guidelines, the Bank is required to maintain a minimum Capital to Risk Weighted Assets Ratio (CRAR) of 9% {12.5% including Capital Conservation Buffer (CCB) and additional CET 1 requirement under Global Systemically Important Bank}, 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 2018 is 9% with minimum Common Equity Tier 1 (CET1) of 5.5%. The risk management framework of Indian operations is integrated with the Bank's strategy and business planning processes at global level. The Bank has comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed in conducting its activities. The risk management function in India is as per directives and framework set out at Head Office level. As at March 31, 2018, the Bank does not have any investment in subsidiaries/Joint Ventures and Associates, significant minority equity investment in insurance, financial and commercial entities.

2. **Capital structure**

   Qualitative Disclosures

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

   Tier 1 Capital:

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

   Tier 2 Capital:

   - General provisions and loss reserves:

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

   Quantitative Disclosure

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

Amount Received from Head Office	7,481,899
Statutory Reserves	1,127,816
Remittable Surplus Retained in India for CRAR	1,018,465
Capital Reserves	253,258
Interest-free funds remitted from Head Office for acquisition of property	345,070
Less: Intangible Assets and Deferred Tax Assets	(268,712)
Total Tier 1 Capital	**9,957,797**

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

General Provisions and loss Reserves reckoned up to a maximum of 1.25 per cent of the total Credit risk-weighted assets	678,198
Amount eligible to be reckoned as capital funds	678,198

(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	3,717,145
of which amount raised during the current year	–
Amount eligible to be reckoned as capital funds	3,717,145

Total Tier 2 Capital (b) + (c) + (d)	**4,395,343**

(e) Other deduction from capital.
There are no other deductions from capital.

(f) Total Eligible Capital
The total eligible capital is Rs. 14,353,140 ('000s).

DF 2. Capital Adequacy

Qualitative Disclosures

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

The Bank has assessed its future capital requirement and the same has been documented in the ICAAP (Internal Capital Adequacy Assessment Process) based on the position as of March 31, 2018. The capital requirement will be re-assessed taking into consideration the position of the Bank for the financial year ended March 31, 2018.

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 2018 is presented below:

Quantitative Disclosures **(Rs. '000s)**

(a)	Capital Requirements for Credit Risk:	
	Portfolios subject to Standardized Approach	5,354,901
	Securitization Exposures	–
(b)	Capital Requirements for Market Risk: Standardized Duration Approach:	
	Interest Rate Risk	994,560
	Foreign Exchange risk (including Gold)	180,000
	Equity Risk	–
(c)	Capital Requirement for Operational Risk:	
	Basic Indicator Approach	282,686
Total Eligible Capital		14,353,140
Total Risk Weighted Assets		77,614,471
Total Capital Ratio		18.49%
Tier 1 Capital Ratio		12.83%

DF 3. Credit risk: general disclosures

Qualitative Disclosures

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

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

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

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

Structure and Organization:

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

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

Scope and nature of risk reporting and measurement:

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

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

Non-performing advances:

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

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

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

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Quantitative Disclosures

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

	Fund Based (Note 1)	Non-Fund Based (Note 2)	Total
As at 31 March 2018	49,797,369	32,019,298	81,816,666

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

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

		As at 31.03.2018	
	Fund Based	**Non-Fund Based**	**Total**
Overseas	–	–	–
Domestic	49,797,369	32,019,298	81,816,666
Total	49,797,369	32,019,298	81,816,666

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

Industry	Fund based	Non-fund based	Total
All Engineering	5,683,754	7,727,222	13,410,976
Banking & Finance	5,303,632	51,859,230	57,162,862
Basic Metal & Metal Products	5,500,000	9,635	5,509,635
Cement and Cement Products	480,844	1,039,156	1,520,000
Chemical and chemicals products	4,990,476	1,578,066	6,568,542
Construction	37,500	–	37,500
Food Processing	3,180,860	120,556	3,301,416
Gems and Jewellery	3,150,000	27,564	3,177,564
Infrastructure	7,154,375	5,124,930	12,279,304
NBFC	2,460,000	–	2,460,000
Other Industries	6,984,222	3,730,580	10,714,802
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	2,000,000	284,463	2,284,463
Rubber, Plastic and their Products	–	100,000	100,000
Transport- Roads and Bridges	856,666	143,334	1,000,000
Vehicles, Vehicle Parts and Transport Equipment's	2,015,041	1,226	2,016,267
Total	**49,797,369**	**71,745,962**	**121,543,331**

