



RBI/2015-16/429

DBR.BP.BC.No.106/21.07.001/2015-16

June 23, 2016

All Scheduled Commercial Banks
(excluding Regional Rural Banks)

Madam / Dear Sir,

Implementation of Indian Accounting Standards (Ind AS)

Please refer to [circular DBR.BP.BC.No.76/21.07.001/2015-16 dated February 11, 2016](#) on the captioned subject in terms of which banks have been directed to be in preparedness to submit Proforma Ind AS Financial Statements to the Reserve Bank from the half-year ended September 30, 2016, onwards.

2. Banks shall submit Proforma Ind AS Financial Statements, for the half year ended September 30, 2016 latest by November 30, 2016 to the Principal Chief General Manager, Department of Banking Regulation, Central Office, Reserve Bank of India, Mumbai. Banks shall be guided by the Ind ASs notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. [reference G.S.R.111(E) dated February 16, 2015 and G.S.R.365(E) dated March 30, 2016]. Banks shall also refer to the Report of the Working Group on "Implementation of Ind AS by Banks in India" placed on the RBI website on October 20, 2015.

3. The Proforma Ind AS Financial Statements shall include the following:-

- Balance Sheet including Statement of Changes in Equity (Annex I & II).
- Profit and Loss Account (Annex III).
- Notes (Annex IV).



4. The formats as per the Annexes are solely for the preparation and submission of proforma Ind AS financial statements to the Reserve Bank. The formats for the Ind AS financial statements for the accounting periods beginning April 1, 2018 shall be notified separately. It is also clarified that banks shall continue to be guided by the extant instructions issued vide circular Ref. DBOD.No.BP.BC.78/C.686/91-92 dated February 6, 1992 (as amended from time to time) with respect to the preparation and presentation of financial statements for the financial years 2016-17 and 2017-18.

5. Banks may refer to Annex V for the broad application guidance on the major line items/sub-line items in the financial statements. Banks may [email](#) to the Reserve Bank for specific clarifications/issues, in this regard.

6. To begin with, banks which are not in a position to submit both standalone and consolidated proforma Ind AS financial statements for the half year ended September 30, 2016 are permitted to submit only standalone financial statements. However, banks shall submit both proforma Ind AS standalone and consolidated financial statements in the subsequent periods.

7. Banks shall disclose significant accounting policies including, inter alia, the following:

(i) financial assets and financial liabilities, including use of fair value option in designating financial assets or financial liabilities at Fair Value Through Profit or Loss (FVTPL) upon initial recognition.

(ii) impairment of financial assets, with the following details:

- Methodology for computation of expected credit losses (ECL).
- Level of segmentation in the portfolio used.
- Criteria used for determination of movement from Stage 1 (12 month ECL) to Stage 2 and Stage 3 (lifetime ECL).
- The method used to compute lifetime ECL.



- The manner in which the forward looking information has been incorporated in the ECL estimates- the information provided should include both discussion of the judgment required and how it is applied in determining the allowance.
- The treatment for non-fund based facilities.
- The methodology for computation of ECL for revolving credit facilities.
- The areas where the bank intends to refine work on in this ECL estimate and the work plan / timeline to achieve it.
- The impact of movement from the current approach to the ECL approach- reconciliation of the stock of provisions under the current reporting requirements with the opening Ind AS 109 allowance. A comparison of the impairment allowance under ECL for the half-year ended September 30, 2016 with the corresponding provisions under the extant Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) norms shall also be disclosed.

Banks may note that Ind AS 109 is not specific in terms of the approach to be followed when measuring expected credit losses. The Reserve Bank expects banks to adopt sound expected credit loss methodologies commensurate with the size, complexity, and risk profile specific to individual banks. Banks may also note that the Reserve Bank shall finalise the policy on expected credit loss provisioning, taking into account the impairment requirements under Ind AS 109, after due deliberations, and considering various factors including, inter alia, the inputs as above. Banks are therefore advised to maintain flexibility while designing the systems and processes in this regard.

- (iii) derivatives and hedge accounting.
- (iv) derecognition of financial assets and financial liabilities.
- (v) employee benefits.
- (vi) offsetting financial instruments.
- (vii) income taxes.



(viii) significant areas of estimation uncertainty , critical judgements and assumptions in applying accounting policies.

