بنك الدوحة
DOHA BANK

DOHA BANK QSC – INDIA OPERATIONS

INDEPENDENT AUDITORS' REPORT

To
The Country Manager India,
Doha Bank QSC-India Operations

Report on the Financial Statements

We have audited the accompanying financial statements of **Doha Bank (Q.S.C)**, (hereinafter referred to as the 'Bank'), which comprise the Balance Sheet as at 31 March, 2016, the Profit and Loss Account and the Cash Flow statement for the year then ended, and a summary of significant accounting policies and notes to the financial statements.

Management's Responsibility for the Financial Statements

The Bank's management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, 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, in so far as they apply to the Bank and with the guidelines issued by Reserve Bank of India and in conformity with Form A and B (revised) of the Third Schedule to the Banking Regulation Act, 1949, as applicable. 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 adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the 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 in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 judgment, 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 financial control relevant to the Bank's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Bank's management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements together with the notes thereon give the information required by the Banking Regulation Act, 1949 as well as the Act, in the manner so required for the banking companies and give a true and fair view of the state of affairs of the Bank as at 31 March 2016, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 read with Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014

2. As required under sub section (3) of section 30 of the Banking Regulation Act, 1949 and the appointment letter dated 16 November 2015, we report that:

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory; (b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and (c) the financial accounting systems of the Bank are centralised and therefore, accounting returns for the purpose of preparing financial statements are not required to be submitted by branches; we have visited 3 branches for the purpose of our audit.

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

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

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

(c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 in so far as they apply to the Bank;

(e) Reporting requirement pursuant to provision of Section 164 (2) of the Act, are not applicable considering this is a branch of **Doha Bank Q.S.C**;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report; and

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

i. The Bank has disclosed the impact of pending litigations on its financial position in its financial statements – Refer schedule 12.1 and Note 3.8 of Schedule 18 to the financial statements;

ii. The Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts – Refer Note 4.18 of Schedule 18 to the financial statements; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Bank.

For S. R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sd/-
per Amit Kabra
Partner
Membership Number: 094533

Place: Gurgaon
Date: 29 June 2016

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DOHA BANK Q.S.C.

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

We have audited the internal financial controls over financial reporting of Doha Bank (Q.S.C) (the "Bank") as of 31 March 2016 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Bank's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016 based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sd/-
per Amit Kabra
Partner
Membership Number: 094533

Place: Gurgaon
Date: 29 June 2016

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DOHA BANK QSC – INDIA OPERATIONS

BALANCE SHEET AS AT 31ST MARCH 2016

Rs '000

	Schedule	March 31, 2016	March 31, 2015
CAPITAL AND LIABILITIES			
Capital	1	3,042,002	3,042,002
Reserve and Surplus	2	132,845	10,937
Deposits	3	3,026,788	1,239
Borrowings	4	947,530	–
Other Liabilities and Provisions	5	103,724	28,979
		7,252,889	3,083,157
ASSETS			
Cash and Balances with Reserve Bank of India	6	214,782	4,943
Balances with Banks and Money at Call and Short Notice	7	1,490,186	1,432,327
Investments	8	1,304,647	210,014
Advances	9	3,433,616	–
Fixed Assets	10	470,565	105,946
Other Assets	11	339,093	1,329,927
		7,252,889	3,083,157
Contingent Liabilities	12	1,034,124	–
Bills for Collection		15,112	–
Principal Accounting Policies & Notes to accounts	17 & 18		

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2016

Rs '000

	Schedule	March 31, 2016	March 31, 2015
I. INCOME			
Interest Earned	13	310,211	98,586
Other Income	14	91,834	–
		402,045	98,586
II. EXPENDITURE			
Interest Expended	15	108,353	9
Operating Expenses	16	258,872	79,514
Provisions and Contingencies	18.2.18	(80,444)	8,126
		286,781	87,649
III. PROFIT / (LOSS)			
Profit/(loss) for the period		**115,264**	10,937
IV. APPROPRIATIONS			
Transfer to Statutory Reserves		28,816	2,734
Transfer to Capital Reserves		22,924	–
Balance Carried Over To Balance Sheet		63,524	8,203
		115,264	10,937
Principal Accounting Policies & Notes to Account	17 &18		

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

Schedules referred to herein form an integral part of the Profit and Loss Account.

As per our report of even date attached.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/ E300004

Sd/-
Amit Kabra
Partner
Membership No. 094533

June 29, 2016, Gurgaon

For Doha Bank QSC – India Operations

Sd/-
G. Pattabiraman
Country Manager - India

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CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2016

Rs '000

			March 31, 2016	March 31, 2015
A)	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit before taxes		**20,863**	18,865
	Adjustment for:			
	Depreciation on fixed assets		41,058	3,014
	Provision/ (write back) for depreciation on investments		(198)	198
	Country Risk Provision		650	–
	Provision for Loans		13,504	–
	Profit on Sale of Fixed Assets		(22,924)	–
	Operating Profit before working capital changes		**52,953**	22,077
	Adjustment for:			
	Increase / (Decrease) in Deposits		3,025,548	1,239
	Increase / (Decrease) in Borrowings		947,530	–
	(Increase) / Decrease in Investments		(1,094,633)	(210,212)
	(Increase) / Decrease in Advances		(3,433,616)	–
	Increase / (Decrease) in Other Liabilities and Provisions		60,790	28,979
	(Increase) / Decrease in Other Assets		1,089,651	(44,937)
	Increase / (Decrease) in Reserve on merger		6,644	–
	Less : Direct Taxes paid		(4,416)	(16,918)
	Net Cash Flow from /(used in)Operating activities	**(A)**	**650,451**	(219,772)
B)	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Fixed Assets		(580,753)	(108,960)
	Sale of Fixed Assets		198,000	–
	Purchase consideration paid for acquisition of Indian Operations HSBC Bank Oman S.A.O.G		–	(1,276,000)
	Net Cash Used in Investing activities	**(B)**	**(382,753)**	(1,384,960)
C)	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Inflow of Capital From the Head Office.		–	3,042,002
	Net Cash generated from/(used in) financing activities	**(C)**	**–**	3,042,002
D)	**Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)**		**267,698**	1,437,270
	Cash and cash equivalents at the beginning of the year		1,437,270	–
	Cash & Cash equivalents at the end of the year *		1,704,968	1,437,270
	Net changes in Cash & Cash equivalents		**267,698**	1,437,270

* Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice – Refer Schedule 6 and Schedule 7. Cash and cash equivalent also includes Rs 2,000 (thousands) as deposit kept in with the Reserve Bank of India under section 11(2) (b) of the Banking Regulation Act, 1949.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/ E300004

Sd/-
Amit Kabra
Partner
Membership No. 094533

June 29, 2016, Gurgaon

For Doha Bank QSC – India Operations

Sd/-
G. Pattabiraman
Country Manager - India

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SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

		Rs '000
	March 31, 2016	March 31, 2015
SCHEDULE 1 - CAPITAL		
CAPITAL		
Opening Capital	3,042,002	–
Start up Capital (as prescribed by RBI)		2,000
Additions during the period	–	3,040,002
	3,042,002	3,042,002
Amount of deposit kept in with the Reserve Bank of India under section 11(2) (b) of the Banking Regulation Act, 1949		
In form of securities	**250,000**	–
In Cash	**2,000**	2,000
SCHEDULE 2- RESERVE AND SURPLUS		
I. Statutory Reserve		
Opening Balance	2,734	–
additions during the period	28,816	2,734
	31,550	2,734
deductions during the period	–	–
	31,550	2,734
II. Capital Reserve		
Opening Balance	–	–
additions during the period	29,568	–
	–	–
deductions during the period	–	–
	29,568	–
III. Share Premium		
Opening Balance	–	–
additions during the period	–	–
	–	–
deductions during the period	–	–
	–	–
IV. Investment Reserve		
Opening Balance	–	–
additions during the period	–	–
	–	–
deductions during the period	–	–
	–	–
V. Balance of Profit and Loss Account		
Opening Balance	8,203	–
additions during the period	63,524	8,203
	71,727	8,203
TOTAL : (I, II, III, IV and V)	**132,845**	10,937

		Rs '000
	March 31, 2016	March 31, 2015
SCHEDULE 3 - DEPOSITS		
A.I. Demand Deposits		
(i) From Banks	334,039	–
(ii) From Others	130,611	86
II. Savings Bank Deposits	499,982	853
III. Term Deposits		
(i) From Banks	–	–
(ii) From Others	2,062,156	300
	3,026,788	1,239
B.I) Deposits of Branches In India	3,026,788	1,239
II) Deposits of Branches Outside India	–	–
	3,026,788	1,239
SCHEDULE 4- BORROWINGS		
I. Borrowings in India		
(i) Reserve Bank of India	–	–
(ii) Other Banks	550,000	–
(iii) Other Institutions and Agencies	–	–
II. Borrowings Outside India	397,530	–
	947,530	–
Secured Borrowings included in I and II above	–	–
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS		
I. Bills Payable	–	–
II. Inter-Office Adjustments (Net)	–	–
III. Interest Accrued	17,243	7
IV. Others (Including Provisions)		
- Provision for standard advances	14,085	–
- Others	72,396	28,972
	103,724	28,979
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I. Cash in Hand (Including Foreign Currency Notes)	5,854	943
II. Balances with Reserve Bank of India		
(i) In Current Accounts	208,928	4,000
(ii) In Other Accounts	–	–
	214,782	4,943

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SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

		Rs '000
	March 31, 2016	**March 31, 2015**
SCHEDULE 7 – BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
I. In India		
(i) Balances with Banks		
(a) In Current Account	220,911	22,277
(b) In Other Deposit Account	–	1,140,050
(ii) Money at Call and Short Notice		
(a) With Banks	–	270,000
(b) With Other Institutions	–	–
	220,911	1,432,327
II. Outside India		
(i) In Current Account	275,450	–
(ii) In Other Deposit Account	–	–
(iii) Money at Call and Short Notice	993,825	–
	1,269,276	–
TOTAL : (I and II)	**1,490,186**	1,432,327
SCHEDULE 8 - INVESTMENTS		
I. Investments in India		
(i) Government Securities	759,540	210,014
(ii) Other Approved Securities	–	–
(iii) Shares	–	–
(iv) Debentures and Bonds	545,107	–
(v) Subsidiaries and/or Joint Ventures Abroad	–	–
(vi) Others	–	–
	1,304,647	210,014
II. Investments Outside India		
(i) Government Securities (Including Local Authorities)	–	–
(ii) Subsidiaries and/or Joint Ventures Abroad	–	–
(iii) Others	–	–
	1,304,647	210,014
A. Investment in India		
Gross Value of Investments	1,304,647	210,212
Less : Aggregate of provisions/ depreciation/(Appreciation)	–	198
Net Investment	1,304,647	210,014
B. Investment Outside India		
Gross Value of Investments	–	–
Less : Aggregate of Provisions/ depreciation /(Appreciation)	–	–
Net Investments	–	–
Total Investments	**1,304,647**	210,014