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

	As at 31.03.2018
1 day	3,851,357
2-7 days	1,845,016
8-14 days	9,267,843
15-30 days	4,889,408
31 days and up to 2 months	2,321,274
over 2months and up to 3 months	6,072,732
Over 3 Months and up to 6 months	1,963,441
Over 6 Months and up to 1 year	326,374
Over 1 Year and up to 3 years	21,105,827
Over 3 Years and up to 5 years	–
Over 5 years	1,921,252
Total	**53,564,524**

e) Amount of NPAs (Gross) – 700,000 (P.Y. Rs. NIL)

f) Net NPAs- 525,000 (P.Y. Nil)

g) NPA Ratios - 25%
Gross NPAs to gross advances 2.56% (P.Y.0.00%)
Net NPAs to net advances- 1.93% (P.Y.0%)

h) Movement of NPAs (Rs.' 000s)

	Gross NPAs	Provision	Net NPA
Opening balance	–	–	–
Additions	700,000	175,000	525,000
Reduction (including write backs / write offs)	–	–	–
Closing balance	700,000	175,000	525,000

i) Non-performing investments – Nil

j) Provisions held for non-performing investments – Nil

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

	2017-18
Opening Balance at beginning of the year	70,866
Add: Provisions made during the year	155,528
Less: Write-off/write-back of excess provisions during the year	–
Closing Balance at end of the year	226,394

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

Domestic Credit Rating Agencies for external ratings of Indian Corporates:

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

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

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

Risk weight mapping of long term corporate ratings

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

Risk weight mapping of short term corporate ratings

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

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

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

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

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

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

Risk weights of Claims on foreign banks:

S &P / Fitch ratings	AAA to AA	A	BBB	BB to B	Below B	Unrated
Moody's ratings	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 31.03.2018
Below 100 % risk weight	97,964,499
100 % risk weight	21,209,590
More than 100 % risk weight	1,122,608
Deducted	–
Total**	**120,296,696**

**The amount outstanding under various risk buckets excludes exposures to QCCP and CVA charge as at March 31, 2018

DF 5. Credit risk mitigation: disclosures for standardized 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 executive's 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, 2018, the total exposure covered by eligible financial collateral after application of haircuts was Rs. 5,736 (P.Y. Rs. 6,182) in 000s.

DF 6. Securitization: disclosure for standardized approach

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

DF 7. Market risk in trading book

Qualitative Disclosures

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

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

Strategy and Process:

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

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

Structure and organization of market risk management

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

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

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

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

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

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

Standardised duration approach	**As at 31.03.2018**
Interest rate risk	994,560
Foreign exchange risk	180,000
Equity risk	–
Capital requirements for market risk	1,174,560

DF 8. Operational Risk:

Qualitative disclosures

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

Strategy and Process

The Bank has an Incident Management 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 Organization

Implementation of the Operational Risk framework of the bank is done by the Head-Operational Risk Management under guidance from the regional Regulatory, Oversight & Cyber Security (ROCS) team responsible for Operational Risk topics. The framework rests on the following pillars: -

- Operational Loss Collection.
- Risk & Controls Self-Assessment
- Permanent Supervision
- Key Risk Indicators
- New Product Approval process
- Outsourcing of Essential Services process

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

Scope and nature of Risk reporting / measurement system

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

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

Hedging / Mitigating techniques

The Permanent Supervision controls framework is in place to ensure risk mitigants or controls are identified and monitored periodically to prevent or reduce operational losses and impacts. The gaps / residual risks identified during the RSCA exercises 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.

