

Abu Dhabi Commercial Bank – India Branches

(Incorporated in the U.A.E. with Limited Liability)



BALANCE SHEET AS ON MARCH 31, 2015			PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2015		
(Rs '000s)			(Rs '000s)		
Schedule	As on March 31, 2015	As on March 31, 2014	Schedule	Year ended March 31, 2015	Year ended March 31, 2014
CAPITAL AND LIABILITIES			I. INCOME		
Capital	1	2,170,187	Interest Earned	13	1,821,622
Reserves and Surplus	2	1,344,492	Other Income	14	138,546
Deposits	3	19,644,614	TOTAL		1,960,168
Borrowings	4	2,312,500			1,613,918
Other Liabilities and Provisions	5	1,093,920	II. EXPENDITURE		
TOTAL		26,565,713	Interest Expended	15	1,305,383
		22,996,308	Operating Expenses	16	317,842
			Provisions and Contingencies 18(15)		200,852
ASSETS			TOTAL		1,824,077
Cash and Balances with Reserve Bank of India	6	626,925	III. PROFIT/(LOSS)		
Balances with Banks and Money at Call and Short Notice	7	4,210,532	Net Profit for the year		136,091
Investments	8	3,515,370	Profit/(Loss) brought forward		–
Advances	9	17,557,941	TOTAL		136,091
Fixed Assets	10	81,497	IV. APPROPRIATIONS		
Other Assets	11	573,448	Transfer to Statutory Reserves		34,023
TOTAL		26,565,713	Transfer to Investment Reserve Account		–
		22,996,308	Remittable Surplus		–
Contingent Liabilities	12	18,024,186	Retained in India for CRAR		102,068
Bills for Collection		665,107	Transfer to Capital Reserve		–
Significant Accounting policies	17		Balance carried over to Balance Sheet		–
Notes to accounts	18		TOTAL		136,091
			Significant Accounting policies	17	
			Notes to accounts	18	
The accompanying schedules are an integral part of the Balance Sheet			The accompanying schedules are an integral part of the Profit and Loss Account		

As per our report of even date

For and on behalf of

KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Reg. No: 105146W

Sd/-
Gautam V. Shah
Partner (F-117348)

Mumbai
June 25, 2015

ABU DHABI COMMERCIAL BANK
India Branches

Sd/-
Darayus P. Bajan
Interim Chief Executive Officer - India

Abu Dhabi Commercial Bank – India Branches

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**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015***(Rs. '000s)*

	Year ended March 31, 2015	Year ended March 31, 2014
Cash flows from operating activities		
Net Profit/(Loss) before tax	238,431	152,401
Adjustment for :	-	
Foreign Exchange Loss	1,258	(4,383)
Depreciation charge for the year	7,844	9,291
Depreciation on investments	18,100	-
Provision for Advances	43,047	163,968
Other Provisions	37,365	29,014
Profit on sale of fixed assets	-	-
Loss on sale of fixed assets	9	98
Interest on HTM investment securities	(157,909)	(149,458)
	<u>188,145</u>	<u>200,931</u>
Adjustments for :		
(Increase)/Decrease in Term Placements	4,750,000	250,000
(Increase)/Decrease in Investments (excluding HTM securities)	(702,312)	(319,605)
(Increase)/Decrease in Advances	(6,400,223)	(6,166,260)
Increase/(Decrease) in Borrowings	379,101	(3,611,961)
Increase/(Decrease) in Deposits	3,185,414	9,415,746
(Increase)/Decrease in Other Assets	34,898	89,268
Increase/(Decrease) in Other liabilities and provisions	(169,824)	685,795
	<u>1,077,054</u>	<u>342,983</u>
Income Tax (paid)/refund received	(126,662)	(160,000)
Net cash generated from / (used in) operating activities	A <u>1,138,537</u>	<u>383,914</u>
Cash Flows from investing activities		
Interest on HTM investment securities	104,946	96,495
(Increase)/Decrease in Investments (HTM securities)	525	(186,126)
Purchase of fixed assets	(26,454)	(2,948)
Proceeds from sale of fixed assets	6	-
Net cash generated from / (used in) investing activities	B <u>79,023</u>	<u>(92,579)</u>
Cash Flows from financing activities		
Infusion of Funds from Head Office	-	-
Net cash flows generated from financing activities	C <u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	<u>1,217,560</u>	<u>291,335</u>
Cash and Cash Equivalents at the beginning of the year	1,619,897	1,328,562
Cash and Cash Equivalents at the end of the year *	<u>2,837,457</u>	<u>1,619,897</u>
(Note: Cash and Cash Equivalents represents Cash and Balance with Reserve Bank of India and Balances with Banks and Money at Call and Short notice)		
* Cash and Cash equivalent includes CRR balance maintained with RBI of Rs. 620,875 /- thousand (Previous year Rs. 654,742/- thousand)		
Reconciliation of Cash and Cash Equivalents with Balance sheet		
Schedule 6 - Cash and Balances with Reserve Bank of India	626,925	620,538
Schedule 7 - Balances with Banks and Money at Call and Short Notice	4,210,532	7,749,359
Less : Lending original maturity more than 90 days	(2,000,000)	(6,750,000)
Cash & Cash Equivalents as per Cashflow statement	<u>2,837,457</u>	<u>1,619,897</u>

As per our report of even date

For and on behalf of

KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Reg. No: 105146W

ABU DHABI COMMERCIAL BANK
India Branches

Sd/-
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Mumbai
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Abu Dhabi Commercial Bank – India Branches

(Incorporated in the U.A.E. with Limited Liability)



SCHEDULES FORMING PART OF THE BALANCE SHEET AS ON MARCH 31, 2015

	(Rs '000s)		(Rs '000s)	
	As on March 31, 2015	As on March 31, 2014	As on March 31, 2015	As on March 31, 2014
SCHEDULE 1 - CAPITAL				
I. Capital				
i) Opening Balance	2,170,187	2,170,187		
ii) Capital Infusion during the year	–	–		
TOTAL	2,170,187	2,170,187		
II. Amount (Face Value) of Deposit kept in the form of securities with the Reserve Bank of India u/s 11 (2) (b) of the Banking Regulation Act, 1949	512,500	412,500		
SCHEDULE 2 – RESERVES AND SURPLUS				
I. Statutory Reserves				
i) Opening Balance	412,359	386,222		
ii) Additions during the year	34,023	26,137		
	446,382	412,359		
II. Capital Reserves				
i) Balance as per last Balance Sheet	14,711	14,711		
ii) Additions during the year	–	–		
	14,711	14,711		
III. Investment Reserve Account				
i) Opening Balance	1,589	1,589		
ii) Additions during the year	–	–		
	1,589	1,589		
IV. Remittable Surplus retained in India for CRAR				
i) Opening Balance	648,183	569,773		
ii) Additions during the year	102,068	78,410		
	750,251	648,183		
V. Revenue and Other Reserves				
i) Opening Balance	131,559	131,559		
ii) Additions during the year	–	–		
	131,559	131,559		
VI. Balance in Profit and Loss Account				
TOTAL	1,344,492	1,208,401		
SCHEDULE 3 – DEPOSITS				
A) I. Demand Deposits				
i) From banks	203,052	38,978		
ii) From others	1,603,643	1,384,952		
	1,806,695	1,423,930		
II. Savings Bank Deposits	1,254,922	1,347,227		
III. Term Deposits				
i) From banks	–	–		
ii) From others	16,582,997	13,688,043		
	16,582,997	13,688,043		
TOTAL	19,644,614	16,459,200		
B) I. Deposits of branches in India	19,644,614	16,459,200		
II. Deposits of branches outside India	–	–		
TOTAL	19,644,614	16,459,200		
SCHEDULE 4 - BORROWINGS				
I. Borrowings in India				
i) Reserve Bank of India	–	–		
ii) Other banks	125,000	100,000		
iii) Other institutions and agencies	–	–		
II. Borrowings outside India	2,187,500	1,833,399		
TOTAL (I & II)	2,312,500	1,933,399		
Secured Borrowings included in I & II above	–	–		
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS				
I. Bills payable	24,594	131,119		
II. Inter-Office adjustments (Net)	–	–		
III. Interest accrued	381,584	338,999		
IV. Deferred Tax Liability (Net)	–	–		
V. Others [includes provision towards standard assets and Unhedged Foreign Currency Exposure Rs. 81,400 thousand (previous year Rs. 48,900 thousands)]	687,742	755,003		
TOTAL (I to V)	1,093,920	1,225,121		
SCHEDULE 6 – CASH AND BALANCES WITH RESERVE BANK OF INDIA				
I. Cash in hand (including foreign currency notes)	6,050	5,419		
II. Balances with Reserve Bank of India				
i) In Current Account	620,875	615,119		
ii) In Other Accounts	–	–		
TOTAL (I & II)	626,925	620,538		
SCHEDULE 7 – BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE				
I. In India				
i) Balances with banks				
a) In Current Accounts	17,781	95,021		
b) In Other Deposit Accounts	2,510,000	6,750,000		
ii) Money at call and short notice				
a) With banks	480,000	–		
b) With other institutions	–	–		
TOTAL	3,007,781	6,845,021		
II. Outside India				
i) In Current Accounts	140,251	185,358		
ii) In Other Deposit Accounts	–	–		
iii) Money at call and short notice	1,062,500	718,980		
TOTAL	1,202,751	904,338		
TOTAL (I & II)	4,210,532	7,749,359		

