

Credit Suisse AG, Mumbai Branch

Financial statements
together with the
Independent Auditors' Report
for the year ended 31 March 2015

Credit Suisse AG, Mumbai Branch

Financial statements together with the Independent Auditors' report
for the year ended 31 March 2015

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B S R & Associates LLP

Chartered Accountants

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Independent Auditor's Report

To the Chief Executive Officer Credit Suisse AG – Mumbai Branch

Report on the Financial Statements

1. We have audited the accompanying financial statements of Credit Suisse – Mumbai Branch ('the Bank'), which comprise the Balance Sheet as at 31 March 2015, the Profit and Loss Account, the Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with provisions of the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and the design, implementation and maintenance of internal financial controls, that operate 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the applicable provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Bank in accordance with Standards on Auditing ('the Standards') specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

Ph.

Independent Auditor's Report (Continued)

Credit Suisse AG – Mumbai Branch

Auditor's Responsibility (Continued)

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Bank has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013, in the manner so required for banking companies and give a true and fair view in conformity with accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Bank as at 31 March 2015;
 - (b) in the case of the Profit and Loss account, of the profit of the Bank for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows of the Bank for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 read with Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
8. As required 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; and
 - (b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank



Independent Auditor's Report (*Continued*)

Credit Suisse – India Branches

Report on Other Legal and Regulatory Requirements (*Continued*)

9. Further, as required by section 143(3) of the Companies Act, 2013, we further report that:
- (i) we have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books;
 - (iii) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred in 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 Reserve Bank of India.
 - (v) the requirements of Section 164(2) of the Act are not applicable considering the Bank is a branch of Credit Suisse AG, which is incorporated and registered in Switzerland.
 - (vi) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (a) the Bank does not have any pending litigations which would impact its financial position.
 - (b) the Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer note 47 to the financial statements.
 - (c) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Bank.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/W-100024



Minaar Malse

Partner

Membership No: 117804

Mumbai
23 June 2015

Balance Sheet as at 31 March, 2015
 (Currency: Indian rupees in thousands)

	Schedule	2015	2014
CAPITAL AND LIABILITIES			
Capital	1	11,350,000	11,350,000
Reserves & surplus	2	4,843,908	2,413,798
Deposits	3	62,824,624	52,674,054
Borrowings	4	24,540,734	6,565,246
Other liabilities and provisions	5	7,141,879	21,343,528
Total		110,701,145	94,346,626
ASSETS			
Cash and balances with Reserve Bank of India	6	1,156,528	796,011
Balances with banks and money at call and short notice	7	7,649,695	383,336
Investments	8	81,773,944	64,535,815
Advances	9	13,678,798	8,580,553
Fixed assets	10	14,038	23,613
Other assets	11	6,428,142	20,027,298
Total		110,701,145	94,346,626
Contingent liabilities	12	1,600,389,265	966,521,043
Bills for collection			
Significant accounting policies & notes to accounts	17, 18		

Schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date attached

 For **B S R & Associates LLP**
 Chartered Accountants
 Firm Registration No.: 116231W/W-100024


Minaar Malse
 Partner
 Membership No. : 117804


Ajit Hebbar
 Interim Chief Executive Officer


Reetesh Gupta
 Director - Financial Accounting

 Place : Mumbai
 Date : 23-JUNE-2015

 Place : Mumbai
 Date : 23-June-2015


Profit and Loss Account for the year ended 31 March, 2015
 (Currency: Indian rupees in thousands)

	<i>Schedule</i>	2015	2014
I. INCOME			
Interest earned	13	6,926,678	3,501,951
Other income	14	2,892,341	475,788
TOTAL		9,819,019	3,977,739
II. EXPENDITURE			
Interest expended	15	4,598,707	1,961,641
Operating expenses	16	765,488	689,747
Provisions and contingencies		2,024,714	628,665
TOTAL		7,388,909	3,280,053
III. PROFIT			
Net profit for the period		2,430,110	697,686
Profit brought forward		513,944	678,336
TOTAL		2,944,054	1,376,022
IV. APPROPRIATIONS			
Transfers to			
Statutory Reserves		607,528	174,422
Investment Reserve		-	9,320
Remittable surplus retained in India for CRAR purposes		2,336,526	678,336
Profit Remitted to Head Office		-	-
Balance carried over to the balance sheet		-	513,944
TOTAL		2,944,054	1,376,022
Significant accounting policies & notes to accounts	17, 18		

Schedules referred to above form an integral part of the profit and loss account.

As per our report of even date attached

For **B S R & Associates LLP**
 Chartered Accountants
 Firm Registration No.: 116231W/W-100024

For Credit Suisse AG - Mumbai branch



Minaar Malse
 Partner
 Membership No. : 117804



Ajit Hebbar
 Interim Chief Executive Officer



Reetesh Gupta
 Director - Financial Accounting

Place : Mumbai
 Date : 23-JUNE-2015

Place : Mumbai
 Date : 23-June-2015



Credit Suisse AG, Mumbai branch

Cash flow statement for the year ended 31 March, 2015
(Currency: Indian rupees in thousands)

		2015	2014
Cash flows from operating activities			
Net profit before tax		4,329,067	1,230,472
Adjustments for -			
Depreciation on fixed assets		9,989	18,788
Provision for standard asset (including provision toward unhedged foreign currency exposure)		102,235	96,746
Provision for country risk		23,522	(867)
Fixed asset written off		147	-
		4,464,960	1,345,139
Adjustments for -			
(Increase) in investments		(17,238,129)	(37,515,373)
(Increase) in advances		(5,098,245)	(4,030,154)
Increase in deposits		10,150,570	48,486,952
Increase / (Decrease) in borrowings		17,975,488	(9,936,659)
(Increase) / Decrease in other assets		13,640,200	(12,474,407)
Increase / (Decrease) in other liabilities and provisions		(14,327,406)	15,128,268
		5,102,478	(341,373)
Taxes paid		1,940,000	730,000
Net cash from operating activities	(A)	7,627,438	273,766
Cash flows from investing activities			
Purchase of fixed assets (including capital work-in-progress)		(562)	(56)
Net cash used in investing activities	(B)	(562)	(56)
Cash flows from financing activities			
Proceeds from issuance of Capital		-	-
Net cash generated from financing activities	(C)	-	-
		7,626,876	273,709
		1,179,347	905,638
Cash and cash equivalents as at 31 March		8,806,223	1,179,347
Notes to cash flow statement:			
1	Cash and cash equivalents includes the following:		
	Cash and Balances with Reserve Bank of India	1,156,528	796,011
	Balances with Banks and Money at Call and Short Notice	7,649,695	383,336
		8,806,223	1,179,347
2	Figures in brackets indicate cash outflow.		

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231WW-100024



Minaar Malse
Partner
Membership No. : 117804

Place : Mumbai
Date : 23-JUNE-2015

For Credit Suisse AG - Mumbai branch



Ajit Hebbar
Interim Chief Executive Officer



Reetesh Gupta
Director - Financial Accounting

Place : Mumbai
Date : 23-June-2015



Credit Suisse AG, Mumbai branch
Schedules annexed to and forming part of the Balance Sheet as at 31 March, 2015
(Currency: Indian rupees in thousands)

	2015	2014
Schedule 1 : Capital		
Head Office Account		
At the beginning of the period	11,350,000	11,350,000
Additions during the period	-	-
Total	11,350,000	11,350,000
Deposit kept with the Reserve Bank of India under Section 11 (2) (b) of the Banking Regulation Act, 1949.	650,000	500,000
Schedule 2 : Reserves and Surplus		
I. <u>Statutory Reserves</u>		
Opening balance	623,396	448,974
Additions during the period	607,528	174,422
Deductions during the period	-	-
	1,230,924	623,396
II. <u>Capital Reserves</u>		
Opening balance	-	-
Additions during the period	-	-
Deductions during the period	-	-
III. <u>Share Premium</u>		
Opening balance	-	-
Additions during the period	-	-
Deductions during the period	-	-
IV. <u>Investment Reserve</u>		
Opening balance	9,320	-
Additions during the period	-	9,320
Deductions during the period	-	-
	9,320	9,320
V. <u>Remittable surplus retained in India for CRAR purposes</u>		
Opening balance	1,267,138	588,802
Additions during the period	2,336,526	678,336
Deductions during the period	-	-
	3,603,664	1,267,138
VI. <u>Balance in Profit and Loss Account</u>	-	513,944
Total (I + II + III + IV + V + VI)	4,843,908	2,413,798



Credit Suisse AG, Mumbai branch
Schedules annexed to and forming part of the Balance Sheet as at 31 March, 2015
(Currency: Indian rupees in thousands)

	2015	2014
Schedule 3 : Deposits		
A. I Demand deposits		
i) From banks	-	-
ii) From others	404,292	150,130
II Saving bank deposits	24,171	101,380
III Term deposits		
i) From banks	-	-
ii) From others	62,396,161	52,422,544
Total (I + II + III)	62,824,624	52,674,054
B. i) Deposits of branches in India	62,824,624	52,674,054
ii) Deposits of branches outside India	-	-
Total	62,824,624	52,674,054
Schedule 4 : Borrowings		
I. Borrowings in India		
i) Reserve Bank of India	-	-
ii) Other banks	-	-
iii) Other institutions and agencies	24,540,734	5,846,266
	24,540,734	5,846,266
II. Borrowings outside India	-	718,980
Total (I + II)	24,540,734	6,565,246
Secured borrowings included in I and II above	24,540,734	5,846,266
Schedule 5 : Other liabilities and provisions		
I. Bills payable	-	-
II. Inter-office adjustments (net)	-	-
III. Interest accrued	2,125,007	589,224
IV. Provision against standard assets - including UFCE provision of Rs 100,088 thousand (Previous Year: Nil)	290,931	188,695
V. Others (including provisions)	4,725,941	20,565,609
Total (I + II + III + IV + V)	7,141,879	21,343,528



Schedules annexed to and forming part of the Balance Sheet as at 31 March, 2015
(Currency: Indian rupees in thousands)

	2015	2014
Schedule 6 : Cash and balances with Reserve Bank of India		
I. Cash in hand	226	126
II. Balances with Reserve Bank of India		
i) In current account	1,156,302	795,885
ii) In other accounts	-	-
Total (I + II)	1,156,528	796,011
Schedule 7 : Balances with banks and money at call and short notice		
I. In India		
i) Balance with banks		
(a) in current accounts	140,974	59,247
(b) in other deposit accounts	-	-
ii) Money at call and short notice		
(a) with banks	-	-
(b) with other institutions	84,893	-
Total	225,867	59,247
II. Outside India		
i) in current accounts	7,423,828	324,089
ii) in other deposit accounts	-	-
iii) Money at call and short notice	-	-
Total	7,423,828	324,089
Total (I + II)	7,649,695	383,336
Schedule 8 : Investments		
I. Investments in India in		
i) Government securities	53,643,186	28,539,241
ii) Other approved securities	-	-
iii) Shares	-	-
iv) Debentures and bonds	17,740,153	19,665,620
v) Subsidiaries and/or joint ventures	-	-
vi) Others	10,390,605	16,330,954
Total	81,773,944	64,535,815
Less: Provision for depreciation	-	-
Total (I)	81,773,944	64,535,815