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

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

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

Quantitative Disclosures

Market Risk Limits (Rs. '000s)

1- Value at Risk: VAR 99%

VAR	Limit		Usage
FX VaR	*100,000*	*89,575.11*	*90%*
Interest Rate Trading VaR	*150,000*	*59,858.52*	*40%*
Consolidated Trading VaR (FX and IR)	*160,000*	*15,909.52*	*10%*

2- Interest Rate Sensitivity Limits

Parallel	Limit		Usage
Total Investments PVBP01 (HFT + AFS + HTM)	*12,600*	*3,419.50*	*27%*
IRD Trading PVBP01	*7,000*	*1,239.78*	*25%*

3- Stress Tests

	Limit	Usage	
Stress Test	*3,500,000*	*1,017,000*	*29%*

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, 2018, broken down by currency is as follows:

Earnings Perspective (Rs. '000s)

Currency	Interest Rate Shock	
	2% Increase	2% Decrease
Rupees and other major currencies	131,298	(131,298)
US Dollar	158,462	(158,462)

Economic Value Perspective (Rs. '000s)

Currency	Interest rate shock	
	2% increase	2% decrease
Rupees and other major currencies	777,853	(777,853)
US Dollar	(1,331,003)	1,331,003

DF 11. Composition of capital: (Rs. in '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)	7,481,899	–	Schedule 1
2	Retained earnings	1,018,465	–	Schedule 2
3	Accumulated other comprehensive income (and other reserves)	1,726,145	–	Schedule 1 & 2
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	–	–	
	Public sector capital injections grandfathered until January 1, 2018	–	–	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	–	–	
6	**Common Equity Tier 1 capital before regulatory adjustments**	**10,226,509**	–	
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)	47,409	–	Schedule 10
10	Deferred tax assets	221,303	–	Schedule 11
11	Cash-flow hedge reserve	–	–	
12	Shortfall of provisions to expected losses	–	–	
13	Securitization gain on sale	–	–	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	–	–	
15	Defined-benefit pension fund net assets	–	–	
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)	–	–	

17	Reciprocal cross-holdings in common equity	–	–	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	–	–	
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	–	–	
20	Mortgage servicing rights (amount above 10% threshold)	–	–	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	–	–	
22	Amount exceeding the 15% threshold	–	–	
23	of which: significant investments in the common stock of financial entities	–	–	
24	of which: mortgage servicing rights	–	–	
25	of which: deferred tax assets arising from temporary differences	–	–	
26	National specific regulatory adjustments (26a+26b+26c+26d)	–	–	
26b	of which: Investments in the equity capital of unconsolidated non-financial subsidiaries	–	–	
26c	of which: Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	–	–	
26d	of which: Unamortized pension funds expenditures	–	–	
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	–	–	
	of which: HO Debit Balance	–	–	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	–	–	
28	**Total regulatory adjustments to Common Equity Tier 1**	268,712	–	Schedule 10 & 11
29	**Common Equity Tier 1 capital (CET1)**	**9,957,797**	–	
Additional Tier 1 capital: instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)	–	–	
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	–	–	
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	–	–	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	–	–	
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	–	–	
35	of which: instruments issued by subsidiaries subject to phase out	–	–	
36	**Additional Tier 1 capital before regulatory adjustments**	–	–	
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments	–	–	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	–	–	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	–	–	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–	–	
41	National specific regulatory adjustments (41a+41b)	–	–	
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	–	–	
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	–	–	
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	–	–	
	of which:	–	–	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	–	–	

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43	**Total regulatory adjustments to Additional Tier 1 capital**	–	–	
44	**Additional Tier 1 capital (AT1)**	–	–	
44a	**Additional Tier 1 capital reckoned for capital adequacy**	–	–	
45	**Tier 1 capital (T1 = CET1 + Admissible AT1) (29 + 44a)**	**9,957,797**	–	
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*	3,717,145	–	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)	678,198	–	
51	**Tier 2 capital before regulatory adjustments**	**4,395,343**	–	
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 investments13 in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–	–	
56	National specific regulatory adjustments (56a+56b)	–	–	
56a	of which: Investments in the Tier 2 capital of unconsolidated insurance subsidiaries	–	–	
56b	of which: Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	–	–	
	Regulatory Adjustments Applied to Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment	–	–	
	of which: Investment in Subsidiaries	–	–	
57	**Total regulatory adjustments to Tier 2 capital**	–	–	
58	**Tier 2 capital (T2)**	**4,395,343**	–	
58a	**Tier 2 capital reckoned for capital adequacy**	**4,395,343**	–	
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**	–	–	
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	**4,395,343**	–	
59	**Total capital (TC = T1 + Admissible T2) (45 + 58c)**	**14,353,140**	–	
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment		–	
	of which: …	–	–	
60	**Total risk weighted assets (60a + 60b + 60c)**	**77,614,471**	–	
60a	of which: total credit risk weighted assets	59,398,896	–	
60b	of which: total market risk weighted assets	14,682,005	–	
60c	of which: total operational risk weighted assets	3,533,570	–	
Capital ratios				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	12.83%	–	
62	Tier 1 (as a percentage of risk weighted assets)	12.83%	–	
63	Total capital (as a percentage of risk weighted assets)	18.49%	–	
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 standardized approach (prior to application of cap)	678,198	–	
77	Cap on inclusion of provisions in Tier 2 under standardized approach	678,198	–	
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, 2018 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	221,303
	Total as indicated in row 10	221,303
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	–
	of which: Increase in Common Equity Tier 1 capital	–
	of which: Increase in Additional Tier 1 capital	–
	of which: Increase in Tier 2 capital	–
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then:	–
(i)	Increase in Common Equity Tier 1 capital	–
(ii)	Increase in risk weighted assets	–
44a	Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)	–
	of which: Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	–
50	Eligible Provisions included in Tier 2 capital	678,198
	Eligible Revaluation Reserves included in Tier 2 capital	–
	Total of row 50	**678,198**
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)	–