Abu Dhabi Commercial Bank – India Branches

(Incorporated in the U.A.E. with Limited Liability)



SCHEDULES FORMING PART OF THE BALANCE SHEET AS ON MARCH 31, 2015

(Rs '000s)			(Rs '000s)		
	As on March 31, 2015	As on March 31, 2014		As on March 31, 2015	As on March 31, 2014
SCHEDULE 8 – INVESTMENTS			SCHEDULE 10 - FIXED ASSETS		
I. Investments in India in			I. Premises		
i) Government securities	3,340,470	2,656,783	i) At cost as on March 31 of the preceding year	56,576	56,576
ii) Other approved securities	–	–	ii) Additions during the year	–	–
iii) Shares	–	–	iii) Deductions during the year	–	–
iv) Debentures and Bonds	–	–	iv) Depreciation to date	(14,842)	(13,920)
v) Subsidiaries and/or Joint Ventures	–	–	TOTAL	41,734	42,656
vi) Others (Deposit with NHB)	174,900	174,900	II. Other Fixed Assets (including furniture and fixtures)		
TOTAL	3,515,370	2,831,683	i) At cost as on March 31 of the preceding year	81,268	79,999
II. Investments outside India			ii) Additions during the year	8,173	2,479
	–	–	iii) Deductions during the year	(1,359)	(1,209)
	–	–	iv) Depreciation to date	(67,782)	(61,492)
TOTAL (I+II)	3,515,370	2,831,683	TOTAL	20,300	19,777
(Refer Note 18 and 22 of Schedule 18)			III. Capital Work in Progress		
				19,463	469
			GRAND TOTAL (I to III)		
				81,497	62,902
SCHEDULE 9 – ADVANCES			SCHEDULE 11 – OTHER ASSETS		
A) i) Bills purchased and discounted ##			I. Inter-office adjustments (net)		
	8,276,649	6,895,804			
ii) Cash credits, overdrafts and loans repayable on demand	2,951,327	2,482,032	II. Interest accrued		
iii) Term loans	6,329,965	1,822,928	III. Tax paid in advance/tax deducted at source (net of provisions)		
TOTAL	17,557,941	11,200,764	IV. Stationery and stamps		
			V. Deferred Tax Asset (Net) (Refer note 40 of Schedule 18)		
B) i) Secured by tangible assets*			VI. Others		
ii) Covered by Bank/ Government Guarantees**	4,306,696	2,363,011			
iii) Unsecured ##	2,252,594	602,046	TOTAL (I to V)		
TOTAL	10,998,651	8,235,707		270,538	221,906
			TOTAL		
				573,448	531,062
C) I. Advances in India			SCHEDULE 12 – CONTINGENT LIABILITIES		
	17,557,941	11,200,764	I. Liability on account of outstanding forward exchange contracts (including Spot Contracts)		
i) Priority Sectors	1,854,348	2,105,541			
ii) Public Sector	–	–	II. Guarantees given on behalf of constituents:		
iii) Banks	6,750,000	6,250,000	a) In India		
iv) Others	8,953,593	2,845,223	b) Outside India		
TOTAL	17,557,941	11,200,764	III. Acceptances, endorsements and other obligations		
			IV. Other items for which the Bank is contingently liable:		
II. Advances outside India			1. Income tax/Interest tax disputed and in appeal not provided for is estimated at		
	–	–			
TOTAL	17,557,941	11,200,764	2. Transfer to Depositor Education and Awareness Fund (DEAF)		
			TOTAL		
				13,475	95,997
				11,868	–
				18,024,186	16,520,506

Includes Bills Rediscounting of Rs. 6,750,000 Thousand (Previous Year Rs. 6,250,000 Thousand).

* Includes advances against Book debts.

** Includes advances against Letter of Credit and Standby Letter of Credit issued by Banks.

Abu Dhabi Commercial Bank – India Branches

(Incorporated in the U.A.E. with Limited Liability)



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2015

	(Rs '000s)			(Rs '000s)	
	Year ended March 31, 2015	Year ended March 31, 2014		Year ended March 31, 2015	Year ended March 31, 2014
SCHEDULE 13 – INTEREST EARNED			SCHEDULE 15 - INTEREST EXPENDED		
I. Interest/discount on advances/bills	866,379	564,581	I. Interest on deposits	872,097	575,108
II. Income on investments	252,607	211,129	II. Interest on Reserve Bank of India and Inter-bank borrowings	19,354	182,130
III. Interest on balances with Reserve Bank of India and other inter-bank funds	700,775	720,157	III. Others (Includes amortization of premium on swaps undertaken to hedge the FCNR(B) deposits)	413,932	265,686
IV. Others	1,861	–	TOTAL (I to III)	1,305,383	1,022,924
TOTAL (I to IV)	1,821,622	1,495,867	SCHEDULE 16 - OPERATING EXPENSES		
SCHEDULE 14 – OTHER INCOME			I. Payments to and provisions for employees	190,079	120,928
I. Commission, exchange and brokerage	34,721	28,530	II. Rent, taxes and lighting	17,261	18,042
II. Profit/(Loss) on sale/redemption of investments	26	–	III. Printing and stationery	1,781	1,239
Less: Loss on sale/redemption of investments	–	–	IV. Advertisement and publicity	582	1,681
III. Profit/(Loss) on revaluation of investments	–	–	V. Depreciation on Bank's property	7,844	9,291
IV. Profit/(Loss) on sale of land, building and other assets	(9)	(98)	VI. Auditors' fees and expenses	813	771
V. Net profit on exchange transactions	101,583	70,794	VII. Law charges	2,268	7,125
VI. Miscellaneous income	2,225	18,825	VIII. Postages, telegrams, telephones, etc.	8,347	4,953
TOTAL (I to VI)	138,546	118,051	IX. Repairs and maintenance	27,395	45,019
			X. Insurance	18,619	8,401
			XI. Corporate Social Responsibility	4,931	–
			XII. Other expenditure (includes Technical and Consultancy Services INR 32,665 ('000) previous year INR 22,398 ('000))	37,922	28,161
			TOTAL (I to XII)	317,842	245,611

SCHEDULE 17 - ACCOUNTING POLICIES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2015.

I. BACKGROUND

The accompanying financial statements comprise the accounts of the India branches of Abu Dhabi Commercial Bank (referred to as 'the Bank'), which is incorporated and registered in the United Arab Emirates with limited liability.

II. ACCOUNTING POLICIES

1. Accounting Convention

The financial statements have been prepared in accordance with requirements prescribed under the Third Schedule of the Banking Regulation Act, 1949. The accounting policies used in the preparation of these financial statements, in all material aspects, conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by Reserve Bank of India (RBI) from time to time, the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Account) Rules, 2014, the provisions of the Act (to the extent notified) and practices generally prevalent in the banking industry in India. The Bank follows the accrual method of accounting, except where otherwise stated, and the historical cost convention.

2. Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions that are considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported income and expense during the reported period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the financial statements.

3. Transactions Involving Foreign Exchange and Derivatives

- 3.1.** Foreign Currency Assets, Liabilities and Contingent Liabilities on account of guarantees, acceptances, endorsements and other outstanding are translated at the balance sheet date at rates notified by the Foreign Exchange Dealers' Association of India (FEDAI). Foreign Exchange Positions including spot and forward contracts (other than hedging contracts) are revalued monthly at the rates notified by the FEDAI. The resultant gain or loss is recognized in the Profit and Loss Account.
- 3.2.** Item of Income and Expenditure in foreign currency are translated at the exchange rates prevailing on the date of the transactions.
- 3.3.** In case of foreign currency deposits, which have been swapped, the swap cost is treated as Interest cost and amortized over the period of transactions as per Accounting Standard (AS) 11 'The effect of changes in Foreign Exchange rates'. The amortized portion of the swap cost is reflected under 'Other Liabilities'.
- 3.4.** In respect of derivative transactions, any overdue receivables representing positive Marked to Market (MTM) value due to the Bank, which remains unpaid for a period of 90 days from the specified due date for payment, as well as the recognized positive MTM in respect of future receivables, as per RBI Guidelines are reversed from the Profit & Loss Account.

4. Investments**4.1. Classification**

In accordance with the guidelines for investments laid down by the Reserve Bank of India (RBI), the Bank classifies its investments into the following categories:

- i. Held to Maturity
- ii. Available for Sale
- iii. Held for Trading

4.2. Valuation**4.2.1. Held to Maturity**

Investments under this category are carried at acquisition cost, unless they are more than the face value, in which case the premium is amortized over the period remaining till maturity. Diminution other than temporary, if any, in the value of such investment is determined and provided for on each investment individually.

Investments transferred from AFS/HFT to HTM category are valued at lower of acquisition cost, book value or market value on the date of transfer and the depreciation, if any, on such transfer is provided for as per RBI guidelines. These investments are valued net of depreciation unless the same is higher than the face value in which case the excess is amortized over the period remaining till maturity.

