B P RAO & CO
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INDEPENDENT AUDITOR'S REPORT

To

The Country Manager,
Bank of Ceylon, Chennai Branch

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements (also referred as financial statements) of Bank of Ceylon, Chennai Branch ('the Bank'), which comprise the Balance Sheet as at March 31, 2021, the Profit and Loss Account, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements together with the accounting policies and notes thereon give the information required by the Banking Regulation Act, 1949 as well as well as the Companies Act, 2013 ('the Act') in the manner so required for the Banking Companies and give a true and fair view in conformity with accounting principles generally accepted in India on the state of affairs of the Bank as at March 31, 2021 and its profit and its cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified undersection 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank in accordance with the code of ethics issued by the ICAI together with ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Emphasis of Matter

We draw attention to the following Notes to the Financial Statement;

1. Schedule 18 – Notes 5.5(a) to the financial statements which describes the uncertainties due to outbreak of novel coronavirus (COVID-19). In view of these uncertainties, the impact on the Bank's financial statements is significantly dependent on future developments;

2. Schedule 18 – Notes 5.6 with regard to the pending process of registering as branch office under the Companies Act, 2013('The Act') results in the non-compliance of provision of Corporate Social Responsibility under section 135 and Other Provision to the extent applicable to the bank as per the Act.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of Key audit matters as per SA 701, Key Audit Matters are not applicable to the bank.

Information Other than the Standalone Financial Statements and Auditor's Report thereon;

The Bank's Management are responsible for the other information. The other information comprises the information included in the Annual Report including Pillar 3 Disclosure under the New Capital Adequacy Framework (Basel III disclosures), but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone

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financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Standalone Financial Statements

Management of the Bank is responsible for the matters stated in section 134(5) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the provisions of Section 29 of the Banking Regulation Act, 1949, and circulars and guidelines issued by the Reserve Bank of India('RBI') from time to time as applicable to Banks.

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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Bank's management is also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement whether due to fraud or error

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and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the Key Audit Matters.

We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. 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 and Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014;

2. Subject to the limitations of the audit indicated above and as required by sub section (3) of section 30 of the Banking Regulation Act, 1949, we report that:

   a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

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

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3. Further, as required by section 143(3) of the Act, we report that;

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books;

   c) 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;

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent they are not inconsistent with the accounting policies prescribed by the RBI;

   e) The requirements of Section 164(2) of the Act is not applicable to the Bank considering it is a branch of Bank of Ceylon, headquartered in Srilanka was formed under the Bank of Ceylon Ordinance No.53 of 1938 as a body Corporate with perpetual succession;

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; Our Report expresses Disclaimer of Opinion on the Bank's Internal financial controls over financial reporting for the reasons stated therein.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

      The Bank is a Banking Company as defined under Banking Regulation Act, 1949. Accordingly, the requirements prescribed under section 197 of the Companies Act, 2013 do not apply; and

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

      i. The Bank has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its financial statements – Refer Schedule 12 and Note 3.12 of Schedule 18 to the financial statements;

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ii. The Bank has made provision as at March 31, 2021, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 2.3.3, Note 2.4.1, Note 4.1 and Note 4.2 of Schedule 18 to the financial statements; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Bank during the year ended March 31, 2021.

For B.P.Rao and Co.
Chartered Accountants
FRN: 003116S

B Prasanna Achar
Partner
M.N.: 202100
UDIN: 21202100AAAADT3473
Place: Chennai
Date: 30th June, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BANK OF CEYLON, CHENNAI BRANCH

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

We were engaged to audit the internal financial controls with reference to financial statements of Bank of Ceylon, Chennai Branch ('the Bank') as of 31st March 2021, in conjunction with our audit of the financial statements of the Bank for the year ended on that date..

Management's Responsibility for Internal Financial Controls

The Bank's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

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Meaning of Internal Financial Controls over Financial Reporting

The Banks'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 authorizations of management of the Bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Bank's assets that could have a material effect on the financial statements.

Basis for Disclaimer of Opinion

According to the information and explanation given to us, the Bank is in process of establishing its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph above, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Bank had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2021. Accordingly, we do not express an Opinion on the Company's Internal Financial Control over financial reporting

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Bank, and the disclaimer does not affect our opinion on the standalone financial statements of the Bank.

For B.P. Rao & Co.,
Chartered Accountants
Reg No: 003116S

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B Prasanna Achar
Partner
M.N.: 202100
UDIN: 21202100AAAADT3473
Place: Chennai
Date: 30th June, 2021

BANK OF CEYLON, CHENNAI BRANCH

Balance Sheet as at 31st March, 2021

	Schedule	31.03.2021 (In Rs)	31.03.2020 (In Rs)
CAPITAL & LIABILITIES			
Capital	1	1,684,339,262	1,350,005,270
Reserves and Surplus	2	886,642,294	1,118,817,062
Deposits	3	2,601,288,225	2,430,666,129
Borrowings	4	-	-
Other liabilities and provisions	5	209,431,258	188,042,277
	Total	5,381,701,039	5,087,530,738
ASSETS			
Cash and balances with Reserve Bank of India	6	118,102,594	91,211,009
Balances with banks and money at call and short notice	7	287,053,484	846,095,523
Investments	8	596,376,200	551,773,668
Advances	9	4,173,176,256	3,413,679,387
Fixed Assets	10	12,169,397	15,088,666
Other Assets	11	194,823,108	169,682,485
	Total	5,381,701,039	5,087,530,738
Contigent liabilities	12	1,776,253,504	1,439,423,917
Bill for Collection		729,823,053	536,097,389

The accompanying schedules are an integral part of the financial statements

As per our report of even date

BANK OF CEYLON BOC CHENNAI-8

Kumudhini J Yogaratnam
Country Manager

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For B.P.Rao & Co.,
Chartered Accountants
FRN : 003116S

B Prasanna Achar
Partner
Membership No.: 202100

Place : Chennai
Date : 30th June 2021

BANK OF CEYLON, CHENNAI BRANCH

Profit & Loss Account for the Year Ended 31st March, 2021

	Schedule	Year ended 31.03.2021 (In Rs)	Year ended 31.03.2020 (In Rs)
I INCOME			
Interest earned	13	386,909,341	420,965,468
Other Income	14	74,706,106	67,172,044
	Total	461,615,447	488,137,512
II EXPENDITURES			
Interest expended	15	125,625,823	122,266,710
Operating expenses	16	84,914,972	78,362,315
Provisions and Contingencies		148,915,428	98,645,610
	Total	359,456,223	299,274,635
III PROFIT			
Net profit for the year		102,159,224	188,862,877
Profit brought forward		675,773,320	645,570,826
	Total	777,932,544	834,433,703
IV APPROPRIATIONS			
Transfer to statutory reserves		25,539,806	47,215,719
Transfer to Investment Fluctuation Reserve		-	-
Balance of profit carried forward		752,392,738	787,217,984
	Total	777,932,544	834,433,703

The accompanying schedules are an integral part of the financial statements

As per our report of even date

BANK OF CEYLON BOC CHENNAI-8

Kumudini J Yogarajnam
Country Manager

B.P. RAO & CO. Second Floor, No.1, Nathan Street, Harrington Road, Chetpet, Chennai-600 031, Phone: 044-28361457 CHARTERED ACCOUNTANTS

For B.P.Rao & Co.,
Chartered Accountants
FRN : 003116S

B Prasanna Achar
Partner
Membership No.: 202100

Place : Chennai
Date : 30th June 2021

BANK OF CEYLON, CHENNAI BRANCH

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2021

SCHEDULE 1

ASSIGNED CAPITAL

	Particulars	As on 31.03.2021 (In Rs)	As on 31.03.2020 (In Rs)
I	The amount brought in by bank by way of start-up capital including the amount of deposit kept in cash/approved Securities with the RBI under section 11(2) of the Banking Regulation Act ,1949.	1,193,715,270	1,193,715,270
	Capital infused During the year	-	-
	Amount retained in India for CRAR purpose	490,623,992	156,290,000
	Total	**1,684,339,262**	**1,350,005,270**

SCHEDULE 2

RESERVES AND SURPLUS

	Particulars	As on 31.03.2021 (In Rs)	As on 31.03.2020 (In Rs)
I	Statutory Reserves in terms of Section 17 of the Banking Regulation Act 1949		
	Balance	443,043,742	395,828,023
	ADD : Transfer During the Year	25,539,806	47,215,719
	Total	468,583,548	443,043,742
II	Investment Fluctuation Reserve		
	Opening Balance	-	-
	less : Transfer During the Year	-	-
	Total	-	-
III	Balance in Profit and Loss Account	752,392,738	787,217,984
	Deduct : Amount Receivable from Head office		
	Transfer: Amount retained in India for CRAR purpose	(334,333,992)	(111,444,664)
	Total	**418,058,746**	**675,773,320**
	Total (I, II & III)	**886,642,294**	**1,118,817,062**

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BANK OF CEYLON, CHENNAI BRANCH

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 3

DEPOSITS

	Particulars	As on 31.03.2021 (In Rs)	As on 31.03.2020 (In Rs)
A I	DEMAND DEPOSITS :		
	1) From Banks	400,745,579	515,796,124
	2) From others	338,893,000	202,143,208
II	SAVINGS BANK DEPOSITS	194,027,294	147,522,850
III	TERM DEPOSITS :		
	1) From Banks	-	-
	2) From Others	1,667,622,352	1,565,203,947
	Total (I,II& III)	**2,601,288,225**	**2,430,666,129**
B(i)	Deposits of branches in India	2,601,288,225	2,430,666,129
(ii)	Deposits of branches outside India	-	-
	Total (I & II)	**2,601,288,225**	**2,430,666,129**

SCHEDULE 4

BORROWINGS

	Particulars	As on 31.03.2021 (In Rs)	As on 31.03.2020 (In Rs)
I	BORROWINGS IN INDIA :		
	1) Reserve Bank of India	-	-
	2) Other Banks	-	-
	3) Other institutions and agencies	-	-
II	BORROWINGS OUTSIDE INDIA	-	-
	Total (I & II)	-	-
	Secured borrowings included in I & II above	-	-

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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 5

OTHER LIABILITIES AND PROVISIONS

	Particulars	As on 31.03.2021 (In Rs)	As on 31.03.2020 (In Rs)
I	Bills payable	369,720	509,849
II	Inter-Office adjustments (Net)	-	-
III	Interest accrued	14,960,603	15,915,169
IV	Others (including provisions)	194,100,935	171,617,259
	Total	**209,431,258**	**188,042,277**

SCHEDULE 6

CASH AND BALANCES WITH RESERVE BANK OF INDIA

	Particulars	As on 31.03.2021 (In Rs)	As on 31.03.2020 (In Rs)
I	Cash in Hand (including foreign currencies)	4,796,049	7,581,742
II	BALANCES WITH RESERVE BANK OF INDIA :		
	a) In Current Accounts	113,306,545	83,629,267
	Total (I & II)	**118,102,594**	**91,211,009**

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BANK OF CEYLON, CHENNAI BRANCH

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 7

BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE

Particulars	As on 31.03.2021 (In Rs)	As on 31.03.2020 (In Rs)
I IN INDIA		
(i) BALANCE WITH BANKS :		
(a) In Current Accounts	10,746,778	1,460,246
(b) In other Deposit Accounts	50,000,000	370,000,000
(ii) MONEY AT CALL AND SHORT NOTICE :		
(a) With Banks	-	-
(b) With other Institutions	220,000,000	169,741,678
Total ((i) & (ii))	**280,746,778**	**541,201,924**
II **OUTSIDE INDIA**		
(i) In Current Accounts	6,306,706	77,898,599
(ii) In other Deposit Accounts	-	226,995,000
(iii) Money at call and short notice	-	-
Total ((i) (ii)&(iii))	**6,306,706**	**304,893,599**
Grand Total (I & II)	**287,053,484**	**846,095,523**