		Rs '000
	March 31, 2016	**March 31, 2015**
SCHEDULE 9 – ADVANCES		
A. (i) Bills Purchased and Discounted	20,736	–
(ii) Cash Credits, Overdrafts and Loans Repayable on Demand	14,277	–
(iii) Term Loans	3,398,603	–
	3,433,616	–
B. (i) Secured by Tangible Assets (Including Advances Against Book Debts)	1,209,173	–
(ii) Covered by Bank / Government Guarantees	–	–
(iii) Unsecured	2,224,443	–
	3,433,616	–
C. I. Advances In India		
(i) Priority Sectors	600,000	–
(ii) Public Sectors	–	–
(iii) Banks	–	–
(iv) Others	2,833,616	–
	3,433,616	–
II. Advances Outside India		
(i) Due from Banks	–	–
(ii) Due from Others	–	–
(a) Bills Purchased and Discounted	–	–
(b) Syndicated Loans	–	–
(c) Others	–	–
	–	–
TOTAL C. (I and II)	**3,433,616**	–
SCHEDULE 10 - FIXED ASSETS		
I. Premises		
At Cost as on March 31 of the Preceding Year	–	–
Additions During the period	551,162	–
Less Deductions/Adjustments during the year	(181,067)	–
Less Depreciation to Date	(12,312)	–
	357,783	–
II. Other Fixed Assets (Including Furniture and Fixtures)		
At Cost as on March 31 of the Preceding Year	71,001	–
Additions During the period	66,153	71,001
Deductions During the period	–	–
	137,154	71,001
Depreciation to Date	(25,768)	(3,014)
	111,386	67,987
III. Capital Work in Progress	1,396	24,530
IV. Intangible Assets under development	–	13,429
TOTAL (I, II, III and IV)	**470,565**	105,946

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SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

Rs '000

	March 31, 2016	March 31, 2015
SCHEDULE 11 – OTHER ASSETS		
I. Inter-office Adjustments (Net)	–	–
II. Interest Accrued	19,706	9,636
III. Advance Tax / Tax Deducted at Source (Net of Provision for Taxation)	179,809	1,811
IV. Stationery and Stamps	–	–
V. Non-Banking Assets Acquired in Satisfaction of Claims	–	–
VI. Deferred Tax Assets (net)	3,015	7,179
VII. Others (Refer schedule 18 note no.1)	136,563	1,311,301
	339,093	1,329,927
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 Forward Exchange Contracts	729,208	–
IV. Guarantees Given on Behalf of Constituents		
a) In India	245,026	–
b) Outside India	–	–
V. Acceptances, Endorsements and Other Obligations	50,154	–
VI. Other Items for which the Bank is Contingently Liable	9,736	–
	1,034,124	–
SCHEDULE 13 – INTEREST INCOME		
I. Interest/Discount on Advances/Bills	152,392	–
II. Income on Investments	53,827	1,377
III. Interest on Balances with Reserve Bank of India and Other Inter-Bank Funds.	79,833	97,209
IV. Others	24,159	–
	310,211	98,586

Rs '000

	March 31, 2016	March 31, 2015
SCHEDULE 14 – OTHER INCOME		
I. Commission, Exchange and Brokerage	11,145	–
II. Profit / (loss) on Sale of Investments (Net)	232	–
III. Profit / (loss) on Sale of Land, Building and Other Assets(net)	22,924	–
IV. Profit / (loss) on Exchange Transactions (net)	23,936	–
V. Income Earned by way of Dividends etc. from Subsidiaries/	–	–
VI. Bad Debts Recovered	25,540	–
VII. Others	8,057	–
	91,834	–
SCHEDULE 15 -INTEREST EXPENDED		
I. Interest on Deposits	107,353	9
II. Interest on Reserve Bank of India/Inter-Bank Borrowings	999	–
III. Others	–	–
	108,353	9
SCHEDULE 16 - OPERATING EXPENSES		
I. Payments to and Provisions for Employees	68,440	19,615
II. Rent, Taxes and Lighting	53,657	38,150
III. Printing and Stationery	2,031	407
IV. Advertisement and Publicity	1,703	–
V. Depreciation on Bank's Property	41,058	3,014
VI. Local Advisory Board Fees, Allowances and Expenses	483	500
VII. Auditor's Fees and Expenses	2,310	1,290
VIII. Professional Charges	13,941	3,764
IX. Postages, Telegrams, Telephones etc.	11,421	1,775
X. Repairs and Maintenance	40,546	1,838
XI. Insurance	2,073	389
XII. Law Charges	2,821	1,636
XIII. Other Expenditure	18,388	7,136
	258,872	79,514

SCHEDULE 17 SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Doha Bank Q.S.C is an entity domiciled in the State of Qatar and was incorporated on March 15, 1979 as a Joint Stock Company under Emiri Decree No. 51 of 1978. The commercial registration of the Bank is 7115. The address of the Bank's registered office is Doha Bank Tower, Corniche Street, West Bay, P.O. Box 3818, Doha Qatar.

The India branch of Doha Bank Q.S.C ("Doha Bank" or the "Bank") started since June 10th, 2014. The registered office of the branch is Sakhar Bhavan, Ground Floor, Plot No. 230, Block No. III, Backbay Reclamation, Nariman Point, Mumbai -400021, Maharashtra State, India.

The Financial Statements for the period ended March 31, 2016 comprises the accounts of the India Branch of the Doha Bank Q.S.C ("Doha bank" or the "Bank).

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SCHEDULE 17 SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION

The accompanying financial statements have been prepared under the historical cost convention and on the accrual basis of accounting, unless otherwise stated, and comply with the requirements prescribed under the Third Schedule (Form A and Form B) of the Banking Regulation Act, 1949. The accounting and reporting policies of the Bank used in the preparation of these financial statements conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by RBI ('Reserve Bank Of India') from time to time, the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 to the extent applicable and practices generally prevalent in the banking industry in India

2.1 USE OF ESTIMATES AND JUDGMENTS

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles in India ('GAAP') requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue recognition

i) Interest income is recognised in the profit and loss account on accrual basis, except in the case of interest on non-performing assets, which is recognised as income on realisation, as per the income recognition and asset classification norms of RBI.

ii) Income on discounted instruments is recognised over the tenure of the instrument on a constant yield basis.

iii) All other fees are accounted for as and when they become due.

3.2 Foreign currency transactions

Transactions denominated in foreign currency are recorded at exchange rates prevailing on the date of the transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the profit and loss account. Income and Expenditure items are translated at the rates of exchange prevailing on the date of the transaction. 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 recognized in the profit and loss account

3.3 Investment securities

Classification and valuation of Bank's Investments is carried out in accordance with RBI and Fixed Income Money Market and Derivatives Association ('FIMMDA') guidelines issued in this regard from time to time..

a) Classification

Investments are classified into 'Held for Trading' ('HFT'), 'Available for Sale' ('AFS') and 'Held to Maturity' (HTM) categories at the time of purchase. Investments, which the Bank intends to hold till maturity are classified as HTM investments. Investments that are held principally for resale within a short period, including short sale, are classified as HFT investments. All other investments are classified as AFS investments.

The Bank follows settlement date method for accounting of its investments. For the purpose of disclosure in the financial statements, the Investments are classified under six groups

a) Government Securities

b) Other Approved Securities

c) Shares

d) Debentures and Bonds

e) Subsidiaries / Joint Ventures

f) Others.

Investments are classified as performing or non-performing as per RBI guidelines. Non performing investments are subjected to similar income recognition and provisioning norms as are prescribed by RBI for non performing advances.

b) Valuation

Investments classified as HTM are carried at amortised cost. Any premium paid on acquisition, over the face value, is amortised over the remaining period of maturity by applying effective yield method. Where in the opinion of the management, a diminution, other than temporary in the value of investments classified under HTM has taken place, suitable provisions are made.

Investments classified as AFS and HFT are marked-to-market on a periodic basis as per relevant RBI guidelines. The securities are valued scrip-wise and depreciation / appreciation is aggregated for each category. Net appreciation in each category, if any, is ignored, while net depreciation is provided for. The book value of individual securities is not changed consequent to the periodic valuation of investments.

Treasury bills, commercial papers and certificates of deposit are valued at carrying cost including the pro rata discount accreted for the holding period.

3.4 Repo and Reverse Repo transactions:

The Bank has adopted the uniform accounting treatment prescribed by the RBI for accounting of Repo and Reverse Repo transactions. Costs and revenues are accounted an Interest expenditure / income, as the case may be, over the period of transaction. Money paid and received during the year is treated as lending and borrowing transactions.

SCHEDULE 17 SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS

3.5 Advances

Bank follows the prudential norms formulated by Reserve Bank of India, from time to time, as to Assets Classification, Income Recognition, and provisioning thereon. Accordingly, all advances are being classified into standard, Special mentioned, substandard, doubtful and loss assets.

Advances are stated net of provision for non performing assets.

The Bank maintains provision on standard assets to cover potential credit losses which are inherent in any loan portfolio in accordance with RBI guidelines.

For entities with unhedged foreign currency exposure (UFCE), provision is made in accordance with guide lines issued by RBI which require ascertaining the amount of UFCE, estimating the extent of likely loss and estimating the riskiness of unhedged position.

These provisions for standard assets are classified under schedule 5 – Other Liabilities and Provisions in Balance sheet.

3.6 Fixed Assets and Depreciation:

Fixed Assets are accounted for at cost less accumulated depreciation, amortization and accumulated impairment losses, if any. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the asset. The appreciation on revaluation is credited to 'Premises Revaluation Reserve' Account. On disposal of revalued premises, the amount standing to the credit of the Premises Revaluation Reserve is transferred to Capital Reserve. Depreciation attributable to the enhanced value is transferred from Premises Revaluation Reserve to the credit of depreciation in the profit and loss account.

Depreciation is provided as per straight-line method from the date of addition over the estimated useful life of the asset. Depreciation on assets sold during the year is charged to the profit and loss account up to the date of sale. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter, then the depreciation is provided at a higher rate based on management's estimate of the useful life/remaining useful life.

The depreciation rates applied on fixed assets are in accordance with the rates prescribed in Schedule II of the Companies Act, 2013 however in case of exceptions it is duly supported by technical advice.