(ix) Approach on exemptions under Ind AS 101 *First Time Adoption of Indian Accounting Standards*.

8. For the purpose of preparation of proforma Ind AS financial statements for the half year ending September 30, 2016, the notional date of transition to Ind ASs shall be the beginning of business as on April 01, 2016 (or equivalently close of business as on March 31, 2016). This however, does not change the date of transition for the purpose of preparation of Ind AS financial statements for the accounting periods beginning April 1, 2018, which shall be as per the provisions of Ind AS 101 *First Time Adoption of Indian Accounting Standards*.

9. The Proforma Ind ASs Financial Statements shall also include:

(i) (a) reconciliation of equity reported in accordance with the existing financial reporting requirements as at April 1, 2016 to its equity in accordance with Ind ASs as on the same date.

(b) reconciliation of equity reported in accordance with the existing financial reporting requirements as at September 30, 2016 to its equity in accordance with Ind ASs as on the same date.

(ii) reconciliation of the total comprehensive income in accordance with Ind AS for the half year ended September 30, 2016 with the profit or loss under the existing financial reporting requirements.

10. The reconciliations required by paragraph 9 above shall be given in sufficient detail to understand the material adjustments to the Balance Sheet and Statement of Profit and Loss, thereby explaining how the transition from the existing financial reporting to Ind ASs affected the reported Balance Sheet and financial performance. The detail shall be such as to enable the Reserve Bank to understand the significant adjustments to equity that will impact regulatory capital. The Reserve Bank does not require the proforma Ind AS financial statements to be audited and understands that this information, while being a fair estimate of the impact to opening equity, is subject to change.



11. Please note that the submission of proforma Ind AS financial statements to the Reserve Bank shall not be construed as validation, in any form, of the financial statements, by the Reserve Bank.

Yours faithfully,

(Sudarshan Sen)
Principal Chief General Manager

Annex I

Balance Sheet of (name of banking company) as at September 30, 2016

| | Note | As at September 30, 2016 | As at April 01, 2016 (Deemed date of transition) |
|---|------|--------------------------------|--|
| Assets | | | |
| Cash in hand and balances with Reserve Bank of India | | | |
| Balances with other central banks | | | |
| Balances with other banks, Financial Institutions and money at call and short notice | | | |
| Derivative financial instruments | | | |
| Investments | | | |
| Advances | | | |
| Property, plant and equipment | | | |
| Goodwill | | | |
| Other intangible assets | | | |
| Current tax assets | | | |
| Deferred tax assets | | | |
| Other assets | | | |
| Total assets | | | |
| Liabilities and equity | | | |
| Liabilities | | | |
| Deposits | | | |
| Borrowings | | | |
| Derivative financial instruments | | | |
| Other liabilities and provisions | | | |
| Current tax liabilities | | | |
| Deferred tax liabilities | | | |
| Debt securities | | | |
| Subordinated liabilities | | | |
| Total liabilities | | | |
| Equity | | | |
| Equity share capital | | | |
| Other equity | | | |
| Total equity | | | |
| Total liabilities and equity | | | |
| Contingent liabilities, commitments and guarantees | | | |

| | Share application money pending allotment | Equity component of financial instruments | Reserves and Surplus | | | | | Items of Other Comprehensive Income (OCI) | | | | | | | Total |
|---|---|---|----------------------|-----------------|-----------------------|---------------------------------|-------------------|--|---|---|--|-------------------------|-----------------------|-------------------------|-------|
| | | | Statutory Reserve | Capital Reserve | Share Premium Account | Other Reserves (specify nature) | Retained Earnings | Re-measurements of net defined benefit plans | Gains/ (losses) from equity investments through OCI | Gains/ (losses) of other financial assets through OCI | Exchange differences on translating financial statements of foreign operations | Cash flow hedge reserve | Revaluation Surpluses | Others (specify nature) | |
| Income tax on the above | | | | | | | | | | | | | | | |
| Profit (loss) for the year after income tax | | | | | | | | | | | | | | | |
| Other Comprehensive Income for the year before income tax Less: Income Tax Other Comprehensive Income | | | | | | | | | | | | | | | |
| Total Comprehensive Income for the year | | | | | | | | | | | | | | | |
| Balance as at September 30, 2016 | | | | | | | | | | | | | | | |