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BANK OF CEYLON, CHENNAI BRANCH

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 8

INVESTMENTS

Particulars	As on 31.03.2021 (In Rs)	As on 31.03.2020 (In Rs)
I INVESTMENTS IN INDIA		
(I) Government Securities	596,376,200	551,773,668
LESS: Provision for depreciation	-	
	596,376,200	551,773,668
(ii) Other approved securities	-	-
(iii) Shares	-	-
(iv) Debentures and Bonds	-	-
(v) Subsidiaries and/or Joint Ventures abroad	-	-
(vi) Others	-	-
Total	**596,376,200**	**551,773,668**
II INVESTMENTS OUTSIDE INDIA IN		
(i) Govt. securities (including Local authorities)	-	-
(ii) Subsidiaries and /or joint venture abroad	-	-
(iii) Other Investments(to be specified)	-	-
Total	-	-
GRAND TOTAL (I & II)	**596,376,200**	**551,773,668**

BANK OF CEYLON BOC CHENNAI

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BANK OF CEYLON, CHENNAI BRANCH

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 9

ADVANCES

	Particulars	As on 31.03.2021 (In Rs)	As on 31.03.2020 (In Rs)
A	(i) Bills Purchased and discounted	348,562,888	100,931,525
	(ii) Cash credits, overdrafts and loans repayable on demand	2,475,825,080	2,210,907,182
	(iii) Term Loans	1,348,788,288	1,101,840,680
	Total	**4,173,176,256**	**3,413,679,387**
B	(i) Secured by tangible assets	3,450,112,958	3,249,552,470
	(ii) Covered by Bank/Govt. Gurantees	531,493,138	156,636,574
	(iii) Unsecured	191,570,160	7,490,343
	Total	**4,173,176,256**	**3,413,679,387**
C	I Advances in India		
	(i) Priority Sectors	2,239,833,474	1,440,010,773
	(ii) Public Sectors	-	-
	(iii) Banks	-	-
	(iv) Others	1,933,342,782	1,973,668,614
	Total	**4,173,176,256**	**3,413,679,387**
	II Advances outside India		
	(i) Due from Banks	-	-
	(ii) Due from others		
	(a) Bills purchased and discounted	-	-
	(b) Syndicate Loans	-	-
	(c) Others	-	-
	Total	-	-
	GRAND TOTAL(CI & CII)	**4,173,176,256**	**3,413,679,387**

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BANK OF CEYLON, CHENNAI BRANCH

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 10

FIXED ASSETS

Particulars	As on 31.03.2021 (In Rs)	As on 31.03.2020 (In Rs)
I Premises	-	-
II Other Fixed Assets (including furniture and fixtures)		
At cost as on 31st March of the preceding year	71,504,602	55,141,840
Additions during the year	3,675,935	16,362,762
Less: Deduction	37,480	-
Depreciation to date	62,973,660	56,415,936
Total [I + II]	**12,169,397**	**15,088,666**

SCHEDULE 11

OTHER ASSETS

Particulars	As on 31.03.2021 (In Rs)	As on 31.03.2020 (In Rs)
I Inter-Office adjustment (net)	2,095,663	4,147,265
II Interest accrued	23,963,071	35,030,843
III Advance Income Tax (net)	23,210,188	10,604,869
IV Deferred Tax	111,904,455	80,942,705
V Stationery and stamps	82,455	49,145
VI Non-banking assets acquired in satisfaction of claims	-	-
VII Others	33,567,276	38,907,658
Total	**194,823,108**	**169,682,485**

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BANK OF CEYLON, CHENNAI BRANCH

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 12

CONTINGENT LIABILITIES

	Particulars	As on 31.03.2021 (In Rs)	As on 31.03.2020 (In Rs)
I	Claims against the bank not acknowledged as debts	-	-
II	Liability for partly paid investments	-	-
III	Liability on account of outstanding forward exchange contracts	981,124,727	703,980,927
IV	Guarantees given on behalf of constituents		
	(a) In India	646,300,374	330,451,368
	(b) Outside India	-	-
V	Acceptances, endorsements and other obligations	131,340,462	388,864,989
VI	Other items for which the bank is contigently liable	17,487,941	16,126,633
	Total	**1,776,253,504**	**1,439,423,917**

SCHEDULE 13

INTEREST EARNED

	Particulars	For the year ended 31.03.2021 (In Rs)	For the year ended 31.03.2020 (In Rs)
I	Interest / discount on advances/bills	329,582,435	317,744,817
II	Interest on investments	36,355,689	54,639,633
III	Interest on balances with Reserve Bank of India and other inter-bank funds	20,971,217	48,581,018
IV	Others	-	-
	Total	**386,909,341**	**420,965,468**

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BANK OF CEYLON, CHENNAI BRANCH

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 14

OTHER INCOME

	Particulars	For the year ended 31.03.2021 (In Rs)	For the year ended 31.03.2020 (In Rs)
I	Commission, exchange and brokerage	25,049,601	30,077,166
II	Profit on sale of investments	17,981	-
	Less: Loss on sale of investments		-
III	Profit on revaluation of investments	-	-
	Less: Loss on revaluation of investments		
IV	Profit on sale of land, buildings and other assets		
	Less: Loss on sale of land, buildings and other assets	-	-
V	Profit on exchange transactions	19,908,992	16,635,250
	Less : Loss on exchange transactions		
VI	Income earned by way of dividends etc. from subsidiaries/ companies and/or joint ventures abroad/in India	-	-
VII	Miscellaneous Income	29,729,332	20,459,628
	Total	**74,706,106**	**67,172,044**

SCHEDULE 15

INTEREST EXPENDED

	Particulars	For the year ended 31.03.2021 (In Rs)	For the year ended 31.03.2020 (In Rs)
I	Interest on deposits	125,562,779	122,193,328
II	Interest on Reserve Bank of India / Inter-bank Birrowings	63,044	73,382
III	Others	-	-
	Total	**125,625,823**	**122,266,710**

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BANK OF CEYLON, CHENNAI BRANCH

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 16

OPERATING EXPENSES

	Particulars	For the year ended 31.03.2021 (In Rs)	For the year ended 31.03.2020 (In Rs)
I	Payments to and provisions for employees	37,178,385	33,393,920
II	Rent, taxes and lighting	9,815,325	10,732,975
III	Printing and stationery	436,769	452,889
IV	Advertisement and publicity	322,157	502,340
V	Depreciation on bank's property	6,595,204	2,161,701
VI	Auditors fees	374,400	265,500
VII	Law charges	125,000	50,000
VIII	Postages, Telegrams, Telephones etc.	1,873,842	4,146,594
IX	Repairs and maintenance	13,825,870	10,966,816
X	Insurance	3,107,015	2,382,798
XI	Other expenditures	11,261,007	13,306,782
	Total	**84,914,972**	**78,362,315**

BANK OF CEYLON BOC CHENNAI

Kumudhini J Yogaratnam
Country Manager

Place : Chennai
Date : 30th June 2021

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For B.P.Rao & Co.,
Chartered Accountants
FRN : 003116S

B Prasanna Achar
Partner
Membership No.: 202100

BANK OF CEYLON, CHENNAI BRANCH

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

	Year Ended 31.03.2021	Year Ended 31.03.2020
Cash flow from operating Activities		
Net profit for the year Tax	102,159,224	188,862,877
Adjustments for:		
Provision for Income Tax	67,313,250	54,161,464
Depreciation charge for the year	6,595,204	2,161,701
Depreciation on Investment	17,980	-
Profit on sale of Investment		-
Adjustment for provision for NPAs	57,225,004	28,215,180
Provision for Floating Provision	20,865,881	16,268,967
Adjustment for other provisions	1,597,701	624,250
Adjustment for provision for standard assets	-	-
Adjustments for:		
(Increase)/Decrease in Investments	(44,620,513)	46,804,044
(Increase)/Decrease in Advances	(759,496,869)	(390,123,583)
(Increase)/Decrease in Other Assets	18,426,446	(18,198,878)
Increase/(Decrease) in Borrowings	-	-
Increase/(Decrease) in Deposits	170,622,096	274,500,685
Increase/(Decrease)in other liabilities and provisions	(58,299,606)	(21,543,900)
Direct Taxes paid	(110,880,320)	(133,000,000)
Net cash flow from operating Activities	(528,474,522)	51,732,807
Cash Flow from Investing Activities		
Purchase of fixed Assets	(3,675,934)	(16,326,762)
Net cash used in Investing Activities	(3,675,934)	(16,326,762)
Cash flow from Financing Activities		
Head Office		(111,444,664.00)
Net Cash generated from financing activities	-	(111,444,664.00)
Net increase /decrease in cash and cash equivalents	(532,150,456)	(76,074,618)
Cash and Cash equivalents as at 1st April 2020	937,306,532	1,013,381,150
Cash and Cash equivalents as at 31st March 2021*	405,156,076	937,306,532

*Cash and cash equivalent comprises of cash on hand , Balance with Reserve bank of India , Balance with banks and Money at call short notice

For B.P.Rao & Co.,
Chartered Accountants
FRN : 003116S

Kumudhini J Yogaratnam
Country Manager

B Prasanna Achar
Partner
Membership No.: 202100

Place: Chennai
Date : 30th June 2021

BANK OF CEYLON - CHENNAI BRANCH

SCHEDULE FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2021

SCHEDULE - 17- SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL

The financial statements are prepared following the going concern concept, on historical cost basis unless otherwise stated and conform to the Generally Accepted Accounting Principles, (GAAP) in India which encompasses applicable statutory provisions, regulatory norms prescribed by the Reserve Bank of India (RBI) from time to time, Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable and current practices prevailing in the banking industry in India.

2. TRANSACTIONS INVOLVING FOREIGN EXCHANGE

a) Monetary assets and liabilities in foreign currencies, including Forward Exchange Contracts, are translated into Indian Rupees at the year-end rates of exchange advised by the Foreign Exchange Dealers Association of India (FEDAI) and the resultant gain or loss is taken to revenue.

b) Income and Expenditure items are translated at the exchange rates prevailing on the date of transaction.

3. INVESTMENTS

Classification

a) Basis of classification

In compliance with the Reserve Bank of India guidelines, the investment portfolio of the Bank is classified into

a) "Held to Maturity" (HTM) comprising Investments acquired with the intention to hold them till maturity.

b) "Held for Trading" (HFT) comprising Investments acquired with the intention to trade. Securities that are held principally for resale within 90 days from the date of purchase are classified under the HFT category.

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c) "Available for Sale" (AFS) comprising Investments not covered by (a) and (b) above i.e. those which are acquired neither for trading purposes nor for being held till maturity.

Valuation:

a) Investments are classified as per RBI guidelines into "Held to Maturity", "Available for Sale" and "Held for Trading" categories. "Held to Maturity" Investments are stated at acquisition cost net of amortization. The excess of acquisition cost over the face value, if any is amortized over the remaining period of maturity.

b) Investments in "Available for Sale" and "Held for Trading" categories are marked to market, as per the guidelines issued by the Reserve Bank of India.

c) Treasury bills are valued at carrying cost.

4. ADVANCES

All the advances have been classified as per the asset classification norms prescribed by Reserve Bank of India. The total of advances disclosed in the Balance sheet is Net of Provisions on NPAs. Provision on Standard Assets is made as per the guidelines prescribed by RBI. 0.50% of standard advances is set apart every year as floating provision to be utilized under exceptional circumstances.