The estimated useful lives for the current and comparative years are as follows:

Buildings	30 years
Leasehold improvements	depreciated over the primary lease term.
Furniture and equipment	10 years
Computers	3 years
Vehicles	8 years

The Bank assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Bank estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss account. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

3.7 Employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Bank has no obligation, other than the contribution payable to the provident fund. The Bank recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

The Bank operates one defined benefit plans for its employees, viz., gratuity plan. The costs of providing benefit under the plan are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in the profit and loss account.

The Bank treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the profit and loss account and are not deferred.

Employees who have joined Doha Bank QSC under merger scheme with HBCB Bank Oman SAOG India Operations and Country Manager India are entitled to receive retirement benefits under the Bank's pension scheme. Pension is defined contribution plan under which the Bank contributes annually a specified sum of 15% of the employee's eligible annual basic salary to LIC of India.

3.8 Lease Transactions

Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating leases. Operating lease rentals are recognised as an expense on straight-line basis over the lease period.

The Bank has not undertaken any Finance leases.

3.9 Provision for Taxation

Income tax comprises the current tax (i.e. amount of tax for the period, determined in accordance with the Income Tax Act, 1961 and the rules framed there under) and the net change in the deferred tax asset or liability for the period (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Provision for current income-tax is recognized in accordance with the provisions of Indian Income Tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

SCHEDULE 17 SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS

The current tax, deferred tax charge or credit and the corresponding deferred tax liability or asset is recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty (supported by convincing evidence) of realization of such assets.

Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realized.

3.10 Provisions, Contingent Assets and Contingent Liabilities

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

i. A possible obligation, arising from a past event(s), the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain events not within the control of the Bank or

ii. Any present obligation that arise from past events but it is not recognized because:
   - It is not probable that an outflow of resource embodying economic benefits will be required to settle the obligation;
   - A reliable estimate of the amount of obligation cannot be made.

3.11 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

1. POST BALANCE SHEET SIGNIFICANT EVENT

RBI has sanctioned the Scheme of Amalgamation of Indian Branches of HSBC Bank Oman S.A.O.G. with Indian Branches of Doha Bank QSC under section 44A of the Banking Regulation Act, 1949.

The Doha Bank QSC, Qatar has executed a Sale and Purchase Agreement (SPA) with HSBC Bank Oman S.A.O.G. on 16th April 2014 for purchase of India operations of HSBC Bank Oman S.A.O.G. on a going concern basis at a purchase consideration of Rs 1,276,000,000. Such scheme of amalgamation, as per RBI's approval vide letter dated 05 March 2015 would come into effect as at the close of the business on 31 March 2015. Accordingly, the said amalgamation has been given effect from 01 April 2015.

2.1 Ratio of Capital funds to Risk weighted assets of the Bank as at 31st March 2016 is as under:

Sr. No	Particulars	March 31, 2016	March 31, 2015
1	Common Equity Tier 1 Capital ratio (%)	48.19	163.23
2	Tier I Capital ratio (%)	48.19	163.23
3	Tier II Capital ratio (%)	0.07	–
4	Total Capital ratio (CRAR) (%)	48.26	163.23
5	Percentage of the shareholding of the Government of India in public sector banks	N.A.	N.A.
6	Amount of equity capital raised	N.A.	N.A.
7	Amount of additional Tier I capital raised; of which		
	PNCPS:	Nil	Nil
	PDI:	Nil	Nil
8	Amount of Tier II capital raised;		
	Of which		
	Debt capital instrument:		
	Preference Share Capital Instruments: [Perpetual Cumulative Preference Shares (PCPS)/Redeemable	Nil	Nil
	Non-Cumulative Preference Shares (RNCPS)/ Redeemable Cumulative Preference Shares (RCPS)]	Nil	Nil

Sr. No	Particulars	March 31, 2016	March 31, 2015
1	CRAR (%) (As per Basel II)	48.26	163.23
2	CRAR Tier I Capital (%)	48.19	163.23
3	CRAR Tier II Capital (%)	0.07	N.A

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SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.2 Liquidity Coverage Ratio (LCR)

2.2.1 Qualitative disclosure around LCR

The Reserve Bank of India has prescribed monitoring of sufficiency of Bank's liquid assets using Basel III – Liquidity Coverage Ratio (LCR). The LCR is aimed at measuring and promoting short-term resilience of banks to potential liquidity disruptions by ensuring maintenance of sufficient high quality liquid assets (HQLAs) to survive an acute stress scenario lasting for 30 days.

The LCR requirement has been introduced in a phased manner with banks required to maintain minimum LCR of 60% till Dec 2015 and the 70% from Jan 2016 onwards. The requirement will be increasing by 10% annually to 100% by Jan 2019.

The ratio comprises of high quality liquid assets (HQLAs) as numerator and net cash outflows in 30 days as denominator. HQLA has been divided into two parts i.e. Level 1 HQLA which comprises of primarily cash, excess CRR, excess SLR and a portion of mandatory SLR as permitted by RBI (under MSF and FALLCR). Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by the outflow run-off rates and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by the rates at which they are expected to flow in.

The Bank has implemented the LCR framework and has consistently maintained LCR well above the regulatory threshold.

2.2.2 Qualitative disclosure around LCR

The table below highlights the position of LCR computed based on simple average of month end position for each quarter:

Rs '000

		Avg Q4 2015-16		Avg Q3 2015-16		Avg Q2 2015-16		Avg Q1 2015-16		Avg Q4 2014-15	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets										
1.	Total High Quality Liquid Assets (HQLA)		338,914		346,779		383,823		415,464		106,750
	Cash Flow										
2	**Retail deposits and deposits from small business customers, of which**	2,396,291	239,629	1,896,684	189,668	1,577,373	157,737	1,290,362	129,036	461	46
i.	**Stable Deposits**	–	–	–	–	–	–	–	–	–	–
ii.	**Less stable deposits**	2,396,291	239,629	1,896,684	189,668	1,577,373	157,737	1,290,362	129,036	461	46
3	Unsecured wholesale funding, of which	388,932	301,692	268,971	190,268	148,867	91,908	87,825	54,800	–	–
i.	Operation deposits (all counterparties)	–	–	–	–	–	–	–	–	–	–
ii.	Non – operational deposits (all counterparties)	388,922	301,692	268,971	190,268	148,867	91,908	87,825	54,800	–	–
iii.	Unsecured debt	–	–	–	–	–	–	–	–	–	–
4	Secured Wholesale funding	–	–	–	–	–	–	–	–	–	–
5	**Additional requirements, of which**	550,050	27,503	451,970	22,599	930,667	46,533	600,000	30,000	–	–
i.	**Outflows related to derivative exposures and other collateral requirements**	–	–	–	–					–	–
ii.	**Outflows related to loss of funding on debt products**	–	–	–	–					–	–
iii.	**Credit and liquidity facilities**	550,050	27,503	451,970	22,599	930,667	46,533	600,000	30,000	–	–
6	**Other contractual funding obligations**	258,052	258,052	18,669	18,669	19,957	19,957	17,243	17,243	8,306	8,306
7	**Other contingent funding obligations**	185,174	5,555	32,019	1,601	8,767	438	–	–	–	–
8	**Total Cash Flow**		832,431		422,805		316,573		231,079		8,352
	Cash Inflows										
9	**Secured lending (e.g. reverse repos)**	–	–	–	–					–	–
10	**Inflows from fully performing exposures**	811,759	405,880	498,394	249,197	352,946	176,473	–	–	–	–
11	**Other cash inflows**	1,307,481	855,634	1,781,557	1,022,304	2,101,803	1,154,203	1,508,643	786,259	–	–
12	**Total Cash inflows**	2,119,240	1,261,514	2,279,951	1,271,501	2,454,749	1,330,676	1,508,643	786,259	–	–
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
21	**Total HQLA**	–	338,914		346,779		383,823		415,464	–	106,750
22	**25% of Total Cash Outflows**	–	208,108		105,701		79,143		57,770	–	8,352
23	**Liquidity Coverage Ratio (%)**	–	163	–	328		485		719	–	1,278

Note: LCR for the quarter end March 2015 had been computed based on the guidelines applicable at that point in time. Subsequently there have been amendments in RBI guidelines w.e.f April 2015. Hence, the previous year end numbers are not comparable with current financial year.

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SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.3 Capital comprises of the following:

Rs '000

	March 31, 2016	March 31, 2015
Capital from Head Office	3,042,002	3,042,002

2.4 Business Ratios are as under:

Particulars	March 31, 2016	March 31, 2015
Interest income as a percentage to working funds*	7.10%	6.56%
Non-Interest income as a percentage to working funds	2.10%	–
Operating profit / (loss) as a percentage to working funds	0.80%	1.27%
Return on assets* (net profit as a percentage to total assets)	2.64%	0.73%
Business (deposit plus net advances) per employee (Rs. in '000)	67,385	103.28
Profit /(Loss) per employee (Rs. in '000)	2,260	911.45

* Determined on the basis of circulars issued by the Reserve Bank of India.

2.5 Investments:

Rs '000

Sr. No	Items	March 31, 2016	March 31, 2015
1	Value of Investments:		
	(i) Gross Value of Investments.		
	(a) In India	1,304,647	210,212
	(b) Outside India	–	–
	(ii) Provisions for Depreciation		
	(a) In India	–	198
	(b) Outside India	–	–
	(iii) Net Value of Investments.		
	(a) In India	1,304,647	210,014
	(b) Outside India	–	–
2	Movement of Provisions held towards Depreciation on Investments.		
	(i) Opening Balance	198	–
	(ii) Add: Provisions made during the period	6838	198
	(iii) Less: Write-off / Write back of excess during the period	(7,036)	–
	(iv) Closing Balance	–	198

2.6 Particulars of Repo transactions including those with RBI under LAF (in face value terms)

Rs '000

	Minimum Outstanding During The Year	Maximum Outstanding During The Year	Daily Average Outstanding During The Year	As On 31st March, 2016
Securities sold under repos				
Government Securities	41,600	41,600	114	–
Corporate debt Securities	–	–	–	–
Securities purchased under Reverse repos.				
Government Securities	10,400	582,400	18,044	–
Corporate debt Securities	–	–	–	–

SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.7 Non-SLR Investment Portfolio:

i. Issuer composition of Non SLR investments

(Rs. '000)

No. (1)	Issuer (2)	Amount (3)	Extent of Private Placement (4)	Extent of 'Below Investment Grade Securities (5)	Extent of 'Unrated' Securities (6)	Extent of 'Unlisted' Securities (7)
(i)	Public Sector Undertakings*	–	–	–	–	–
(ii)	Financial Institutions	–	–	–	–	–
(iii)	Banks	–	–	–	–	–
(iv)	Private Corporate	–	–	–	–	–
(v)	Subsidiaries / Joint Ventures	–	–	–	–	–
(vi)	Others	545,107	545,107	–	–	545,107
(vii)	Provision held towards depreciation	–	–	–	–	–
	Total	**545,107**	**545,107**	**–**	**–**	**545,107**

* Deposits with SIDBI
# Amounts reported under columns (4), (5), (6) and (7) are not mutually exclusive.

ii. Non performing Non-SLR Investments as at 31st March 2016 are Nil (P.Y.: Nil)

2.8 Sale and transfers to/from HTM Category:

During the peiod, there was no redemption or sale of any category of securities.