Schedules annexed to and forming part of the Balance Sheet as at 31 March, 2015
(Currency: Indian rupees in thousands)

	2015	2014
II. Investments outside India in		
i) Government securities (including local authorities)	-	-
ii) Subsidiaries and/or joint ventures abroad	-	-
iii) Other investments	-	-
Total	-	-
 Provision for Depreciation	-	-
 Total (II)	-	-
 Total (I + II)	81,773,944	64,535,815
Schedule 9 : Advances		
A.		
i) Bills purchased and discounted	-	-
ii) Cash credits, overdrafts and loans repayable on demand	-	-
iii) Term loans	13,678,798	8,580,553
Total	13,678,798	8,580,553
B.		
i) Secured by tangible assets	2,000,000	-
ii) Covered by bank/Government guarantees	-	-
iii) Unsecured	11,678,798	8,580,553
Total	13,678,798	8,580,553
C.I. Advances in India		
i) Priority sectors	3,078,798	1,430,553
ii) Public sector	-	-
iii) Banks	-	-
iv) Others	10,600,000	7,150,000
Total	13,678,798	8,580,553



Schedules annexed to and forming part of the Balance Sheet as at 31 March, 2015
(Currency: Indian rupees in thousands)

	2015	2014
C.II. Advances outside India		
i) Due from banks	-	-
ii) Due from others		
(a) Bills purchased and discounted	-	-
(b) Syndicated loans	-	-
(c) Others	-	-
Total	-	-
Total (C.I and C.II)	13,678,798	8,580,553
Schedule 10 : Fixed assets		
I. Premises		
At cost at the beginning of the year	-	-
Additions during the year	-	-
Deductions during the year	-	-
Depreciation to date	-	-
Total	-	-
II. Other Fixed Assets (including furniture and fixtures)		
At cost at the beginning of the year	70,997	70,941
Additions during the year	562	56
	71,559	70,997
Deductions during the year	(456)	-
	71,103	70,997
Depreciation to date	(57,065)	(47,384)
Total	14,038	23,613
Total (I + II)	14,038	23,613



Schedules annexed to and forming part of the Balance Sheet as at 31 March, 2015
(Currency: Indian rupees in thousands)

	2015	2014
Schedule 11 : Other assets		
I. Interest accrued	1,910,671	1,136,544
II. Tax paid in advance / tax deducted at source (Net of provisions)	254,881	269,242
III. Deferred tax assets (Net)	227,463	172,058
IV. Stationery and stamps	-	-
V. Non-banking assets acquired in satisfaction of claims	-	-
VI. Others	4,035,127	18,449,454
Total	6,428,142	20,027,298
Schedule 12 : Contingent liabilities		
I. Claims against the Bank not acknowledged as debts	-	-
II. Liability for partly paid investments	-	-
III. Liability on account of outstanding Foreign exchange contracts	1,335,779,457	739,155,951
IV. Guarantees given on behalf of constituents		
(a) In India	-	-
(b) Outside India	-	-
V. Acceptances, endorsements and other obligations	-	-
VI. Other items for which the Bank is contingently liable		
(i) Capital commitments not provided	-	-
(ii) Purchase of investments	2,360,649	244,241
(iii) Liability on account of outstanding derivative contracts	262,249,159	227,120,851
Total	1,600,389,265	966,521,043



Schedules Annexed To and Forming Part of the Profit and Loss Account for the year ended 31 March, 2015

	2015	2014
Schedule 13 : Interest earned		
I. Interest / discount on advances / bills	892,880	486,500
II. Income on investments	5,992,545	2,923,589
III. Interest on balances with Reserve Bank of India and other inter-bank funds	374	73
IV. Others	40,879	91,789
Total	6,926,678	3,501,951
Schedule 14 : Other income		
I. Commission, exchange and brokerage	61,335	9,198
II. Profit / (loss) on sale of investments (net)	970,376	41,434
III. Profit / (loss) on revaluation of investments (net)	-	21,901
IV. Profit / (loss) on sale of land, buildings and other assets (net)	-	-
V. Profit / (Loss) on exchange transactions (net) (including profit / (loss) on derivative transactions)	1,814,069	344,306
VI. Income earned by way of dividends etc. from subsidiaries, companies and / or joint ventures abroad / in India	-	-
VII. Miscellaneous income	46,561	58,949
Total	2,892,341	475,788
Schedule 15 : Interest Expended		
I. Interest on deposits	2,212,772	982,189
II. Interest on Reserve Bank of India / inter-bank borrowings	548	18,193
III. Others	2,385,387	961,259
Total	4,598,707	1,961,641
Schedule 16 : Operating Expenses		
I. Payments to and provisions for employees	477,763	490,510
II. Rent, taxes and lighting	51,900	51,061
III. Printing and stationery	1,143	993
IV. Advertisement and publicity	25	385
V. Depreciation on Bank's property	9,989	18,788
VI. Directors' fees, allowances and expenses	-	-
VII. Auditors' fees and expenses	2,634	1,402
VIII. Law charges	-	-
IX. Postages, telegrams, telephones, etc.	44,601	37,541
X. Repairs and maintenance	3,661	15,055
XI. Insurance	64,563	5,560
XII. Other expenditure	109,209	68,452
- including group cost allocation expenses Rs 24,349 thousand (Previous Year: 21,454 thousand)		
- including Corporate Social Responsibility expenses Rs 28,934 thousand (Previous Year: Nil)		
Total	765,488	689,747



Schedules forming part of the Financial Statements for the year ended 31 March 2015.

Schedule 17 – Significant Accounting Policies

a) General

i) Background

The accompanying financial statements for the year ended March 31, 2015 comprise the accounts of the Mumbai branch (referred to as 'the Bank') of Credit Suisse AG which is incorporated in Switzerland, with limited liability.

In August 2010, the Bank's head office at Zurich, Credit Suisse AG, received the approval of the Reserve Bank of India ('RBI') for setting up a Bank Branch. The Bank commenced its banking business with effect from February 15, 2011 after obtaining the necessary clearances and approvals from the RBI.

ii) Basis of preparation

The financial statements have been prepared and presented under the historical cost convention and accrual basis of accounting, unless otherwise stated and are in accordance with Generally Accepted Accounting Principles in India ('GAAP'), statutory requirements prescribed under the Banking Regulation Act 1949, circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time, Accounting Standards ('AS') issued by the Institute of Chartered Accountants of India ('ICAI') and notified 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 within the banking industry in India.

iii) Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities on the date of financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision in the accounting estimates is recognised prospectively in the current and future periods.

b) Investments

Classification and valuation of investments is carried out in accordance with extant RBI guidelines on investment classification and valuation.

Classification:

Investments are accounted for on settlement date basis and are classified at the date of purchase, based on the intention at the time of acquisition, into Held for Trading ('HFT'), Available for Sale ('AFS') or Held to Maturity ('HTM'). Under each of these categories, investments are further classified under six groups viz. Government Securities, Other approved securities, Shares, Debentures and Bonds, Subsidiaries and / or joint ventures and Others.



Schedules forming part of the Financial Statements for the year ended 31 March 2015. (Continued)

Schedule 17 – Significant Accounting Policies (Continued)

b) Investments (Continued)

Acquisition cost:

Cost of investment excludes broken period interest paid on acquisition of investments. Brokerage and commission on debt instruments paid at the time of acquisition are charged to Profit and Loss Account. Cost of investments is determined on the weighted average cost basis.

Disposal of Investments:

Profit / Loss on sale of investments under 'Available for Sale' and 'Held for Trading' categories are taken to the Profit and Loss Account.

The profit from sale of investment under HTM category, net of taxes and transfer to statutory reserves is appropriated from Profit and Loss Account to Capital Reserve Account. Loss on sale, if any, is recognized fully in the Profit and Loss Account.

Valuation:

Investments classified under the 'Available for Sale' and 'Held for Trading' categories are valued periodically as per RBI guidelines. The market/fair value for the purpose of periodical valuation of quoted investments included in the 'Available for Sale' and 'Held for Trading' categories is the market price of the security available from trades/quotes on the recognized stock exchanges, subsidiary general ledger account transactions, price list of RBI or prices declared by Primary Dealers Association of India jointly with Fixed Income Money Market and Derivatives Association (FIMMDA), periodically. All non-SLR securities are valued by applying the mark up above the corresponding yield on GOI securities as directed by RBI. The net depreciation, if any, in each classification as mentioned in Schedule – 8 – 'Investments' is recognized in the Profit and Loss Account. The net appreciation, if any, is ignored.

Discounted instruments like treasury bills, certificate of deposits, commercial papers, etc. are valued at carrying cost.

Securities categorised under HTM are carried at acquisition cost, or at amortised cost if acquired at a premium over the face value. Such premium is amortised over the remaining period to maturity of the relevant security on a straight line basis. Where in the opinion of management, a diminution, other than temporary in the value of investments classified under HTM has taken place, suitable provisions are made.

Investment Reserve Account:

Provision for depreciation on investments in the AFS and HFT categories, if excessive is credited to Profit and Loss account and equivalent amount (net of taxes and net of transfer to Statutory Reserve as applicable) is appropriated to an Investment Reserve Account in Schedule 2 – Reserves and Surplus under the head Investment Reserve Account.



Schedules forming part of the Financial Statements for the year ended 31 March 2015. (Continued)

Schedule 17 – Significant Accounting Policies (Continued)

b) Investments (Continued)

Investment Reserve Account: (Continued)

Utilisation: The provision required to be created on account of depreciation in the AFS & HFT categories is debited to the Profit and Loss Account and an equivalent amount (net of tax benefit, if any and net of consequent reduction in transfer to Statutory Reserves) is transferred from the Investment Reserve Account to the Profit and Loss Account.

Transfer between categories:

Transfer of securities between categories of investments, if any, is accounted for at the acquisition cost / book value/ market value, whichever is lower, as on the date of transfer.

Repurchase (Repo) and reverse repurchase transactions:

Repo, Reverse repo transactions and Collateralised Borrowing and Lending Obligations (CBLO) entered with CCIL are considered as lending and borrowing transactions and reflected in assets and liabilities, as the case may be. The difference between the clean price of the first leg and the clean price of the second leg is recognised as interest expense/income over the period of the transaction.

c) Advances

Advances are classified into standard, sub-standard, doubtful and loss assets, as applicable, in accordance with the RBI guidelines and are stated net of provisions, if any, (except general provision) made towards non-performing advances in line with RBI guidelines.

The Bank also maintains a general provision on standard assets (including derivatives) to cover potential credit losses, in accordance with the RBI guidelines.

The Bank estimates the inherent risk of the unhedged foreign currency exposures (including derivatives) of its borrowers as per the regulatory guidelines stipulated by the RBI from time to time and recognises incremental provisions on exposures to such entities as per methodology prescribed. These provisions are included in Provision for Standard Assets and reported under Other Liabilities.

d) Country risk exposure provision

The Bank maintains provision for individual country exposures (other than for home country) in accordance with RBI guidelines.