5. FIXED ASSETS

a) All the fixed assets are stated at historical cost net of depreciation.

b) Computers including computer software are depreciated at 33.33% p.a and all other fixed assets are depreciated at 20% on Straight-line method proportionately from the month of purchase.

6. STATUTORY RESERVE

At the close of every fiscal, profit at a percentage not less than 25% that prescribed by the regulator, is transferred and held as statutory reserve.

7. REVENUE/ EXPENDITURE RECOGNITION

a) Income and Expenditure are generally accounted for on accrual basis, unless otherwise stated.

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b) Income on Non-Performing Assets (NPAs) is recognized to the extent realized as per the prudential norms prescribed by the Reserve Bank of India. Income accounted for in the preceding year and remaining unrealized is derecognized in respect of assets classified as Non-Performing during the year.

c) Interest on overdue bills and LC Commission are accounted on realization basis.

d) Items of income/expenditure are considered not material for revenue recognition, if the amount is less than one percent of the total income/expenditure.

8. EMPLOYEE BENEFITS

Provision for gratuity in accordance with the provisions of The Payment of Gratuity Act, 1972, is made on the basis of Actuarial valuation

9. TAXES ON INCOME

a) Provisions for taxes are made for both Current Taxes and Deferred Tax. Current Tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates, tax laws and favorable judicial pronouncements/legal opinions.

b) Deferred tax Assets and liabilities arising on account of timing differences and which are capable of reversing in subsequent periods are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the date of the Balance sheet. Deferred tax assets are not recognized unless there is "Virtual Certainty" that there will be sufficient future taxable income available against which such deferred tax assets will be realized.

10. SEGMENT REPORTING:

a) The Bank recognises the Business Segment as the Primary Reporting Segment and Geographical Segment as the Secondary Reporting Segment, in accordance with the RBI guidelines and in compliance with the Accounting Standard 17.

b) Business Segment is classified into (a) Treasury (b) Corporate and Wholesale Banking, (c) Retail Banking and (d) Other Banking Operations.

c) Geographical Segment consists only of the Domestic Segment since the Bank does not have any foreign branches.

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11. EARNING PER SHARE

BOC Chennai is a branch of BOC Colombo which is 100% owned by the Government of Srilanka, hence AS- 20 Earning Per Share provision is not applicable.

12. IMPAIRMENT OF ASSETS

The Bank assesses at each balance sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, is provided in the Profit and Loss Account to the extent the carrying amount of assets exceeds their estimated recoverable amount.

13. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

As per the Accounting Standard 29 "Provisions, Contingent Liabilities and Contingent Assets", the Bank recognises provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realised.

14. NET PROFIT:

The net profit as per the Profit & Loss account is arrived at after necessary provisions towards: –

Taxation.
Advances and other assets.
Shortfall in the value of investments
Staff Retirement benefits.
Other usual and necessary provisions.

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15. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents include cash in hand, Balance with RBI, Balance with other Banks and money at Call and Short Notice.

Kumudhini J Yogaratnam
Country Manager

For B.P Rao & Co.,
Chartered Accountants
Firm Regn. No.003116S

B Prasanna Achar
Partner
Membership No.202100

Place : Chennai
Date : 30th June, 2021

Schedule 18

NOTES ON ACCOUNTS

1. The reconciliation of inter branch transactions has been completed up to 31.03.2021 and tallying of balances is ensured on an ongoing basis.

2. DISCLOSURE REQUIREMENTS

2.1. Capital

(INR in Crore)

	Items	2020-21	2019-20
i)	Common Equity Tier 1 Capital Ratio (%) – (Basel-III)	29.89	32.11
ii)	Tier 1 Capital Ratio (%)	29.89	32.11
iii)	Tier 2 Capital Ratio (%)	1.25	1.25
iv)	Total Capital Ratio (CRAR) (%)	31.14	33.36
v)	Percentage of the shareholding of the Government of India in public sector bank	NIL	NIL
vi)	Amount of equity capital raised	NIL	NIL
vii)	Amount of Additional Tier 1 capital raised, of which PNCPS : PDI :	NIL NIL	NIL NIL
viii)	Amount of Tier II Capital raised, of which Debt capital instruments Preference Share Capital instruments	NIL NIL	NIL NIL

During the year the bank has capitlilized its retained profit to the extent of INR 33.43 Crs

BANK OF CEYLON BOC CHENNAI

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2.2 INVESTMENTS

(' INR in Crore)

Particulars	2020-21	2019-20
(1) Value of Investments (i) Gross Value of Investments (a) In India (b) Outside India.	 59.64 NIL	 55.18 NIL
(ii) Provisions for Depreciation (a) In India (b) Outside India	 NIL NIL	 NIL NIL
(iii) Net Value of Investments (a) In India (b) Outside India.	59.64 NIL	55.18 NIL
(2) Movement of provisions held towards Depreciation on investments.	NIL	NIL
(i) Opening balance	NIL	NIL
(ii) Add: Provisions made during the year	NIL	NIL
(iii) Less: Write-off / write-back of excess provisions during the year	NIL	NIL
(iv) Closing Balance	NIL	NIL

In respect of securities held under HTM category, premium paid of INR 2.87 Lakhs has been amortized during the year and debited under "Interest received on Investments".

BANK OF CEYLON BOC

B.P. RAO & CO. CHARTERED ACCOUNTANTS

2.2.1 **Repo Transactions** (in face value terms)

(INR in Crore)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on March 31 2021
Securities sold under repo I. Government securities II. Corporate debt securities	0.00	4.00	0.01	NIL
Securities purchased under reverse repo I. Government securities II. Corporate debt securities	2.00	68.00	33.28	22.00

BANK OF CEYLON BOC CHENNAI

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2.2.2. Non-SLR Investment Portfolio

i) Issuer composition of Non SLR investments: (INR' in Crore)

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	NIL				
2	FIs					
3	Banks					
4	Private Corporates					
5	Subsidiaries/ Joint Ventures					
6	Others					
7	Less: Provision held towards depreciation					
	Total					

Amounts reported under Columns 4, 5, 6 and 7 above may not be mutually exclusive

ii) Non-performing Non-SLR investments

(INR In Crore)

Particulars	2020-2021	2019-20
Opening balance	NIL	NIL
Additions during the year since 1st April 2020	NIL	NIL
Reductions during the above period	NIL	NIL
Closing balance 31st March 2021	NIL	NIL
Total Provisions held	NIL	NIL

BANK OF CEYLON BOC

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2.2.3 Sale from HTM category

The bank has not sold any securities during the year under HTM category.

2.2.4 The percentage of SLR investment under HTM category as on 31/3/2021 is 8.78 % (PY 7.70%) of the Net Demand and Time Liabilities of the bank, which is within the permissible limit as per RBI guidelines.

2.3 Derivatives

2.3.1 Forward Rate Agreement/ Interest Rate Swap

(INR In Crore)

Particulars	2020-21	2019-20
I. The notional principal of swap agreements	Nil	
II. Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements		
III. Collateral required by the bank upon entering into swaps		
IV. Concentration of credit risk arising from the swaps		
V. The fair value of the swap book		

2.3.2 Exchange Traded Interest Rate Derivatives:

(INR In Crore)

Sl. No	Particulars	2020-2021	2019-20
(i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument-wise)	NIL	NIL
(ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31st March 2020 (instrument-wise)	NIL	NIL
(iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	NIL	NIL

BANK OF CEYLON BOC CHENNAI

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(iv)	Mark-to-market value of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	NIL	NIL

2.3.3. Disclosures on risk exposure in derivatives

Qualitative Disclosure:

The only derivatives dealt by the bank in the foreign exchange market are Forward Contracts. Forward contracts are being used to hedge/cover the exposure in foreign exchange arising out of merchant transaction and trading positions.

To cover the risk arising out of the above derivatives, various limits like IGL, AGL and Stop Loss Limits have been prescribed in the Treasury Policy of the Bank, which are monitored by mid-office. The mark-to-market values are monitored on monthly basis for Foreign Exchange Forward Contracts. The operations are conducted in terms of the policy guidelines issued by RBI from time to time.

Quantitative Disclosures

(INR` in Crore)

Sl. No	Particular	Currency Derivatives		Interest rate derivatives	
		2020-21	2019-20	2020-21	2019-20
(i)	Derivatives (Notional Principal Amount)	24.82	14.01	Nil	Nil
	a) For hedging	24.82	14.01	Nil	Nil
	b) For trading	Nil	Nil	Nil	Nil
(ii)	Marked to Market Positions				
	a) Asset (+)				
	b) Liability (-)				
(iii)	Credit Exposure				
(iv)	Likely impact of one percentage change in interest rate (100*PV01)				
	a) On hedging derivatives				
	b) On trading derivatives				
(v)	Maximum and Minimum of 100*PV01				

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	observed during the year	NIL
	a) On hedging	
	b) On trading	

2.3.4 Shifting of securities:

Bank has not shifted any securities from one category to another during the Financial Year 2020-21.

2.3.5 SLR Securities

(INR In Crore)

	As at 31.03.2021		As at 31.03.2020	
Particulars	Book Value	Market Value	Book Value	Market Value
Government Securities SLR (CG, SG,TB)	59.64	61.69	55.18	56.99
Approved securities - SLR	NIL	NIL	NIL	NIL

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2.4 Asset Quality

2.4.1 Non-Performing Assets

(INR in Crore)

Particulars	2020-21	2019-20
(i) Net NPAs to Net Advances (%)	5.86%	4.68%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	20.13	3.45
(b) Additions during the year	14.80	18.81
(c) Reductions during the year	1.54	2.13
(d) Closing balance	33.39	20.13
(iii) Movement of Net NPAs		
(a) Opening balance	15.99	2.13
(b) Additions during the year	10.80	15.99
(c) Reductions during the year	2.35	2.13
(d) Closing balance	24.44	15.99
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	4.14	1.32
(b) Provisions made during the year	5.71	2.82
(c) Write-off/ write-back of excess provisions	0.91	0.00
(d) Closing balance	8.94	4.14

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2.4.2 Particulars of Accounts Restructured

| Disclosure of Restructured Accounts | | |

Disclosure of Restructured Accounts																								
(₹. in Crore)																								
Sl No.	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification Details		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	category during the FY	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																				

NIL

Disclosure of Restructured Accounts																								
(₹. in Crore)																								
Sl No.	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification Details		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
5	Downgradations of restructured accounts during the FY	No. of borrowers																				
		Amount outstanding																				
		Provision thereon																				
6	Write-offs/recovery of restructured accounts during the FY	No. of borrowers																				
		Amount outstanding																				
7	Restructured Accounts as on March 31 of the FY (closing figures	No. of borrowers																				
		Amount outstanding																				

NIL

BANK OF CEYLON BOC CHENNAI-8

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Disclosure of Restructured Accounts																							
(`. in Crore)																							
Sl No.	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification Details		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
		Provision thereon																					

2.4.3 Details of financial assets sold to Securitization / Reconstruction Company for Asset Reconstruction

(A) Details of Sales:

(INR in Crore)

Particulars	2020-21	2019-20
i. No. of accounts	NIL	NIL
ii. Aggregate value (net of provisions) of accounts sold to SC/RC	NIL	NIL
iii. Aggregate consideration	NIL	NIL
iv. Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL
v. Aggregate profit/ (loss) over net book value.	NIL	NIL

(B) NPA Assets Sold to ARC:

(INR in Crore)

Particulars	Backed by NPAs sold by the bank as underlying		Backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Book value of investments in security Receipts as at 31st March 2021	NIL					

2.4.4 Details of non-performing financial assets purchased/sold

A. Details of non-performing financial assets purchased:

(INR in Crore)