4.2.2. Available for Sale and Held for Trading:

Investments under these categories including equity shares except for Treasury Bills are marked to market. Net appreciation, if any, under each of the six classifications under which investments are presented in the Balance Sheet, is ignored and net depreciation is provided for category wise. In addition, further provision is made for depreciation based on management's estimate of potential depreciation if required. Treasury Bills are valued at carrying cost.

- 4.3.** Cost of Investments excludes broken period interest paid on acquisition of Investments which is charged to Profit and Loss Account.
- 4.4.** The market value of investments is ascertained based on the price of security as available from the trades/quotes on the Stock Exchange or prices declared by the Primary Dealers Association of India (PDAI) jointly with the Fixed Income Money Market and Derivatives Association of India (FIMMDA).
- 4.5.** Market value of investments, where current quotations are not available is determined as per the norms laid down by the RBI which are as under:
- 4.5.1.** Value of unquoted Government securities is derived based on the yield-to maturity (YTM) rate for Government securities of equivalent maturity put out by FIMMDA/PDAI.
- 4.5.2.** Value of unquoted bonds, debentures and preference shares where interest/dividend is received regularly, is derived based on the YTM rate for Government securities as suitably marked up for credit risk applicable to the credit rating of the instrument.
- 4.5.3.** Value of unquoted bonds, preference shares, equity shares and debentures where dividend/interest is not received regularly, is derived on the basis of valuation and provisioning norms prescribed by the RBI.
- 4.6.** Repo/Reverse repo transactions (including under Liquidity Adjustment Facility (LAF) with RBI) if any, are accounted for as collateralized lending and borrowing transactions in accordance with RBI guidelines and correspondingly the expense and income thereon is treated as interest.

5. Advances

- 5.1. Advances are classified into performing and non-performing as per the prudential norms on asset classification laid down by the RBI. Specific provision for ‘Non Performing Advances’ is made on the basis of provisioning requirement under the prudential norms as laid down by the RBI, and is deducted from Advances. General provision on “Standard Assets” and for “Country Risk” at rates specified by RBI are included in ‘Other Liabilities and Provisions’. This general provision also covers the provisioning requirement towards Un-hedged foreign currency exposures introduced vide RBI’s Circular DBOD No. BP.BC.85/21.06.200/2013-14 dated 15th January 2014 effective 1st April 2014.
- 5.2. Provision on loans and advances restructured/rescheduled is made in accordance with the applicable RBI guidelines on restructuring of the loans and advances by Banks.
- 5.3. In addition to the provision made as per para 5.1 above, further provision is made for ‘Non Performing Advances’ based on Management’s estimate of potential exposure, wherever necessary.

6. Fixed Assets

- 6.1. Fixed assets are stated at historical cost less accumulated depreciation. Cost comprises the purchase price and other attributable cost of bringing the asset to its working condition and for its intended use.
- 6.2. Depreciation on assets is provided based on the useful life of the assets. Depreciation is on assets charged at rates as shown below which are higher than or equal to the minimum rates prescribed under Schedule II of the Companies Act, 2013 as shown below.

Asset class	Rate
Premises*	1.63%
Computer (Hardware & Software)	33.33%
Furniture and Fixtures*	18.1%
Plant and Machinery*	18.1%

- 6.3. The useful lives of fixed assets marked with * above are different than those specified under Schedule II of Companies Act 2013. The management believes that useful life of fixed assets currently considered for the purpose of depreciation fairly reflect its estimate of the useful lives and residual values of fixed assets.
- 6.4. The Bank assesses at each balance sheet date whether there is any indication that an asset may be impaired and provides for impairment loss, if any, in the profit and loss account.

7. Operating Lease Transactions

Leases, where the lessor effectively retains substantially all the risks and benefits of the ownership are classified as operating lease. Operating lease payments are recognised as an expense in the Profit and Loss Account on a straight line basis over the lease term.

8. Revenue Recognition

Income / Expenditure are accounted for on accrual basis except in case of Non-Performing Assets, where income is recognized on actual realization as per RBI guidelines. Income from services that are subject to service tax are accounted net of service tax.

Commission on Guarantees and Letter of Credit issued are amortized on a straight-line basis over the period of the Guarantees/ Letter of Credit. Loan processing fees are also amortised over the tenure of the loan.

9. Employee Benefits

9.1. Provident Fund

The Bank operates a Provident Fund Scheme to which it contributes an amount on monthly basis at a determined rate. The contribution is made to a Trust established by the Bank for this purpose and such contribution is charged to the Profit and Loss Account.

9.2. Gratuity

The Bank operates a Gratuity Fund Scheme and the contributions are made to the Trust established for this purpose. This is a defined benefit plan where employees completing five years of continuous service are eligible for 30 days salary for each completed year of service. The Bank has taken a Group Gratuity Policy with Life Insurance Corporation of India (LIC). The Bank makes contributions to the Fund as and when required based on actuarial valuation carried out by an independent external actuary using the projected unit credit method.

9.3. Compensated Absences

All eligible employees of the Bank are entitled to compensated absences which are recognized in the Profit and Loss account on the basis of an independent external actuarial valuation carried out at balance sheet date using the projected unit credit method.

9.4. Actuarial gains/losses

Actuarial gains/losses are immediately recognized in the Profit & Loss Account.

- 9.5. Other employee benefits such as medical insurance, life insurance, personal accident insurance, performance award etc. are recognized as an expense in the profit and loss account of the year in which the related service is rendered.

10. Cash and Cash equivalents

Cash and cash equivalents include cash in hand, balances with Reserve Bank of India, balances with other banks/institutions and money at call and short notice.

11. Provision For Taxation

Income tax expense comprises of the current tax, the net change in the deferred tax asset and the deferred tax liability during the year. Current tax is determined on the basis of the provisions of the Income Tax Act, 1961. The Bank accounts for deferred taxes in accordance with provision of AS 22 'Accounting for Taxes'. Deferred taxation is provided on timing differences between the accounting income and taxable income for the year using tax rates and laws substantially enacted as on the Balance Sheet date. Deferred tax assets are recognized to the extent there is certainty that they will be realized and are reviewed for appropriateness of their carrying value at each Balance Sheet date.

12. Provisions, Contingent Assets And Contingent Liabilities

The Bank estimates provisions when it has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefit to settle the obligation will be required and a reliable estimate can be made of such an obligation. Contingent Assets are not recognized in the Financial Statements. A disclosure of Contingent Liability is made when there is:

- i) A possible obligation, arising from a past event(s), the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Bank or
- ii) Any present obligation that arises from past events but is not recognized because:
 - a. it is not probable that an outflow of resource embodying economic benefits will be required to settle the obligation;
 - b. A reliable estimate of the amount of obligation cannot be made.

SCHEDULE 18 - NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2015.

1. Business Ratios:

	2014-15	2013-14
i. Interest income as a percentage to working funds	7.69%	7.95%
ii. Non – interest income as a percentage to working funds	0.59%	0.63%
iii. Operating profit as a percentage to working funds	1.42%	1.84%
iv. Return on assets	0.57%	0.56%
v. Business (Deposits + Advances) per Employee *	402,641	333,050
vi. Profit per Employee*	1,972	1,973

* No of employees as at year end has been considered.

2. Lending to sensitive sectors are as under:

2.1 Exposure to real estate sector

	2014-15	2013-14
a) Direct exposure :	23,774	28,678
i) Residential mortgages	23,774	28,678
- of which Individual Housing Loans eligible for inclusion in Priority Sector		
ii) Commercial Real Estate (including NFB limits Rs. NIL)	-	-
iii) Investment in Mortgage Backed Securities and other securitised exposures:	-	-
a. Residential	-	-
b. Commercial Real Estate	-	-
b) Indirect exposure :	424,900	174,900
Fund based and non-fund based exposures on National Housing Bank and Housing Finance Companies	424,900	174,900
Total Real Estate exposure	448,674	203,578

2.2 Exposure to capital market

	2014-15	2013-14
i) Investments made in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	18,100	-
ii) Advances against shares, bonds, debentures or other securities or on clean basis to individuals for investment in equity shares (including IPO's/ESOPS), convertible bonds or convertible debentures, units of equity oriented mutual funds	-	-
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	-	8,575

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iv)	Advances for any other purposes to the extent secured by collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances	-	-
v)	Secured and unsecured advances to stockbrokers & guarantees issued on behalf of stockbrokers and market makers	-	-
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.	-	-
vii)	Bridge loans to companies against expected equity flows/issues	-	-
viii)	Underwriting commitments taken up in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix)	Financing to stockbrokers for margin trading	-	-
x)	All exposures to venture capital funds (both registered & unregistered)	-	-
	Total Exposure to Capital Market	18,100	8,575

2.3 The risk category wise exposure and the provisions held as required under Country Risk Management are as follows:

(Rs. 000's)

Risk category	Exposure (31 March 2015)	Provision Held (31 March 2015)	Exposure (31 March 2014)	Provision Held (31 March 2014)
Insignificant	1,572,376	1,777	1,272,494	758
Low	2,869,137	5,167	1,342,399	1,321
Moderately Low	-	-	50,421	-
Total	4,441,513	6,944	2,665,314	2,079

In terms of RBI circular the provision is made only for those countries where the net funded exposure is 1% or more of total assets.