Schedules forming part of the Financial Statements for the year ended 31 March 2015. (Continued)

Schedule 17 – Significant Accounting Policies (Continued)

e) Derivatives

The Bank enters into derivative contracts such as interest rate swaps, cross currency swaps, options and foreign exchange contracts for trading purposes.

These trading derivatives are recognised at their fair values on inception and subsequently marked to market (MTM) on a daily basis. The resultant gain or loss is recognised in the Profit and Loss Account. Unrealised gain or loss on these products is reflected in the Balance Sheet under Other Assets or Other Liabilities respectively.

Foreign currency options are marked to market and premium received / paid is recognized in the Profit and Loss Account upon expiry or exercise of the options whichever is earlier.

The Bank also maintains a general provision on derivative exposures computed on the marked to market value of the contracts in accordance with the RBI guidelines.

The Bank estimates the inherent risk of the unhedged foreign currency exposures of its borrowers as per the regulatory guidelines stipulated by the RBI from time to time and recognises incremental provisions on exposures to such entities as per methodology prescribed. These provisions are included in Provision for Standard Assets and reported under Other Liabilities.

f) Fixed Assets and Depreciation

Fixed assets are stated at historical cost less accumulated depreciation. Cost includes all expenses incidental to acquisition of the assets.

Depreciation on fixed assets is provided on a straight-line method over the economic useful life of the asset as determined by the management. Depreciation on additions to fixed assets is provided from the month in which the asset is capitalised. In respect of sales/disposals no depreciation is provided in the month in which the asset is sold / disposed off. Depreciation on the following items of Fixed Assets is charged over the estimated useful life of the assets on a straight line basis which is equal to the rates prescribed under Schedule II of the Companies Act, 2013:

Asset	Depreciation
Leasehold improvements	Period of lease
Furniture and fixtures	10.00%
Office equipment	20.00%
<u>Computer Equipment</u>	
Distributed technology	16.67%
End user technologies	33.33%
Network	16.67%
Cabling	16.67%



Schedules forming part of the Financial Statements for the year ended 31 March 2015. (Continued)

Schedule 17 – Significant Accounting Policies (Continued)

f) Fixed Assets and Depreciation (Continued)

Assets costing less than Rs.4,50,000 (CHF 10,000 approx) are written off in the year of purchase / acquisition. The threshold for write off is subject to the following conditions:

- Furniture and fixtures are capitalised if the aggregate cost of a purchase order for procurement exceeds Rs.4,50,000 (CHF 10,000 approx).
- Computer equipment including workstations, laptops, printers, monitors, servers, peripherals and technical equipment are capitalised regardless of purchase cost. All other computer related equipment such as mainframes, tape drives, power supplies and data center equipment are capitalised only if individual cost exceeds Rs. 4,50,000 (CHF 10,000 approx).
- 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.

g) Transactions involving Foreign Exchange

Monetary assets and liabilities denominated in foreign currencies are translated at the Balance Sheet date at rates of exchange notified by the Foreign Exchange Dealers' Association of India ('FEDAI') and the resultant exchange differences are recognised in the Profit and Loss Account.

Foreign currency transactions are recorded using the rate of exchange on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of Profit and Loss Account.

Outstanding foreign exchange contracts in the trading book are revalued at the rates prescribed by FEDAI as at the Balance Sheet date and for the foreign exchange contracts with longer maturities where exchange rates are not notified by FEDAI are revalued at the exchange rates implied by the swap curves in respective currencies. These values are discounted using appropriate curves and the resulting profit or loss is recognised in the Profit and Loss Account.

In respect of foreign currency deposits, which are swapped into Indian Rupees under the special window of the RBI notified under FMD.MOAG.No.84/01.06.016/2013-14 dated September 06,2013, the forward premia (i.e. the difference between spot and forward rates of exchange) is pro-rated over the tenure of the swap and recognised in the Profit and Loss Account. The exchange difference on a forward exchange contract i.e. the difference between (a) the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and (b) the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date, is recognised in the Profit and Loss Account.



Schedules forming part of the Financial Statements for the year ended 31 March 2015. (Continued)

Schedule 17 – Significant Accounting Policies (Continued)

g) Transactions involving Foreign Exchange (Continued)

Contingent liabilities on account of foreign exchange contracts, guarantees, acceptances, endorsements and other obligations denominated in foreign currencies are disclosed at the closing rates of exchange notified by FEDAI.

h) Revenue Recognition

- Interest income is recognised in the Profit and Loss Account on an accrual basis.
- Accretion of discounts is recognised as interest income over the life of the discounted instrument.
- Fee income on loans are recognized over the tenor of the underlying loans on a straight line basis.
- Other fees and commission income is recognised on an accrual basis in accordance with the terms of agreement.

i) Taxation

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised when there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised to the extent there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

j) Accounting for Provisions, Contingent Liabilities and Contingent Assets

The Bank creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



Schedules forming part of the Financial Statements for the year ended 31 March 2015. (Continued)

Schedule 17 – Significant Accounting Policies (Continued)

j) Accounting for Provisions, Contingent Liabilities and Contingent Assets (Continued)

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed. Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefit will arise, the assets and related income are recognised in the period in which the change occurs.

k) Operating lease transactions

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

l) Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short term employee benefits. These benefits include salaries, bonus, allowances and compensated absences. The undiscounted amount of short term employee benefit to be paid in exchange for employee services is recognised as an expense as the service is rendered by the employees.

Employees can carry forward a portion of unutilised accrued compensated absences and utilise it within three months following the year in which it accrues, failing which it lapses.

Post employment benefits

a) Defined contribution plan

The Bank makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Bank's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

b) Defined benefit plan

The Bank's gratuity benefit scheme is a defined benefit plan.

The Bank's net obligation in respect of the defined benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service cost and the fair value of any plan assets are deducted. The calculation of the Bank's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.



Schedules forming part of the Financial Statements for the year ended 31 March 2015. (Continued)

Schedule 17 – Significant Accounting Policies (Continued)

l) Employee benefits (Continued)

Post employment benefits (Continued)

b) Defined benefit plan (Continued)

The Bank recognises all actuarial gains and losses arising from defined benefit plans immediately in the statement of profit and loss. All expenses related to defined benefit plans are recognised in employee benefits expense in the statement of profit and loss.

Share based payments

The Bank grants shares in its ultimate parent, Credit Suisse Group to certain employees. Upon settlement the shares are transferred to its employees. The Bank has various schemes to grant share based awards to its employees.

All the schemes are classified as cash settled schemes. The cost of these cash-settled transactions is measured initially at fair value at the grant date. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is remeasured to fair value at each balance sheet date up to and including the settlement date with changes in fair value recognised in the statement of profit and loss for the period. In case an employee is eligible for early retirement or retirement before the end of the vesting period, the recognition of the expense is accelerated over the shorter period up to retirement. Changes in foreign exchange and market value of the above liability between grant date and settlement date are expensed to the statement of profit and loss.

m) Equity compensation benefits

The Bank grants shares in its ultimate parent, Credit Suisse Group to certain employees. Upon settlement, the shares are transferred to its employees. The Bank has various schemes to grant share based awards to its employees.

These schemes are classified as cash settled schemes. The cost of these cash-settled transactions is measured initially at fair value at the grant date. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is remeasured to fair value at each Balance Sheet date up to and including the settlement date with changes in fair value recognised in the statement of profit and loss for the period. In case an employee is eligible for early retirement or retirement before the end of the vesting period, the recognition of the expense is accelerated over the shorter period up to retirement. Changes in foreign exchange and market value of the above liability between grant date and settlement date are expensed to the statement of profit and loss.

n) Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.



Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015

(Currency: Indian rupees in crores)

1. Capital Adequacy

The Bank's Capital to Risk-weighted Asset Ratio ('Capital Adequacy Ratio') is calculated in accordance with the RBI's 'Basel III Capital Regulations' ('Basel III'). Under the Basel III framework, for the year ended 31 March 2015, the Bank is required to maintain a minimum capital adequacy ratio of 9% on an ongoing basis for credit risk, market risk and operational risk, with a minimum Common Equity Tier 1 capital (CET1) ratio of 5.5% and Tier 1 capital ratio of 7.00%.

The Bank's capital adequacy ratio, calculated in accordance with the RBI guidelines for Basel III framework, is as follows:

Sr. No.	Particulars	March 31, 2015	March 31, 2014
i)	Common Equity Tier 1 capital ratio (%)	19.65%	19.65%
ii)	Tier 1 capital ratio (%)	19.65%	19.65%
iii)	Tier 2 capital ratio (%)	0.37%	0.28%
iv)	Total Capital ratio (CRAR) (%)	20.02%	19.93%
v)	Percentage of the shareholding of the Government of India in public sector banks	-	-
vi)	Amount of equity capital raised	-	-
vii)	Amount of Additional Tier 1 capital raised; of which PNCPS: PDI:	-	-
viii)	Amount of Tier 2 capital raised; of which Debt capital instrument: Preference Share Capital Instruments: [Perpetual Cumulative Preference Shares (PCPS) / Redeemable Non-Cumulative Preference Shares (RNCPS) / Redeemable Cumulative Preference Shares (RCPS)]	-	-



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

2. Investments

The following table sets forth, for the periods indicated, the details of investments and the movement of provision held towards depreciation on investments of the Bank.

(Rs in crore)

Particulars	March 31, 2015	March 31, 2014
1. Value of Investments		
(i) Gross value of investments		
a) In India	8,177.39	6,453.58
b) Outside India	-	-
(ii) Provision for depreciation		
a) In India	-	-
b) Outside India	-	-
(iii) Net value of investments		
a) In India	8,177.39	6,453.58
b) Outside India	-	-
2. Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	2.19
(ii) Add : Provisions made during the year	-	-
(iii) Less : Write-off/ write back of excess provisions during the year	-	2.19
(iv) Closing balance	-	-

3. Repo transactions

The following table sets forth, for the period indicated, the details of securities sold and purchased under repo and reverse repo in face value terms:

(Rs in crore)

Year ended March 31, 2015	Minimum outstanding balance during the year ¹	Maximum outstanding balance during the year	Daily average outstanding balance during the year	Outstanding balance
Securities sold under repo				
i. Government securities	30.21	2,504.91	779.67	1,516.46
ii. Corporate debt securities	-	-	-	-
Securities purchased under reverse repo				
i. Government securities	4.20	284.25	19.75	-
ii. Corporate debt securities	-	-	-	-

1. Minimum outstanding during the year excludes days with Nil outstanding.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

3. Repo transactions (Continued)

(Rs in crore)

Year ended March 31, 2014	Minimum outstanding balance during the year ¹	Maximum outstanding balance during the year	Daily average outstanding balance during the year	Outstanding balance
Securities sold under repo				
i. Government securities	49.51	1,478.03	339.98	299.93
ii. Corporate debt securities	-	-	-	-
Securities purchased under reverse repo				
i. Government securities	5.07	626.27	38.00	-
ii. Corporate debt securities	-	-	-	-

1. Minimum outstanding during the year excludes days with Nil outstanding.

4. Non-SLR investment portfolio

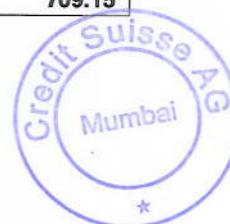
i) Issuer composition of investments in securities, other than government and other approved securities

The following table sets forth, the issuer composition of investments of the Bank in securities, other than government and other approved securities at March 31, 2015.