Form of Profit and Loss Account

Profit and Loss Account of (name of banking company) for the half year
ended September 30, 2016

| | Note | Half-year ended September 30, 2016 |
|---|------|--|
| Interest income | | |
| Interest expense | | |
| Net interest income | | <hr/> <hr/> |
| Fees and commission income | | |
| Fees and commission expense | | |
| Net fee and commission income | | <hr/> <hr/> |
| Net gain/(loss) on fair value changes | | |
| Other income | | |
| Total income | | <hr/> <hr/> |
| Impairment losses on financial instruments | | |
| Employee benefits | | |
| Depreciation and impairment of property, plant and equipment | | |
| Amortisation and impairment of intangible assets | | |
| Other expenses | | |
| Total expenses | | <hr/> <hr/> |
| Net profit/(loss) before taxes and exceptional items | | <hr/> <hr/> |
| Exceptional items | | |
| Net profit/(loss) before taxes | | <hr/> <hr/> |
| Taxes | | |
| - Current tax | | |
| - Deferred Tax | | |
| Net profit/(loss) after tax from continuing operations | | <hr/> <hr/> |
| Profit/(loss) from discontinued operations, net of tax | | |
| Net profit/(loss) for the period | | <hr/> <hr/> |

Note **Half-year ended**
September 30,
2016

Other Comprehensive Income

A (i) Items that will not be reclassified to profit or loss
(specify items and amounts)

(ii) Income tax relating to items that will not be
reclassified to profit or loss
Subtotal

B (i) Items that will be reclassified to profit or loss
(specify items and amounts)

(ii) Income tax relating to items that will be reclassified
to profit or loss
Subtotal

Other Comprehensive Income (A + B)

Total Comprehensive Income for the period

Earnings per equity share (for continuing operations)

Basic (Rs.)

Diluted (Rs.)

Earnings per equity share (for discontinued operations)

Basic (Rs.)

Diluted (Rs.)

Earnings per equity share (for continuing and discontinued operations)

Basic (Rs.)

Diluted (Rs.)

| | As at September 30, 2016 | | | | | | | As at April 01, 2016 (Deemed date of transition) | | | | | | |
|-------------------------------------|--------------------------|--|--|---|-----------|---------|-----------|---|--|--|---|------------------|---------|------------------|
| | Amortised cost | At Fair Value | | | | Others* | Total | Amortised cost | At Fair Value | | | | Others* | Total |
| | | Through other comprehensive income | Through profit and loss account | Designated at fair value through profit and loss account | Subtotal | | | | Through other comprehensive income | Through profit and loss account | Designated at fair value through profit and loss account | Subtotal | | |
| | (1) | (2) | (3) | (4) | (5=2+3+4) | (6) | (7=1+5+6) | (8) | (9) | (10) | (11) | (12=9+10 +11) | (13) | (14=8+1 2+13) |
| Current tax assets | | | | | | | | | | | | | | |
| Deferred tax assets | | | | | | | | | | | | | | |
| Other assets | | | | | | | | | | | | | | |
| Total assets | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | | | | |
| Deposits | | | | | | | | | | | | | | |
| Borrowings | | | | | | | | | | | | | | |
| Derivative financial instruments | | | | | | | | | | | | | | |
| Other liabilities and provisions | | | | | | | | | | | | | | |
| Current tax liabilities | | | | | | | | | | | | | | |
| Deferred tax liabilities | | | | | | | | | | | | | | |
| Debt securities | | | | | | | | | | | | | | |
| Subordinated liabilities | | | | | | | | | | | | | | |
| Total liabilities | | | | | | | | | | | | | | |

* Other basis of measurement such as cost may be explained as a footnote

2. Cash in hand and balances with Reserve Bank of India

| | | As at September 30, 2016 | As at April 01, 2016 (Deemed date of transition) |
|-----|---|-----------------------------|--|
| I. | Cash in hand (including foreign currency notes) | | |
| II. | Balances with Reserve Bank of India | | |
| | (a) In Current Accounts | | |
| | (b) In Reverse Repo | | |
| | (c) In Other Accounts* | | |
| | Subtotal (a, b and c) | | |
| | Total (I and II) | | |