(Rs. 000's)

3. Asset Quality:	2014-15	2013-14
3.1 Provision for Standard Assets as at year end (Includes provision on unhedged foreign currency exposure)	81,400	48,900
3.2 Percentage of Net Non Performing Assets to Net Advances	0.08%	0.62%
3.3 Movement in Non Performing Advances (Gross)		
Balance as at the beginning of the year	231,040	282
Add: Additions during the year/transfer	36	230,758
Less: Reductions during the year		
Upgradations	-	-
Recoveries	-	-
Write-offs	-	-
Balance as at the end of the year	231,076	231,040
3.4 Movement in provision for Non Performing Advances (excluding provision on Standard assets)		
Balance as at the beginning of the year	161,813	282
Add: Provisions made during the year	55,742	161,531
Less: Write-off/Write back of excess provision during the year	-	-
Balance as at the end of the year	217,555	161,813
3.5 Provision Coverage Ratio	94.15%	70.04%
3.6 Movement in Non Performing Advances (Net)		
Balance as at the beginning of the year	69,227	-
Add: Additions during the year	-	69,227
Less: Reductions during the year	55,706	-
Balance as at the end of the year	13,521	69,227

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	(Rs. 000's)	
	2014-15	2013-14
3.7 Movement in Non Performing Assets (Gross)		
Balance as at the beginning of the year	18,135	-
Add: Additions during the year	-	18,135
Less: Reductions during the year	-	-
Upgradations	-	-
Recoveries	(18,135)	-
Write- off/transfers	-	-
Balance as at the end of the year	<u>-</u>	<u>18,135</u>
3.8 Movement in provision for Non Performing Assets (Excluding provision on standard assets)		
Balance as at the beginning of the year	12,695	-
Add: Provisions made during the year	5,440	12,695
Less: Write-off/Write back of excess provision during the year/transfers	(18,135)	-
Balance as at the end of the Year	<u>-</u>	<u>12,695</u>
3.9 Movement in Non Performing Assets (Net)		
Balance as at the beginning of the year	5,440	-
Add: Additions during the year	-	5,440
Less: Reductions during the year	(5,440)	-
Balance as at the end of the year	<u>-</u>	<u>5,440</u>
Note: This represents advance amount converted into share application money as per CDR restructuring package.		
3.10 Movement in Non Performing Investments (Gross)		
Balance as at the beginning of the year	-	-
Add: Additions during the year	18,100	-
Less: Reductions during the year	-	-
Upgradations	-	-
Recoveries	-	-
Write- offs	-	-
Balance as at the end of the year	<u>18,100</u>	<u>-</u>
3.11 Movement in provision for Non Performing Investments (excluding provision on standard assets)		
Balance as at the beginning of the year	-	-
Add: Provisions made during the year / transfer	18,100	-
Less: Write-off/Write back of excess provision during the year	-	-
Balance as at the end of the Year	<u>18,100</u>	<u>-</u>
3.12 Movement in Non Performing Investments (Net)		
Balance as at the beginning of the year	-	-
Add: Additions during the year	-	-
Less: Reductions during the year	-	-
Balance as at the end of the year	<u>-</u>	<u>-</u>
Note: This represents advance amount converted into equity shares as per CDR restructuring Package		

	(Rs. 000's)	
4. Movement in Floating Provisions	2014-15	2013-14
Balance as at the beginning of the year	13,482	13,482
Add: Additions during the year	-	-
Less: Draw down during the year	-	-
Balance as at the end of the year	13,482	13,482

5. Details of financial assets sold during the year to Securitisation/Reconstruction Company(SC/RC) for Asset

During the year, the Bank has not transferred any financial assets to SC/RC

6. Disclosures relating to Securitisation

There are no SPV's sponsored by the Bank and hence there are no securitised assets as per books of SPVs. There are no exposures retained by the Bank as on the date of Balance sheet to comply with the minimum retention requirements (MRR).

7. Non performing financial assets purchased / sold during the year

During the year the Bank has not purchased or sold any Non performing Assets.

8. Details of Loan assets subject to restructuring during the year

During the year, the Bank has not restructured advances given to any customer.

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Disclosures of Restructured Accounts as on March 31, 2015

(Rs '000)

Sr No	Type of Restructuring Asset Classification		Under CDR Mechanism				Under SME Debt Restructuring Mechanism				Others				Total				
			Stand-ard	Sub-stand-ard	Double-ful	Loss	Total	Stand-ard	Sub-stand-ard	Double-ful	Loss	Total	Stand-ard	Sub-stand-ard	Double-ful	Loss	Total		
Details	No. of borrowers	Amount																	
1	Restructured Accounts as on 1 April of the FY	No. of borrowers Amount outstanding	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1
		Provision thereon	-		-	-	248,894	-	-	-	-	-	-	-	-	-	-	-	248,894
2	Fresh restructuring during the year	No. of borrowers Amount outstanding Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the FY	No. of borrowers Amount outstanding Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers Amount outstanding Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	No. of borrowers Amount outstanding Provision thereon	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1
		Amount outstanding	-		-	-	248,894	-	-	-	-	-	-	-	-	-	-	-	248,894
		Provision thereon	-		-	-	61,147	-	-	-	-	-	-	-	-	-	-	-	61,147
6	Write-offs of restructured accounts during the FY	No. of borrowers Amount outstanding Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on 31 March of the FY (closing figures*)	No. of borrowers Amount outstanding Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-		-	-	248,894	-	-	-	-	-	-	-	-	-	-	-	248,894
		Provision thereon	-		-	-	235,373	-	-	-	-	-	-	-	-	-	-	-	235,373

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

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9. Concentration of Deposits, Advances, Exposures and NPAs:		(Rs. 000's)	
		2014-15	2013-14
a)	Concentration of Deposits		
	Total Deposits of 20 largest depositors	8,498,222	6,029,862
	Percentage of deposits of 20 largest depositors to total deposits of the Bank	43.26%	36.64%
	Includes inter-bank		
b)	Concentration of Advances**		
	Total Advances to 20 largest Borrowers	13,627,895	9,450,271
	Percentage of advances to 20 largest Borrowers to total advances of the Bank	76.67%	83.17%
	Includes bank exposures		
	** Advances are computed as per definition of Credit Exposure including derivatives furnished in Master Circular of Exposure Norms		
c)	Concentration of Exposures**		
	Total Exposure to 20 largest Borrowers/Customers	16,558,985	13,351,085
	Percentage of Exposures to 20 largest Borrowers/Customers to total Exposure of the Bank on Borrowers / Customers	72.55%	83.78%
	Includes bank exposures		
	** Exposures are computed based on credit and investment exposure furnished in Master Circular of Exposure Norms		
d)	Concentration of NPAs		
	Total Exposure to top 4 NPA accounts	249,175	249,175

(This includes advance amount converted into share application money as per CDR restructuring package)

10. Sector-wise Advances

(Rs. 000's)

Sr No.	Sector	2014-15			2013-14		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
A	Priority Sector						
1	Agriculture and allied activities	-	-	-	-	-	-
2	Advances to industries sector eligible as priority sector lending	1,854,348	-	-	2,105,541	-	-
3	Service	-	-	-	-	-	-
4	Personal Loans	-	-	-	-	-	-
	Sub-total (A)	1,854,348	-	-	2,105,541	-	-
B	Non Priority Sector						
1	Agriculture and allied activities	-	-	-	-	-	-
2	Industry*	6,858,660	230,794	3.36%	2,061,902	230,758	11.19%
3	Services	9,029,399	-	-	7,145,395	-	-
4	Personal Loans	33,087	282	0.85%	50,809	282	0.55%
	Sub-total (B)	15,921,146	231,076	1.45%	9,258,106	231,140	2.50%
	Total (A+B)	17,775,494	231,076	1.30%	11,363,647	231,040	2.03%
	* The total advances in the infrastructure sector exceeds 10% of the total advances for March 31, 2015 details given as under:						
	Infrastructure	5,267,494	-	-	62,599	-	-

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11. Overseas Assets, NPAs and Revenue:

As the Bank is a branch of a foreign bank, this disclosure is considered not applicable.

12. Off Balance sheet SPVs sponsored

The Bank does not have any Off Balance sheet Sponsored SPV as at March 31, 2015 (Previous Year: Nil).

13. Unsecured Advances against Intangible securities

There are no advances granted against intangible securities such as charge over the rights, licenses, authority (excluding guarantees) etc. during the year (Previous Year: Nil).

	(Rs. 000's)	
	2014-15	2013-14
14. Fees received in respect of Bancassurance business		
– For selling Mutual Fund products	96	456
– For selling Insurance Products	-	-
15. Provisions and Contingencies debited to the Profit and Loss Account include:		(Rs. 000's)
	2014-15	2013-14
i. Provision / (Write Back) of Non-Performing Funded Advances (Net)	43,047	163,968
ii. Bad Debts written-off	-	-
iii. Provisions for Country Risk	4,865	1300
iv. Provision for Depreciation on Investments (Net)	18,100	-
v. Provision for Deferred Tax (Net)	(25,198)	(83,904)
vi. Provision for Current Tax	127,538	131,758
vii. Provisions for Standard Assets (including unhedged foreign currency exposure)	32,500	27,714
Total	200,852	240,836

16. Capital Adequacy

As per the RBI guidelines on capital adequacy issued, banks are required to compute their capital requirement under Basel III effective June 30, 2013. The capital ratio as per Basel III is 27.56% (Previous Year 35.92% under Basel III).