Particulars	2020-21	2019-20
1 (a) No. of accounts purchased during the year	NIL	NIL
(b) Aggregate outstanding	NIL	NIL
2 (a) Of these, number of accounts restructured during the year	NIL	NIL
(b) Aggregate outstanding	NIL	NIL

B. Details of non-performing financial assets sold:

(` in Crore)

Particulars	2020-21	2019-20
1. No. of accounts sold	NIL	NIL
2. Aggregate outstanding	NIL	NIL
3.Aggregate consideration received	NIL	NIL

C. Disclosure regarding amortization of Loss on sale of assets to ARCs

NIL

2.4.5 Provisions on Standard Assets

(INR in Crore)

Particulars	2020-21	2019-20
Provisions towards Standard Assets	2.18	2.18

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2.5 Business Ratios

Particulars	2020-21	2019-20
(i) Interest Income as a percentage to Working Funds	6.60	7.90
(ii) Non-interest income as a percentage to Working Funds	1.27	1.26
(iii) Operating Profit as a percentage to Working Funds	4.28	5.39
(iv) Return on Assets	1.73	3.54
(v) Business (Deposits plus advances) per employee (` in Crore)	24.19	20.88
(i) Profit per employee (` in Crore)	0.36	0.67

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2.6 Asset Liability Management

Maturity pattern of certain items of assets and liabilities

(INR in Crore)

Items	1Day	2 to 7 days	8 to 14 Days	15 to 28 days	31 days to 3 month	Over 3 months & upto 6 month	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits (Incl Foreign currency Liabilites)	10.21 (8.71)	4.95 (6.60)	4.04 (4.22)	4.42 (4.65)	22.53 (12.88)	18.67 (7.35)	21.04 (14.99)	135.58 (142.15)	36.22 (41.51)	0.01 (0.00)	257.66 (243.06)
Advances (Incl Foreign currency assets)	12.26 (2.44)	0.27 (3.03)	3.43 (0.39)	11.75 (14.31)	79.39 (96.68)	117.60 (84.06)	55.78 (52.83)	39.67 (27.53)	37.32 (9.03)	59.87 (51.18)	417.34 (341.48)
Investments	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil))	14.52 (14.43)	14.80 (5.28)	15.20 (10.20)	15.12 (15.14)	0.00 (10.13)	59.64 (55.18)
Borrowings	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)
Foreign Currency assets (excluding Foreign Currency Loan)	1.85 (30.90)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	1.85 (30.90)
Foreign Currency liabilities	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)	NIL (Nil)

The above data has been compiled by the management on the basis of the guidelines of RBI which have been relied upon by Auditors.

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2.7 Exposures

2.7.1 Exposure to Real Estate Sector

(INR in Crores)

Category	2020-21	2019-20
a) Direct exposure		
(i) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans eligible for inclusion in priority sector advances may be shown separately).	1.23	1.58
(ii) Commercial Real Estate – Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	76.71	76.88
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures –		
a. Residential,	NIL	NIL
b. Commercial Real Estate.	NIL	NIL
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	NIL	NIL
Total Exposure to Real Estate Sector	**77.94**	**78.46**

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2.7.2 Exposure to Capital Market

(INR in Crores)

	Particulars	2020-21	2019-20
(i)	Direct investment 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;	NIL	NIL
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	NIL	NIL
(iii)	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;	NIL	NIL
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances;	NIL	NIL
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	NIL	NIL
(vi)	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;	NIL	NIL
(vii)	Bridge loans to companies against expected equity	NIL	NIL

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flows / issues;		
(viii) Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	NIL	NIL
(ix) Financing to stockbrokers for margin trading;	NIL	NIL
(x) All exposures to Venture Capital Funds (both registered and unregistered)	NIL	NIL
Total Exposure to Capital Market	**NIL**	**NIL**

2.7.3 Risk Category wise Country Exposure

(INR in Crores)

Risk Category	Exposure (net) as at 31/3/21	Provision held as at 31/3/2021	Exposure (net) as at 31/3/20	Provision held as at 31/3/2020
Insignificant	5.89	0.01	10.95	0.01
Low	28.70	0.05	31.65	0.05
Moderate	NIL	NIL	NIL	NIL
High	NIL	NIL	NIL	NIL
Very High	NIL	NIL	NIL	NIL
Restricted	NIL	NIL	NIL	NIL
Off-credit	NIL	NIL	NIL	NIL
Total	34.59	0.06	42.60	0.06

2.7.4 Details of Single Borrower Limit (SBL)/ Group Borrower Limit (GBL) exceeded by the bank.

A. SBL exceeded by the Bank for the period 01/04/2020 to 31/03/2021 ----- NIL (PY NIL)

B. GBL exceeded by the Bank for the period 01/04/2020 to 31/03/2021 ----- NIL (PY NIL)

2.7.5 Unsecured Advances (Amount of Advances for which, intangible securities has been taken)

(INR in Crores)

Particulars	As on 31.03.2021	As on 31.03.2020
The total amount of Advances for which intangible Securities such as charge over the rights, licenses, Authority, etc. has been taken.	NIL	NIL
Estimated value of such intangible collaterals	NIL	NIL

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2.8 Miscellaneous

2.8.1 Disclosure of Penalties imposed by RBI:NIL

Disclosure in terms of Accounting Standards:

3.1 Accounting Standard 5: Net Profit or Loss for the period, prior period items and changes in Accounting Policies:

There are no material prior period income and expenditure included in the Profit & Loss account, which requires a disclosure as per Accounting Standard 5

There has been no change in the Accounting policies followed by the bank during the year ended 31.03.2021 as compared to those in the preceding financial year ended 31.03.2020.

3.2 Accounting Standard 9: Revenue Recognition:

Revenue is recognized on accrual basis as per Accounting policy schedule 17 to the financial statements. Certain items of income are recognized on cash basis and same is not material.

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3.3 Disclosure in terms of AS 10 – Fixed Assets

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 April 2020	Additions	Disposals	Balance as at 31 March 2021	Balance as at 1 April 2020	Depreciation charge for the year	On disposals	Balance as at 31 March 2021	Balance as at 31 March 2020	Balance as at 31 March 2021
	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
Vehicles	18,52,287	24,71,330	37480	42,86,137	18,52,287	4,45,241	37480	2260048		20264[illegible]
Furniture and Other Equipment	3986409	11,826	-	39,98,233	3066122	2,76,949	-	3343071	920287	6551[illegible]
Computer & Computer Softwares	6,56,65,907	11,92,779	-	6,68,58,686	5,14,97,528	58,71,709	-	5,73,69,231	14168379	9489[illegible]
Grand total	7,15,04,602	3672935	37480 -	7,51,43,056	5,64,15,936	65,93,899	37480	6,29,72,537	1,50,88,666	1217[illegible]

In accordance with banks accounting policy,Fixed Assets as on March 31, 2021;

3.4 Accounting Standard 15 – Employee Benefits

3.4.1 The bank is following Accounting Standard 15 (Revised 2005) "Employee Benefits" as under:

In respect of contributory plans viz.– Provident Fund, the bank pays fixed contribution at pre-determined rates to a separate entity, which invests in permitted securities. The obligation of the bank is limited to such fixed contribution.

In respect of Defined Benefit Plans, viz. Gratuity, provision has been made based on actuarial valuation as per the guidelines.

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The summarized position of Post-employment benefits and long term employee benefits recognized in the profit and loss account and balance sheet as required in accordance with the Accounting Standard - 15 (Revised) are as under:

I. Principal Actuarial Assumptions at the Balance Sheet Date

Particulars	Gratuity (unfunded) 2021	Gratuity (unfunded) 2020
Discount Rate	6.97%	6.66%
Expected Rate of return on Plan Assets	NIL	NIL

II. Change in the Present value of obligations: (Rs in Crores)

Particulars	Gratuity (unfunded) 2021	Gratuity (unfunded) 2020
Present Value of obligations as at the beginning of the year	0.61	0.48
Interest Cost	0.04	0.04
Current Service Cost	0.07	0.05
Past service cost (non-vested benefits)	NIL	NIL
Past service cost (vested benefits)	NIL	Nil
Benefits Paid	NIL	NIL
Actuarial loss/(gain) on obligation (balancing figure)	0.05	0.03
Present Value of obligations as at the year end	0.77	0.61

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III. Change in Fair Value of Plan Asset

(Rs in Crore)

Particulars	Gratuity (unfunded) 2021	Gratuity (unfunded) 2020
Fair value of Plan Assets at the beginning of the year	NIL	NIL
Expected return on Plan Assets	NIL	NIL
Employer's Contribution	NIL	NIL
Benefits Paid	NIL	NIL
Actuarial loss/(gain) on plan assets (balancing figure)	NIL	NIL
Fair Value of Plan Asset at the end of the year	NIL	NIL

IV. Actual Return on Plan Assets

(Rs in Crore)

Particulars	Gratuity (unfunded) 2021	Gratuity (unfunded) 2020
Expected return on plan assets	NIL	NIL
Actuarial gain/(loss) on plan assets	NIL	NIL
Actual return on plan assets	NIL	NIL

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V. Actuarial Gain / Loss recognized

(Rs in Crores)

Particulars	Gratuity (unfunded) 2021	Gratuity (unfunded) 2020
Actuarial gain/(loss) for the Period - Obligation	0.06	0.03
Actuarial gain/(loss) for the Period - Plan Assets	NIL	NIL
Total (gain)/loss for the period	0.06	0.03
Actuarial (gain)/loss recognized in the period	0.06	0.03
Unrecognized actuarial (gain)/loss at the end of the year	NIL	NIL

VI Amount recognized in Balance Sheet

(Rs in Crores)

Particulars	Gratuity (unfunded) 2021	Gratuity (unfunded) 2020
Present value of the Obligation	0.77	0.61
Fair value of plan assets	NIL	NIL
Difference	0.77	0.61
Unrecognized Transitional liability	NIL	NIL
Unrecognized past service cost (non vested benefits)	NIL	NIL
Liability recognized in the Balance Sheet	0.77	0.61

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VII Expenses Recognized in Profit & Loss Account

(Rs in Crores)

Particulars	Gratuity (unfunded) 2021	Gratuity (unfunded) 2020
Current Service Cost	0.07	0.06
Interest Cost	0.04	0.04
Expected return on Plan assets	NIL	NIL
Net actuarial (gain)/loss recognised in the year	0.05	0.03
Transitional Liability recognized in the year	NIL	NIL
Past service cost (non-vested benefits)	NIL	NIL
Past service cost (vested benefits)	NIL	NIL
Expenses Recognized in Profit & Loss Account	0.16	0.13

VIII Movements in the Liability Recognized in the balance Sheet

(INR in Crores)

Particulars	Gratuity (unfunded) 2021	Gratuity (unfunded) 2020
Opening net Liability	0.61	0.48
Opening amount determined under para 55 of AS15R	0.60	0.48
Expense as Above	0.16	0.13
Contribution paid	NIL	NIL
Closing Net Liability	0.76	0.61

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IX Amount for the Current Period

(INR in Crore)

Particulars	Gratuity (unfunded) 2021	Gratuity (unfunded) 2020
Present value of Obligation	0.76	0.61
Plan Assets	NIL	NIL
Surplus/(Deficit)	0.76	0.61
Experience adjustments on Plan Liabilities - (loss)/gain	NIL	NIL
Experience adjustments on Plan Assets - (loss)/gain	NIL	NIL

3.5 Employee Stock Option Scheme - NIL

3.6. Accounting Standard 17 – Segment Reporting

SEGMENT REPORTING		(INR in Crore)
PART A: BUSINESS SEGMENTS	**YEAR ENDED**	
PARTICULARS	**31/03/2021**	**31/03/2020**
1. ***SEGMENT REVENUE*** :	**(Audited)**	**(Audited)**
a. Treasury operations	7.71	11.99
b. Corporate/wholesale banking operations	34.25	33.15
c. Retail banking operations	0.21	0.20
d. Other banking operations	4.00	3.47
TOTAL	**46.17**	**48.81**
2. ***SEGMENT RESULTS*** (Operating Profit)		
a. Treasury operations	3.49	5.00
b. Corporate/wholesale Banking operations	17.82	20.31
c. Retail banking operations	0.09	0.02
d. Other banking operations	3.70	3.42
TOTAL	**25.10**	**28.75**
OPERATING PROFIT	**25.10**	**28.75**
PROVISIONS OTHER THAN TAX	(7.81)	(2.69)
PROFIT BEFORE TAX	**17.29**	**26.06**
Less : Tax expenses	7.08	12.55
NET PROFIT	**10.21**	**18.89**
CAPITAL EMPLOYED :		
a. Treasury operations	51.43	75.82
b. Corporate/wholesale banking operations	200.58	169.90
c. Retail banking operations	1.38	1.15
d. Unallocated Assets	3.77	2.47
TOTAL	**257.16**	**246.88**

PARTB – GEOGRAPHICAL SEGMENTS: Since the Bank is having domestic operations only hence no reporting is made under international segment.