* Restrictions, if any, on utilisation of balances should be disclosed

3. Balances with other central banks*

| | | As at September 30, 2016 | As at April 01, 2016 (Deemed date of transition) |
|-----|------------------------------|-----------------------------|--|
| I | In Current Accounts | | |
| II | In Reverse Repo | | |
| III | In Other Accounts | | |
| | Total (I, II and III) | | |

* Restrictions, if any, on utilisation of balances should be disclosed

4. Balances with other banks, Financial Institutions and money at call and short notice

| | | As at September 30, 2016 | As at April 01, 2016 (Deemed date of transition) |
|------|--|-----------------------------|--|
| I. | Balances with other Banks | | |
| | (a) in Current Accounts | | |
| | (b) In Reverse Repo | | |
| | (c) in Other deposit accounts | | |
| | Subtotal (a, b and c) | | |
| II | Balances with Financial Institutions | | |
| | (a) Deposits in lieu of shortfall in priority sector lending targets | | |
| | (b) In Reverse Repo | | |
| | (c) Other deposits | | |
| | Subtotal (a, b and c) | | |
| III. | Money at Call and Short Notice | | |
| | (a) with Banks | | |
| | (b) with other institutions | | |
| | Subtotal (a and b) | | |
| | Total (I, II and III) | | |
| | Balances in India | | |
| | Balances outside India | | |
| | Total | | |

5. Derivative financial instruments

- 1 Explain use of derivatives
- 2 Cross-reference to Financial Risks section for management of risks arising from derivatives

| | As at September 30, 2016 | | | As at April 01, 2016 (Deemed date of transition) | | |
|---|--------------------------|---------------------|--------------------------|---|---------------------|--------------------------|
| | Notional amounts | Fair Value - Assets | Fair Value - Liabilities | Notional amounts | Fair Value - Assets | Fair Value - Liabilities |
| Currency derivatives | | | | | | |
| Spot and forwards | | | | | | |
| Currency Futures | | | | | | |
| Currency swaps | | | | | | |
| Options purchased | | | | | | |
| Options sold (written) | | | | | | |
| Others | | | | | | |
| Total | | | | | | |
| | | | | | | |
| Interest rate derivatives | | | | | | |
| Forward Rate Agreements and Interest Rate Swaps | | | | | | |
| Options purchased | | | | | | |
| Options sold (written) | | | | | | |
| Futures | | | | | | |
| Others | | | | | | |
| Total | | | | | | |
| | | | | | | |
| Credit derivatives | | | | | | |
| | | | | | | |
| Equity linked derivatives | | | | | | |
| | | | | | | |
| Other derivatives (Please specify) | | | | | | |
| | | | | | | |
| Total derivatives | | | | | | |
| | | | | | | |
| Included in above are derivatives held for hedging and risk management purposes as follows: | | | | | | |
| Fair value hedging: | | | | | | |
| - Currency derivative | | | | | | |
| - Interest rate derivative | | | | | | |
| - Credit derivative | | | | | | |
| - Equity linked derivative | | | | | | |
| - Others | | | | | | |
| Subtotal (A) | | | | | | |
| Cash flow hedging: | | | | | | |
| - Currency derivative | | | | | | |
| - Interest rate derivative | | | | | | |
| - Credit derivative | | | | | | |
| - Equity linked derivative | | | | | | |
| - Others | | | | | | |
| Subtotal (B) | | | | | | |
| Net investment hedging: | | | | | | |
| - Currency derivative | | | | | | |
| - Interest rate derivative | | | | | | |
| - Credit derivative | | | | | | |

| | As at September 30, 2016 | | | As at April 01, 2016 (Deemed date of transition) | | |
|----------------------------|--------------------------|---------------------|--------------------------|---|---------------------|--------------------------|
| | Notional amounts | Fair Value - Assets | Fair Value - Liabilities | Notional amounts | Fair Value - Assets | Fair Value - Liabilities |
| - Equity linked derivative | | | | | | |
| - Others | | | | | | |
| Subtotal (C) | | | | | | |
| Total (A+B+C) | | | | | | |
| | | | | | | |

With respect to hedges and hedge accounting, banks may provide a description in accordance with the requirements of Indian Accounting Standards, of how derivatives are used for hedging, explain types of hedges recognised for accounting purposes and their usage/application by the entity.