The capital adequacy ratio of the Bank, calculated as per RBI guidelines Basel III capital Regulations generally referred to as Basel – III is set out below:

	2014-15	2013-14
i. Common Equity Tier I capital ratio (%)	26.66%	35.10%
ii. Tier I capital ratio (%)	26.66%	35.10%
iii. Tier II capital ratio (%)	0.90%	0.82%
iv. Total capital ratio (CRAR) (%)	27.56%	35.92%
v. Amount of Interest free fund raised from HO in the year	-	-
vi. Amount of additional Tier I capital raised in the year	-	-
vii. Amount of Tier II capital raised in the year	-	-

17. Draw-down from Reserves

The Bank has not drawn down any amount from the Reserves during the current year (previous year: Nil).

18. Classification of Net Investments under various categories is as under:

	(Rs. 000's)	
	2014-15	2013-14
Held to Maturity	1,985,423	1,985,948
Available for Sale	1,529,947	845,735
Held for Trading	-	-
Total	3,515,370	2,831,683

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Investments include securities of Book Value Rs. 255,509 thousand (Previous Year: Rs. 158,358 thousand) pledged with CCIL for margin requirements.

Investments include securities amounting Rs. 301,783 thousand (Previous Year: Rs. 302,772 thousand) kept as margin with Reserve Bank of India towards Real Time Gross Settlement (RTGS).

Investment include securities of face value Rs. 512,500 thousand (Previous Year: Rs. 412,500 thousand) kept with Reserve Bank of India u/s 11(2) (b) of Banking Regulation Act, 1949.

	(Rs. 000's)	
	2014-15	2013-14
19. Movement in Provision for depreciation on Investment		
Balance as at the beginning of the year	-	22,498
Add: Provisions made during the year	18,100	-
Less: Write-off/Write back of excess provision during the year*	-	(22,498)
Balance as at the end of the year	18,100	-

* Includes write off of provisions on Securitisation receipts Rs. NIL (Previous Year: **Rs. 22,498 thousand**)

	(Rs. 000's)	
	2014-15	2013-14
20. Movement in Non-Performing Non SLR Investments is as under:		
Opening Balance	-	22,498
Additions during the year	18,100	-
Reductions /Write off during the year	-	(22,498)
Closing Balance	18,100	-
Total Provisions held	18,100	-

21. Issuer composition of Non-SLR investments is as under:

As at March 31, 2015

(Rs. 000's)

Sr.No	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities	Extent of 'unlisted' securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	PSUs	-	-	-	-	-
2	Financial Institutions	174,900	174,900	-	-	174,900
3	Banks	-	-	-	-	-
4	Private Corporates	18,100	18,100	-	18,100	-
5	Subsidiaries/Joint Ventures	-	-	-	-	-
6	Others	-	-	-	-	-
7	Provision held towards depreciation	(18,100)				
	Total	174,900				

As at March 31, 2014

(Rs. 000's)

Sr.No	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities	Extent of 'unlisted' securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	PSUs	-	-	-	-	-
2	Financial Institutions	174,900	174,900	-	-	174,900
3	Banks	-	-	-	-	-
4	Private Corporates	-	-	-	-	-
5	Subsidiaries/Joint Ventures	-	-	-	-	-
6	Others	-	-	-	-	-
7	Provision held towards depreciation	-				
	Total	174,900				

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22. Investments (Rs. 000's)

Particulars	2014-15	2013-14
(1) Value of investments		
(i) Gross value of investments		
(a) In India	3,533,470	2,831,683
(b) Outside India	-	-
(ii) Provision for depreciation		
(a) In India	18,100	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	3,515,370	2,831,683
(b) Outside India	-	-
(2) Movement of provisions held towards depreciation of Investments		
(i) Opening balance	-	-
(ii) Add : Provision made during the period	-	-
(iii) Less : Write off/write-back of excess provisions during the year	18,100	-
(iv) Closing balance	18,100	-

23. Sale or transfer to/from HTM Category

During the year there is no Sale or transfer to/from HTM Category.

24. Repo transactions

The particulars of Repo transactions including LAF with RBI are as under:

(Face Value Rs. 000's)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	As at year end
Securities sold under repo				
i. Government securities	- (10,000)	10,000 (80,000)	27 (4,466)	- (-)
ii. Corporate debt securities	- (-)	- (-)	- (-)	- (-)
Securities purchased under reverse repo				
i. Government securities	- (30,000)	4,849,803 (5,789,514)	1,364,989 (640,296)	- (-)
ii. Corporate debt securities	- (-)	- (-)	- (-)	- (-)

Note: Previous years' figures are shown in brackets.

25. During the year, details of penalties imposed on the Bank by the Reserve Bank of India are given as under. (Previous Year: Nil)

Sr. No.	Nature of penalty	Amount
1.	Shortfall in maintenance of Cash Reserve Ratio (imposed by RBI)	19.8

26. During the year, the Bank has not exceeded the Prudential Exposure Limits for Individual Borrower or Group Borrowers. (Previous Year: Nil)

27. Maturity Profile of Assets / Liabilities:

As at March 31, 2015

(Rs. 000's)

Maturity Pattern	Total				Foreign Currency	
	Deposits	Borrowings	Advances (Net)	Investment (Net)	Assets(*)	Liabilities(*)
0-1 day	1,542	-	97,440	-	266,814	104
2-7 days	1,570,946	1,187,500	2,051,817	-	1,169,971	1,069,506
8-14 days	146,405	-	1,197,886	-	437,503	10,163
15-28 days	1,105,800	312,500	1,584,903	-	449,403	326,958
29 days - 3 months	646,511	812,500	6,613,842	705,524	291,929	902,947
3-6 months	922,305	-	1,003,138	868,148	551,925	188,429
6-12 months	1,129,636	-	406,460	131,175	-	370,384
1-3 years	14,040,407	-	2,292,078	491,775	-	9,963,328
3-5 years	80,576	-	1,689,180	828,760	-	20,279
Over 5 years	486	-	621,197	489,988	-	3,729
Total	19,644,614	2,312,500	17,557,941	3,515,370	3,167,545	12,855,827

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As at March 31, 2014

(Rs. 000's)

Maturity Pattern	Total				Foreign Currency	
	Deposits	Borrowings	Advances (Net)	Investment (Net)	Assets(*)	Liabilities(*)
0-1 day	474,633	-	31,179	-	121,329	7,003
2-7 days	749,331	243,796	1,767,913	-	718,995	152,544
8-14 days	141,173	-	501,552	-	8	18,610
15-28 days	116,105	-	1,553,772	249,068	-	6,236
29 days - 3 months	1,128,716	742,946	3,773,569	196,718	803,373	856,917
3-6 months	923,845	946,657	1,355,556	386,899	1,033,659	1,173,288
6-12 months	833,232	-	719,010	-	192,000	440,716
1-3 years	12,038,783	-	1,332,537	334,964	1,339	9,428,088
3-5 years	53,382	-	165,231	835,600	-	-
Over 5 years	-	-	445	828,434	-	-
Total	16,459,200	1,933,399	11,200,764	2,831,683	2,870,703	12,083,402

Classifications of Assets and Liabilities under the different maturity buckets are complied by Management based on the guidelines issued by the RBI and are based on the same assumptions as used by the Bank for compiling the return submitted to the RBI and which have been relied upon by the auditors.

(*) Foreign Currency Assets and Liabilities exclude off-Balance Sheet Assets and Liabilities.

28. Movement in stock of technical write-offs and the recoveries made thereon:

There were no movements in Technical write-offs nor any recoveries were made during the FY 2014-15 (Previous Year: Nil).

29. Unhedged Foreign Currency Exposure

The Bank has in place a policy on managing credit risk arising out of unhedged currency exposures of its borrowers. The objective of this policy is to maximize the hedging on foreign currency exposures of borrowers by reviewing their foreign currency portfolio and encouraging them to hedge the unhedged portion. In line with this policy, assessment of unhedged foreign currency exposure is a part of assessment of borrowers and is undertaken while proposing limits or at the review stage.

Further, the Bank reviews the unhedged foreign currency exposure across its portfolio on a regular basis. The Bank also maintains incremental provision towards the unhedged foreign currency exposures of its borrowers in line with the extant RBI guidelines.

In accordance with the RBI's Circular DBOD No.BP.BC.85/21.06.200/2013-14 dated January 15, 2014 effective April 1, 2014, the Bank has maintained incremental provision of Rs.6,555 thousand and additional capital of Rs. 16,131 thousand on account of unhedged foreign currency exposure of its borrowers as at March 31, 2015.