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3.7. Accounting Standard 18 – Related Party Disclosures

Related Parties and their relationship;

Name		Relationship
Bank of Ceylon-Head office		Parent
Bank of Ceylon-London		Subsidiary
Bank of Ceylon-Male		Branch
S. No.	**Name**	**Designation**
1	**D S Muthukudaarachchi**	COUNTRY MANAGER (April 2020 to Oct 2020)
2	**Mrs Kumudhini J Yogaratnam**	COUNTRY MANAGER (Nov 2020 onwards)

The Bank's related party balances and transactions for the year ended March 31, 2021 are summarised as follows;

(INR In Crores)

Items/ Related Party	Parent (as per ownership or control)	Subsidiaries	Associates / Joint Ventures	Key Management Personnel	Relatives of key Management Personnel	Total
Borrowings	NIL	NIL	NIL	NIL	NIL	NIL
Deposits o/s						
Vostro	5.73	NIL	NIL	NIL	NIL	5.73
Nostro	0.09	NIL	0.11	NIL	NIL	0.20
Max outstanding during the year						
Vostro	46.56	NIL	NIL	NIL	NIL	46.56
Nostro	0.10	NIL	21.03	NIL	NIL	21.13
Placement of Deposits	NIL	NIL	NIL	NIL	NIL	NIL
Advances	6.22	NIL	NIL	NIL	NIL	6.22

Investments	NIL	NIL	NIL	NIL	NIL	NIL
Non-Funded Commitments	50.37	NIL	NIL	NIL	NIL	50.37
Leasing/HP arrangements provided	NIL	NIL	NIL	NIL	NIL	NIL
Leasing/HP arrangements availed	NIL	NIL	NIL	NIL	NIL	NIL
Purchase of Fixed Assets	NIL	NIL	NIL	NIL	NIL	NIL
Sale of Fixed Assets	NIL	NIL	NIL	NIL	NIL	NIL
Interest Paid	NIL	NIL	NIL	NIL	NIL	NIL
Interest Received	NIL	NIL	NIL	NIL	NIL	NIL
Rendering of Services	NIL	NIL	NIL	68.76	NIL	68.76
Receiving of Services	NIL	NIL	NIL	NIL	NIL	NIL
Management Contracts	NIL	NIL	NIL	NIL	NIL	NIL

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The Bank's related party balances and transactions for the year ended March 31, 2020 are summarised as follows;

Items/ Related Party	Parent (as per ownership or control)	Subsidiaries	Associates / Joint Ventures	Key Management Personnel	Relatives of key Management Personnel	Total
Borrowings	NIL	NIL	NIL	NIL	NIL	NIL
Deposits o/s						
Vostro	26.72	NIL	0.00	NIL	NIL	26.72
Nostro	0.11	NIL	0.30	NIL	NIL	0.41
Max outstanding during the year						
Vostro	45.64	NIL	NIL	NIL	NIL	45.64
Nostro	0.10	NIL	3.35	NIL	NIL	3.45
Placement of Deposits	NIL	NIL	NIL	NIL	NIL	NIL
Advances	15.07	NIL	NIL	NIL	NIL	15.07
Investments	NIL	NIL	NIL	NIL	NIL	NIL
Non-Funded Commitments	19.39	NIL	NIL	NIL	NIL	19.39
Leasing/HP arrangements provided	NIL	NIL	NIL	NIL	NIL	NIL
Leasing/HP arrangements availed	NIL	NIL	NIL	NIL	NIL	NIL
Purchase of Fixed Assets	NIL	NIL	NIL	NIL	NIL	NIL
Sale of Fixed Assets	NIL	NIL	NIL	NIL	NIL	NIL
Interest Paid	NIL	NIL	NIL	NIL	NIL	NIL
Interest Received	NIL	NIL	NIL	NIL	NIL	NIL

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Rendering of Services	NIL	NIL	NIL	0.68	NIL	0.68
Receiving of Services	NIL	NIL	NIL	NIL	NIL	NIL
Management Contracts	NIL	NIL	NIL	NIL	NIL	NIL

3.8 Accounting Standard – 19 "Leases"

Premises taken on operating lease are given below: Operating leases primarily comprise office premises and staff residences, which are renewable at the option of the Bank.

Amount of lease payments recognised in the P&L Account for operating leases is ' 0.86 Crs (PY 0.91 Crs)

3.9. Accounting Standard 22 – Accounting for Taxes on Income

The bank has accounted for Income Tax in compliance with AS 22. Accordingly, Deferred Tax Assets & Liabilities are recognized. The major components of DTA / DTL are furnished as under:

(INR in Crore)

	Deferred Tax Assets		Deferred Tax Liabilities	
Deferred Tax Components	**2020-21**	**2019-20**	**2020-21**	**2019-20**
Depreciation on fixed assets	0.02	0.01	NIL	NIL
Employee Benefits	0.33	0.26	NIL	NIL
Others	10.84	7.82	NIL	NIL
CLOSING BALANCE	**11.19**	**8.09**	**NIL**	**NIL**
Net DTA	**11.19**	**8.09**	**NIL**	**NIL**

3.10. Intangible Assets AS 26:

The Bank has followed AS 26 – Intangible asset issued by ICAI and the guidelines issued by the RBI in this regard.

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3.11. Accounting Standard 28 – Impairment of Assets:

A substantial portion of the bank's assets comprises financial assets to which Accounting Standard 28 is not applicable. In the opinion of the bank management, there is no impairment of other assets as at 31st March 2021 requiring recognition in terms of the said standard.

3.12 Details of movement in provisions in accordance with Accounting Standard 29:

(INR in Crores)

Particulars	Opening as on 01.04.2020	Provision made during the year	Provisions reversed/ adjusted	Closing as on 31.03.2021
Prov. for Standard Assets including Provision for Foreign Currency Unhedged	2.18	0.00	0.00	2.18
Prov. for Bad and Doubtful debts	4.14	5.71	0.91	8.94
Prov. for Income Tax (incl DTA)	29.63	7.08	13.98	22.73
Prov. for depreciation in market value of Investments	0.00	0.00	0.00	0.00
Prov. for Other assets	0.00	0.00	0.00	0.00
Counter cyclical buffer	11.53	2.10	0.00	13.62
Prov. for Restructured Advances & FITL	0.00	0.00	0.00	0.00

Liability on account of outstanding forward exchange contracts

The Bank enters into foreign exchange contracts in its normal course of business to exchange currencies at a pre-fixed price at a future date. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. The notional amounts are recorded as Contingent Liabilities. With respect to the transactions entered into with its customers, the Bank generally enters into off-setting transactions in the interbank market. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio, while the net market risk is lower.

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Guarantees given on behalf of constituents, acceptances, endorsements and other obligations

As a part of its commercial Banking activities, the Bank issues documentary credits and guarantees on behalf of its customers. Documentary credits enhance the credit standing of the customers of the Bank. Guarantees generally represent irrevocable assurances that the Bank will make payment in the event of the customer failing to fulfil its financial or performance obligations.

4. Additional Disclosures

4.1 Provisions and Contingencies:

Break up of 'Provisions & Contingencies' shown under the head Expenditure in Profit & Loss Account

(INR in Crores)

Particulars	2020-21	2019-20
Provision towards Standard Asset	NIL	NIL
Provision towards NPA	5.72	2.82
Provision for MAT Credit	0.00	0.00
Provision for depreciation in market value of Investments	0.00	0.00
Provision for Restructured Advances (Economic sacrifice) & FITL	0.00	0.00
Provision for Foreign Currency Unhedged	0.00	0.00
Floating Provision on advances	2.09	1.63
Provision for Other Assets	0.00	0.00
Sub Total	**7.81**	**4.45**
Provision for Income Tax (Incl of deferred tax)	7.08	5.41
Total	**14.89**	**9.86**

4.2 Movement of Counter Cyclical Provisioning Buffer

(INR in Crores)

Particulars	2020-21	2019-20
(a) Opening balance in the account	11.53	9.90
(b) Provision made in the accounting year	2.09	1.63
(c) Amount of drawdown made during the accounting year	0.00	0.00
(d) Closing balance in the account	13.62	11.53

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4.3 Draw Down from Reserves

The bank has not utilized/drawn any amount from any of the reserve during the year under review.

4.4. Disclosure of complaints (As compiled by Management)

A. Customer Complaints:

(a)	No. of complaints pending at the beginning of the year	NIL
(b)	No. of complaints received during the year	NIL
(c)	No. of complaints redressed during the year	NIL
(d)	No. of complaints pending at the end of the year	NIL
ATM complaints through Dispute Management Systems (DMS)- NPCI		
(a)	No. of complaints pending at the beginning of the year	NIL
(b)	No. of complaints received during the year	NIL
(c)	No. of complaints redressed during the year	NIL
(d)	No. of complaints pending at the end of the year	NIL

B. Awards passed by the Banking Ombudsman.

(a)	No. of unimplemented Awards at the beginning of the year	NIL
(b)	No. of Awards Passed by the Banking Ombudsmen during the year	NIL
(c)	No. of Awards implemented during the year	NIL
(d)	No. of unimplemented Awards at the end of the year	NIL

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4.5 Disclosure of Letters of Comfort (LOCs) issued by Banks

(INR In Crores)

Particulars	Amount
Letters of comfort issued in earlier years and outstanding as on 01-04-2019	NIL
Add; Letters of Comfort issued during FY 2020-21	NIL
Less: Letters of Comfort expired during FY 2020-21	NIL
Letters of Comfort Outstanding as on 31-03-2021	NIL

4.6 Provisioning Coverage ratio

The provision coverage ratio of the Bank as on 31.03.2021 is 26.80%.