| | As at September 30, 2016 | | | | | | | As at April 01, 2016 (Deemed date of transition) | | | | | | |
|--|--------------------------|------------------------------------|---------------------------------|--|-----------|---------|-----------|---|------------------------------------|---------------------------------|--|--------------|---------|--------------|
| | Amortised cost | At Fair Value | | | | Others* | Total | Amortised cost | At Fair Value | | | | Others* | Total |
| | | Through other comprehensive income | Through profit and loss account | Designated at fair value through profit and loss account | Subtotal | | | | Through other comprehensive income | Through profit and loss account | Designated at fair value through profit and loss account | Subtotal | | |
| | (1) | (2) | (3) | (4) | (5=2+3+4) | (6) | (7=1+5+6) | (8) | (9) | (10) | (11) | (12=9+10+11) | (13) | (14=8+12+13) |
| Subsidiaries, associates and joint ventures | | | | | | | | | | | | | | |
| Others (specify) | | | | | | | | | | | | | | |
| Total – Gross | | | | | | | | | | | | | | |
| Less: Impairment loss allowance | | | | | | | | | | | | | | |
| Total – Net | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | |
| Total Investments – Gross (C) = (A) + (B) | | | | | | | | | | | | | | |
| Less: Impairment loss allowance | | | | | | | | | | | | | | |
| Total – Net | | | | | | | | | | | | | | |

* Other basis of measurement such as cost may be explained as a footnote

| | As at September 30, 2016 | | | | | | | As at April 01, 2016 (Deemed date of transition) | | | | | | |
|-----------------------------------|--------------------------|------------------------------------|---------------------------------|--|-----------|---------|-----------|---|------------------------------------|---------------------------------|--|--------------|---------|--------------|
| | Amortised cost | At Fair Value | | | | Others* | Total | Amortised cost | At Fair Value | | | | Others* | Total |
| | | Through other comprehensive income | Through profit and loss account | Designated at fair value through profit and loss account | Subtotal | | | | Through other comprehensive income | Through profit and loss account | Designated at fair value through profit and loss account | Subtotal | | |
| | (1) | (2) | (3) | (4) | (5=2+3+4) | (6) | (7=1+5+6) | (8) | (9) | (10) | (11) | (12=9+10+11) | (13) | (14=8+12+13) |
| Gross | | | | | | | | | | | | | | |
| Less: Impairment loss allowance | | | | | | | | | | | | | | |
| Net | | | | | | | | | | | | | | |
| II. Advances outside India | | | | | | | | | | | | | | |
| (i) Banks | | | | | | | | | | | | | | |
| (ii) Others | | | | | | | | | | | | | | |
| Gross | | | | | | | | | | | | | | |
| Less: Impairment loss allowance | | | | | | | | | | | | | | |
| Net | | | | | | | | | | | | | | |
| Total: (C I and C II) | | | | | | | | | | | | | | |

* Other basis of measurement such as cost may be explained as a footnote

8. Property, plant and equipment

| | As at September 30, 2016 | | | | As at April 01, 2016 (Deemed date of transition) | | | |
|---|--------------------------|--|-----------------|-------|---|--|-----------------|-------|
| | Property* | Equipment / Furniture and Fittings | Assets on lease | Total | Property* | Equipment / Furniture and Fittings | Assets on lease | Total |
| At cost or fair value at the beginning of the year | | | | | | | | |
| Additions | | | | | | | | |
| Acquisitions # | | | | | | | | |
| Revaluation adjustment, if any | | | | | | | | |
| Disposals | | | | | | | | |
| Reclassification from/to held for sale | | | | | | | | |
| Other adjustments (please specify) | | | | | | | | |
| At cost or fair value at the end of the year | | | | | | | | |
| Accumulated depreciation and impairment as at the beginning of the year | | | | | | | | |
| Depreciation for the year | | | | | | | | |
| Disposals | | | | | | | | |
| Impairment/(reversal) of impairment | | | | | | | | |
| Reclassification from/to held for sale | | | | | | | | |
| Other adjustments (please specify) | | | | | | | | |
| Accumulated depreciation and impairment as at the end of the year | | | | | | | | |
| Net carrying amount as at the end of the year | | | | | | | | |
| Capital Work in Progress including advances for capital assets | | | | | | | | |