(Rs in crore)

Sr. No.	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities	Extent of 'unlisted' securities
(i)	PSUs	39.03	-	-	-	-
(ii)	FIs	678.37	30.00	-	-	-
(iii)	Banks ¹	709.15	-	-	-	709.15
(iv)	Private corporates	1,386.53	685.58	-	-	-
(v)	Subsidiaries / Joint ventures	-	-	-	-	-
(vi)	Others	-	-	-	-	-
(vii)	Provision held towards depreciation	-	-	-	-	-
	Total	2,813.08	715.58	-	-	709.15

1. Represents certificate of deposits.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

4. Non-SLR investment portfolio (Continued)

i) Issuer composition of investments in securities, other than government and other approved securities (Continued)

The following table sets forth, the issuer composition of investments of the Bank in securities, other than government and other approved securities at March 31, 2014.

(Rs in crore)						
Sr. No.	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities	Extent of 'unlisted' securities
(i)	PSUs	271.37	-	-	-	-
(ii)	FIs	1,037.84	30.00	-	-	-
(iii)	Banks ¹	1,633.10	-	-	-	1,633.10
(iv)	Private corporates	657.35	350.00	-	-	-
(v)	Subsidiaries / Joint ventures	-	-	-	-	-
(vi)	Others	-	-	-	-	-
(vii)	Provision held towards depreciation	-	-	-	-	-
	Total	3,599.66	380.00	-	-	1,633.10

1. Represents certificate of deposits.

ii) Non performing Non-SLR investments

The bank did not have any non performing non-SLR investments as at / for the year ended March 31, 2015 (Previous Year: Nil).

5. Sale and transfer to/from HTM category

The Bank did not purchase any security under HTM category during the year ended March 31, 2015 (Previous Year: Nil).



Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015 (Continued)

(Currency: Indian rupees in crores)

6. Forward rate agreement (FRA) / Interest Rate Swaps

The following table sets forth, for the periods indicated, the details of the forward rate agreements / interest rate swaps.

(Rs in crore)

Particulars	March 31, 2015	March 31, 2014
i) The notional principal of swap agreements ¹	25,808.05	22,287.12
ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements ²	181.77	278.19
iii) Collateral required by the bank upon entering into swaps	-	-
iv) Concentration of credit risk arising from the swaps (% exposure to banking sector)	91.15%	96.36%
v) The fair value of trading swap book	74.47	21.52

1. Excludes cross currency interest rate swaps.

2. Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements represent positive mark-to-market.

Nature and terms of interest rate swaps

(Rs in crore)

Nature	Benchmark Index	Terms	March 31, 2015	March 31, 2014
Trading	MIBOR	Fixed Payable V/S Floating Receivable	5,582.97	6,539.21
Trading	MIBOR	Fixed Receivable V/S Floating Payable	4,436.83	5,225.19
Trading	MIFOR	Fixed Payable V/S Floating Receivable	10,103.00	5,225.00
Trading	MIFOR	Fixed Receivable V/S Floating Payable	5,479.00	5,100.00
Trading	LIBOR	Fixed Receivable V/S Floating Payable	206.25	197.72
		Total	25,808.05	22,287.12

7. Exchange traded interest rate derivatives

The Bank did not enter into any exchange traded interest rate derivatives during the year ended March 31, 2015 (Previous Year: Nil).



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

8. Risk exposure in derivatives

The Bank is supervised by the Chief Executive Officer ("CEO") and the Local Management Committee ("LMC") comprising of key senior management in the Bank and permanent invitees from various functions with Credit Suisse. The LMC is supported by other committees for specific areas like the Asset Liability Management Committee ("ALCO"), Credit committee, Investment committee, Audit committee, Compliance committee etc.

There are processes and policies in place to support activities planned in the Bank. Apart from local policies, the Bank also adheres to Global Credit Suisse policies and best practices.

Credit risk management

Credit risk implies probable financial loss the Bank may ultimately incur, if the counter parties fail to meet their obligations. Within Credit Suisse, the Credit Risk Management ('CRM') is responsible for managing Credit Suisse's portfolio of credit risk and establishes broad policies and guidelines governing Credit Suisse's credit risk appetite. CRM team is headed globally by the Chief Credit Officer ('CCO') who reports directly to the Chief Risk Officer ('CRO') of Credit Suisse. Credit authority is delegated by the CCO to specific senior CRM team personnel based on each person's knowledge, experience and capability. These delegations of credit authority are reviewed periodically. Credit authorisation is separated from line functions. At Headquarters in Zurich, the Capital Allocation and Risk Management Committee ('CARMC'), in addition to its responsibilities for market risk described below, is also responsible for maintaining credit policies and processes, evaluating country, counterparty and transaction risk issues, applying senior level oversight for the credit review process and ensuring global consistency and quality of the credit portfolio. CARMC regularly reviews credit limits measuring country, geographic region and product concentrations, as well as impaired assets and recommended loan loss provisions.

Credit Suisse utilises an internal counterparty rating scale assess the probability of default, which approximates that used by the major public rating agencies (ranging from AAA as the best to D as the worst) and applies this grading measure against all of its counterparties. Credit Suisse takes a proactive approach to rating each of its counterparties and obligors and, as a result, internal ratings may deviate from those assigned by public rating agencies. All counterparties are assigned a credit rating as noted above. The intensity and depth of analysis is related to the amount, duration and level of risk being proposed together with the perceived credit quality of the counterparty/issuer/obligor in question. Analysis consists of a quantitative and qualitative portion and strives to be forward looking, concentrating on economic trends and financial fundamentals. In addition, analysts make use of peer analysis, industry comparisons and other quantitative tools, including a quantitative model based rating system. All final ratings also require the consideration of qualitative factors relating to the company, its industry and management. In addition to the aforementioned analysis, all counterparty ratings are subject to the rating of the country in which they are domiciled. Analysis of key sovereign and economic issues for all jurisdictions is undertaken and these are considered when assigning the rating and risk appetite for individual counterparties.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

8. Risk exposure in derivatives (Continued)**Credit risk management (Continued)**

Each credit facility is approved by senior CRM team personnel who are experienced in making lending decisions. Each facility is covered by a legal agreement that is appropriate for the type of transaction. On a case to case basis, Credit Suisse addresses its credit risk associated with lending and credit related activities. This may be accomplished by taking collateral or a security interest in assets and other means.

Country risk is the risk of a substantial, systemic loss of value in the financial assets of a country or group of countries, which may be caused by dislocations in the credit, equity, and/or currency markets. Credit Suisse's major operating divisions all assume country risk in a variety of ways. The setting of limits for this risk is the responsibility of CARMC based on recommendations of CRM team, Strategic Risk Management ('SRM') and Credit Suisse's economists. Country limits for emerging markets are approved by the Chairman's Committee of the Board of Directors of Credit Suisse Group, a portion of which is delegated to CARMC. For trading positions, country risk is a function of the mark-to-market exposure of the position, while for loans and related facilities country risk is a function of the amount that Credit Suisse has lent or committed to lend. The day-to-day management of country exposure is assigned to each of the core businesses in accordance with its business authorisations and limit allocations. Risk Analytics and Reporting ('RAR') and CRM team provide independent oversight to ensure that the core businesses operate within their limits. CRM team has the responsibility for periodically adjusting these limits to reflect changing credit fundamentals and business volumes.

The Bank leverages the CRM team expertise and processes within Credit Suisse to manage credit exposures arising from business transactions. The Businesses would be responsible for managing transactions within specified counterparty credit limits like Single Borrower and Group Borrower limits as prescribed by RBI, in consultation with CRM team.

Market risk management

Market risk deals with the probable loss the Bank may ultimately incur as a result of movement in exchange rates, benchmark interest rates, credit spread etc.

Globally, Credit Suisse ensures that market risk is comprehensively captured, accurately modeled, reported and effectively managed. Trading and non-trading portfolios are managed at various organisational levels, from the overall risk positions at the Group level down to specific portfolios. Credit Suisse uses market risk measurement and management methods designed to meet or exceed industry standards. These include both general tools capable of calculating comparable exposures across our many activities as well as focused tools that can specifically model unique characteristics of certain instruments or portfolios. The tools are used for internal market risk management, internal market risk reporting and external disclosure purposes. The principal measurement methodologies are VaR and scenario analysis. Additionally, the market risk exposures are also reflected in our economic capital calculations. The risk management techniques and policies are regularly reviewed to ensure that they remain appropriate.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

8. Risk exposure in derivatives (Continued)
Market risk management (Continued)

The Bank uses Value at Risk (VaR) and Interest Rate Sensitivity (Dv01) as some of the key measures of monitoring market risk arising from transactions. SRM reviews the Bank's business requirements and approve suitable limits in consultation with the business. Scenario analysis results are reported to the ALCO & Local Management committee on quarterly basis.

The Bank market risk exposure is an aggregate of banking book and trading book exposures. Treasury desk is responsible for banking book exposures within the Bank, unless another desk is specifically authorised to run such exposures. Trading desk (FX/Derivatives/Bonds etc.) would run positions within their mandated exposure limits.

The following table sets forth the details of derivative positions at March 31, 2015

(Rs in crore)			
Sr. No	Particulars	Currency derivatives ¹	Interest rate derivatives
(i)	Derivatives (Notional Principal Amount)		
	a) For hedging	4,656.25	-
	b) For trading	129,338.56	25,808.05
(ii)	Marked to Market Positions ²		
	a) Asset (+)	114.57	181.77
	b) Liability (-)	87.41	107.30
(iii)	Credit Exposure	2,979.69	423.51
(iv)	Likely impact of one percentage change in interest rate (100*PV01)		
	a) on hedging derivatives	(2.36)	-
	b) on trading derivatives	10.12	27.04
(v)	Maximum and Minimum of 100*PV01 observed during the year		
	a) i) on hedging (Maximum)	(0.60)	-
	ii) on hedging (Minimum)	(9.54)	-
	b) i) on trading (Maximum)	14.88	40.95
	ii) on trading (Minimum)	6.70	(30.55)

1. Includes forward exchange contracts and cross currency interest rate swaps.

2. Pertains to MTM on trading positions.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

8. Risk exposure in derivatives (Continued)

Market risk management (Continued)

The following table sets forth the details of derivative positions at March 31, 2014

(Rs in crore)

Sr. No	Particulars	Currency derivatives ¹	Interest rate derivatives
(i)	Derivatives (Notional Principal Amount)		
	a) For hedging	4,463.67	-
	b) For trading	69,876.89	22,287.12
(ii)	Marked to Market Positions ²		
	a) Asset (+)	1,524.40	278.19
	b) Liability (-)	1,506.40	256.67
(iii)	Credit Exposure	2,955.94	457.01
(iv)	Likely impact of one percentage change in interest rate (100*PV01)		
	a) on hedging derivatives	(9.08)	-
	b) on trading derivatives	0.55	(1.55)
(v)	Maximum and Minimum of 100*PV01 observed during the year		
	a) i) on hedging (Maximum)	(2.20)	-
	b) ii) on hedging (Minimum)	(16.48)	-
	c) i) on trading (Maximum)	0.55	13.57
	ii) on trading (Minimum)	(0.96)	(19.54)

1. Includes forward exchange contracts and cross currency interest rate swaps.

2. Pertains to MTM on trading positions.

9. Asset Quality

The Bank has no non-performing advances, accounts restructured, sale of financial assets to Securitisation / Reconstruction company or purchase / sale of non-performing financial assets during the year ended March 31, 2015 (Previous Year: Nil).