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Table DF-12: Composition of Capital- Reconciliation requirements

Step 1 (Rs. in '000s)

		Particulars	**Balance sheet as in published financial statements As at 31.03.2018**	**Under regulatory scope of consolidation As at 31.03.2017**
A	**Capital & Liabilities**			
	i.	Paid-up Capital (funds from HO)	7,826,968	7,826,968
		Reserves & Surplus	2,663,888	2,490,046
		Minority Interest	–	–
		Total Capital	**10,490,856**	**10,317,014**
	ii.	Deposits	**26,951,622**	**17,892,292**
		of which: Deposits from banks	17,131	333,729
		of which: Customer deposits	2,649,022	17,558,563
		of which: Other deposits (pl. specify)	–	–
	iii.	Borrowings	**8,643,140**	**5,920,437**
		of which: From RBI	–	–
		of which: From banks	–	1,000,000
		of which: From other institutions & agencies	3,198,857	799,929
		of which: Others (pl. specify) (Borrowings outside India)	5,444,283	4,120,508
		of which: Capital instruments	–	–
	iv.	Other liabilities & provisions	7,478,906	5,303,807
		Total	**53,564,524**	**39,433,550**
B	**Assets**			
	i.	Cash and balances with Reserve Bank of India	2,089,947	1,210,297
		Balance with banks and money at call and short notice	2,513,292	220,917
	ii.	Investments:	13,436,364	13,738,998
		of which: Government securities	13,436,364	13,738,998
		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	27,200,757	18,732,488
		of which: Loans and advances to banks	4,390,340	2,023,962
		of which: Loans and advances to customers	22,810,417	16,708,526
	iv.	Fixed assets	623,001	694,375
	v.	Other assets	7,701,163	4,836,476
		of which: Goodwill and intangible assets	–	–
		of which: Deferred tax assets	–	–
	vi.	Goodwill on consolidation	–	–
	vii.	Debit balance in Profit & Loss account	–	–
		Total Assets	**53,564,524**	**39,433,550**

Step 2

		Particulars	Balance sheet as in published financial statements As at 31.03.2018	Under regulatory scope of consolidation As at 31.03.2017
A	**Capital & Liabilities**			
	i.	**Paid-up Capital (funds from HO)**		
		of which: Amount eligible for CET1	10,226,509	10,178,203
		of which: Amount eligible for AT1	–	–
		Reserves & Surplus	264,347	138,811
		Minority Interest	–	–
		Total Capital	**10,490,856**	**10,317,014**
	ii.	**Deposits**	**26,951,622**	**17,892,292**
		of which: Deposits from banks	17,131	333,729
		of which: Customer deposits	26,934,491	17,558,563
		of which: Other deposits (pl. specify)	–	–