* Includes Land Rs.XXX (Previous Year Rs.XXX)

Represents assets acquired in a business combination during the year

9. Goodwill

| | As at September 30, 2016 | As at April 01, 2016 (Deemed date of transition) |
|-------------------------------------|--------------------------|---|
| At cost, beginning of the year | | |
| Additions | | |
| Acquisitions | | |
| Disposals | | |
| Other adjustments | | |
| Total cost | | |
| | | |
| Accumulated impairment: | | |
| At beginning of the year | | |
| Disposals | | |
| Impairment/(reversal) of impairment | | |
| Other adjustments | | |
| Total impairment | | |
| | | |
| Net carrying amount | | |

10. Other intangible assets

| | As at September 30, 2016 | | | As at April 01, 2016 (Deemed date of transition) | | |
|---|--------------------------|----------------------------|-------|---|----------------------------|-------|
| | Software | Other Intangible assets | Total | Software | Other Intangible Assets | Total |
| At cost, beginning of the year | | | | | | |
| Additions | | | | | | |
| Acquisitions | | | | | | |
| Fair value adjustments | | | | | | |
| Disposals | | | | | | |
| Other adjustments | | | | | | |
| Total cost | | | | | | |
| Accumulated amortization and impairment: | | | | | | |
| At beginning of the year | | | | | | |
| Amortization | | | | | | |
| Disposals | | | | | | |
| Impairment/(reversal) of impairment | | | | | | |
| Other adjustments | | | | | | |
| Total amortization and impairment | | | | | | |
| Net carrying amount | | | | | | |

11. Other assets

| | As at September 30, 2016 | As at April 01, 2016 (Deemed date of transition) |
|---|--------------------------|---|
| Interest accrued | | |
| Assets held for sale | | |
| - Out of the above, non-banking assets acquired in satisfaction of claims | | |
| Security and other Deposits | | |
| Acceptances and endorsements | | |
| Others | | |
| Total | | |

12. Deposits

| | As at September 30, 2016 | | | As at April 01, 2016 (Deemed date of transition) | | |
|------------------------------------|--------------------------|---------------------------------------|-------------|---|---------------------------------------|-------------|
| | At Amortised Cost | At Fair Value Through profit and loss | Total | At Amortised Cost | At Fair Value Through profit and loss | Total |
| | (1) | (2) | (3)=(1)+(2) | (4) | (5) | (6)=(4)+(5) |
| Demand deposits | | | | | | |
| (i) From Banks | | | | | | |
| (ii) From Others | | | | | | |
| Savings deposits | | | | | | |
| Term deposits | | | | | | |
| (i) From Banks | | | | | | |
| (ii) From Others | | | | | | |
| (iii) Certificate of Deposits | | | | | | |
| Total | | | | | | |
| Deposits of branches in India | | | | | | |
| Deposits of branches outside India | | | | | | |
| Total | | | | | | |
| Deposits -non-interest bearing | | | | | | |
| Deposits - interest bearing | | | | | | |
| Total | | | | | | |

13. Borrowings

| | As at September 30, 2016 | | | As at April 01, 2016 (Deemed date of transition) | | |
|--------------------------|--------------------------|---------------------------------------|-------------|---|---------------------------------------|-------------|
| | At Amortised Cost | At Fair Value Through profit and loss | Total | At Amortised Cost | At Fair Value Through profit and loss | Total |
| | (1) | (2) | (3)=(1)+(2) | (4) | (5) | (6)=(4)+(5) |
| Reserve Bank of India | | | | | | |
| Other Banks | | | | | | |
| Others | | | | | | |
| Total | | | | | | |
| | | | | | | |
| Borrowings in India | | | | | | |
| Borrowings outside India | | | | | | |
| Total | | | | | | |

14. Other liabilities and provisions

| | As at September 30, 2016 | As at April 01, 2016 (Deemed date of transition) |
|---|--------------------------|---|
| Interest accrued | | |
| Bills payable | | |
| Acceptances and endorsements | | |
| Provisions for employee benefits | | |
| Share application money pending allotment | | |
| Others | | |
| Total | | |