Additionally, the Bank has not invested in security receipts backed by NPAs, sold by the Bank as underlying or backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying during the year ended March 31, 2015 (Previous Year: Nil).



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

10. Provisions on Standard Assets

The Bank makes provision on standard assets as per applicable RBI guidelines. The provision on standard assets (including provision towards unhedged foreign currency exposure of Rs 10.01 crore (Previous year: Nil)) held by the Bank as at March 31, 2015 was Rs.29.09 crore (Previous Year: Rs. 18.87 crore).

11. Business Ratios

Particulars	March 31, 2015	March 31, 2014
Interest income as a percentage to working funds ¹	8.34%	8.14%
Non-interest income as a percentage to working funds	3.48%	1.11%
Operating profit ² as a percentage to working funds ¹	5.36%	3.08%
Return on assets ³	2.93%	1.62%
Business (Deposits plus advances) per employee ⁴ (Rs in crore)	201.32	180.16
Profit per employee ⁴ (Rs in crore)	6.40	2.05

Definitions:

1. Working funds is taken as average of total assets (excluding accumulated losses, if any) as reported to Reserve Bank of India in Form X under Section 27 of the Banking Regulation Act, 1949.
2. Profit before taxes and provision is considered as Operating profit.
3. Return on Assets is with reference to average working funds (i.e. total of assets excluding accumulated losses, if any).
4. Number of employees as at year end has been considered.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

12. Maturity Pattern of Key Assets and Liabilities

(Rs in crore)

As at March 31, 2015	1 day	2 to 7 days	8 to 14 days	15 to 28 days	29 days to 3 months	Over 3 months to 6 months	Over 6 months to 12 months	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits ¹	2.99	9.49	32.87	3.80	433.86	475.06	153.87	5,170.52	-	-	6,282.46
Loans & advances ¹	-	100.00	125.00	-	207.58	225.30	495.00	215.00	-	-	1,367.88
Investments	4,938.71	3,066.39	3.39	1.13	48.24	49.21	16.72	53.16	-	0.44	8,177.39
Borrowings ¹	-	2,454.07	-	-	-	-	-	-	-	-	2,454.07
Foreign Currency Assets ²	742.38	0.01	125.00	0.13	108.73	75.30	200.00	-	-	75.00	1,326.55
Foreign Currency Liabilities ²	-	-	-	0.29	-	-	24.21	4,849.58	-	-	4,874.08

1. Includes foreign currency balances.
2. Foreign currency assets and liabilities denotes all assets and liabilities excluding off-Balance Sheet items.
3. Classification of assets and liabilities under the different maturity buckets are compiled by the Management on same estimates and assumptions as used by the Bank for compiling the returns submitted to the RBI.

(Rs in crore)

As at March 31, 2014	1 day	2 to 7 days	8 to 14 days	15 to 28 days	29 days to 3 months	Over 3 months to 6 months	Over 6 months to 12 months	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits ¹	0.90	32.05	102.85	2.05	156.59	496.00	0.70	4,476.27	-	-	5,267.41
Loans & advances ¹	-	100.00	-	-	150.00	92.57	150.49	365.00	-	-	858.06
Investments	2,637.48	3,693.61	15.90	0.87	26.99	75.95	0.42	1.91	-	0.45	6,453.58
Borrowings ¹	-	584.62	-	-	71.90	-	-	-	-	-	656.52
Foreign Currency Assets ²	32.41	-	-	-	3.66	92.57	50.49	-	-	23.96	203.09
Foreign Currency Liabilities ²	-	-	-	-	71.96	21.64	-	4,514.55	-	-	4,608.15

1. Includes foreign currency balances.
2. Foreign currency assets and liabilities denotes all assets and liabilities excluding off-Balance Sheet items.
3. Classification of assets and liabilities under the different maturity buckets are compiled by the Management on same estimates and assumptions as used by the Bank for compiling the returns submitted to the RBI.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

13. Exposure to Real Estate Sector and Capital Market

The following table sets forth, for the periods indicated, the details of exposure to real estate sector.

Category	(Rs in crore)	
	March 31, 2015	March 31, 2014
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)	-	-
(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;	-	-
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures – a. Residential, b. Commercial Real Estate.	-	-
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	283.70	372.58
Total Exposure to Real Estate Sector	283.70	372.58

The Bank has no direct or indirect exposure to capital market and hence the disclosures on capital market are not applicable to the Bank for the year ended March 31, 2015 (Previous Year: Nil).



Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015 (Continued)

(Currency: Indian rupees in crores)

14. Risk Category wise Country Exposure

The following table sets forth, for the periods indicated, the details of exposure (net) and provision held by the Bank.

Risk category	(Rs in crore)			
	Exposure (net) at March 31, 2015	Provision held at March 31, 2015	Exposure (net) at March 31, 2014	Provision held at March 31, 2014
Insignificant	1,080.96	2.35	190.10	-
Low	-	-	0.92	-
Moderate	2.74	-	-	-
High	-	-	-	-
Very High	-	-	-	-
Restricted	-	-	-	-
Off-credit	-	-	-	-
Total	1,083.70	2.35	191.02	-
-Of which: funded	943.88	-	36.04	-

15. Details of Single Borrower Limit and Borrower Group Limit exceeded by the Bank

The Bank's exposure to single and group borrowers has been within limits* as specified by RBI during the year ended 31 March 2015 and 31 March 2014.

*During the year ended 31 March 2015, there was an instance of a technical excess of Single Borrower Limit ('SBL') in respect of one counterparty on account of exchange fluctuation on loans in foreign currencies. Due to this technical excess, the SBL of 15% was exceeded, however, it was below 20%. In accordance with the RBI's Master circular on exposure norms, the Local Management Committee has ratified this technical excess. Further, this matter was also informed to the RBI.

16. Unsecured advances

The Bank has not made any unsecured advances against intangible securities such as charge over the rights, licenses or authorisations etc. for the year ended 31 March 2015 (Previous Year: Nil). This excludes advances backed by guarantees.

17. Penalties levied by the RBI

No penalties have been imposed on the bank during the year by the Reserve Bank of India (Previous Year: Nil).



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

18. Employee Benefits

1. Provident Fund

Amount of Rs. 1.77 crore (Previous Year: Rs 1.77 crore) is recognised as expense and included in "Employee benefit expenses"

2. Gratuity

	(Rs in crore)	
	March 31, 2015	March 31, 2014
Reconciliation of opening and closing balance of the present value of the defined benefit obligation		
Present value of obligation as at April 1	2.34	1.30
Interest cost	0.20	0.16
Current service cost	0.85	0.70
Benefits paid	(0.27)	(0.06)
Actuarial (gain)/loss on obligation	0.53	0.24
Present value of obligation as at March 31	3.65	2.34
Reconciliation of opening and closing balance of the fair value of the plan assets		
Fair value of plan assets as at April 1	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Fair value of plan assets as at March 31	-	-
Amount recognised in Balance Sheet		
Fair value of plan assets as at March 31	-	-
Present value of obligation as at March 31	3.64	2.34
Asset/(Liability) as at March 31	(3.65)	(2.34)
Expenses recognised in Profit and Loss Account		
Interest Cost	0.20	0.16
Current Service cost	0.85	0.70
Expected return on plan assets	-	-
Net Actuarial (gain)/loss recognised in the year	0.53	0.24
Net Cost	1.58	1.10



Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015 (Continued)

(Currency: Indian rupees in crores)

18. Employee Benefits (Continued)

2. Gratuity (Continued)

Assumptions	March 31, 2015	March 31, 2014
Valuation Method	Projected Unit Credit	Projected Unit Credit
Discount rate	7.85% per annum	9.00% per annum
Expected return on plan assets	N.A.	N.A.
Mortality	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Salary escalation rate	12.0% per annum	12.0% per annum
Retirement	58 years	58 years

Details of plan assets, defined benefit obligations and experience adjustments

(Rs in crore)

Particulars	Gratuity				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Defined benefit obligations	3.65	2.34	1.30	0.63	NA
Plan assets	-	-	-	-	NA
(Surplus) / deficit	3.65	2.34	1.30	0.63	NA
Experience adjustments on plan assets	-	-	-	-	NA
(Gains) / losses due to change in Assumptions	0.52	0.21	0.09	(1.34)	NA
Experience adjustments on plan liabilities	0.01	0.03	(0.11)	0.87	NA
Total (Gain) / Loss	0.53	0.24	(0.02)	(0.47)	NA

19. Employees Share-based Payments

The Branch grants shares in its ultimate parent, Credit Suisse Group to certain employees. The Branch has various schemes to grant share based awards to its employees, details of the current schemes are set out below. In conformity with the Guidance note on "Accounting for Employee Share-based Payments" issued by The Institute of Chartered Accountants of India in respect of the grants made on or after 01 April 2005, the following disclosures are made:



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

19. Employees Share-based Payments (Continued)

- (1) Special awards, which are typically awarded upon hiring of certain management personnel or in relation to business acquisitions. The terms (including amount, vesting, settlement, etc) of special awards vary significantly from award to award. Shares awarded to employees as Special awards are accrued over the vesting period as per award terms.
- (2) Incentive Share Units (ISU) or Scaled Incentive Share Units (SISU), which are typically awarded in consideration for future services. Each ISU / SISU represents one CSG share plus any additional shares (leverage), if applicable. For ISU the number of additional shares depends upon the share price, both at the time of grant and in the future and for SISU, it depends on both share price and company's performance. ISUs are accrued over a 3 year vesting period and SISUs are accrued over a 4 year vesting period.
- (3) January 2011 Phantom shares vest in four equal installments on each of the first, second, third and fourth anniversaries of the grant date and are delivered to award holders within 120 days of vesting. January 2012/Jan 2013/Jan 2014/Jan 2015 Phantom shares vest in three equal instalments on each of the first, second and third anniversaries of the grant date and will be delivered to award holders within 120 days of vesting. The share awards replace other plans introduced in prior years, including SISUs and ISUs in an effort to make the design of the company's compensation instruments simpler, more transparent and less leveraged and to better align the interests of the employees with those of the shareholders.
- (4) Performance share awards

Certain employees received a portion of their deferred variable compensation in the form of performance share awards, which are subject to explicit performance-related claw-back provisions. Performance share awards vest over three years, such that one third of the share awards vest on each of the three anniversaries of the date of the award. Each performance share award granted entitles the holder of award to receive one CSG share. Unlike the Phantom share awards, however, the unvested performance share awards are subject to a negative adjustment in the event of a divisional loss or a negative CSG ROE. Unvested performance shares are subject to a negative adjustment in the event of a divisional loss, unless there is a negative CSG ROE that would call for a negative adjustment greater than the divisional adjustment for the year, in which case the negative adjustment is based on the CSG's negative ROE. For employees in Shared Services, the negative adjustment only applies in the event of a negative CSG ROE and is not linked to the performance of the divisions. Performance share awards include a two-year moratorium on early retirement, determined from the grant date.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

19. Employees Share-based Payments (Continued)

(5) 2011 Partner Asset Facility

As part of the 2011 annual compensation process, certain employees were awarded a portion of their deferred variable compensation in the form of 2011 Partner Asset Facility (PAF2) units. PAF2 units are essentially fixed income structured notes that are exposed to a portion of the credit risk that arises in CSG's derivative activities, including both current and possible future swaps and other derivative transactions. The value of the award (for both the interest accrual and the final redemption) will be reduced if the amount of realized credit losses from a specific reference portfolio exceeds a pre-defined threshold. CSG will bear the first USD 500 million of such losses and the PAF2 holders will bear any losses in excess of USD 500 million, up to the full amount of the deferred compensation awarded. As a result, the PAF2 plan is a transfer of risk from CSG to employees.