2.9 Derivatives

2.9.1 Forward Rate Agreement/Interest Rate Swap

The Bank has not dealt with any Forward Rate Agreements (FRA) /Interest Rate Swaps (IRS) and hence the disclosure on the same and risk exposure on derivatives is not applicable.

2.9.2 Exchange Traded Interest Rate Derivatives

The Bank does not deal in exchange traded rate derivatives.

2.9.3 Disclosure on Risk Exposure in Derivatives

Qualitative Disclosure

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

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

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

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

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

Risk Measurement

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

Risk Reporting and Risk monitoring systems:

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

- VAR
- Net Open Position
- AGL/IGL
- Stop loss limits

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

The Bank has the following policy paper in place, and approved by its Head Office;

i) Treasury Manual.
ii) Asset-Liability Management (ALM) policy.

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

Accounting Policy:0

All outstanding derivatives transactions are booked as off-balance sheet items. The trading positions are revalued on a Marked to Market basis whereas the hedging deals follow the accrual basis of accounting.

SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Quantitative Disclosures

(Rs '000)

Particulars	Currency Derivatives*		Interest Rate Derivatives	
	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
(i) Derivatives (Notional Principle Amount)				
(a) For Hedging	99,255	–	N.A.	N.A.
(b) For Trading	629,953	–	N.A.	N.A.
(ii) Marked to Market Positions [1]				
(a) Assets (+)	576	–	N.A.	N.A.
(b) Liability (-)	46	–	N.A.	N.A.
(iii) Credit Exposure [2]	15,160	–	N.A.	N.A.
(iv) Likely Impact of one percentage change in interest rate (100*PV01)				
(a) On hedging derivatives	N.A.	N.A.	N.A.	N.A.
(b) On trading derivatives	N.A.	N.A.	N.A.	N.A.
(v) Maximum and Minimum of 100*PV01 observed during the year				
(a) On hedging	N.A.	N.A.	N.A.	N.A.
(b) On trading				

* Currency Derivatives represents forward foreign exchange contracts

2.10 Asset Quality

i. Non-Performing Assets

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
(i) Net NPAs to Net Advances (%)	–	–
(ii) Movement of NPAs (Gross)	–	–
(a) Opening balance	–	–
(b) Additions during the period	–	–
(c) Reductions during the period	–	–
(d) Closing balance	–	–
(iii) Movement of Net NPAs	–	–
(a) Opening balance	–	–
(b) Additions during the period	–	–
(c) Reductions during the period	–	–
(d) Closing balance	–	–
(iv) Movement of Provision for NPAs (excluding provisions on standard assets)	–	–
(a) Opening balance	–	–
(b) Provisions made during the period	–	–
(c) Write – off /write –back of excess provisions	–	–
(d) Closing balance	–	–

ii. Particulars of Accounts Restructured:

No assets were subject to restructuring (including corporate debt restructuring) during the period.

iii. Details of Financial Assets sold to securitization/reconstruction Company for Assets Reconstruction

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
(i) No. of Accounts	–	
(ii) Aggregate value (Net of Provisions) of accounts sold to SC/RC	–	
(iii) Aggregate Consideration	–	
(iv) Additional Consideration realized in respect of accounts transferred in earlier years	–	
(v) Aggregate gain/loss over net book value	–	

Particulars	Backed by NPAs sold by the bank as underlying		Backed by NPAs sold by other bank / financial institutions/non banking financial companies as underlying		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Book value of investments in security receipts	Nil	Nil	Nil	Nil	Nil	Nil

SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

iv. Details of non-performing financial assets purchased/sold

A. Details of non-performing financial assets purchased:

(Rs '000)

	Particulars	March 31, 2016	March 31, 2015
1.	(a) No. of accounts purchased during the period	–	–
	(b) Aggregate outstanding	–	–
2.	(a) Of these, number of accounts restructured during the period	–	–
	(b) Aggregate outstanding	–	–

B. Details of non-performing financial assets sold:

(Rs '000)

	Particulars	March 31, 2016	March 31, 2015
1.	No. of accounts sold	–	–
2.	Aggregate outstanding	–	–
3.	Aggregate consideration received	–	–

v. Quantum of excess provision reversed to the profit and loss account on account of sale of NPA's: Nil

vi. Provisions on Standard Asset:

(Rs '000)

Sr. No.	Particulars	March 31, 2016	March 31, 2015
1	Provision towards Standard Assets.	14,085	–

2.11 Asset Liability Management:

Maturity pattern as at 31st March 2016

(Rs. '000)

Maturity buckets	Investment Securities	Loans and Advances	Deposits	Borrowings	Foreign currency	
					Assets	Liabilities
1 Day	–	–	8,398	300,000	1,269,276	–
2 to 7 Days	–	600,000	53,121	–	–	4,638
8 Days to 14 Days	50,116	200,665	93,245	397,530	–	399,809
15 days to 28 Days	248,992	210,959	47,464	–	–	15,330
29 Days to 3 months	98,905	1,716,394	146,476	250,000	–	53,210
Over 3 months to 6 months	–	29	320,087	–	–	81,210
Over 6 months to 1 year	544,814	9	648,586	–	66,300	193,369
Over 1 year to 3 year	–	14,628	1,355,722	–	–	25,360
Over 3 years to 5 year	101,060	603,029	324,419	–	–	20,674
Over 5 years	260,760	87,903	29,270	–	–	–
Total	**1,304,647**	**3,433,616**	**3,026,788**	**947,530**	**1,335,576**	**793,600**

Maturity pattern as at 31st March 2015

(Rs. '000)

Maturity buckets	Investment Securities	Loans and Advances	Deposits	Borrowings	Foreign currency	
					Assets	Liabilities
1 Day	–	–	7	–	–	–
2 to 7 Days	–	–	42	–	–	–
8 Days to 14 Days	–	–	49	–	–	–
15 Days to 28 Days	–	–	–	–	–	–
29 Days to 3 months		–	–	–	–	–
Over 3 months to 6 months	1,373	–	–	–	–	–
Over 6 months to 1 year	–	–	–	–	–	–
Over 1 year to 3 year	–	–	1,141	–	–	–
Over 3 years to 5 year	–	–	–	–	–	–
Over 5 year	208,641	–	–	–	–	–
Total	**210,014**	**–**	**1,239**	**–**	**–**	**–**

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

SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.12 Exposure

i. Exposure to Real Estate:

(Rs '000)

	Category	March 31, 2016	March 31, 2015
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 securities exposures-	–	–
	a. Residential,	–	–
	b. Commercial Real Estate	–	–
b)	Indirect Exposure*	–	–
	Fund Based and Non-Fund based exposures on		
	(i) National Housing Bank (NHB)	–	–
	(ii) Housing Finance Companies (HFCs)	–	–
	Total Exposure to Real Estate Sector	–	–

ii. Exposure to Capital Market:

(Rs '000)

	Details of exposure to capital market	March 31, 2016	March 31, 2015
i)	Direct Investments in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	–	–
ii)	Advances against shares, bonds, debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPS), convertible bonds, convertible debentures and units of equity oriented mutual funds	–	–
iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	–	–
iv)	Advances for any other purposes to the extent secured by collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/ convertible debentures /units of equity oriented mutual funds does not fully cover the advances	–	–
v)	Secured and unsecured advances to stockbrokers & guarantees issued on behalf of stockbrokers and market makers	–	–
vi)	Loans sanctioned to Corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	–	–
vii)	Bridge loans to companies against expected equity flows/issues	–	–
viii)	Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	–	–
ix)	Financing to stockbrokers for margin trading	–	–
x)	All exposures to venture capital funds (both registered & unregistered)	–	–
	Total Exposure to Capital Market	–	–

2.13 Risk Category wise Country Exposure:

(Rs. '000)

Risk Category	Exposure (Net) as at 31st March, 2016	Provision as at 31st March, 2016	Exposure (Net) as at 31st March, 2015	Provision as at 31st March, 2015
Insignificant	103,290	–	–	–
Low	1,033,912	650	–	–
Moderate	–	–	–	–
High	–	–	–	–
Very High	–	–	–	–
Restricted	–	–	–	–
Off Credit	–	–	–	–
TOTAL	**1,137,202**	**650**	–	–

SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.14 Details of Single / Group Borrower limit exceeded by the Bank:

During the period ended March 31, 2016 the Bank has not exceeded the exposure ceiling fixed by RBI to Individual / Group borrowers.

2.15 Unsecured Advances

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Total Advances against intangible securities such as charge over the rights, licenses, authority etc.	–	–
Estimated Value of intangible collateral such as charge over the rights, licenses, authority etc.	–	–

2.16 Penalties imposed by RBI:

The RBI has not imposed any penalty on the Bank during the period ended March 31, 2016.

2.17 Amount of Provisions made for Income-tax during the period:

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Tax expenses		
Current year	3,831	15,107
Previous year	(102,396)	–
	(98,565)	15,107
Deferred tax	4,164	(7,179)
Total	**(94,401)**	**7,928**

2.18 Break-up of provision and contingencies for the period ended

(Rs '000)

	Particulars	March 31, 2016	March 31, 2015
i)	Provision made towards income tax (including deferred tax)	(94,401)	7,928
ii)	Provision /(write back) for diminution in value of Investment	(198)	198
iii)	Provision for Country Risk Exposure	650	–
iv)	General Provision on standard assets	13,505	–
	Total	**(80,444)**	**8,126**

2.19 Floating provision

Bank has not made floating provision for the period ended March 31, 2016.

2.20 Disclosure of Fees / Remuneration Received in respect of Bancassurance Business:

(Rs '000)

	Particulars	March 31, 2016	March 31, 2015
i)	Fee / Remuneration from Life Insurance Business	–	–
ii)	Fee / Remuneration from General Insurance Business	–	–

2.21 Drawdown from Reserves:

There has been no draw down from reserves during the period ended March 31, 2016

3. Disclosure Requirement as per Accounting Standards where RBI has issued guidelines in respect of disclosure items for 'Notes to Accounts':

3.1 Disclosures under AS -15 on employee benefits

Defined Contribution Plans:

Employer's contribution recognized and charged off for the period to defined contribution plans are as under:

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Provident Fund	4,237	1,121

Defined Benefit Plans

The Bank operates only one defined plans, viz., gratuity, for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The following table sets out the status of the defined benefit Gratuity Plan as required under Accounting Standard 15.

SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Change in the present value of the defined benefit obligation

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Opening defined benefit obligation at 1st April	628	–
Current Service cost	1,029	628
Interest cost	50	–
Actuarial losses/ (gains)	(1,169)	–
Past Service Cost (Amortised)	–	–
Liability Transfer in	4,512	–
Benefits paid	(689)	–
Closing defined benefit obligation	**4,361**	**628**

Change in the plan assets

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Fair Value Of Plan Assets At The Beginning Of The Period	–	–
Expected Return On Plan Assets	–	–
Contributions	502	–
Transfer From Other Company	4,044	–
(Transfer To Other Company)	–	
(Benefit Paid From The Fund)	(689)	–
Actuarial Gains/(Losses) On Plan Assets	187	–
Fair Value Of Plan Assets At The End Of The Period	**4,044**	**–**

Reconciliation of present value of the obligations and fair value of the plan assets

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Present value of funded obligation at 31st March	4,361	628
Fair value of plan assets at 31st March	(4,044)	–
Deficit / (Surplus)	–	–
Net Liability / (Asset)	**317**	**628**

Net cost recognized in the profit and loss account

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Current Service Cost	1,029	628
Interest Cost	50	–
(Expected Return On Plan Assets)	–	
Actuarial (Gains)/Losses	(1,356)	–
Past Service Cost [Non-Vested Benefit] Recognized During The Period	–	–
Past Service Cost [Vested Benefit] Recognized During The Period	–	–
Transitional Liability Recognized During The Period	–	–
Expense Recognized In P&L	**(277)**	**628**

Reconciliation of Expected return and actual return on planned assets

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Expected return on plan assets	–	NA
Actuarial gain / (loss) on plan assets	187	NA
Actual return on plan assets	187	NA

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SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Reconciliation of opening and closing net liability / (asset) recognized in balance sheet

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Opening net liability as at 1st April	628	–
Expenses as recognised in profit & loss account	(277)	628
Employers contribution	(502)	–
Net Liability/(Asset) Transfer In	468	
Net liability / (asset) recognised in balance sheet	**317**	**628**

Key Actuarial Assumptions

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Discount rate (Current)	8.04%	7.99%
Future salary increases	5%	10%
Mortality Rate	India Assured Life Mortality (2006-08) ultimate	India Assured Life Mortality (2006-08) ultimate
Attrition Rate	2%	2%

The estimates of future salary increases, considered in the actuarial valuation, take into account inflation, security, promotion and other relevant factors.

3.2 Segment Reporting:

In line with RBI guidelines, the Bank has identified "Treasury", Corporate Banking", and Retails Banking as the primary reporting segments.

Treasury activity comprises trading in bonds, derivatives and foreign exchange operations for customers and to manage the resultant risk exposure. Treasury includes income from investment portfolio, profit / loss on sale of investments, profit / loss on foreign exchange transactions, income from derivatives, money market operations and balance sheet management.

Corporate Banking primarily comprises corporate banking, trade finance and institutional banking. Revenue for the segment are derived from interest and fee income on loans and advances, float income and fee base income for non funded transactions.

The expense of both segments comprises funding cost, personal cost and other direct and allocated overheads.

Retail Banking activities comprises lending to individuals and raisings of deposits.

The segment wise distribution of revenue, results and assets as on March 31, 2016 given below:

(Rs.000)

Business Segments	Treasury Banking	Corporate / Wholesale Banking	Retail Banking	Total
Particulars				
Revenue	**181,987**	**184,752**	**12,382**	**379,121**
Result	**9,174**	**20,076**	**(31,311)**	**(2,061)**
Unallocated expenses				–
Operating profit				**(2,061)**
Income taxes				**94,401**
Extraordinary profit / loss				**22,924**
Net profit				**115,264**
Other information:				
Segment assets	**3,118,501**	**3,437,175**	**10,661**	**6,566,337**
Unallocated assets				686,552
Total assets				**7,252,889**
Segment liabilities	**1,282,522**	**14,967**	**2,709,722**	**4,007,211**
Unallocated liabilities				3,245,678
Total liabilities				**7,252,889**

In year 2015, the allocable items of revenue, result and assets are less than 10% of total revenue result and assets; the Bank has in line with RBI guidelines, identified one "other Banking Business" as the primary reporting segment. Hence comparative disclosure of last year has been not given.

Geographical segments: The Bank is a branch of a bank incorporated in Qatar and does not have its own overseas operations and operates only in the domestic segment.

SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.3 Related Party Disclosures:

Related party disclosures as required by Accounting Standard 18 – 'Related Party Disclosure' prescribed by the Companies (Accounting Standard Rules 2006 (CASR) and in accordance with the guidelines issued by Reserve Bank of India are given below:

Relationship during the period

a) Head office and branches

Doha Bank QSC, Qatar is the Head Office of the Bank and its branches

b) Subsidiaries

The outstanding exposures with subsidiaries as on 31st March 2016 is given below

(Rs '000)

Name of Related Parties	Deposits	Loans
DBFS Finance And Leasing (I) Ltd	**31**	**86**
DBFS Securities Ltd	**2,047**	**–**
	2,078	**86**

• There is no exposure to subsidiaries as on 31st March 2015

c) Key Management Personnel

The Country Manager – India: G. Pattabiraman

3.4 Leases

The Bank has entered into operating lease for its premises. The agreement provides for cancellation (which is 31st May, 2020) and escalation (which is 15% every three years). There are no sub-leases.

The future minimum lease payments under non-cancellable lease as determined by the lease agreements for each of the period are as under

(Rs '000)

Minimum future lease payments	March 31, 2016	March 31, 2015
Up to 6 months	22,681	21,000
6 months to 1years	24,175	21,000
1 year to 5 years	225,172	185,850
TOTAL	**272,028**	**227,850**

Lease payment of Rs 43,979 (thousands) towards premises during the period is recognized in Profit & Loss Account on straight line basis over the contractual period of the lease agreement.

3.5 Deferred Tax Assets/Liabilities:

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Deferred Tax Assets		
Lease rental provision	7,007	6,782
Retirement Benefits	982	982
Standard loan provision	5,675	–
Commission on guarantees received in advance	371	–
Total	**14,035**	**7,764**
Deferred Tax Liability		
Differential Depreciation on Fixed Assets	11,020	585
Total	**11,020**	**585**
Net Deferred Tax Asset/(Liability)	**3,015**	**7,179**

3.6 Fixed Assets:

The following table sets forth, for the periods indicated, the movement in software acquired by the Bank, as included in fixed assets

Particulars	March 31, 2016	March 31, 2015
	21	–
Additions during the period	54,805	21
Deductions during the period	–	–
Accumulated depreciation at 31st March	7,544	3
Closing balance at 31st March	**47,282**	**18**
Depreciation charge for the period	7,541	3

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SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.7 Impairment of Assets:

There is no impairment of assets as such no provision is required in terms of AS 28 on “Impairment of Assets”.

3.8 Contingent liabilities

Claims against the Bank not acknowledged as debts:

The Bank is a party to various legal proceedings in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank’s financial conditions, results of operations or cash flows.

Liability on account of forward exchange and derivatives contracts:

The Bank enters into foreign exchange contracts and currency swaps with inter- bank participants on its own account and for customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. Currency swaps are commitments to exchange cash flows by way of interest/principal in one currency against another, based on predetermined rates.

Guarantees given on behalf of Constituents, Acceptances, Endorsements and Other:

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

Other items for which the Bank is contingently liable:

The Bank is a party to various taxation matters in respect of which appeals are pending. In view of sale of Banking Business, the management had provided for the disputed Income Tax liabilities for the previous years during financial year 2012-13 which was considered as contingent liabilities till financial year 2011-12

4. Additional Disclosures

4.1 Disclosures of complaints

1. Customer Complaints

a)	No. of complaints pending at the beginning of the year.	Nil
b)	No. of complaints received during the year.	1
c)	No. of complaints redressed during the year.	1
d)	No. of complaints pending at the end of the year.	Nil

2. Awards passed by the Banking Ombudsman

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

4.2 Disclosure of Letters of Comfort (LoCs) issued by Bank

The Bank has not issued any Letter of Comfort during the period ended March 31, 2016.

4.3 Provision Coverage Ratio: Not applicable

4.4 Concentration of Deposits, Advances, Exposures and NPAs

i. Concentration of Deposits

(Rs ’000)

Particulars	March 31, 2016	March 31, 2015
Total Deposits of twenty largest depositors	750,337	1,239
Percentage of Deposits of twenty largest depositors to total deposits of the Bank	24.79%	100%

ii. Concentration of Advances

(Rs ’000)

Particulars	March 31, 2016	March 31, 2015
Total Advances to twenty largest borrowers	3,431,980	–
Percentage of Advances to twenty largest borrowers to total Advances of the Bank	99.95%	N.A

SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

iii. Concentration of Exposures

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Total Advances to twenty largest borrowers/customers	4,140,898	–
Percentage of Exposure to twenty largest borrowers / customers to total Exposures of the Bank on borrowers/customers	99.96%	N.A

iv. Concentration of NPAs

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Total Exposure to top four NPA accounts	–	–

4.5 Sector-wise Advances

(Rs '000)

SR. No.	Sector	March 31, 2016			March 31, 2015		
		O/s Adv	Gross NPA	% Gross NPA to Adv in that sector	O/s Adv	Gross NPA	% Gross NPA to Adv in that sector
A	**Priority Sector**						
	Agriculture and allied activities	180,000	–	–	–	–	–
	Advances to industries sector eligible as priority sector lending	–	–	–	–	–	–
	Services	420,000	–	–	–	–	–
	Personal loans	–	–	–	–	–	–
	Sub Total (A)	600,000	–	–	–	–	–
B	**Non Priority Sector**						
	Agriculture and allied activities	–	–	–	–	–	–
	Advances to industries sector eligible as priority sector lending	1,891,281	–	–	–	–	–
	Services	918,196	–	–	–	–	–
	Personal loans	24,139	–	–	–	–	–
	Sub Total (B)	2,833,616	–	–	–	–	–
	Total (A+B)	3,433,616	–	–	–	–	–

4.6 Movement of NPAs

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Gross NPAs as on 1st April of particular year (Opening Balance)	–	–
Addition (Fresh NPAs) during the period	–	–
Sub-total (A)	–	–
Less: (i) Up gradations	–	–
(ii) Recoveries (excluding recoveries made from upgraded accounts)	–	–
(iii) Write-offs	–	–
Sub-total (B)	–	–
Gross NPAs as on 31st March of following year (Closing Balance) (A-B)	–	–

4.7 Overseas Assets, NPAs and Revenue

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Total Assets	–	–
Total NPAs	–	–
Total Revenue	–	–

4.8 Off-Balance sheet SPVs sponsored

Name of the SPV sponsored			
Domestic		Overseas	
March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Nil	Nil	Nil	Nil

SCHEDULE 18 – NOTES FORMING PART OF THE FINANCIAL STATEMENTS

4.9 Unamortized Pension and Gratuity Liabilities

There are no unamortized Pension and Gratuity

4.10 Disclosure on Remuneration

In terms of guidelines issued by RBI vide circular no. DBOD No. BC. 72/29.67.001/2011-12 dated 13th Jan 2012 on "Compensation of Wholetime Directors/Chief Executive Officers/ Risk takers and Control function staff, etc.", the disclosure on remuneration of bank is as follows.