15. Debt Securities

| | As at September 30, 2016 | | | | As at April 01, 2016 (Deemed date of transition) | | | |
|---|--------------------------|---------------------------------------|--|-------------------------|---|---------------------------------------|--|-------------------------|
| | At Amortised Cost | At Fair Value Through profit and loss | Designated at fair value through profit and loss | Total | At Amortised Cost | At Fair Value Through profit and loss | Designated at fair value through profit and loss | Total |
| | (1) | (2) | (3) | (4)=(1) +(2)+ (3) | (4) | (5) | (6) | (7)=(4) +(5)+ (6) |
| Liability component of compound financial instruments | | | | | | | | |
| Others (Bonds/ Debenture etc.) | | | | | | | | |
| Total | | | | | | | | |
| Debt securities in India | | | | | | | | |
| Debt securities outside India | | | | | | | | |
| Total | | | | | | | | |

16. Subordinated Liabilities

| | As at September 30, 2016 | | | As at April 01, 2016 (Deemed date of transition) | | |
|--|--------------------------|---------------------------------------|-------------|---|---------------------------------------|-------------|
| | At Amortised Cost | At Fair Value Through profit and loss | Total | At Amortised Cost | At Fair Value Through profit and loss | Total |
| | (1) | (2) | (3)=(1)+(2) | (4) | (5) | (6)=(4)+(5) |
| Perpetual Debt Instruments other than those that qualify as equity | | | | | | |
| Preference Shares other than those that qualify as Equity | | | | | | |
| Others (specifying the nature and type of instrument issued) | | | | | | |
| Total | | | | | | |
| Subordinated Liabilities in India | | | | | | |
| Subordinated Liabilities outside India | | | | | | |
| Total | | | | | | |

17. Equity

A banking company shall disclose the following in the notes to accounts:

1. Share Capital

- for each class of share capital:

- (a) the number and amount of shares authorized;
- (b) the number of shares issued, subscribed and fully paid, and subscribed but not fully paid;
- (c) par value per share;
- (d) a reconciliation of the number of shares outstanding at the beginning and at the end of the period; separately disclosing the shares held by the Central Government and the percentage thereof
- (e) the terms and conditions of the main features of each class of shares including rights, preferences and restrictions attaching to each class of shares and restrictions on the distribution of dividends and the repayment of capital;
- (f) shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;
- (g) shares in the banking company held by each shareholder holding 5 percent or more shares specifying the number of shares held and the percentage thereof;
- (h) shares reserved for issue under options and contracts/commitments for the sale of shares, including the terms and amounts;
- (i) Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order
- (j) Calls unpaid (showing aggregate value of calls unpaid by directors and officers)
- (k) Forfeited shares (amount originally paid up)
- (l) In case of Banks incorporated outside India:-
 - a. Share Capital represents amount brought in by banks as capital including the start up capital prescribed by RBI
 - b. Amount of deposit kept with RBI u/s 11(2) of the Banking Regulation Act, 1949 to be separately disclosed

2. Other Equity

- (i) A description of the nature and purpose of each reserve under 'Other Reserves' shall be made in the notes.
- (ii) Debit balance of Profit and Loss account shall be shown as a negative figure under the head 'retained earnings'.

- (iii) In case the sum of 'Other Equity' in the Statement of Changes in Equity is negative, it shall continue to be presented as a negative amount under 'Other Equity'.
3. Share application money pending allotment shall be classified into equity or liability in accordance with relevant Indian Accounting Standards. Share application money to the extent not refundable shall be shown under the head Equity and share application money to the extent refundable shall be separately shown under the head 'Other liabilities and provisions'.
 4. Preference shares including premium received on issue shall be classified and presented as 'Equity' or 'Liability' in accordance with the requirements of the relevant Accounting Standards. Accordingly, the disclosure and presentation requirements in this regard applicable to the relevant class of equity or liability shall be applicable *mutatis mutandis* to the preference shares. For instance, redeemable preference shares shall be classified and presented under 'Subordinated Liabilities' and the disclosure requirements in this regard applicable to such borrowings shall be applicable *mutatis mutandis* to redeemable preference shares.
 5. Compound financial instruments such as convertible debentures, where split into equity and liability components, as per the requirements of the relevant Accounting Standards, shall be classified and presented under the relevant heads in 'Equity' and 'Liabilities'.
 6. The amount of dividends proposed to be distributed to equity and preference shareholders for the period and the related amount per share shall be disclosed separately. Arrears of cumulative dividends on preference shares shall also be disclosed separately.