30. The Bank has not entered into any Credit default swaps transactions during the year (Previous Year: Nil).

31. Liquidity Coverage Ratio

(Rs. 000's)

	2014-15	
	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets		
1 Total High Quality Liquid Assets (HQLA)	Not applicable	1,469,831
Cash Outflows		
2 Retail deposits and deposits from small business customers, of which:	3,053,385	302,804
(i) Stable deposits	50,695	2,535
(ii) Less stable deposits	3,002,689	300,269
3 Unsecured wholesale funding, of which:	733,029	259,498
(i) Operational deposits (all counterparties)	1,644	176
(ii) Non-operational deposits (all counterparties)	731,385	259,322
(iii) Unsecured debt	Not applicable	Not applicable
4 Secured wholesale funding	Not applicable	Not applicable

31. Liquidity Coverage Ratio (Continued)

(Rs. 000's)

	2014-15	
	Total Unweighted Value (average)	Total Weighted Value (average)
5 Additional requirements, of which	1,931,610	187,012
(i) Outflows related to derivative exposures and other collateral requirements	Not applicable	Not applicable
(ii) Outflows related to loss of funding on debt products	Not applicable	Not applicable
(iii) Credit and liquidity facilities	1,931,610	187,012
6 Other contractual funding obligations	1,379,443	1,379,443
7 Other contingent funding obligations	3,258,308	162,915
8 Total Cash Outflows	10,355,775	2,291,672
Cash Inflows		
9 Secured lending (e.g. reverse repos)	2,167	Not applicable
10 Inflows from fully performing exposures	952,986	476,493
11 Other Cash inflows	5,551,789	5,551,789
12 Total cash inflows	6,506,942	6,028,282
		Total Adjusted Value
13 TOTAL HQLA	Not applicable	1,469,831
14 Total Net Cash Outflows	Not applicable	-3,736,610
15 25% of total cash outflows (25% of 8)	Not applicable	572,918
16 Higher of total net cash outflows or 25% of total cash outflows (Higher of 14 or 15)	Not applicable	572,918
17 Liquidity Coverage Ratio (%) (13/16)	Not applicable	257%

32. Qualitative disclosure around LCR

Liquidity of the Bank is managed by the Treasury under the direction of the Asset Liability Management Committee ('ALCO'). For the India operations of the Bank, ALCO -India is responsible for the overall management of liquidity.

The Bank during the three months ended March 31, 2015 maintained average HQLA (after haircut) of INR 1469,831 thousand against the average liquidity requirement of INR 343,658 thousand at minimum LCR requirement of 60%. HQLA primarily included cash, balance in excess of cash reserve requirement with RBI and government securities in excess of minimum statutory liquidity ratio (SLR) and to the extent allowed under marginal standing facility (MSF) and facility to avail liquidity for LCR (FALLCR) of INR 1359,411 thousand.

The Bank has been focusing on increasing its core liabilities, including current and savings account (CASA) deposits in order to reduce its dependence on FCNR liabilities. At March 31, 2015, top liability products/instruments and their percentage contribution to the total liabilities of the Bank were CASA deposits 11%, Core term deposits 27% and FCNR deposits 35%. It may be noted that top 20 depositors constituted 43% of total deposits of the Bank at March 31, 2015. Further, the total borrowings mobilised from significant counterparties (from whom, the funds borrowed were more than 1.00% of the Bank's total liabilities), were 7.3% of the total liabilities of the Bank at March 31, 2015.

The weighted cash outflows are primarily driven by retail deposits which includes FCNR special deposits mobilised by the Bank for the 3 year period maturing on 2016 (Q3). Retail deposits contributed 13% of the total weighted cash outflows. Unsecured wholesale deposits and other contingent funding obligations contributed 11% and 7% of the total weighted cash outflows respectively. The other contingent funding obligations primarily include bank guarantees (BGs) and letters of credit (LCs) issued on behalf of the Bank's clients.

Liquidity requirement of the Bank on account of market valuation changes for derivative transactions was Nil as Bank was not dealing in derivatives. Bank may be required to post additional collateral due to market valuation changes on derivative transactions (Plain Vanilla products) settled through Clearing Corporation of India (CCIL) which is a Qualified Central Counter Party (QCCP) in India. The outflow on account of market valuation change for derivative transactions with CCIL has been considered based on the prescribed look back approach.

Based on the above, monthly average LCR of the Bank for the three months ended March 31, 2015 was 257%. It may be noted that during the three months ended on March 31, 2015, other than Indian Rupee, USD was the only significant foreign currency which constituted more than 5.00% of the balance sheet size of the Bank. Average LCR of the Bank for USD currency was 4% for the three months ended March 31, 2015 i.e. due to major funding source was FCNR deposits and against that negligible USD HQLAs.

33. Subordinated debt

The Bank has not raised any subordinated debt during the year ended 31st March 2015. (Previous Year: Nil)

34. Customer Complaints

Sr. No.	Particulars	2014-15	2013-14
1.	No. of complaints pending at the beginning of the year	–	–
2.	No. of complaints received during the year	10	14
3.	No. of complaints redressed during the year	10	14
4.	No. of complaints pending at the end of the year	–	–

The above details have been based on information provided by the Management.

Awards passed by the Banking Ombudsman

1.	No. of unimplemented awards at the beginning of the year	–	–
2.	No. of awards passed by the Banking Ombudsman during the year	–	–
3.	No. of awards implemented during the year	–	–
4.	No. of unimplemented awards at the end of the year	–	–

The above details have been based on information provided by the Management.

35. Disclosures on Derivatives

35.1 Forward Rate Agreement/Interest Rate Swap

The Bank has not dealt with any Forward Rate Agreement (FRA) / Interest Rate Swaps (IRS). Hence the disclosure in respect of the same and risk exposure on derivatives is not applicable.

35.2 Exchange Traded Interest Rate Derivatives

The Bank does not deal in Exchange Traded Interest Rate Derivatives. Hence the disclosure in respect of the same is not applicable.

35.3 Disclosure on Risk exposure in derivatives

Qualitative Disclosures

The Bank has very limited exposure to derivatives trading namely only through forward foreign exchange contracts.

1) The structure and organization for management of risk in derivatives trading:

Treasury operation is segregated into three different departments viz. front office, mid-office and back office. The primary role of front office is to conduct business, that of mid-office is to ensure compliance in accordance with set norms and policies and that of back office is to process / settle the transactions.

The Bank has in place policies and procedures, which have been approved by the Head Office, the Asset Liability Management Committee (ALCO) and the Management Committee (MANCOM) in India to ensure adherence to various risk parameters and prudential limits.

2) The scope and nature of risk measurement, risk reporting and risk monitoring systems:

a) Risk Measurement:

For forward foreign exchange contracts, risk is measured through a daily report called, Value at Risk (VaR), which computes VaR on the forex gaps using FEDAI VaR factors.

b) Risk Reporting and Risk monitoring systems:

The Bank has the following reports/systems in place, which are reviewed by the top management:

- (i) Value at Risk (VaR)
- (ii) Net open position
- (iii) AGL / IGL
- (iv) Stop loss limits
- (v) Bankline limits

3) Policies for hedging and / or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants:

The Bank has the following policy papers in place, approved by its Head Office and the Management Committee (MANCOM) in India.

- a) Treasury policy and
- b) Asset – Liability Management (ALM) Policy

The Bank monitors the hedges/mitigants on a continuous basis through daily and monthly reports that are reviewed by the dealing room/top management.

4) Accounting policy: All outstanding derivative transactions are booked as Off Balance Sheet items. The trading positions are revalued on a Marked to Market basis whereas the hedging deals follow the accrual basis of accounting.

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Quantitative Disclosure

(Rs. 000's)

Sr. No	Particulars	Currency swaps (Forward Foreign exchange contracts and Spot Contracts)	
		2014-15	2013-14
1	Derivatives (Notional Principal Amount)		
	a) For hedging	11,018,750	10,604,955
	b) For trading	3,824,209	3,092,214
2	Marked to Market Positions (Net)		
	a) Asset (+)	4,081	9,558
	b) Liability (-)	(6,371)	(17,640)
3	Credit Exposure	1,050,940	1,002,481
4	Likely impact of one percentage change in interest rate (100*PV01)	Not Applicable	Not Applicable
	a) on hedging derivatives		
	b) on trading derivatives		
5	Maximum and Minimum of 100*PV01 observed during the year	Not Applicable	Not Applicable
	a) on hedging		
	b) on trading		
6	VaR on Fx-Forwards		
	As at Balance Sheet date	8,418	9,178
	Maximum during the year	17,131	18,168
	Minimum during the year	3,640	2,671

36. Employee's Benefits

The following table sets out the status of the defined benefit Gratuity Plan as required under Accounting Standard 15 (Revised 2005):
(Rs. 000's)