Certain employees received PAF2 awards, which vested in the first quarter of 2012.

The PAF2 units have a stated maturity of four years, but may be extended to nine years at the election of either CSG or the holders acting collectively. This election will not be made later than the end of the third year following the grant date. PAF2 units are denominated in US dollars. Holders will receive a semi-annual cash interest payment equivalent to an annual return of 6.5% (US dollar-denominated awards) applied to the then current balance of the PAF2 units. At maturity, PAF2 holders will receive a final settlement in an amount equal to the original award value less any losses. CSG can settle the PAF2 units in cash or an equivalent value in shares at its discretion.

In January 2012, CSG awarded PAF2 units and the associated compensation expenses were fully expensed in the first quarter of 2012, as the awards were fully vested as of March 31, 2012. Compensation expense will continue to be updated at each reporting period date to reflect any change in the underlying fair value of the PAF2 awards until the awards are finally settled.

PAF2 awards were linked to a portfolio of CSG's credit exposures, providing risk offset and capital relief. Due to regulatory changes, this capital relief would no longer be available. As a result, CSG restructured the awards in March 2014, requiring PAF2 holders to reallocate the exposure of their awards from the pool of counterparty credit risk in the original PAF2 structure to one of the following options, or a combination thereof: Capital Opportunity Facility and Contingent Capital Award.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

19. Employees Share-based Payments (Continued)

(6) Adjustable Performance Plan Share Awards

In 2012, CSG executed a voluntary exchange offer, under which employees had the right to voluntarily convert all or a portion of their respective unvested Adjustable Performance Plan cash awards into Adjustable Performance Plan share awards at a conversion price of CHF 16.29. Each Adjustable Performance Plan share award has a grant-date fair value of CHF 16.79 and contains the same contractual term, vesting period, performance criteria and other terms and conditions as the original Adjustable Performance Plan cash award.

(7) Plus Bond Awards

Certain employees received a portion of their 2012 deferred variable compensation in the form of Plus Bond awards. The Plus Bond award is essentially a fixed income instrument, denominated in US dollars, which provides a coupon payment that is commensurate with market-based pricing. Plus Bond award holders are entitled to receive semi-annual cash payments on their adjusted award amounts at the rate of London Interbank Offered Rate plus 7.875% per annum until settlement. The Plus Bond will settle in the summer of 2016 based on the amount of the initial award less portfolio losses, if any, in excess of a first loss portion retained by CSG of USD 600 million.

The value of the Plus Bond awards is based on the performance of a portfolio of unrated and sub-investment-grade asset-backed securities that are held in inventory by various trading desks of CSG's Investment Banking division. While the Plus Bond award is a cash-based instrument, CSG reserves the right to settle the award in CSG shares based on the share price at the time of final distribution. In addition, subject to oversight procedures, CSG retains the right to prepay all or a portion of the Plus Bond award in cash at any time and, in the event of certain regulatory developments or changes in capital treatment, exchange the award into a CSG shares. Similar to the PAF2 awards, the Plus Bond award plan contributes to a reduction of CSG's risk-weighted assets and constitutes a risk transfer from CSG to the Plus Bond award holders. The Plus Bonds were fully vested and expensed on the grant date of December 31, 2012. Compensation expense will continue to be updated at each reporting period date to reflect any change in the underlying fair value of the Plus Bond awards until the awards are finally settled.

a. Method adopted for valuation:

The Branch grants shares in its ultimate parent, Credit Suisse Group to certain employees. Stock compensation expenses under the "Fair Value Method" are determined based on the "Fair Value of the Share Awards" and amortized over the vesting period.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

19. Employees Share-based Payments (Continued)

b. Nature and extent of Employee Share-based Payment Plans:

Incentive Share Units (ISU), Scaled Incentive Share Units (SISU), Phantom Share Awards, Special Share Awards, Performance Share Awards, Adjustable Performance Plan Share awards, PAF 2 Awards and Plus Bond Awards

c. Number of stock awards granted during year ended March 31, 2015 (March 31, 2014)

NIL Special Phantom Share Awards (previous year: NIL) granted during the year;

26,842 Performance Share Awards (previous year: 27,316) granted during the year;

43,976 Phantom Share Award (previous year: 25,447) granted during the year;

NIL Adjustable Performance Plan Share Award (previous year: NIL) granted during the year;

PAF 2 awards equivalent of Rs Nil (previous year : Rs Nil) granted during the year.

Plus Bond Awards equivalent of Rs Nil (previous year : Rs Nil) granted during the year.

The average weighted fair value of awards granted was CHF 16.94 (previous year: CHF 28.13) excluding PAF2 awards and Plus Bond awards.

d. Method and assumptions for arriving of the Fair Value of Share Awards

i) For PAF2 Awards and Plus Bond Deferred Cash Awards;

The fair value of share awards is derived from underlying fair value of the reference portfolio

ii) For other Employee Share based Payment Plans:

The fair value of share awards is equal to the fair value of the shares at the grant date, adjusted for changes in market price as at the Balance Sheet date.

e. Expenses recognised on account of "Employees Share-based Payment" is Rs. 8.11 crore (previous year: Rs. 11.50 crore) and carrying amount as at 31 March 2015 is Rs. 14.16 crore (previous year: Rs. 12.29 crore).



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

20. Segment Reporting

The segmental classification to the respective segments conforms to the guidelines issued by RBI vide DBOD.No.BP.BC.81/21.01.018/2006-07 dated April 18, 2007. As required under the above guidelines the following business segments have been reported

- **Treasury** primarily includes trading and money market operations, Investment Banking, derivatives and foreign exchange operations
- **Wholesale Banking** This segment comprises banking services / facilities to corporates and other business entities.
- **Retail Banking** constitutes banking services/ facilities to individuals.

Revenues and expenses directly attributable to each segment are included in determining the segments result. Assets employed by a segment or assets that are directly attributable to that segment are included in segment assets. Liabilities that result from operations of a segment, Head office account and Reserves and surplus are included in segment liabilities. Segment revenue includes earnings from external customers. All liabilities are managed by central treasury unit, which pools all funds and lends to the business units at appropriate rates based on the relevant maturity of assets.

Geographic Segments

The Bank renders its services within one geographical segment and has no offices or significant assets outside India.

Segment reporting for the year ended March 31, 2015 is given below

Sr. No	Particulars	(Rs in crore)				Total
		Treasury	Wholesale	Retail	Other banking business	
1	Segment revenue	955.56	180.18	137.45	-	1,273.19
2	Less: Inter segment revenue	69.09	84.75	137.45	-	291.29
3	Income from operations (1) – (2)	886.47	95.43	-	-	981.90
4	Segment results	424.74	25.64	(17.47)	-	432.91
5	Unallocated expenses					-
6	Operating Profit / (loss) (4) – (5)					432.91
7	Income taxes (incl. deferred tax)					189.90
8	Extraordinary profit / (loss)					-
9	Net profit / (loss) (6) – (7) – (8)					243.01
10	Segment assets	9,649.53	1,371.03	1.32	-	11,021.88



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

20. Segment Reporting (Continued)

Sr. No.	Particulars	Treasury	Wholesale	Retail	Other banking business	Total
11	Unallocated assets ¹					48.23
12	Total assets (10) + (11)					11,070.11
13	Segment liabilities ²	4,562.33	982.03	5,525.75	-	11,070.11
14	Unallocated liabilities					-
15	Total liabilities (13) + (14)					11,070.11
16	Capital expenditure	0.04	0.01	0.01	-	0.06
17	Depreciation	0.75	0.14	0.11	-	1.00

1. Represents advance tax (net) and deferred tax asset (net)

2. Includes share capital and reserves and surplus.

Segment reporting for the year ended March 31, 2014 is given below

(Rs in crore)						
Sr. No.	Particulars	Treasury	Wholesale	Retail	Other banking business	Total
1	Segment revenue	388.74	95.90	52.35	-	536.99
2	Less: Inter segment revenue	39.95	46.92	52.35	-	139.22
3	Income from operations (1) – (2)	348.79	48.98	-	-	397.77
4	Segment results	133.76	(3.77)	(6.94)	-	123.05
5	Unallocated expenses					-
6	Operating Profit / (loss) (4) – (5)					123.05
7	Income taxes (incl. deferred tax)					53.28
8	Extraordinary profit / (loss)					-
9	Net profit / (loss) (6) – (7) – (8)					69.77
10	Segment assets	8,528.48	860.66	1.39	-	9,390.53
11	Unallocated assets ¹					44.13
12	Total assets (10) + (11)					9,434.66
13	Segment liabilities ²	4,091.92	812.79	4,529.95	-	9,434.66
14	Unallocated liabilities					-
15	Total liabilities (13) + (14)					9,434.66
16	Capital expenditure	-	-	-	-	0.01
17	Depreciation	1.36	0.34	0.18	-	1.88

1. Represents advance tax (net) and deferred tax asset (net)

2. Includes share capital and reserves and surplus.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

21. Related Party Disclosures

As per AS - 18, Related Party Disclosure, issued by the ICAI, the Bank's related parties are disclosed below:

Parent of Head office

Credit Suisse Group AG

Parent and its branches

Credit Suisse AG and its branches

Enterprises under common control with whom the Bank has had transactions during the year

Credit Suisse Consulting (India) Private Limited

Credit Suisse Securities (India) Private Limited

Credit Suisse Finance (India) Private Limited

Credit Suisse Business Analytics (India) Private Limited

Credit Suisse Business Management (India) Private Limited

Credit Suisse Services (India) Private Limited

CJSC "Bank Credit Suisse (Moscow)"

Credit Suisse (Hong Kong) Limited

Credit Suisse Securities (Europe) Limited

Credit Suisse (Singapore) Limited

Credit Suisse Securities USA LLC

Key Management Personnel

In accordance with the RBI circular DBOD.BP.BC No.8/21.04.018/2014-15 dated July 1, 2014, only the Chief Executive Officer of the Bank, falls under the category of key management personnel, hence, no disclosures pertaining to him are provided.