Description	Response	
Qualitative Disclosures		
(a) Information relating to the composition and mandate of the Remuneration Committee.	Not applicable as remuneration and nomination committee is held at Head office, Qatar	
(b) Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.	Personnel Policies and Procedures Manual for India operations is under preparation.	
(c) Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.	Doha Bank is in preparation of risk and performance management system to capture, monitor and control the risk created by its business activities.	
(d) Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.	The bank takes into account the performance of the staff members as well as the performance of India operations to determine the annual increments and performance bonus amounts.	
(e) A discussion of the bank's policy on deferral and vesting of variable remuneration and a discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.	Not Applicable for India Operations.	
(f) Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the bank utilizes and the rationale for using these different forms.	The variable remuneration is only in the form of payment to the staff members and bank has not issued any shares, ESOPs, etc.	
	Current Year	**Previous Year**
Quantitative disclosures		
(g) Number of meetings held by the Remuneration Committee during the financial year and remuneration paid to its members.	Not Applicable for India Operations.	Not Applicable for India Operations.
(h) (i) Number of employees having received a variable remuneration award during the financial year.	Nil	Nil
(ii) Number and total amount of sign-on awards made during the financial year.	Nil	Nil
(iii) Details of guaranteed bonus, if any, paid as joining/ sign on bonus	Nil	Nil
(iv) Details of severance pay, in addition to accrued benefits, if any.	Nil	Nil
(i) (i) Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	Nil	Nil
(ii) Total amount of deferred remuneration paid out in the financial year.	Nil	Nil
(j) Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	Fixed Rs. 9.45 Mio Variable Nil	Fixed Rs. 7.13 Mio Variable Nil
(k) (i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments.	Nil	Nil
(ii) Total amount of reductions during the financial year due to ex- post explicit adjustments.	Nil	Nil
(iii) Total amount of reductions during the financial year due to ex- post implicit adjustments.	Nil	Nil

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4.11 Disclosures relating to Securitization

The Bank did not have Securitization Expenses during the period ended 31 March 2016.

4.12 Credit Default Swaps

The Bank has not dealt in Credit Default Swaps during the year ended March 31, 2016.

4.13 Intra Group Exposure:

The Bank has intra group exposure Rs. 86 thousand on the borrower and Rs. 33.61 crores (11.10% of total deposits, including deposit received from HO in vostro account with Branch) on customers.

4.14 Transfers to Depositor Education and Awareness Fund (DEAF)

Reserve Bank of India advised all the Banks in India to transfer the deposits remaining unclaimed by the customers for more than 10 years as of 30th June 2014 to a new fund set by RBI under the title "Depositor Education and Awareness Fund (DEAF)". Further all the banks have been advised to transfer as of the end of every month to the above fund on any deposit remaining unclaimed for more than 10 years.

During the year there was no transfer to the Depositor Education and Awareness Fund

(Rs '000)

Particulars	March 31, 2016	March 31, 2015
Opening balance of amounts transferred to DEAF	–	–
Add : Amounts transferred to DEAF during the year	**9,736**	–
Less : Amounts reimbursed by DEAF towards claims	–	–
Closing balance of amounts transferred to DEAF	**9,736**	–

4.15 Unhedged Foreign Currency Exposure

The Bank has ascertained that none of the borrower has exposure to foreign currency, hence incremental provision and capital towards the risk is Nil.

4.16 The expense in excess of 1% of the total income included in the "Other Expenditure"

Particulars	2015-16	2014-15
Subscription and Membership	4,902	–

4.17 The income in excess of 1% of the total income included in the "Miscellaneous Income"

Particulars	2015-16	2014-15
Bad Debts Recovered	25,540	–
Profit on sale of Property	22,924	–

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

5. Based on the available information, there are no outstanding dues towards principal amount or interest thereon remaining unpaid to any supplier covered under Micro, Small and Medium Enterprises Development Act, 2006 as at the end of accounting year. Further, no interest was due or payable by the Bank to any supplier during the year under the provisions of the said Act.

6. Previous year's figures have been regrouped where necessary to conform to current year classification.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

Sd/-
Amit Kabra
Partner
Membership No. 094533

For Doha Bank QSC – India Operations

Sd/-
G. Pattabiraman
Country Manager - India

June 29, 2016, Gurgaon

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DOHA BANK QSC – INDIA OPERATIONS

DISCLOSURES UNDER PILLAR 3 OF THE CAPITAL ADEQUACY FRAMEWORK (BASEL III GUIDELINES) FOR THE YEAR ENDED 31ST MARCH 2016

1. Introduction

Doha Bank Q.S.C is an entity domiciled in the State of Qatar and was incorporated on March 15, 1979 as a Joint Stock Company under Emiri Decree No. 51 of 1978. The commercial registration of the Bank is 7115. The address of the Bank's registered office is Doha Bank Tower, Corniche Street, West Bay, P.O. Box 3818, Doha Qatar.

The India branch of Doha Bank Q.S.C ("Doha Bank" or the "Bank") started since June 10th, 2014. The registered office of the branch is Sakhar Bhavan, Ground Floor, Plot No. 230, Block No. III, Backbay, Reclamation, Nariman Point, Mumbai -400021, Maharashtra State, India.

The Financial Statements for the period ended March 31, 2016 comprises the accounts of the India Branches of the Doha Bank Q.S.C ("Doha bank or the "Bank").

2. Scope of Application

The Basel III disclosure contained herein relate to the Indian branches of Doha Bank QSC (the Bank) for the year ended 31st March 2016. These are the primarily in the context of the disclosure required under Annexure 18 – Pillar 3 disclosure requirements of the Reserve Bank of India (The RBI) Master Circular - Basel III capital regulation dated 1st July 2015. The Bank has implemented the requirement laid down by RBI for Pillar 3 disclosure, covering both the quantitative and qualitative items. The information provided has been reviewed by senior management and is in accordance with the guidelines prescribed by the RBI. All table DF reference relate to those mentioned in annexure 18 - pillar 3 of above mentioned circular.

Qualitative and Quantitative disclosure as per DF 1

The Bank does not have any reportable interest in subsidiaries/associates/ joint venture or insurance entities. As such this disclosure is not applicable to the Bank.

3. Capital Adequacy

Qualitative Disclosures as per DF2:

The capital to risk weighted asset ratio (CRAR) of the Bank is 48.26% as of March 31, 2016 computed under Basel III norms, higher than minimum regulatory CRAR requirement of 9.625% including capital conservation buffer (CCB) of 0.625%.

The bank's capital management approach is driven by its desire to maintain a strong capital base to support the development of its business and to meet regulatory capital requirements at all times.

It is overseen by the Bank's local Assets and Liability Committee (ALCO) which is reporting to Global ALCO. It has process for assessing its overall capital adequacy in relation to the risk profile. The bank has developed a comprehensive Internal Capital Adequacy Assessment Process (ICAAP). The Bank has appointed an Independent Chartered Accountant firm to validate the ICAAP documents for financial Year 2015-16.

The Bank's ICAAP document covers the capital management framework of the bank, sets the process for the assessment of the adequacy of capital to support current and future activities / risk and report on the capital projection for period 3 years. This framework is supplemented by the existing stress testing framework which is an integral part of ICAAP.

In the normal course of event, management reviews the adequacy of capital quarterly or with increased frequency, if circumstances demand. The capital requirement of the bank is assessed after considering bank's business model as well as opportunity for growth in India.

The capital assessment by the bank factors in the credit, operational and market risk associated with its current and future activities as well as the effective management of these risks to optimise the utilisation of capital.

Quantitative Disclosure as per table DF 2:

A Summary of the bank's capital requirement for credit, market and operational risk and capital adequacy ratio as on March 31, 2016 is presented below:

Details	Risk Weighted Assets
Capital requirement for credit risk (Standardized approach)	244,409
On balance sheet exposure	229,288
Off balance sheet exposure	
Non market related	13,662
Market related	1,459
Capital requirement for market risk (Standardized duration approach)	362,504
Interest rate risk	61,723
Foreign exchange risk	300,781
Equity risk	–
Capital requirement for operational risk (Basic Indicator approach)	17,790
Total capital requirements	**624,703**
Total Risk Weighted Assets of the Bank	
Credit risk	2,539,312
Market risk	184,833
Operational risk	376,6273
CET 1 capital	3,127,965
Additional Tier 1 capital	–
Total Tier 1 capital	**3,127,965**
Tier 2 capital	**4,675**
Total regulatory capital	**3,132,640**
CET1 / Tier 1 Capital ratio	**48.19%**
Tier 1 Capital ratio	**48.19%**
Total capital ratio	**48.26%**

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The Composition of the Capital structure as on March 31, 2016:

Particulars	Rs. in '000
Paid up Capital (Funds from Head Office)	3,042,002
Statutory Reserve	31,550
Capital Reserve representing surplus arising out of sale proceeds of assets	22,924
Balance in Profit & Loss Account	71,727
Regulatory Adjustment to CET I	(40,238)
CET 1 Capital	**3,127,965**
Additional Tier 1 Capital	–
Total Tier 1 Capital	3,127,965
	3,127,965
Tier 2 Capital	4,675
Restricted to 1.25% of Credit Risk	31,741
Whichever is lower, so allowed	**4,675**
Total regulatory capital	**3,132,640**

4. **Risk Exposure And Assessment**

The Bank has identified the following risks as material to its nature of operations:

- ✓ Credit Risk
- ✓ Market Risk
- ✓ Operational Risk
- ✓ Interest Rate Risk in the Banking Book
- ✓ Liquidity Risk

Risk Management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. Risk Management policies and systems are established to identify and analyze risks faced by the Bank. Doha Bank's Risk Management Group (RMG) operates through an independent enterprise-wide risk management framework. RMG consistently and continually monitors risks and processes across the organization to identify, assess, measure, manage and report on potential threats that could impact the achievement of Bank's objectives to optimize its risk management framework.