Particulars	2014-15	2013-14
Change in the present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of year	22,754	57,208
Interest Cost	2,114	4,720
Current Service Cost	3,480	6,937
Losses/(Gains) on curtailment	-	(10,663)
Benefit Paid	(4,879)	(16,703)
Actuarial (Gain)/loss on obligations	4,251	(18,745)
Closing value of defined benefit obligation at the end of the year	27,720	22,754
Change in Plan Assets		
Opening Fair value of plan assets at the beginning of year	52,877	60,379
Expected Return on plan assets	4,600	5,253
Contribution by Employer	-	1,800
Benefit Paid	(4,879)	(13,766)
Actuarial Gain/(loss) on obligations	(183)	(789)
Closing Fair value of plan assets at the end of the year	52,415	52,877
Reconciliation of present value of obligation and fair value of plan assets		
Present Value of Funded obligation at the end of year	(27,720)	(22,754)
Fair Value of plan assets at the end of the year	52,415	52,877
Deficit/(Surplus)	-	(30,123)
Unrecognized Past Service Cost	-	-
Liability/(Asset) recognized in the Balance Sheet	(24,695)	(30,123)
Amount Recognised in the Balance sheet		
Liabilities	-	-
Assets	(24,695)	(30,123)
Net Liability/(Asset) recognised in Balance sheet	(24,695)	(30,123)
Net Cost recognised in the Profit and Loss Account		
	2014-15	2013-14
Current Service Cost	3,480	6,937
Interest Cost	2,114	4,720
Expected Return on Plan Assets	(4,600)	(5,253)
Net Actuarial (Gain)/Loss recognized in the year	4,434	(17,956)
Past Service Cost	-	-
Losses/(Gains) on curtailments and settlements	-	(10,663)
Expenses Recognized in the Profit and Loss Account	(5,428)	(22,215)

Note: During the previous year, Bank has changed the gratuity payout policy from 45 days to 30 days to all the employees. As a result of which the Bank has made compensatory gratuity payout to existing eligible employees and resigned eligible employees for 15 days.

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(Rs. 000's)

Particulars	2014-15	2013-14
Reconciliation of expected return and actual return on Plan Assets		
Expected Return on Plan Assets	4,600	5,253
Actuarial Gain/(Loss) recognized in the year	(183)	(789)
Actual Return on Plan Assets	(4,417)	(4,464)
Movement in the Net Liability / Asset recognized in the Balance Sheet		
Opening Net Liability / (Asset) as at the beginning of the year	(30,123)	(3,171)
Expenses Recognized in the Profit and Loss Account	5,428	(22,215)
(Benefit paid directly by the employer)	-	(2,937)
Contributions	-	(1,800)
Closing Net Liability / (Asset) as at the end of the year	(24,695)	(30,123)
Investment under Plan Assets of Gratuity Fund as at year end are as follows :		
Category of Assets	% of Plan Assets	
	2014-15	2013-14
Central Government Securities	0.00%	0.00%
State Government Securities	0.00%	0.00%
Public Sector Bonds	0.00%	0.00%
Bank Deposits	0.00%	7.70%
Others (including with Life Insurance Corporation of India)	100%	92.30%
Total	100.00%	100.00%
Principal Actuarial assumptions :		
Discount Rate	7.92%	9.29%
Expected Rate of Return on Plan Asset	7.92%	8.70%
Salary Escalation	10.00%	10.00%
	Service 4 years and below : 15% p.a and thereafter 5% p.a	
Attrition rate		10.00%

The expected return on plan assets is determined based on the assumptions made by Bank at the beginning of the year based on its existing portfolio.

Compensated Absences:	2014-15	2013-14
The actuarial liability of compensated absences of encashable accumulated privilege leave as at year end is	2,195	2,002

Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment Market. Such estimates are long term and are not based on limited past experience/immediate future.

Provident Fund:

The Bank has contributed an amount of Rs. 7,654 thousand to the provident fund during the year. (Previous Year: Rs. 6,769 thousand)

Unamortized Pension and Gratuity Liabilities:

There are no unamortized pension and gratuity liabilities and hence no disclosure is made in this respect.

37. Related Party Disclosures

In terms of AS 18 on 'Related Party Disclosures' and the related guidelines issued by RBI, the details pertaining to Related Parties are as under:

Parent: Abu Dhabi Commercial Bank P.J.S.C., Abu Dhabi - Head Office.

Ultimate Parent: Government of Abu Dhabi through Abu Dhabi Investment Council

Subsidiaries of Head Office: Abu Dhabi Commercial Properties L.L.C., Abu Dhabi Commercial Engineering Services L.L.C., ADCB Holdings (Cayman) Limited, ADCB Holdings (Labuan) Limited, ADCB Holdings (Malaysia) SdnBhd, ADCB Finance (Cayman) Limited, Abu Dhabi Commercial Islamic Finance Pvt.J.S.C., Abu Dhabi Commercial Property Development L.L.C., Abu Dhabi Commercial Properties Consultancy L.L.C. , Abu Dhabi Commercial Finance Solutions L.L.C., Abu Dhabi Commercial Investment Services L.L.C., Abu Dhabi Commercial Bank UK Limited, Kinetic Infrastructure Development L.L.C., ADCB Fund Management S.A.R.L., ACB LTIP (IOM) Limited, AD NAC Venture W.L.L, ITMAM Services L.L.C, Abu Dhabi Commercial Enterprises L.L.C, ITMAM Services FZ-L.L.C, ADCB Islamic Finance (Cayman) Limited, ADCB Arabian Index Fund, ADCB MSCI UAE Index Fund and Al Nokhitha Fund.

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Key Management Personnel:

Name	Designation
Ms. Kavita Venugopal	Chief Executive Officer – India upto 31st December 2014
Mr. Darayus P. Bajan	Interim Chief Executive Officer- India w.e.f 1st January 2015

Related parties are identified by the Management and relied upon by the auditors.

Transactions with Related Parties:

In terms of the RBI circular guidelines regarding disclosure of related party transactions where there is only one entity in any category of related parties, particulars of such transactions have not been disclosed. There have been no transactions with subsidiaries of Head Office.

(Rs. '000s)

Items/ Related Party	Parent (as per ownership or control)	Subsidiaries	Associates/ Joint Ventures	Key Management Personnel@	Relatives of Key Management Personnel	Total
Borrowings (March 31, 2015)	-	-	-	-	-	-
Deposit (March 31, 2015)	(-)	(-)	(-)	(-)	(-)	(-)
Placements of deposits (March 31, 2015)	(-)	(-)	(-)	(-)	(-)	(-)
Interest Paid	(-)	(-)	(-)	(-)	(-)	(-)
Interest Received	(7)	(-)	(-)	(-)	(-)	(7)
	10	-	-	-	-	10
Receiving of services	(333)	(-)	(-)	(-)	(-)	(333)
	-	-	-	18,600	-	18,600
	(-)	(-)	(-)	(-)^	(-)	(-)

Note: Where there is only one entity in any category of related party, Bank has not disclosed any details pertaining to that related party other than the relationship with that related party.

(@) Whole time directors of the Board and CEOs of the branches of foreign bank in India.

(^) As there was only one KMP during the previous year, the disclosure is not made.

The maximum and minimum amount of funds borrowed / lent from / to the Head Office are as under: (Rs. '000's)

Particulars	Maximum during the year	Minimum during the year	Outstanding as on 31.03.2015
Borrowed from ADCB HO	Nil	Nil	Nil
	(362,280)	(30,033)	(Nil)
Lent to ADCB HO	600,550	240,740	Nil
	(2,394,950)	(277,943)	(Nil)

Note: Previous year figures are in brackets.

38. There is no impairment of assets and as such there is no provision required in terms of AS-28 "Impairment of Assets" issued by the ICAI.

39. Leases

The Bank has entered into operating leases for its Premises and Vehicles. The operating lease in respect of vehicles matured during the year and in case of premises the lease is cancellable at the option of the Bank. Lease payment charged to Profit and Loss account for non-cancellable lease is Rs. 1,269 thousand (Previous Year: Rs. 1,661 thousand)

40. The major components of Deferred Tax Asset and Liability are as under:

(Rs. 000's)

	2014-15	2013-14
Deferred Tax Asset		
Ex Gratia and Leave encashment	4,194	13,844
Provision for Non-Performing Assets	88,657	68,934
Provision for Standard Asset	22,809	17,401
Provision for Country Risk	1,706	900
Others	15,203	6,954
Total	132,569	108,033
Deferred Tax Liability		
Interest on securities	43,269	31,711
Depreciation	11,164	10,352
Gratuity	-	13,031
Total	54,433	55,094
Net Deferred Tax Asset / (Liability)	78,136	52,939

41. Segment Reporting

Based on the RBI guidelines, the Bank has identified / classified its entire operations into following primary segments:

1. Treasury Operations 2. Corporate / Wholesale Banking 3. Retail Banking

Treasury operations consist of entire investment portfolio and foreign exchange operations. Corporate / Wholesale Banking operations comprise lending activity including trade finance to borrowers other than those in retail operations. Retail Banking operations comprise of depository activities, portfolio investment activities, lending activity to individuals and small and medium sized enterprises as also mobilization of deposits. The Bank does not have any other banking operation. All items which cannot be allocated under any of the above are classified as Unallocated. Entire FX related revenues and costs both hedging and trading are allocated to Treasury as they are undertaken by Treasury to manage Balance Sheet as well as earn income.

The Bank operates only in domestic segment and hence information with regard to geographical segments is not given.