4.7 Bancassurance Business:

Fees, remuneration,received from Banc assurance business:

NIL

4.8. Concentration of Deposits, Advances, Exposures and NPAs

4.8.1 Concentration of Deposits

(INR in Crores)

Total Deposits of twenty largest depositors	**171.60**
Percentage of Deposits of twenty largest depositors to Total Deposits of the bank	**66.63%**

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4.8.2 Concentration of Advances

(INR In Crores)

Total Advances to twenty largest borrowers	**357.01**
Percentage of Advances to twenty largest borrowers to Total Advances of the bank (%)	**85.55**

4.8.3 Concentration of Exposures

(INR In Crores)

Total Exposure to twenty largest borrowers/customers	**410.30**
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the bank on borrowers/customers (%)	**81.97**

4.8.4 Concentration of NPAs

(INR in Crores)

Total Exposure to top four NPA accounts	**33.34**

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Sector-wise Advances

(INR In Crores)

Sl. No	Sector	2020-21			2019-20		
		O/s Total Advances	Gross NPA	% of Gross NPAs to Total Advances in that Sector	O/s Total Advances	Gross NPA	% of Gross NPAs to Total Advances in that Sector
(A)	Priority Sector						
1.	Agriculture and allied activities	NIL	NIL	NIL	NIL	NIL	NIL
2.	Industries	109.85	0.35	0.31	114.80	1.26	0.87
3.	Services	36.38	14.02	38.53	30.05	0.06	0.04
4.	Personal & other Loans	0.06	0.00	0.00	0.47	NIL	0.00
	Sub Total (A)	146.29	14.37	36.37	145.32	1.32	0.91
(B)	Non Priority Sector						
1.	Agriculture and allied activities	NIL	NIL	NIL	NIL	NIL	NIL
2.	Industries	81.24	NIL	NIL	33.46	NIL	NIL
3.	Services	49.27	NIL	NIL	23.55	NIL	NIL
4.	Personal Loans	0.78	NIL	NIL	0.70	NIL	NIL
5.	Others	139.73	19.02	19.73	142.40	18.81	9.40
	Sub Total (B)	271.02	19.02	7.01	200.11	18.81	9.40
	Total (A+B)	417.31	33.39	8.00	345.43	20.13	5.83

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4.10 Movement of NPAs

(INR in Crores)

Particulars	2020-21	2019-20
Gross NPAs as on 1st April 2020 (Opening Balance)	20.13	1.32
Additions (Fresh NPAs) during the year	14.80	18.81
Sub-total (A)	**34.93**	**20.13**
Less:-		
(i) Upgradations	NIL	NIL
(ii) Recoveries (excluding recoveries made from upgraded accounts)	0.63	2.13
(iii) Technical / Prudential write offs	0.91	0.00
(iv) Write-offs other than those under (iii) above	0.00	0.00
Sub-total (B)	**1.54**	**2.13**
Gross NPAs as on 31st March 2021 (closing balance) (A-B)	**33.39**	**20.13**

4.10.1 Details of Technical write–offs and recoveries made:

(INR in Crores)

Particulars	2020-21	2019-20
Opening balance of Technical / Prudential written off accounts as at 1st April 2020	0.38	0.38
Add: Technical / Prudential write offs during the year	0.91	0.00
Sub Total (A)	**1.29**	**0.38**
Less: Recoveries/ Reduction made from previously technical / prudential written – off accounts during the year (B)	0.00	0.00
Closing balance as on 31st March 2021 **(A-B)**	**1.29**	**0.38**

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4.11 Disclosures on Flexible Structuring of Existing Loans

Period	No. of borrowers taken up for flexibly structuring	Amount of loans taken up for flexible structuring		Exposure weighted average duration of loans taken up for flexible structuring	
		Classified as Standard	Classified as NPA	Before applying flexible structuring	After applying flexible structuring
2019-20	NIL				
2020-21					

4.12 Disclosures on Strategic Debt Restructuring Scheme (accounts which are currently under the stand-still period):

(INR in crores)

Number of borrowers where SDR has been invoked	Amount outstanding as on the reporting date 31.3.2020		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
	NIL					

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4.13 Disclosures on Change in Ownership outside SDR Scheme (accounts which are currently under the stand-still period):

(`in crores)

No. of accounts where banks have decided to effect change in ownership	Amount outstanding as on the reporting date 31.3.2021		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity/invocation of pledge of equity shares is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity/invocation of pledge of equity shares has taken place		Amount outstanding as on the reporting date with respect to accounts where change in ownership is envisaged by issuance of fresh shares or sale of promoters equity	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
Nil								

4.14 Disclosures on Change in Ownership of Projects Under Implementation (accounts which are currently under the stand-still period):

No. of project loan accounts where banks have decided to effect change in ownership	Amount outstanding as on the reporting date		
	Classified as standard	Classified as standard restructured	Classified as NPA
NIL			

4.15 Disclosures on the scheme for Sustainable Structuring of Stressed assets (S4A), as on 31.3.2021. **(`in crores)**

No .of accounts where S4A has been applied	Aggregate amount outstanding	Amount outstanding		Provision Held
		Part A	Part B	
Classified as Standard	NIL			
Classified as NPA	NIL			

4.16 Disclosure in the "Notes to Accounts" to the Financial Statements- Divergence in the asset classification and provisioning

There was no provisioning requirement due to divergence observed by RBI for the financial year 2020-21 in respect of bank's asset classification and provisioning under extant prudential norms on income recognition, asset classification and provisioning (IRACP). Hence, no disclosure is required to be made under DBR.BP.BC.No.63/21.04.018/2016-17 dated April 18, 2017.

4.17 Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Spread Over of Shortfall on Sale of NPAs to SCs/RCs

NIL

4.18 Overseas Assets, NPAs and Revenue

Particulars	(INR in Crore)
Total Assets	Nil
Total NPAs	Nil
Total Revenue	Nil

4.19 Off-balance Sheet SPVs sponsored

Name of the SPV sponsored	
Domestic	Overseas
Nil	Nil

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4.20 Disclosure on Remuneration:

a. Qualitative disclosures:

(a)	Information relating to the composition and mandate of the Remuneration Committee.	The committee is set up at Head office level and no such committee in India
(b) (c) (D)	Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy. Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks Description of the ways in which the bank seeks to link performance during a performance measurement period with level of remuneration	Key Features : Compensation packages are approved by Head office based on the **performance , responsibility and accountability of key personnel**
(e)	A discussion of the bank's policy on deferral and vesting of variable remuneration and a discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting	Performance allowance based on level achievement of approved targets fixed by Head Office
(f)	Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the bank utilizes and the rationale for using these different forms.	Performance incentive and ex gratia

b. Quantitative disclosures:

	Particulars	2020-21	2019-20
(g)	Number of meeting held by the remuneration committee during the financial year and	1	1

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	remuneration paid its members		
(h)	(i) Number of employees having received a variable remuneration award during the financial year.	1	1
	(ii) Number and total amount sign-on awards made during the financial year.	Nil	Nil
	(iii) a. Details of guaranteed bonus, if any, paid as joining / Sign on bonus.	Nil	Nil
	b. Details of performance Bonus / Allowance(in crs)	0.05	0.00
	(iv) Details of severance pay, in addition to accrued benefits, if any.	Nil	Nil
(i)	(i) Total amount of outstanding deferred remuneration, split into cash, shares and shares –linked instruments and other forms.	Nil	Nil
	(ii) Total amount of deferred remuneration paid out in the financial year.	Nil	Nil
(j)	Breakdown of amount remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	0.69	0.74

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(k)	(i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments.	Nil	Nil
	(ii) Total amount of reductions during the financial year due to ex-post explicit adjustments.	Nil	Nil
	(iii) Total amount of reductions during the financial year due to ex-post implicit adjustments.	Nil	Nil

4.22 Disclosures relating to securitization: NA

4.23 Credit Default Swaps: NIL

4.24 Intra – Group Exposure:

(INR In Crores)

Particulars	FY 2020-21
(a) Total amount of intra-group exposures	56.59
(b) Total amount of top-20 intra-group exposures	56.59
(c) Percentage of intra-group exposures to total exposure of the bank on borrowers / customers	10.67
(d) Details of breach of limits on intra-group exposures and regulatory action thereon, if any.	NIL

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4.25 Transfers to Depositors Education and Awareness Fund (DEAF):

(INR In Crores)

Particulars	FY2020-21	2019-20
Opening balance of amounts transferred to DEAF	1.61	0.54
Add: Amounts Transferred to DEAF during the year	0.14	1.24
Less: Amounts reimbursed by DEAF towards claims	0.00	0.17
Closing balance of amounts transferred to DEAF	1.75	1.61

4.26 Unhedged foreign Currency Exposure:

The bank has estimated and provided towards the liability for Unhedged Foreign Currency Exposure (UFCE) of their constituents in terms of RBI Circular No. DBOD.NO.BP.BC.85/21.06.200/2013-14 dated 15th January 2014 and the total provision held as of 31st March 2021 is 0.24 Crs.(PY 0.51 **Crs)** furnished:

4.27. Details of Frauds occurred and Provision made during the year.

As per RBI Circular No.DBR. No. BP.BC.92/21.04.048/2015-16 dated April 18, 2016 required details are furnished:

(a)	Number of Fraud cases reported during the year	Nil
(b)	Amount involved (` In Crore)	Nil
(c)	Quantum of Provision made	Nil
(d)	Quantum of unamortized Provision debited from 'Other Reserves' (` In Crore)	Nil

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5.1 Liquidity Coverage Ratio:

(INR In Crores)

		2020-21		2019-20	
		Total weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)
High Quality Liquid Assets					
1.	**Total High Quality Liquid Assets (HQLA)**	42.93	42.93	15.65	15.65
Cash Outflows					
2	**Retail deposits and deposits from small business customers, of which**	**1314.79**	**13220.83**	**12.85**	**129.06**
(i)	Stable Deposits	7.32	146.42	0.06	1.15
(ii)	Less stable Deposits	1307.44	13074.41	12.79	127.90
3	**Unsecured wholesale funding, of which:**	**2884.18**	**11399.50**	**23.26**	**74.47**
(i)	Operational deposits (all counterparties)	346.20	3474.70	12.89	51.58
(ii)	Non-operational deposits (all counterparties)	2486.61	7719.33	10.37	22.89
(iii)	Unsecured debt	NIL	NIL	NIL	NIL
4	**Secured Wholesale funding**				
5.	**Additional requirements, of which**	NIL	NIL	NIL	NIL
(i)	Outflows related to derivative exposures and other collateral requirements	NIL	NIL	NIL	NIL
(ii)	Outflows related to loss of funding on debt products	NIL	NIL	NIL	NIL
(iii)	Credit and Liquidity facilities	NIL	NIL	NIL	NIL
6	Other contractual funding obligations	NIL	NIL	NIL	NIL
7	Other contingent funding obligations	NIL	NIL	NIL	NIL
8	**Total Cash Outflows**	**4198.98**	**24620.33**	**36.11**	**203.53**
Cash Inflows					
9	Secured lending (e.g. reverse repos)			NIL	NIL
10	Inflows from fully performing exposures	110.00	220.00	46.97	51.97
11	Other cash inflows	854.00	854.00	0.11	0.11
12	**Total Cash Inflows**	**964.00**	**1074.00**	**47.08**	**52.08**

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13	TOTAL HQLA	9.64		15.65	
14	Total Net Cash Outflows	31.83		-10.97	
15	25% of Total Cash Outflow	10.36		9.02	
16	Liquidity Coverage Ratio (%)	134.88		173.40	

5.2 Qualitative disclosure around LCR

Based on RBI guidelines issued during June, 2014 and also other circulars subsequently thereon, the Bank has been computing the Liquidity Coverage Ratio with effect from 01st January, 2015. As per these guidelines, the Bank has high quality liquid assets (HQLA) in Level 1 and Level 2A/2B. As on 31.03.2021, the Bank has Rs.42.93 Cr of HQLAs, consisting fully of Level – 1 type of assets in the form of surplus SLR investments / Excess CRR and Cash in Hand.

As on 31.03.2021, after applying the respective haircuts as mentioned by RBI guidelines on LCR, the Bank has total amount of Rs. 41.98 Cr of cash outflows in the form of retail and unsecured wholesale funding.

5.3 Exposure to ILFS

The bank is not having any exposure towards Infrastructure Leasing Finance Company.