Chief Executive Officer of the Bank:

1. Mr. Sanjeev Bajaj – upto 15 February 2015
2. Mr. Ajit Hebbar (Interim Chief Executive Officer – Credit Suisse AG) – From 16 February 2015



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

21. Related Party Disclosures (Continued)

The Bank's related party balances and transactions as on / for the year ended March 31, 2015 are summarised as follows:

Items	(Rs in crore)			
	Parent and its branches	Maximum outstanding during the year	Enterprises under common control	Maximum outstanding during the year
Transactions during the year				
Rent and reimbursements	4.20		8.07	
Profit / (Loss) on derivative transaction	(148.94)		31.95	
Income for services rendered	4.66		-	
Interest on borrowings	0.05		-	
Interest on deposits	-		71.26	
Fixed Asset purchased	-		0.04	
Borrowings	262.50		-	
Term Deposits	-		4,260.65	
Derivatives (Notional)	16,856.41		25,203.54	
Closing balances				
Payable to related parties	0.02	4.38	1.20	2.31
Security deposit receivable	-	-	2.55	2.55
Mark to Market on derivatives receivable ¹	37.56	83.78	8.66	29.28
Mark to Market on derivatives payable ¹	3.24	5.42	-	0.74
Receivable from related parties	1.15	1.16	-	-
Interest payable	-	0.09	9.00	23.41
Current deposits	-	-	39.66	220.68
Term deposits	-	-	895.15	1,209.15
Borrowings	-	85.21	-	-
Nostro Balance	0.13	6.42	2.74	119.09
Derivatives (Notional)	2,043.04	11,463.64	490.00	3,235.14

1. Mark to Market on derivatives represents net receivable / payable at counterparty level as the required information is not easily available.

The Bank's related party balances and transactions as on / for the year ended March 31, 2014 are summarised as follows:

Items	(Rs in crore)			
	Parent and its branches	Maximum outstanding during the year	Enterprises under common control	Maximum outstanding during the year
Transactions during the year				
Rent and reimbursements	2.51		7.98	
Profit on derivative transaction	30.24		132.86	
Income for services rendered	5.89		-	
Interest on borrowings	0.40		-	
Interest on deposits	-		44.61	
Borrowings	323.71		-	
Term Deposits	-		3,631.70	
Derivatives (Notional)	19,043.65		20,561.63	



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

21. Related Party Disclosures (Continued)

Items	Parent and its branches	Maximum outstanding during the year	Enterprises under common control	Maximum outstanding during the year
Closing balances				
Payable to related parties	0.19	2.19	0.65	0.84
Security deposit receivable	-	-	2.55	2.55
Mark to Market on derivatives receivable ¹	53.87	109.43	-	-
Mark to Market on derivatives payable ¹	0.82	1.65	9.89	436.01
Receivable from related parties	3.63	3.96	-	-
Interest payable	0.06	0.28	6.53	15.56
Current deposits	-	-	14.00	176.81
Term deposits	-	-	754.40	946.90
Borrowings	71.90	238.85	-	-
Nostro Balance	0.15	32.31	0.92	5.15
Derivatives (Notional)	3,343.06	5,510.65	3,138.32	7,610.79

1. Mark to Market on derivatives represents net receivable / payable at counterparty level as the required information is not easily available.

Material related party transactions are given below:

The following were the material transactions between the Bank and its related parties for the year ended 31 March 2015. A specific related party transaction is disclosed as a material related party transaction wherever it exceeds 10% of all related party transactions in that category.

Rent and reimbursements

Employee share expenses reimbursed to Credit Suisse AG, Singapore Branch Rs 4.20 cr (Previous Year: Rs 2.51 cr). Rent and other expenses reimbursed to Credit Suisse Securities (India) Private Limited Rs 3.20 cr (Previous Year: Rs 3.40 cr) and Credit Suisse Consulting (India) Private Limited Rs 4.16 cr (Previous Year: Rs 4.16 cr)

Profit / (Loss) on derivative transaction

Profit / (Loss) on derivative transaction from Credit Suisse AG, Singapore Branch Rs 94.44 cr (Previous Year: Rs 36.99 cr), Credit Suisse International Rs (230.39) cr (Previous Year: Rs 0.83 cr), Credit Suisse AG, London Branch Rs (13.04) cr (Previous Year: Rs (7.27) cr) and Credit Suisse (Singapore) Limited Rs 29.72 cr (Previous Year: Rs 130.63 cr)

Income for services rendered:

Income for services rendered to Head office Rs 1.82 cr (Previous Year: Rs 2.27 cr) and Credit Suisse AG, Singapore Branch Rs 2.84 cr (Previous Year: Rs 3.62 cr).



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

21. Related Party Disclosures (Continued)

Interest on borrowings

Interest expense on borrowings from Credit Suisse AG, Singapore Branch Rs 0.05 cr (Previous Year: Rs 0.40 cr).

Interest on deposits

Interest on Term deposits to Credit Suisse Securities (India) Private Limited Rs 58.85 cr (Previous Year: Rs 30.82 cr) and Credit Suisse Services (India) Private Limited Rs 8.03 cr (Previous Year: Rs 9.97 cr).

Borrowings

Borrowings from Credit Suisse AG, Singapore Branch Rs 250.00 cr (Previous Year: Rs 323.71 cr).

Fixed asset Purchased

Fixed asset purchased from Credit Suisse Securities (India) Private Limited Rs 0.04 cr (Previous Year: Nil)

Term Deposits

Term deposits placed by Credit Suisse Securities (India) Private Limited Rs 2,143.00 cr (Previous Year: Rs 1,822.00 cr) and Credit Suisse Services (India) Private Limited Rs 1,639.00 cr (Previous Year: Rs 1,108.00 cr).

Derivatives (Notional)

Derivative transactions entered with Credit Suisse AG, Singapore Branch Rs 18,694.53 cr (Previous Year: Rs 6,575.54 cr), Credit Suisse AG, London Branch Rs 14,534.96 cr (Previous Year: Rs 14,461.73 cr) and Credit Suisse (Singapore) Limited Rs 6,697.10 cr (Previous Year: Rs 15,436.66 cr)

22. Provision for income tax made during the year

(Rs in crore)

Particulars	Year ended	
	March 31, 2015	March 31, 2014
Provision for income tax (including deferred tax)	189.90	53.28



Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015 (Continued)

(Currency: Indian rupees in crores)

23. Provisions and Contingencies

The break-up of 'Provisions and contingencies' included in the Profit and Loss Account is given below:

Particulars	(Rs in crore)	
	March 31, 2015	March 31, 2014
Provision for Income Tax – Current	195.44	61.13
Provision for Income Tax – Deferred	(5.54)	(7.85)
Standard asset provisioning - including UFCE provision of Rs 10.01 cr (Previous Year: Nil).	10.22	9.68
Country Risk provision	2.35	(0.09)
Total	202.47	62.87

24. Floating provisions

The Bank has no floating provisions for the year ended March 31, 2015 (Previous Year: Nil).

25. Drawdown from reserves

The Bank has not drawn down any amount from reserves for the year ended March 31, 2015 (Previous Year: Nil).

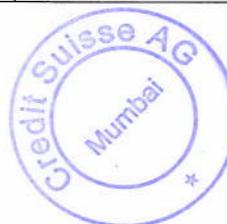
26. Disclosure of complaints

The following table sets forth status of customer complaints

	Particulars	March 31, 2015	March 31, 2014
a)	No. of complaints pending at the beginning of the year	-	-
b)	No. of complaints received during the year	-	-
c)	No. of complaints redressed during the year	-	-
d)	No. of complaints pending at the end of the year	-	-

The following table sets forth status of awards

	Particulars	March 31, 2015	March 31, 2014
a)	No. of unimplemented awards at the beginning of the year	-	-
b)	No. of awards passed by the Banking Ombudsmen during the year	-	-



Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015 (Continued)

(Currency: Indian rupees in crores)

26. Disclosure of complaints (Continued)

	Particulars	March 31, 2015	March 31, 2014
c)	No. of awards implemented during the year	-	-
d)	No. of unimplemented awards at the end of the year	-	-

27. Disclosure on letters of comfort (LoCs) issued by the Bank

The Bank has not issued any letters of comfort for the year ended March 31, 2015 (Previous Year: Nil).

28. Provisioning coverage ratio

The Bank has no non performing advances as on March 31, 2015 (Previous Year: Nil).

29. Bancassurance business

The Bank has no bancassurance business for the year ended March 31, 2015 (Previous Year: Nil).

30. Concentration of deposits, advances, exposures and NPAs

i) Concentration of deposits

	(Rs in crore)	
	March 31, 2015	March 31, 2014
Total deposits of twenty largest depositors	4,059.12	3,224.01
Percentage of deposits of twenty largest depositors to total deposits of the bank	64.61%	61.21%

ii) Concentration of advances*

	(Rs in crore)	
	March 31, 2015	March 31, 2014
Total advances to twenty largest borrowers (including banks)	4,568.28	3,679.67
Percentage of advances to twenty largest borrowers to total advances of the bank	95.75%	86.15%

*Advances are computed as per definition of Credit Exposure including derivatives furnished in RBI's Master Circular on Exposure Norms.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

30. Concentration of deposits, advances, exposures and NPAs (Continued)

iii) Concentration of exposures**

	(Rs in crore)	
	March 31, 2015	March 31, 2014
Total exposure to twenty largest borrowers / customers	5,386.70	4,167.81
Percentage of exposures to twenty largest borrowers / customers to total exposure of the bank on borrowers / customers	78.35%	66.82%

**Exposures are computed based on credit and investment exposure as prescribed in RBI's Master Circular on Exposure Norms.

iv) Concentration of NPAs

The Bank has no NPAs as on March 31, 2015 (Previous Year: Nil).

31. Sector wise NPAs

Sl. No.	Sector*	March 31, 2015			March 31, 2014		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
A	Priority Sector						
1	Agriculture and allied activities	-	-	-	-	-	-
2	Advances to industries sector eligible as priority sector lending ¹	214.13	-	-	143.06	-	-
3	Services ¹	93.75	-	-	-	-	-
4	Personal loans	-	-	-	-	-	-
	Sub-total (A)	307.88	-	-	143.06	-	-
B	Non Priority Sector						
1	Agriculture and allied activities	-	-	-	-	-	-



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

31. Sector wise NPAs (Continued)

2	Industry	-	-	-	-	-	-
3	Services	1060.00	-	-	715.00	-	-
4	Personal loans	-	-	-	-	-	-
	Sub-total (B)	1060.00	-	-	715.00	-	-
	Total (A+B)	1,367.88	-	-	858.06	-	-

1. These represent export loans under priority sector.

32. Movement of NPAs

The Bank has no NPAs during the year March 31, 2015 (Previous Year: Nil).