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	iii.	**Borrowings**	**8,643,140**	**5,920,437**
		of which: From RBI	–	–
		of which: From banks	–	1,000,000
		of which: From other institutions & agencies	3,198,857	799,929
		of which: Others (pl. specify) (Borrowings outside India)	5,444,283	4,120,508
		of which: Capital instruments	–	–
	iv.	**Other liabilities & provisions**	7,478,906	**5,303,807**
		of which: DTLs related to goodwill	–	–
		of which: DTLs related to intangible assets	–	–
		Total	**53,564,524**	**39,433,550**
	Assets			
B	i.	Cash and balances with Reserve Bank of India	2,089,947	1,210,297
		Balance with banks and money at call and short notice	2,513,292	220,917
	ii.	**Investments:**	13,436,364	13,738,998
		of which: Government securities	13,436,364	13,738,998
		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**	27,200,757	18,732,488
		of which: Loans and advances to banks	4,390,340	2,023,962
		of which: Loans and advances to customers	22,810,417	16,708,526
	iv.	**Fixed assets**	623,001	694,375
	v.	**Other assets**	7,701,163	4,836,476
		of which: Goodwill and intangible assets	–	–
		of which: Goodwill	–	–
		of which: Intangible assets	–	–
		Deferred tax assets	221,303	48,325
	vi.	Goodwill on consolidation	–	–
	vii.	Debit balance in Profit & Loss account	–	–
		Taotal Assets	**53,564,524**	**39,433,550**

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

		Component of regulatory capital reported by bank	Source based on reference numbers/ letters of the balance sheet under the regulatory scope of consolidation from step 2
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	7,481,899	7,481,899
2	Retained earnings	1,018,465	1,018,465
3	Accumulated other comprehensive income (and other reserves)	1,726,146	1,729,023
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	–	–
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	–	–
6	Common Equity Tier 1 capital before regulatory adjustments	10,226,509	10,229,387
7	Prudential valuation adjustments	–	–
8	Goodwill (net of related tax liability)	–	–
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	47,409	47,409
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	221,303	220,989
11	Regulatory adjustments applied to Common Equity Tier 1 and Tier 2 to cover deductions	–	–
	Common Equity Tier 1 capital (CET1)	**9,957,798**	**10,229,387**

DF-13: Main Features of Regulatory Capital Instruments

The bank has not issued any regulatory capital instruments during the period.

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(Incorporated in France as a Public Limited Company)

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

The bank has not issued any regulatory capital instruments during the period.

DF-15: Disclosure Requirements for Remuneration:

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

DF-16: Equities – Disclosure for Banking Book Positions:

Qualitative Disclosures

Investment in Equities amounting to Rs. 71,016 (in 000s) as at 31st March 2018 are the shares obtained from restructuring of debt of client and are publicly traded. These have been full provided and therefore the Net Investment in Equities is nil.

Quantitative Disclosures

The Book value and Market value of quoted and unquoted securities are as follows:

Rs'. in 000

Securities	Book Value	Market Value
Investment in Equities: Quoted	71,016	90,829
Investment in Equities: Unquoted	–	–

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

	Item	(Rs. in Millions)
1	Total consolidated assets as per published financial statements	53,565
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	–
3	Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	–
4	Adjustments for derivative financial instruments	39,727
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	–
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	16,892
7	Other adjustments	(5,963)
8	**Leverage ratio exposure**	**104,219**

DF-18: Leverage ratio common disclosure template:

	Item	(Rs. in Millions)
	On-balance sheet exposures	
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	47,788
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(269)
3	**Total on-balance sheet exposures** (excluding derivatives and SFTs) (sum of lines 1 and 2)	47,520
	Derivative exposures	
4	Replacement cost associated with all *derivatives* transactions (i.e. net of eligible cash variation margin)	6,117
5	Add-on amounts for PFE associated with *all* derivatives transactions	33,609
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	–
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	–
8	(Exempted CCP leg of client-cleared trade exposures)	–
9	Adjusted effective notional amount of written credit derivatives	–
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–
11	**Total derivative exposures (sum of lines 4 to 10)**	**39,727**
	Securities financing transaction exposures	
12	Gross SFT *assets* (with no recognition of netting), after adjusting for sale accounting transactions	81
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	–
14	CCR exposure for SFT assets	–
15	Agent transaction exposures	–
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	**81**
	Other off-balance sheet exposures	
17	Off-balance sheet exposure at gross notional amount	51,748
18	(Adjustments for conversion to credit equivalent amounts)	(34,857)
19	**Off-balance sheet items (sum of lines 17 and 18)**	**16,892**
	Capital and total exposures	
20	**Tier 1 capital**	**9,958**
21	**Total exposures (sum of lines 3, 11, 16 and 19)**	**104,219**
	Leverage ratio	
22	**Basel III leverage ratio**	**9.55**