Risk Management policies, models, tools and systems are regularly reviewed to improve the framework and reflect market changes. The RMG is also independently empowered to escalate issues directly to the Board and Audit, Risk and Compliance Committee. Implementation of the Risk Management framework is entrusted to a highly competent team and is controlled and implemented through various senior level management committees chaired by the CEO - mainly in Credit, Operational Risk, Investment and Asset and Liability Committees. In addition, the Board level committees viz. Audit, Risk and Compliance Committee, reviews the observations and findings of internal auditors, external auditors, compliance and the regulators to prevent deviations.

Credit Risk: General Disclosure

Qualitative disclosure as per table DF 3

This refers to risk arising from the potential that an obligor is either unwilling to honor his/her obligation or has become unable to meet such obligation, which leads to economic loss to the bank or the possibility of losses associated with diminution in the credit quality of borrowers or counter parties and/or in the value of the collateral held by the Bank as security. Identification, measurement and management of risk are strategic priorities for the Bank and its credit risk is managed by a thorough and well structured credit assessment process complemented with appropriate collaterals wherever necessary and continuous monitoring of the advances at account and portfolio levels.

Credit Risk Management (CRM) Structure:

The CRM function is independent of the business functions. Such functions include policy formulation, underwriting and limit setting, exposure and exception monitoring, reporting, custody and monitoring of documentation, input of credit limits, classification of advances, remedial asset management, recovery of delinquent loan and determination of provision requirements.

The key objectives of CRM are to ensure:

- Bank-wide credit risks are identified, assessed, mitigated (wherever possible), monitored and reported on a continuous basis at customer and portfolio level;
- The Bank's exposure is within the risk appetite limits established and approved by the Board of Directors, which covers group and single obligor limits, borrower ratings, portfolio analysis, counter party limits and concentration of the limits to effectively measure and manage its credit risk;
- Review and assessment of credit exposures in accordance with the authorization structure and limits prior to facilities being committed to customers;
- Ensure completion of documentation and security creation as per approval terms before release of credit facilities to the clients. Monitoring the concentration of exposure to industry sectors, geographic locations and counter parties;
- Proactive and dynamic monitoring of the accounts as to the quality of the assets and to spot any adverse features/warning signs which can eventually lead to deterioration in the recovery prospects Engage the Business Units at an early stage itself to take corrective steps so that the exposure does not become unmanageable. Review of compliance with exposure limits agreed for counter parties, industries and countries, on an ongoing basis, and review of limits in accordance with the risk management strategy and market trends;
- Prior to launching of new products, vetting the business proposals from risk perspective especially in light of delinquent reports.

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Although the overall responsibility for managing the risks at macro level lies with the Board, the responsibility for identifying risk in Bank's credit exposure is entrusted to the Management Credit Committee. The Management Credit Committee shall review and decide on the following:

- The extent to which the Bank should assume credit risk, taking into account the capital base, the Bank's ability to absorb losses, the risk reward ratio, probability of default etc;
- The credit portfolio, including concentration trends, provisions, quality of portfolio and requirements vis à vis credit strategy and risk appetite;
- Portfolio concentration limits against Regulatory and Internal Limits set for counterparties, industry sectors, geographic regions, foreign country or class of countries, and classes of security;
- Business strategies to ensure consistency with the Bank's business/growth plan and other asset/liability management considerations;
- Significant delinquent credits (watch list and under settlement accounts) and follow up actions taken to safeguard the interests of the Bank;
- Adequacy of loan loss provisioning requirements.
- Establishment of an authorization structure and limits for the approval and renewal of credit facilities;
- Detailed credit policies, procedures and guidelines, proper segregation of duties, well defined authority matrix for credit approval and periodic audit and examinations by internal and external auditors to ensure that a rigorous environment of checks and balances exist within the Bank.

Credit quality

The Bank's credit risk systems and processes differentiate exposures in order to highlight those with greater risk factors and higher potential severity of loss.

Special attention is paid to problem exposures in order to accelerate remedial action. The Bank uses a Remedial Asset Management unit under the Credit Risk Department adopts corrective action on delinquent credits so as to recover the bank dues.

Impairment assessment

It is the Bank's policy to create allowances for impaired loans promptly and consistently.

Maximum exposure to credit risk

The Bank's exposure to credit risk is spread across a broad range of asset classes, including derivatives, loans and advances to customers, loans and advances to banks, and financial investments.

Concentration of exposure

Exposure to a person, company or group (the Single Borrower Lending Limit) is restricted to maximum 15% of the Bank's regulatory net worth or 10% of the Bank's regulatory net worth for related parties, subject to any regulatory dispensations.

Credit quality of financial instruments

All loans and advances in the Bank are classified according to asset quality. Standard accounts include all facilities which demonstrate good financial condition, risk factors and capacity to pay in line with the original terms of sanction.

Quantitative disclosure as per table DF 3

Total gross credit risk exposures including geographic distribution of exposure as on March 31, 2016. **(Rs. in '000)**

Particulars	Domestic	Overseas	Total
Fund Based	5,983,613	1,269,276	7,252,889
Non Fund Based*	200,180	95,000	295,180
Total	**6,183,793**	**1,364,276**	**7,548,069**

*Non fund based exposure are Guarantee given on behalf of Constituents and Acceptances and Endorsement.

Residual Contractual maturity breaks down of Assets **(Rs. in '000)**

MATURITY BUCKETS	Cash balances with RBI and other Banks	Investment Securities	Loans and Advances	Other Assets including fixed assets
1 Day	591,094	–	–	9
2 TO 7 Days	995,738	–	600,000	–
8 TO 14 Days	3,467	50,116	200,665	–
15 to 28 days	1,469	248,992	210,959	16,116
29 days to 3 months	4,265	98,905	1716,394	9,010
Over 3 months upto 6 months	10,922	–	29	3,500
over 6 months upto 12 months	20,895	544,814	9	74,416
Over 1 year to 3 years	61,892	–	14,628	1,721
Over 3 years to 5 years	13,888	101,060	603,029	–
Over 5 years	1,338	260,760	87,903	704,886
Total	**1,704,968**	**1,304,647**	**3,433,616**	**809,658**

Movement of NPAs and Provision for NPAs

Not applicable as Bank does not have any NPAs.

DISCLOSURES UNDER PILLAR 3 OF THE CAPITAL ADEQUACY FRAMEWORK (BASEL III GUIDELINES) FOR THE YEAR ENDED 31ST MARCH 2016

Movement of Provision for Depreciation on Investment **(Rs. in '000)**

Opening Balance	**198**
Add: Provisions made during the year	6,838
Less: Write back of excess provisions	(7,036)
Closing Balance	–

Credit Risk: Portfolios under the standardised approach:

Qualitative Disclosures as per table DF 4

The Bank uses external rating agencies that are approved by the RBI for capital adequacy, viz, CRISIL, ICRA, and CARE for domestic exposures and S&P, Moody's and Fitch for overseas exposures.

The Bank also has an independent internal ratings model. These internal ratings are used for ascertaining credit worthiness of a client, setting internal prudential limits, determining pricings etc. The internal and external ratings do not have a one to one mapping and for the purpose of calculation of the capital for the credit risk under the standardized approach, the external ratings are used.

Quantitative Disclosures as per table DF 4

The exposure under each credit risk category is as follows: **(Rs. in '000)**

Risk Bucket	Amount
Below 100% Risk Weight	6,285,510
100% risk weight	917,082
More than 100% risk weight	–
	7,202,592

Credit Risk Mitigation: Disclosures for standardised approaches

Qualitative Disclosures as per table DF 5

It is the policy of the bank to obtain collaterals for all corporate credits, unless the business case warrants clean lending. Collaterals stipulated are usually mortgages, charge over business, stock and debtors, financial instruments. Cash Security is however recognized only as a fallback option and repayment of facilities are primarily sought from the cash flow of the borrower's business. However, collateral may be an important mitigant of risk. The bank has adopted norms of valuation of collateral as stipulated in the prudential guidelines of RBI.

Quantitative Disclosures as per table DF 5

The total exposure covered by eligible financial collateral after application of haircuts as March 31, 2016 is given below:

Advances covered by Financial collateral	Amount
Exposure before Credit Risk Mitigation	14,191
Exposure after Credit Risk Mitigation	–

Exposure e covered by guarantees	Amount
Funded exposure covered by Guarantees*	–
Non Funded exposure covered by Guarantees*	–

Securitisation: disclosure for standardised approach as per table DF 6

Not applicable as the Bank has not undertaken any securitization transaction during the current period.

Market risks in the trading book

Qualitative disclosures as per table DF 7

Market Risk: This is the risk of loss arising from unexpected changes in financial indicators, including interest rates, exchange rates, bonds, equities and commodity prices. Bank has an active Management Information System to keep the Management and Investment Committees informed about the changes in market risk on the investments book. The prominent risks affecting the Bank are currency, interest rate and equity price risk.

The principal objective of market risk management of non-trading portfolios is to optimise net interest income. Market risk in non-trading portfolios arises principally from mismatches between the future yield on assets and their funding cost as a result of interest rate changes. Analysis of this risk is complicated by having to make behavioural assumptions regarding the economic duration of liabilities which are contractually repayable on demand, for example, current accounts. ALCO regularly reviews that these portfolios are managed within pre-approved interest rate risk limits.

Management of market risks

The Bank separates its exposure to market risk between trading and non-trading portfolios. Trading portfolios include positions arising from market making and proprietary positions together with financial assets and liabilities that are managed on a fair value basis. The management has set in place various limits as tool to control the risk and it is monitored by Head Office.

Overall authority for market risk is vested in ALCO. Risk Management is responsible for the development of detailed risk management policies, subject to review and approval by ALCO/Board and for the day-to-day review of their implementation. As a risk control mechanism limits are put in place for foreign exchange open positions. Positions are managed and monitored on an on going basis by the Treasury. Periodical reporting is made to ALCO who deliberate on the issue and give necessary guidance to Treasury.

Stress testing: Bank wide stress tests form an integral part of the risk review process and provide sufficient insight into the financial health and risk profile of the bank. Stress tests also provide early warning signs of potential threats to the Bank's capital. Doha Bank adopts a comprehensive stress testing framework in line with RBI circulars.

In particular the bank measures the impact of different stress scenarios on its capital adequacy ratio, net interest margin, profit after tax, return on assets, liquidity asset ratio and additional liquidity requirements.