18. Contingent liabilities and commitments

| | As at September 30, 2016 | As at April 01, 2016 (Deemed date of transition) |
|--|-----------------------------|--|
| Claims against bank not acknowledged as debts | | |
| Liability for partly paid investments | | |
| Guarantees given on behalf of constituents - in India | | |
| Guarantees given on behalf of constituents - outside India | | |
| Letters of Credit issued on behalf of constituents | | |
| Others | | |
| Total | | |

19. Interest income

| | Half year ended September 30, 2016 |
|---|---------------------------------------|
| Interest on balances with and dues from banks | |
| Interest on advances | |
| Interest income from investments | |
| Other interest income | |
| Total | |

20. Interest expense

| | Half year ended September 30, 2016 |
|--------------------------------------|--|
| Interest on deposits | |
| Interest on borrowings | |
| Interest on debt securities | |
| Interest on subordinated liabilities | |
| Other interest expense | |
| Total | |

21. Net gain/ (loss) on fair value changes

| | Half year ended September 30, 2016 |
|--|--|
| A. Net gain/ (loss) on financial instruments at fair value through profit and loss account :- | |
| a) On trading portfolio | |
| - Investments | |
| - Derivatives | |
| - Others | |
| b) On financial instruments designated at fair value through profit and loss account | |
| B. Others | |
| Total | |

22. Other income

| | Half year ended September 30, 2016 |
|--|--|
| Net gain/(loss) on derecognition of financial assets at amortised cost | |
| Net gain/(loss) on ineffective portion of hedges | |
| Net gain/(loss) on derecognition of property, plant and equipment | |
| Dividend | |
| Foreign exchange gain/ (loss) | |
| Others* | |
| Total | |

* Any item under the subhead 'Others' which exceeds one per cent of the total income to be presented separately

23. Impairment losses on financial instruments

| | Half year ended September 30, 2016 |
|----------------------------|--|
| On advances | |
| On investments | |
| On off Balance Sheet Items | |
| On other assets | |
| Total | |

24. Employee benefits

| | Half year ended September 30, 2016 |
|------------------------------------|--|
| Salaries and wages including bonus | |
| Post employment benefits | |
| Employee Share Based Payments | |
| Others | |
| Total | |

25. Other expenses

| | Half year ended September 30, 2016 |
|--|--|
| Rent, taxes and energy costs | |
| Repairs and maintenance | |
| Communication Costs | |
| Printing and stationery | |
| Advertisement and publicity | |
| Director's fees, allowances and expenses | |
| Auditor's fees and expenses | |
| Legal and Professional charges | |
| Insurance | |
| Other expenditure* | |
| Total | |

* Any item under the subhead 'other expenditure' which exceeds one percent of the total income to be presented separately.

Guidance for preparation of proforma Ind AS financial statements

1. Banks are advised to follow the application guidance given in Annex III of the Report of the Working Group on Implementation of Ind AS by Banks in India, in the preparation of Proforma Ind AS financial statements.
2. Banks may note that the application guidance referred to in para 1 above provides broad guidance on the major line items/sub-line items in the financial statements. Banks may also note that it is not always necessary or possible to define a term /title/line item specifically and exclusively. Banks are also advised to refer to relevant Indian accounting standards and their framework, as well as the prevailing industry practices, where relevant, to interpret the meaning thereof.
3. In order to promote uniformity, banks may present the proforma Ind AS financial statements in the following order:
 - (i) Balance Sheet including Statement of Changes in Equity.
 - (ii) Profit and Loss Account.
 - (iii) Notes to Account.
4. The figures appearing in the financial statements shall be rounded off to the nearest million rupees.
5. Net realised and unrealised gains and losses on financial assets/liabilities at fair value through profit or loss are included in the head '**Net Gain/loss on fair value changes**' in **Note 21**. However, contractual interest income and expense on financial instruments (other than derivatives) held at /designated at fair value through profit or loss may be recognised under interest income and interest expense, respectively. The effect of the same should be suitably adjusted while determining fair value gains and losses. The subhead '**Others**' in Note 21 would include reclassification from OCI.