5.4 Implementation of Resolution Plan

As per RBI directive revised framework for resolution of stressed assets vide the RBI circular DBR.NO.BP.BC.101/21.4.048/2017-2018 dated February 12,2018, bank does not have any borrower who has aggregate exposure of Rs 20 Billion and is classified as NIL

5.5 Impact of Coivd 19

a) The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India which has resulted in a significant volatility in global and Indian financial markets and a significant decline in global and domestic economic activities. On March 11, 2020, the COVID-19 outbreak was

declared a global pandemic by the World Health Organization. The Government of India had announced a series of lockdown measures from 24th March 2020 onwards which have been extended from time to time up to 31st July 2020. Govt of India has directed a calibrated and gradual withdrawal of lockdown and partial resumption of economic activity in spite of some of the major economic centres still continuing under strict lockdown. The revival of economic activities largely depends upon the intensity and spread of the disease, Govt stimulus packages and regulatory relief measures. The Bank has satisfactory capital and adequate liquidity to support its business growth which has already been moderated having regard to effects of COVID-19.

The extent to which the COVID-19 pandemic will impact the Bank's result will depend on future development which are highly uncertain including among other things any new information concerning the severity of the COVID-19 pandemic and action to contain its spread or mitigate impact including stimulus and regulatory packages.

b) In accordance with the 'COVID-19 Regulatory packages - Asset Classification and Provisioning.' announced by the RBI on 27th March 2020, 17th April 2020 and May 23 2020, with regard to providing relief to borrowers on account of COVID-19 pandemic whose accounts were standard as on 29th February 2020, the Bank, in accordance with the Board approved policy had offered moratorium on repayment of loan instalments and/or deferment of interest due between 1st March 2020 to 31st August 2020 including relaxation in certain parameters, to all the eligible borrowers, without considering the same as restructuring.

In accordance with the RBI guidelines, the Bank is required to make provision @ 10% of outstanding advances over two quarters beginning with quarter ended 31st March 2020 in respect of such borrower accounts where asset classification benefit has been taken as per the RBI guidelines, However offering of moratorium on repayment of loan instalments and/or deferment of interest due between 1st March 2020 to 31st August 2020 to borrowers had not resulted in any change in asset

classification. Hence Nil provision will be required as per RBI Circular on COVID-19 Regulatory packages – Asset Classification and Provisioning.

5.6. The branch has initiated steps to register as a branch office under the Companies Act 2013 based on the expert opinion taken with regard to the applicability of Provision of Chapter XXII of the Companies Act 2013 with effect from February 2018. As the Board was reconstituted in Srilanka, the documentation in this regard in still under process. Meanwhile, due to the lockdown on account of COVID-19, the process got further delayed and expected to be completed in the financial year 2020-21.However the process of registration under Companies Act as a foreign Branch completed on 31/05/2021.

In accordance with RBI notification dated April 7th, 2021, the Bank is required to refund/ adjust 'interest on interest' charged to borrowers during the moratorium period as per the methodology for calculation of such interest on interest circulated by the Indian Banks' Association. The Bank has provided interest relief due to eligible customers and has provided INR 35.33 Lakhs

On August 6th, 2020, the RBI issued guidelines on 'Resolution Framework for Covid-19 related Stress' which enable lenders to implement a resolution plan in respect of eligible corporate exposures without change in ownership, and personal loans, while permitting classifying such exposures as Standard, subject to specified conditions. Details of resolution plan implemented under the Resolution Framework for Covid-19 related stress as per RBI circular dated August 6th, 2020 are given below

Type of Borrower	(A) Number of borrowers where resolution plan has been implemented under this window	(B) Exposure to borrowers mentioned at (A) before implementation of the plan (Rs in crores)	(C) of (B), aggregate amount of debt that was converted into other securities (Rs in crores)	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation (Rs in crores)	(E) Increase in provisions on account of the implementation of the Resolution (Rs in crores)
Personal loans	NIL	NIL	NIL	NIL	NIL
Corporate persons	1	1.50	0.00	0.0	0.00

Of which MSMEs	1	1.50	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00
Total	1	1.50	0.00	0.00	0.00

5.7 The Bank has been registered under the Companies Act .

6. Previous year's figures have been regrouped / reclassified wherever considered necessary to conform to the current year's classification.

Country Manager

Place : Chennai

Date : 30th June 2021

For B.P.Rao & Co.,

Chartered Accountants

FRN. 003116S

B Prasanna Achar

Partner

Membership No.202100

DISCLOSURE UNDER THE NEW CAPITAL ADEQUACY FRAMEWORK

(Basel III GUIDELINES) – Pillar 3 Disclosures BASEL –March 2021

Scope of Application

Disclosures in this report pertaining to Bank of Ceylon, Chennai Branch. The Capital to Risk-Weighted Assets Ratio (CRAR) of the branch is as under:

	Basel III
CRAR %	31.53
CRAR- Tier 1 Capital %	31.53
CRAR- Tier II Capital %	1.25

Table- -DF 1

1.1 Qualitative Disclosures:

Bank of Ceylon, Chennai is a branch of Sri Lankan State owned Bank of Ceylon, Colombo, Sri Lanka.

1.2 Quantitative Disclosures:

The Bank's shares are entirely owned by the Government of Sri Lanka. The Chennai

Branch has no associates or subsidiaries in India.

List of group entities considered for consolidation –**NA**

The aggregate amount of capital deficiencies in subsidiaries-**NA**

The aggregate amount of the bank's total interest in insurance entities – **NA**

Restriction or impediments on transfer of funds or regulatory capital within the banking group -**NA**

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Table DF-2

2.1. Qualitative Disclosures:

Interest free funds from Head Office are kept in a separate account in books, specifically for the purpose of meeting the Capital Adequacy norms, form the core of the Tier I Capital. Statutory Reserve built up over a period of years in the books of the branch, supplements the funds from Head Office. The branch has capitalized its retained profit to the extent of `15,62,90,000/- which has been treated as Tier I capital. The bank had capitalized Retained profit of INR 33,43,33,992/- to increase the Tier I capital.

2.2 Quantitative Disclosures:

The Tier I capital of the Branch comprises of:

Particulars	INR in Crs
Interest Free Funds from Head Office-Capital	119.37
Retained profit capitalization	49.06
Statutory Reserve	46.87
Total	**215.30**
Amount deducted from Tier I capital	11.19
Total Tier I Capital	**204.11**

The Tier II Capital of the Branch Comprises of:

Particulars	INR in Crs
General Provison for Standard Assets	2.18
General Reserve for Floating Provison	13.61
Total	**15.79**

*Tier II capital restricted to 1.25% of overall Risk INR 8.53 Crs

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The total eligible capital comprises:

Particulars	INR in Crs
Tier-I Capital	204.11
Tier-II-Capital	8.53
Total Capital	**212.64**

Table DF-3

3. Capital Adequacy

3.1 Qualitative Disclosures:

The Branch maintains funds from Head Office and Statutory Reserves as per Indian Regulations as a cushion towards the risk of loss in value of exposure and businesses etc., to protect the interest of the stake holders, more particularly, the depositors.

The Branch assesses periodically capital requirements and suitably designs its policy, strategy, business level and composition of business. Towards this, bank has evolved an Internal Capital Adequacy Assessment Process (ICAAP) framework with the and the same has been approved by Head office.

In line with RBI guidelines, the bank has adopted following approaches for implementation of New Capital Adequacy Framework- Basel III

--Standardised Approach for Credit Risk

--Basic indicator Approach for Operational Risk

--Standardised Duration Approach for Market Risk

3.2. Quantitative Disclosures

A summary of the bank's capital requirements for Credit, Market and Operational Risk and the capital adequacy ratio as on 31st March, 2018 is given as hereunder:

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(INR in Cr)

	RWA*	Min. Cap. Required
Capital requirements for Credit Risk	593.89	5345.00
Capital Requirements for Market Risk	34.96	314.67
Capital Requirements for Operational Risk	54.03	486.21
Total	**682.88**	**6145.89**
Tier I capital in (INR in Crs)	**204.11**	
Tier II capital (INR in Crs)	**8.53**	
Total	**212.64**	
CRAR	**31.14**	

* RWA = Risk Weighted Assets

General Qualitative Disclosures:

The branch has a risk policy taking in to account the risk dimensions of the local economy and the bank's risk appetite.

The Branch has an Asset & Liability Management Committee, Credit Committee, Risk management committee & other Committee headed by the Country Manager and others and the minutes of the meeting are tabled before the Local Advisory Board.

Credit Risk:

Credit Risk covers the inability of a borrower or counter party to honour commitments on due date in respect of the payment of interest and installments.

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The branch is exposed to Credit Risk through lending and investment activities. The Branch has a credit policy which strives to cover credit risk measurement, monitoring and controlling mechanisms to the required extent, given its manpower and financial resources. Local Advisory Board advises for the functioning of the branch. The credit appraisal made during the year is placed before LAB for review

Credit Granting Process

The Policy of the bank covers

-Due Diligence criteria

-KYC norms

-Method of assessment of finance

-Minimum credit Standards

- Internal rating System

Credit Monitoring System

Credit monitoring is an ongoing continuous process. The process includes-

-Periodical review of borrowed accounts

-Periodical direct visits to the borrowed units

-Different hierarchical level of monitoring

Credit Rating Framework

The Branch applies an internal rating model which is fine tuned as and when required. Migration analysis of rating is placed before LAB at quarterly intervals.

Credit Concentration Risk

The Branch periodically reviews its loan portfolio so as to reduce concentration in any area. Credit Risk appetite is defined through annual

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budget process. The ICAAP of the bank for the year clearly spell out the credit concentration risk and the residual risk.

Risk Profiling

Bank profiles the risk by constantly reviewing

-Exposure to Single/ Group borrowers

-Exposure to sensitive Sectors

-Exposure to unsecured advances and guarantees

Market risk

Market Risk management covers Treasury and ALM policy. There is a clear demarcation between front, mid and back offices. Various limits to Forex operations are prescribed. The branch does not deal in Equity market. The branch has set up a Mid office to monitor the Var,Pv01 AGL, IGL and stop loss limit.

Operational Risk:

Operational risk is managed through internal control system, the process of Concurrent Audit, Credit Audit conducted by Head Office and Statutory Audit by an External Auditor. The bank has a separate Internal Control Department to monitor day to day transaction on regular basis

Table DF-4

4.1 Qualitative Disclosures

Credit Risk

Over Due:- Any amount due to the bank under any credit facility is "Over Due "if it is not paid on the due date fixed by the branch.

Impaired assets are identified as per the prudential norms prescribed by the Regulator. The bank also generates report on daily basis to monitor special mention accounts and the report is submitted to the Country Manger for perusal.

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4.2 Quantitative Disclosures

The total gross credit risk exposures are:

Particulars	INR in Crs
Fund Based	428.68
Non Fund Based	27.08
Total	509.76
Gross NPA	33.39
Net NPA	**NIL**

The NPA ratios are:

Particulars	In %
Gross NPA to Gross advance	7.78%
Net NPA's to Net Advance	**5.86%**

The Movement of Gross NPA is as under

(INR in Cr)

Particulars	Amount
Opening Balance as at 01.04.2020	20.13
Additions	14.80
Reductions	1.54
Closing balance as at 31.03.2021	33.39

The Movement of Provision for Net NPA is as under

(INR in Cr)

Particulars	Amount
Opening Balance as at 01.04.2020	15.99
Provision made during the year	10.80
Reductions	2.35
Closing Balance as at 31.03.2021	24.44

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The amount of Non-Performing Investments is NIL

The movement of provision for depreciation on Investments as under:

(INR in Cr)

Particulars	Amount
Opening Balance as on 01.04.2020	0.00
Add :Provision made during the year	0.00
Less: Write-off/Write back of excess provision during the year	0.00
Closing balance as on 31.03.2021	0.00

Industry Type Distribution of Credit

Industry Type Distribution of Credit	**Fund Based (INR in Cr)**	**Non-Fund Based (INR in Cr)**
Real Estate(incl.Hotels and Resorts)	74.44	0.00
Trading	152.32	5.49
Non-Banking Finance	0.00	0.00
Iron & Steel	43.64	0.00
Textiles	14.14	1.95
Leather & Leather Products	9.96	5.23
Gems & Jewellery	0.00	0.00
Others	135.76	0.00
Total	**430.26**	**12.67**

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Table DF-5

5.1. Qualitative Disclosures:

Large Corporates are encouraged to seek ratings from approved external rating agencies. The Internal rating system supports the branch in identifying credit risk.