Information about Primary Business Segments is as under:

Part A: Business segments

2014-15

(Rs. '000s)

Business Segments/Particulars	Treasury Operations	Corporate/ Wholesale Banking	Retail Banking	Total
Segment Revenue	1,044,576	899,714	15,878	1,960,168
Segment Results	213,552	103,189	155,974	472,715
Unallocated expenses				(234,284)
Operating Profit				238,431
Income Tax including deferred tax				(102,340)
Extraordinary Profit/(Loss)				
Net Profit				136,091
Other Information				
Segment Assets	7,600,189	17,725,601	61,003	25,386,793
Unallocated assets				1,178,920
Total Assets				26,565,713
Segment Liabilities	2,957,004	3,069,994	16,945,790	22,972,788
Unallocated liabilities				78,246
Total Liabilities				23,051,034

2013-14

(Rs. '000s)

Business Segments/Particulars	Treasury Operations	Corporate/ Wholesale Banking	Retail Banking	Total
Segment Revenue	991,676	594,539	27,702	1,613,917
Segment Results	130,366	36,822	170,156	337,344
Unallocated expenses				(184,943)
Operating Profit				152,401
Income Tax including deferred tax				(47,854)
Extraordinary Profit/(Loss)				-
Net Profit				104,547
Other Information				
Segment Assets	10,438,473	11,336,599	148,402	21,923,474
Unallocated assets				1,072,834
Total Assets				22,996,308
Segment Liabilities	2,012,306	921,188	16,075,808	19,009,302
Unallocated liabilities	-	-	-	608,418
Total Liabilities				19,617,720

Notes on Segment Reporting

- 1) The Bank has three main lines of business – Treasury, Corporate Banking and Retail Banking.
- 2) The Treasury Department is responsible for the entire Balance Sheet Management and managing the Asset-Liability mis-match for the Bank.
- 3) The funds are transfer priced by Treasury department to the Corporate and Retail Banking departments at weighted average cost of the funds, accordingly inter segment revenue is computed for respective segments.

In allocation of some items of expenses/income and asset/liabilities, certain estimates and assumptions have been made by the management, which have been relied upon by the auditors.

Note: Previous year's note has been changed to make it comparative to the current year's segmental disclosure since the basis of preparation has undergone a change.

42. Letters of Comfort

The Bank has not issued any Letters of Comfort during the year and there are no Letters of Comfort outstanding as at the year end. (Previous Year: Nil)

43. Description of Contingent liability in Schedule 12

1. Liability on account of outstanding forward exchange contracts (including Spot contracts):

The Bank enters into spot contracts with interbank participants to cover open position arising on account of transactions undertaken with the banks and customers. The Bank enters into forward exchange contract with inter-bank participants on its own account and for its customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. The notional amounts of financial instruments such as forward exchange contracts provide a basis for comparison with instruments recognised on the balance sheet but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Bank's exposure to credit or price risks. The derivative instruments become favorable (assets) or unfavorable (liabilities) as a result of fluctuations in market rates or prices relative to their terms.

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

As a part of its commercial banking activities the Bank issues documentary credit and guarantees on behalf of its customers. Documentary credits such as letters of credit enhance the credit standing of the customers of the Bank. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfill its financial or performance obligations.

3. Other items for which Bank is contingently liable:

The Bank is in dispute for various taxation matters for which appeals are pending. In Bank's view, based on various appellate decisions on identical issues, it is not probable that financial outflow in respect of the said amounts under settlement will be required. This also includes contingent liability corresponding to amount transferred to Depositor Education and Awareness Fund.

44. Disclosure on Remuneration

	Qualitative Disclosures	
(a)	Information relating to the composition and mandate of the Remuneration Committee.	<ul style="list-style-type: none"> ADCB India is a branch of ADCB PJSC. There is no separate remuneration committee in India. The annual review of remuneration of India staff is approved at Head Office, under the supervision of ADCB's board Nomination, Compensation and HR Committee and in consultation with CEO - ADCB, Head Rewards - ADCB, Head of WGB - ADCB, CEO - ADCB, India and HR, India.
(b)	Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.	<ul style="list-style-type: none"> The Bank in India follows an annual appraisal cycle and remuneration to employees are split into fixed and variable depending on job requirements and is also linked to corporate and personal performance.
(c)	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.	<ul style="list-style-type: none"> ADCB has practices and policies in place which promote effective risk-management. The Bank aligns employee's performance to the Bank's strategy.
(d)	Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration.	<ul style="list-style-type: none"> Fixed and variable pay rewards are designed to be performance target based and aligned with shareholders' interests. Performance of all staff is appraised on an annual basis. ADCB seeks to ensure that remuneration packages reflect duties and responsibilities and rewards are linked to corporate and personal performance.
(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.	<ul style="list-style-type: none"> As per the current structure – employees compensation consists of fixed and variable components with no deferrals. However, if cessations of employment happen due to resignation or dismissal for cause, the unvested deferred amounts will be considered as forfeited at the point that notice of cessation of employment is given.

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Qualitative Disclosures (Continued)			
(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.	• Presently variable pay is only in the form of Cash Awards.	
Quantitative Disclosures		2014-15	2013-14
(g)	Number of meetings held by the Remuneration Committee during the financial year and remuneration paid to its members.	NA	NA
(h)	(i) Number of employees having received a variable remuneration award during the financial year.	6 *	4*
	(ii) Number and total amount of sign-on awards made during the financial year.	-	-
	(iii) Details of guaranteed bonus, if any, paid as joining/sign on bonus	-	-
	(iv) Details of severance pay, in addition to accrued benefits, if any.	-	-
(i)	(i) Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	-	-
	(ii) Total amount of deferred remuneration paid out in the financial year.	-	-
(j)	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	Fixed Pay: 39,285 (Count: 6) Variable Pay : 24,736 (Count: 6)	Fixed Pay: 45,462 (Count: 6) Variable Pay: 2,850 (Count: 4)
(k)	(i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.	-	-
	(ii) Total amount of reductions during the financial year due to ex-post explicit adjustments.	-	-
	(iii) Total amount of reductions during the financial year due to ex-post implicit adjustments.	-	-

1. Fixed pay includes Basic Salary, Bonus, House Rent Allowance, Supplementary Allowances, Leave encashment and contribution to provident fund and Gratuity paid to outgoing employees.

* Amounts disclosed represents variable pay and ex-gratia paid during respective financial years. Variable pay for financial year 2012-13 was paid in financial year 2013-14. Variable pay for financial year 2013-14 was paid in financial year 2014-15. Further, the Bank changed the performance evaluation period from financial year basis to calendar year basis during financial year 2014-15. Variable pay for the period April 2014 to December 2014 was paid in February 2015. Since the variable pay for the period January 2015 to March 2015 has not yet been determined, accordingly the same is not considered above.

45. Data on amounts transferred to Depositors Education Awareness Fund (DEAF)

(Rs. 000's)

	2014-15	2013-14
Opening balance of amounts transferred to DEAF	-	NA
Add: Amounts transferred to DEAF during the year	11,868	NA
Less: Amounts reimbursed by DEAF towards claims	-	NA
Closing balance of amounts transferred to DEAF	11,868	NA

The amount transferred to DEAF is also shown as contingent liability under Schedule 12.

46. Intra Group Exposure

The intra group exposure comprises of Bank's transactions and exposures to the entities belonging to the Bank's own group (group entities). The Bank's exposure to its head office and overseas branches of the parent Bank, except for proprietary derivative transaction undertaken with them, are excluded from Intra group exposure.

- Total amount of intra-group exposures–Nil
- Total amount of top-20 intra-group exposures - Nil
- Percentage of intra-group exposures to total exposure of the Bank on borrowers/customers – 0%
- Details of breach of limits on intra-group exposures and regulatory action thereon, if any – **Not Applicable**

47. Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

To the extent of the information received by the Bank from its vendors, there are no transactions with “suppliers” as defined under the Micro, Small and Medium Enterprises Development Act, 2006 during the financial year, hence the disclosures as required under the said Act are not applicable. This has been relied upon by the Auditors.

48. Disclosure for CSR

(a) Gross amount required to be spent by the Bank during the year is INR 4,931 thousand as under:

INR 1,000 thousand was given to Saifee Hospital Trust. – Previous Year: Nil

INR 3,931 thousand was transferred to AkshayPatra Foundation. – Previous Year: Nil

(b) Amount spent during the year on :

(Rs. 000's)

Sr. No.	Particulars	In Cash	Yet to be paid in Cash	Total
(i)	Construction/ Acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	4,931	-	4,931

49. Transfer Pricing

The Bank has a comprehensive system of maintenance of information and documents required by transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. The management is of the opinion that international transactions are at arm's length so that the above legislation will not have material impact on the financial statements, particularly on the amount of tax expense and that of provision of taxes.

50. Previous year's figures have been regrouped / rearranged wherever necessary to conform to current year's presentation.

51. All the figures are in INR 000's unless mentioned otherwise.

As per our attached report of even date.

Signatures to Schedules 1 to 18

For and on behalf of

Khimji Kunverji & Co
Chartered Accountants
Firm Reg. No: 105146W

ABU DHABI COMMERCIAL BANK
India Branches

Sd/-
Gautam V. Shah
Membership No. 117248

Sd/-
Darayus P. Bajan
Interim Chief Executive Officer – India

Mumbai
June 25, 2015