33. Overseas assets, NPAs and revenue

The Bank has no overseas operations and hence this disclosure is not applicable (Previous Year: NA).

34. Off-Balance Sheet SPVs sponsored

There are no off-Balance Sheet SPVs sponsored by the Bank for the year ended March 31, 2015 (Previous Year: Nil).

35. Disclosures on Remuneration

Bank has complied with the Compensation Guidelines issued by RBI vide DBOD No.BC. 72 /29.67.001/2011-12 dated January 13, 2012, hence this disclosure is not applicable.

36. Disclosures relating to securitisation

The Bank has not sponsored any SPVs for securitization transactions during the year and there is no securitization transaction outstanding as at 31 March 2015 (Previous Year: Nil).

37. Credit Default Swaps

During the year, the bank has not entered into credit default swaps (Previous Year: Nil).



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

38. Intra-Group Exposures

	(Rs in crore)
	March 31, 2015
Total amount of intra-group exposures	61.97
Total amount of top-20 intra-group exposures	61.97
Percentage of intra-group exposures to total exposure of the bank on borrowers / customers	0.01%
Details of breach of limits on intra-group exposures and regulatory action thereon, if any.	No Breach

39. Transfers to Depositor Education and Awareness Fund (DEAF)

The Bank has no Unclaimed liabilities, hence this disclosure is not applicable.

40. Unhedged Foreign Currency Exposure

Unhedged foreign currency exposure of corporates is a source of risk to corporates and a source of credit risk to financing banks. If the unhedged position is large, it can have serious consequences for the solvency of corporates in the event of large depreciation of the home currency and can result in large credit losses to the financing banks.

The bank has a policy of managing credit risk arising out of unhedged foreign currency exposure of its borrowers. The Bank reviews un-hedged foreign currency exposures as part of its credit analysis of all borrowers at the time of initial sanction as well as part of the annual renewal of exposures. The Bank will also review the hedging policy of the counterparty as part its credit analysis to assess the risks related to its foreign currency exposures. The risks related to un hedged foreign currency exposures will be captured in the overall counterparty's credit rating (for e.g., if the corporate is running large un-hedged foreign currency risk, its overall rating will be lower) which in turn will drive the credit risk premium to be charged to meet the minimum target return on the Risk Weighted Asset (RWA). In addition, the Board of the Bank has also approved specific criteria (based on amount of exposure, relative size of unhedged foreign currency exposure with respect to net-worth, etc.) which if met would result in the Bank stipulating a limit on un-hedged foreign currency positions of borrowers. Accordingly, this limit becomes part of the approval conditions stipulated to the borrower and will be monitored accordingly.

The bank reviews the unhedged foreign currency exposure on periodic basis and maintains incremental provision towards unhedged foreign currency of its borrowers in line with RBI guidelines DBOD.No. BP.BC. 85/21.06.200/2013-14 issued on 15th January 2014 and clarifications DBOD.No.BP.BC.116/21.06.200/2013-14 issued on 3rd June 2014. The bank has maintained provision of Rs 10.01 crores and additional capital of Rs 28.18 crores on account of unhedged foreign currency exposure of its borrowers as on March 31st, 2015.



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

41. Liquidity Coverage Ratio ('LCR')
i Quantitative disclosures

The LCR related information needs to be furnished only for the quarter ending 31 March 2015, and for every quarter the next year on.

Accordingly, the LCR related information for the quarter ending 31 March 2015 –

(Rs in crore)

Sr No		Total Unweighted Value	Total Weighted Value
	High Quality Liquid Assets		
1	Total High Quality Liquid Assets (HQLA)	2,691.90	2,629.02
	Cash outflows		
2	Retail deposits and deposits from small business customers, of which:	4,660.37	466.04
	(i) Stable deposits	-	-
	(ii) Less stable deposits	4,660.37	466.04
3	Unsecured wholesale funding, of which:	72.71	68.41
	(i) Operational deposits (all counterparties)	-	-
	(ii) Non-operational deposits (all counterparties)	72.71	68.41
	(iii) Unsecured debt	-	-
4	Secured wholesale funding	2,454.07	-
5	Additional requirements, of which	510.06	510.06
	(i) Outflows related to derivative exposures and other collateral requirements	510.06	510.06
	(ii) Outflows related to loss of funding on debt products	-	-
	(iii) Credit and liquidity facilities	-	-
6	Other contractual funding obligations	202.70	202.70
7	Other contingent funding obligations	-	-
8	Total cash outflows	7,899.91	1,247.21



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

41. Liquidity Coverage Ratio ('LCR') (Continued)

i Quantitative disclosures

Sr No		Total Unweighted Value	Total Weighted Value
	Cash inflows		
9	Secured lending (eg: reverse repos)	-	-
10	Inflows from fully performing exposures	1,123.32	1,069.53
11	Other cash inflows	-	-
12	Total cash inflows	1,123.32	1,069.53
	TOTAL HQLA		2,629.02
	Total net cash outflows		177.68
	Liquidity coverage ratio (%)		843.16

ii) Qualitative disclosure around LCR -

The Bank measures and monitors the LCR in line with the Reserve Bank of India's circular dated June 9, 2014 on "Basel III Framework on Liquidity Standards - Liquidity Coverage Ratio (LCR), liquidity Risk Monitoring Tools and LCR Disclosure Standards. The LCR guidelines aims to ensure that a bank maintains an adequate level of unencumbered High Quality Liquid Assets (HQLAs) that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario. At a minimum, the stock of liquid assets should enable the bank to survive until day 30 of the stress scenario by which time it is assumed that appropriate corrective actions can be taken. Banks are required to maintain High Quality Liquid Assets of a minimum of 100% of its Net Cash Outflows by January 1, 2019. However, with a view to provide transition time, the guidelines mandate a minimum requirement of 60% w.e.f January 1, 2015 and a step up of 10% every year to reach the minimum requirement of 100% by January 1, 2019.

The maintenance of LCR at the end of the period has been on account of multiple factors viz. increase in excess SLR, existing eligibility in Corporate Bond Investments, increase in Retail deposits etc.

The Bank has been maintaining HQLA primarily in the form of SLR investments over and above mandatory requirement; Corporate NCDs issued by non-financial entities with rating AA- and above apart from regulatory dispensation allowed upto 7% of NDTL in the form of borrowing limit available through Marginal Standing Facility (MSF) and Facility to Avail Liquidity for Liquidity Coverage Ratio (FALLCR). SLR investments as well as Corporate Bond portfolio of the Bank considered for HQLA is well diversified across various instruments and Liquid Asset Type Mix and should provide the Bank with adequate and timely liquidity.



Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015 (Continued)

(Currency: Indian rupees in crores)

41. Liquidity Coverage Ratio ('LCR') (Continued)

ii) Qualitative disclosure around LCR –(Continued)

The Bank has a diversified liability mix. The deposits of the Bank are diversified and are granular. The Bank has witnessed continuing growth in number of liability accounts from both retail as well as corporate customers. ALCO bears responsibility for managing the funding mix in line with the overall strategic objectives. Diversification of the funding mix in terms of investor types, products and instruments is an important part of liquidity risk and funding management within the Bank.

The Bank monitors funding concentration using parameters like - Inter-bank liability exposure, Call borrowing / Lending, Repo / CBLO etc.

The Bank has not been maintaining HQLA in FCY given the lack of regulatory options as well as limited callable FCY liabilities. Further the bank believes that all inflows and outflows which might have a material impact under the liquidity stress scenario have been considered for the purpose of LCR.

Local Management Committee of the Bank has empowered ALCO to monitor and strategize the Balance Sheet profile of the Bank. In line with the business strategy, ALCO forms an Interest Rate/ Liquidity view for the bank. ALCO of the Bank channelizes various business segments of the Bank to target good quality asset and liability profile to meet the Bank's profitability as well as Liquidity requirements.

Funding strategies are formulated by ALCO in line with business requirements. The objective of the funding strategy is to achieve an optimal funding mix which is consistent with prudent liquidity, diversity of sources and servicing costs. Accordingly Bank estimates daily liquidity requirement of the various business segments and manages the same on consolidated basis.

42. Corporate Social Responsibility

- a) Gross amount require to be spent by the Bank during the year Rs 2.89 crore (Previous Year: NA)
b) Amount spent during the year March 31, 2015 (Previous Year: NA):

(Rs in crore)				
Sr No	Particulars	Paid during the year	Yet to be paid	Total
i)	Construction / acquisition of any asset	-	-	-
ii)	On purposes other than (i) above	2.89	-	2.89



**Schedule 18 – Notes forming part of the Financial Statements for the year ended March 31, 2015
(Continued)**

(Currency: Indian rupees in crores)

43. Other Assets

Other Assets include deferred tax asset (net) of Rs 22.75 crore (Previous Year: Rs 17.21 crore). The break-up of the same is as follows:

Particulars	(Rs in crore)	
	March 31, 2015	March 31, 2014
Deferred tax asset arising out of:		
Employee Benefits	6.98	6.25
Standard asset provisioning	12.59	8.16
Depreciation	0.59	0.36
Others	2.59	2.44
Total	22.75	17.21
Deferred tax liability arising out of:		
Depreciation	-	-
Total	-	-
Deferred tax asset (net)	22.75	17.21

44. Leases

The Bank entered into leasing arrangements for commercial properties. The lease rental of Rs 4.65 crore (Previous Year: Rs 4.66 crore) has been included under Operating Expenses – Rent, Taxes and Lighting (Schedule 16 II) in the Profit and Loss Account.

The future minimum lease payments under non-cancellable operating leases are as follows

Particulars	(Rs in crore)	
	March 31, 2015	March 31, 2014
Not later than one year	4.40	4.38
Later than one year and not later than five years	0.78	5.18
Later than five years	-	-
Total	5.18	9.56

45. Other expenses

Other expenses include cost allocation expenses of Rs 2.43 crore (Previous Year: Rs 2.15 crore) and Corporate Social Responsibility expense of Rs 2.89 crore (Previous Year: NA).

46. Small and Micro Industries

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments.

47. Provision for long term contracts

At the year end, the Bank has reviewed long term contracts (including derivative contracts) and no provision has been made for material foreseeable losses on such contracts other than standard asset provisions (refer note 10) as stipulated by RBI.



48. Comparative figures

Figures of the previous period have been re-grouped to conform to the current year presentation.

The financial statements for the year ended March 31, 2015 have been audited by the statutory auditors, B S R & Associates LLP, Chartered Accountants. The financial statements for the year ended March 31, 2014 had been audited by another firm of chartered accountants.

For **B S R & Associates LLP**
Chartered Accountants
Firm Registration No: 116231W/W-100024



Minaar Malse
Partner
Membership No: 117804

For **Credit Suisse AG - Mumbai branch**



Ajit Hebbar
Interim Chief Executive Officer



Reetesh Gupta
Director - Financial Accounting