Table DF-6

Credit Risk Mitigation

6.1. Qualitative Disclosures:

The Branch seeks different collaterals and guarantee as risk mitigants.

Eligible collaterals include

- cash or cash equivalents(bank deposits)/NSCs/LIC Policy
- movable and immovable assets
- corporate guarantees, bank and personal guarantees
- ECGC guarantees wherever applicable

Table DF-7

Securitisation:

At present the branch does not have any securitisation exposure.

Table DF-8

Market risk in Trading Book

8.1. Qualitative Disclosures

Market Risk covers both "On" and "Off " Balance Sheet items when they are affected by movements in interest rates and equity markets, caused by exchange rates, commodity and asset prices.

The portfolios covered by the standardized approach for computation of market risk are as under:

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(INR In Cr)

Securities under Held- For-Trading	Nil
Securities held under Available-for-sale	39.53
Open Foreign exchange position Limit	21.00

The rest of the assets in investments held under Held-For-Maturity portfolio and advances are treated as banking book.

Market Risk management Strategies and Processes

Policies

Bank has a Treasury policy covering Investments, Foreign Exchange Operations and Asset Liability Management. The policies ensure that operations in securities and foreign exchange are conducted in accordance with sound and acceptable business practices and are as per the extant regulatory guidelines. The policies are reviewed periodically to incorporate changes that come about in the business environment including the rules and regulations of the regulatory authorities.

Liquidity Risk

The Branch tracks the liquidity risk through maturity or cash flow mismatches captured under selected maturity dates termed as 'time buckets'.

Interest Rate Risk

The branch applies Traditional Gap Analysis (TGA) and Duration Gap Analysis (DGA) to assess the impact on the Net Interest income and impact on bank equity.

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Foreign exchange risk

The branch has various exposure limits which are being monitored on a daily basis. The branch has a cap on open position as well.

Equity price Risk

As of now the bank has no equity holding. In the event the bank decides to deal in equity, limit will be fixed in Trading Book, Deal Size, Holding Period and Stop Loss.

Structure and Organization of Risk Management function

The Branch has policies approved by the Board of Directors. The following bodies assist in ensuring the compliance of the policies

-Local Advisory Board

-Asset and Liability Management Committee

-Head Office Audit Committee

-Risk management Committee

8.2. Quantitative disclosures

Bank has adopted the Standardised Duration approach as prescribed by RBI for computation of capital charge for market risk. The capital requirements for market risk are as under:

Risk category	Capital charge
Interest Rate Risk	90.71
Equity Position risk	0.00
Foreign exchange Risk	189.00
Total capital charge	279.71

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Table DF-9

Operational Risk

9.1. Qualitative Disclosures

Operational risk is the risk of losses resulting from inadequate or failed internal processes, people and systems or from external factors. Operational risk exists at all levels and at all business lines. A board approved Operational Risk management Policy is being followed.

The Branch has put in place the following measures to control/mitigate operational risks.

-System of delegated authority covering all credit and expenditure

-Issuance of instructions and circulars

-Training programmes

Bank has an Organizational structure suitable to its size which identifies, assesses, monitors and controls operational risks. The Concurrent audit & Head Office internal audit system supplements the oversight mechanism.

The Branch measures the operational risk under the Basic Indicator Approach.

9.2. Quantitative Disclosures:

As per RBI directives, the bank has adopted the Basic Indicator Approach and the capital charge under the same is ` 54.02 crores

Table DF-10

Interest Rate Risk in Banking Book

10.1. Qualitative disclosures

Interest Rate Risk is the risk where changes in market interest rates might affect adversely the financial condition of the branch resulting in the Net Interest Income being impacted along with the net worth. Bank holds assets, liabilities and off-balance Sheet items with different

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maturity dates and linked to different benchmark rates. This creates exposure to unexpected changes in level of interest rates.

Framework

Bank has an Asset –Liability Management Committee which is responsible for identifying liquidity and market risks. The top management periodically reviews the observations /recommendations of the ALCO desk. Interest rate sensitivity is also done. Being a small outfit with limited resources and with about 70 % of its deposits remaining core, the bank on day to day basis is aware of the market trends and responds suitably to changing situations. Thus the behavioral pattern of the depositors is factored during this direct monitoring. This is true when the working capital facilities extended by the bank are considered. The Branch carries out Duration Gap Analysis as well.

10.2. Quantitative Disclosures

The economic value, that is the impact on Capital Fund due to change in interest rate would be assessed through Modified Duration Gap method. The bank is in the process of fixing the limits for net duration gap of the assets and liabilities so as to monitor the same at regular intervals. As mentioned earlier, with the volume being low the bank carries on with the monitoring aspect using the "Hands On" approach.

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Table DF-11: Composition of Capital
Part II: Template to be used before March 31, 2021
(i.e.during the transition period of Basel III regulatory adjustments)

(INR in Crs)

	Basel III common disclosure template to be used during the transition of regulatory adjustments		Amounts Subject to Pre-Basel III Treatme	Ref No.
	Common Equity Tier 1 capital: instruments and			
1	Directly issued qualifying common share capital plus related stock surplus (share premium)(funds from Head office)	168.43		
2	Retained earnings(Not repatriable)			
3	Accumulated other comprehensive income (and other reserves)	46.87		
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, 2020	----		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in	-----		
6	**Common Equity Tier 1 capital before regulatory adjustments**	215.30		
	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)	---		
10	Deferred tax assets	11.19		
11	Cash-flow hedge reserve	--		
12	Shortfall of provisions to expected losses	---		
13	Securitisation gain on sale	--		
14	Gains and losses due to changes in own credit risk on fair valued liabilities	---		
15	Defined-benefit pension fund net assets			
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	--		
17	Reciprocal cross-holdings in common equity	---		

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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	11.19		
26	National specific regulatory adjustments (26a+26b+26c+26d)	---		
26a	*of which:* Investments in the equity capital of the unconsolidated insurance subsidiaries	---		
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	---		
26d	*of which:* Unamortised pension funds expenditures	---		
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to	---	---	
	of which: [INSERT TYPE OF ADJUSTMENT] For example: filtering out of unrealised losses on AFS debt securities (not relevant in Indian	-----		
	of which: [INSERT TYPE OF ADJUSTMENT]	----		
	of which: [INSERT TYPE OF ADJUSTMENT]			

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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**	11.19		
29	**Common Equity Tier 1 capital (CET1)**	204.11		

	Additional Tier 1 capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (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	-------		
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	--------		
35	*of which: instruments issued by subsidiaries subject to phase out*	-------		
36	**Additional Tier 1 capital before regulatory**	----		
	Additional Tier 1 capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	---		
38	Reciprocal cross-holdings in Additional Tier 1	----		
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)[10]	------		
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	-----		

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	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	----		
	of which: [INSERT TYPE OF ADJUSTMENT e.g.	---		
	of which: [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 1 at 50%]	-- -		
	of which: [INSERT TYPE OF ADJUSTMENT]	-----		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover	-----		
43	**Total regulatory adjustments to Additional Tier**	----		
44	**Additional Tier 1 capital (AT1)**	-----		
44a	**Additional Tier 1 capital reckoned for capital**	-----		
45	**Tier 1 capital (T1 = CET1 + AT1) (29 + 44a)**	204.11		
	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	-- --		
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			
51	**Tier 2 capital before regulatory adjustments**	15.79		
	Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	------		
53	Reciprocal cross-holdings in Tier 2 instruments	------		
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	------		
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-----		
56	National specific regulatory adjustments (56a+56b)	-----		

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56a	*of which:* Investments in the Tier 2 capital of unconsolidated 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	------
	of which: [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 2 at 50%]	-----
	of which: [INSERT TYPE OF ADJUSTMENT	
57	**Total regulatory adjustments to Tier 2 capital**	15.79
58	**Tier 2 capital (T2)**	15.79
58a	**Tier 2 capital reckoned for capital adequacy**	8.52
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**	0.00
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	8.52
59	**Total capital (TC = T1 + T2) (45 + 58c)**	212.63
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment	
	of which: [INSERT TYPE OF ADJUSTMENT]	
	of which: ...	
60	**Total risk weighted assets (60a + 60b + 60c)**	682.88
60a	*of which: total credit risk weighted assets*	593.89
60b	*of which: total market risk weighted assets*	34.96
60c	*of which: total operational risk weighted assets*	54.03
	Capital ratios	
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	29.89
62	Tier 1 (as a percentage of risk weighted assets)	29.89
63	Total capital (as a percentage of risk weighted	
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of	
65	*of which: capital conservation buffer requirement*	------
66	*of which: bank specific countercyclical buffer*	-------
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%

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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			
75	Deferred tax assets arising from temporary differences (net of related tax liability)			
Applicable caps on the inclusion of provisions in Tier 2				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	--		
77	Cap on inclusion of provisions in Tier 2 under standardised approach	---		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	----		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	----		
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*	-----		
81	*Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)*	------		
82	*Current cap on AT1 instruments subject to phase out arrangements*	-----		
83	*Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)*	----		
84	*Current cap on T2 instruments subject to phase out arrangements*	---		
85	*Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)*	----		

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Notes to the Template

Row No. of the	Particular	` in Crs
10	Deferred tax assets associated with accumulated losses	
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	11.93
	Total as indicated in row 10	
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant	---
	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	15.79
	Eligible Revaluation Reserves included in Tier 2 capital	
	Total of row 50	
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)	7.27

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Table DF-12: Composition of Capital- Reconciliation Requirements

(INR in CRS)

		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on 31st March 2021	**As on** 31st March 2021
A	**Capital & Liabilities**		
i	Paid-up Capital	168.43	
	Reserves & Surplus	88.66	
	Minority Interest	0.00	
	Total Capital	257.09	
ii	Deposits	260.12	
	of which: Deposits from banks	40.07	
	of which: Customer deposits	220.05	
	of which: Other deposits (pl. specify)		
iii	Borrowings	0.00	
	of which: From RBI	0.00	
	of which: From banks	0.00	
	of which: From other institutions & agencies	0.00	
	of which: Others (pl. specify)	0.00	
	of which: Capital instruments	0.00	
iv	Other liabilities & provisions	20.94	
	Total	538.17	
B			
i	Cash and balances with Reserve Bank of India	11.81	
	Balance with banks and money at call and short notice	28.70	
ii	Investments:	59.63	
	of which: Government	59.63	

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	of which: Other approved securities	
	of which: Shares	
	of which: Debentures &	
	of which: Subsidiaries / Joint Ventures / Associates	
	of which: Others (Commercial Papers, Mutual	
iii	Loans and advances	417.31
	of which: Loans and advances to banks	
	of which: Loans and advances to customers	417.31
iv	Fixed assets	1.21
v	Other assets	19.48
	of which: Goodwill and intangible assets	0.00
	of which: Deferred tax assets	11.19
vi	Goodwill on consolidation	
vii	Debit balance in Profit & Loss account	
	Total Assets	538.17

Extract of Basel III common disclosure template (with added column) – Table DF-11 (Part I / Part II whichever, applicable)