The capital requirements for market risk are as follows:

Particulars	(Rs. in '000)
Interest Rate Risk	61,723
Equity position risk	–
Commodities position risk	–
Foreign Exchange risk	300,781
Total	**362,504**

Operational Risk:

Qualitative disclosures as per table DF 8:

Operational Risk: Operational Risk is the risk of loss arising from inadequate or failed internal processes, people and systems, or from external events. The Bank follows Head office's detailed policies and procedures and Operational Risk Management tools that are regularly updated to ensure a robust internal control mechanism for the Bank. The Bank is closely reviewing the various recommendations issued by the Basel Committee on 'Sound Practices for the Management and Supervision of Operational Risk' for implementation. The Bank continues to invest in risk management and mitigation strategies, such as a robust control infrastructure, business continuity management or through risk transfer mechanisms such as insurance and outsourcing.

The Bank has a well defined operational risk framework at Head office and an independent operational risk function. The Head of Operational Risk is a member of the Operational Risk Management Committee and reports to the Head of Risk Management. The Operational Risk Management Committee oversees the implementation of an effective risk management framework that encompasses appropriate systems, practices, policies and procedures to ensure the effectiveness of risk identification, measurement, assessment, reporting and monitoring within the group.

In addition, the Internal Audit department of Head Office carries out an independent assessment of the actual functioning of the overall Operational Risk Management Framework. Each business segment must implement an operational risk process which is consistent with the requirements of this framework.

The process of Operational Risk Management includes the following steps:

- Effective staff training, documented processes/ procedures with appropriate controls to safeguard assets and records, regular reconciliation of accounts and transactions, process of introducing new products, reviews of outsourcing activities, information system security, segregation of duties, financial management and reporting are some of the measures adopted by Doha Bank to manage the Bank wide operational risk;
- Reporting of any risk event (losses, near misses and potential losses), which is used to help identify where process and control requirements are needed to reduce the recurrence of risk events. Risk events are analyzed, reported, mitigated, recorded on a central database and reported quarterly to the Board of Directors;
- The Bank's blanket insurance policy adequately covers high severity losses and stress losses. measures adopted by Doha Bank to manage the Bankwide operational risk;
- Reporting of any risk event (losses, near misses and potential losses), which is used to help identify where process and control requirements are needed to reduce the recurrence of risk events. Risk events are analyzed, reported, mitigated, recorded on a central database and reported quarterly to the Board of Directors;

Interest rate risk in the banking book (IRRBB)

Qualitative disclosure as per table DF 9

Interest Rate Risk: This risk largely arises due to the probability of changes in interest rates, which may affect the value of financial instruments or future profitability. The Bank is exposed to interest rate risk as a result of mismatches or gaps in the quantum of Assets and Liabilities and Off Balance Sheet instruments that mature or reprice in a given period. Since most of the Bank's financial assets such as loans and advances contain an option to reprice, majority of the bank's interest rate risk is hedged naturally due to simultaneous repricing of deposits and loans.

Quantitative Disclosures as per table DF 9

As per stress tests prescribed by Reserve Bank of India, the impact of an incremental 200 basis points parallel fall or rise in all yield curves at the beginning of the year on net interest income for the next 12 months amounts to Rs 4,989 thousand.

General disclosure for exposures related to counter party credit risk

Qualitative disclosure as per table DF 10

The banks has stipulated limit as per the norms on exposure stipulated by the RBI for both fund and non fund based product including derivatives. Limits are set as per the percentage of the capital fund and monitored. The utilisation against specified limits is reported to the credit committee on a periodic basis. The analysis of the composition of the portfolio is presented to the local management committee on a half yearly basis.

Credit control department monitors the credit excess (including Fx / derivatives exceeding approve limit) on daily basis. The credit exposure arising on account of interest rate and foreign exchange derivatives transaction is computed using the "current exposure method" as laid down by RBI.

Exposure to central counterparty arising from over the counter derivative trades, exchange traded derivatives transaction and security financing transaction (SFTs) attracts capital charges applicable to central counter party.

Applicable risk weight for trades guaranteed by central counterparties which recognised as Qualifying Central Counter Party (QCCP) by the RBI or SEBI, are comparatively lower than OTC deals.

In India, preasently there are four QCCPs namely Clearing Corporation of India (CCIL), National Securities Clearing Corporation Ltd (NSCCL), India Clearing Corporation Ltd (ICCL) and MCX – SX Clearing Corporation Ltd (MCX – SX CCL). These CCPs are subjected, on an ongoing basis, to rules and regulation that are consistent with CPSS – IOSCO Principal for Financial Market Infrastructures

Bank has computed the incurred Credit Valuation adjustment (CVA) loss as per Basel III master circular and same has been considered for reduction in derivative exposure computation.

Quantitative disclosure as per table DF 10

The derivative exposure outstanding as on March 31, 2016 is given below

Type	Notional Amount	Positive MTM	Potential Future Exposure	Exposure as per current exposure Method
Foreign Exchange Contract	629,953	576	12,599	13,175
Cross Currency Swap (including USD/INR Swaps)	99,255	–	1,985	1,985
Total	**729,208**	**576**	**14,584**	**15,160**

The capital requirement for default credit as per current exposure method is Rs. Nil as at March 31, 2016

(Rs. in '000)

Table DF-11 : Composition of Capital as on March 31, 2016

	Basel III common disclosure template to be used during the transition of regulatory adjustments		Amounts Subject to Pre-Basel III Treatment	Ref No.
Common Equity Tier 1 capital: instruments and reserves				
1	Directly issued qualifying common share capital plus related stock surplus (share premium) (Funds from Head Office)	30,42,002	–	
2	Retained earnings	71,727	–	
3	Accumulated other comprehensive income (and other reserves)	54,474	–	
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	–	–	
	Public sector capital injections grandfathered until January 1, 2018	–	–	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	–	–	
6	Common Equity Tier 1 capital before regulatory adjustments	3,168,203	–	
Common Equity Tier 1 capital : regulatory adjustments				
7	Prudential valuation adjustments	–	–	
8	Goodwill (net of related tax liability)	–	–	
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	(37,825)	–	
10	Deferred tax assets	(2,413)	–	
11	Cash-flow hedge reserve	–	–	
12	Shortfall of provisions to expected losses	–	–	
13	Securitisation gain on sale	–	–	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	–	–	
15	Defined-benefit pension fund net assets	–	–	
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)	–	–	
17	Reciprocal cross-holdings in common equity	–	–	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	–	–	
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	–	–	
20	Mortgage servicing rights(amount above 10% threshold)	N.A.	–	

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(Rs. in '000)

Table DF-11: Composition of Capital as on March 31, 2016				
Basel III common disclosure template to be used during the transition of regulatory adjustments			Amounts Subject to Pre-Basel III Treatment	Ref No.
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		–	
22	Amount exceeding the 15% threshold		–	
23	of which : significant investments in the common stock of financial entities		–	
24	of which : mortgage servicing rights		–	
25	of which : deferred tax assets arising from temporary differences		–	
26	National specific regulatory adjustments (26a+26b+26c+26d)	–	–	
26a	of which : Investments in the equity capital of unconsolidated insurance subsidiaries	–	–	
26b	of which : Investments in the equity capital of unconsolidated non-financial subsidiaries	–	–	
26c	of which : Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	–	–	
26d	of which : Unamortised pension funds expenditures	–	–	
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	–	–	
	of which : [INSERT TYPE OF ADJUSTMENT] For example: filtering out of unrealised losses on AFS debt securities (not relevant in Indian context)	–	–	
	of which : [INSERT TYPE OF ADJUSTMENT]	–	–	
	of which : [INSERT TYPE OF ADJUSTMENT]	–	–	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	–	–	
28	**Total regulatory adjustments to Common equity Tier 1**	**(40,238)**	–	
29	**Common Equity Tier 1 capital (CET1)**	**3,127,965**	–	
Additional Tier 1 capital : instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)	–	–	
31	of which : classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	–	–	
32	of which : classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	–	–	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	–	–	
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	–	–	
35	of which : instruments issued by subsidiaries subject to phase out	–	–	
36	Additional Tier 1 capital before regulatory adjustments	–	–	
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments	–	–	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	–	–	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	–	–	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–	–	
41	Notional specific regulatory adjustments (41a+41b)	–	–	
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	–	–	
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	–	–	
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	–	–	
	of which : [INSERT TYPE OF ADJUSTMENT e.g. DTAs]	–	–	
	of which : [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 1 at 50%]	–	–	
	of which : [INSERT TYPE OF ADJUSTMENT]	–	–	

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(Rs. in '000)

	Table DF-11: Composition of Capital as on March 31, 2016			
	Basel III common disclosure template to be used during the transition of regulatory adjustments		**Amounts Subject to Pre-Basel III Treatment**	**Ref No.**
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	–	–	
43	Total regulatory adjustments to Additional Tier 1 capital	–	–	
44	Additional Tier 1 capital (AT1)	–	–	
44a	**Additional Tier 1 capital reckoned for capital adequacy**	–	–	
45	**Tier 1 capital (T1 = CET1 + Admissible AT1) (29 + 44a)**	**3,127,965**	–	
Tier 2 capital : instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	–	–	
47	Directly issued capital instruments subject to phase out from Tier 2	–	–	
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	–	–	
49	of which : instruments issued by subsidiaries subject to phase out	–	–	
50	Provisions	10,059	–	
51	**Tier 2 capital before regulatory adjustments**	**10,059**	–	
Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments	–	–	
53	Reciprocal cross-holdings in Tier 2 instruments	–	–	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	–	–	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–	–	
56	Notional specific regulatory adjustments (56a+56b)	–	–	
56a	of which : Investments in the Tier 2 capital of unconsolidated insurance subsidiaries	–	–	
56b	of which : Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	–	–	
	Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment	5,384	–	
	of which : [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 2 at 50%]	–	–	
	of which : [INSERT TYPE OF ADJUSTMENT	–	–	
57	Total regulatory adjustments to Tier 2 capital	5,384	–	
58	Tier 2 capital (T2)	4,675	–	
58a	Tier 2 capital reckoned for capital adequacy	4,675	–	
58b	Excess Additional Tier 1 capital reckoned as Tier 2 capital	–	–	
58c	Total Tier 2 capital admissible for capital adequacy (58a + 58b)	4,675	–	
59	Total capital (TC = T1 + Admissible T2) (45 + 58c)	3,132,640	–	
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment	–	–	
	of which : [INSERT TYPE OF ADJUSTMENT]	–	–	
	of which: …	–	–	
60	**Total risk weighted assets (60a + 60b + 60c)**	**6,490,418**	–	
60a	of which : total credit risk weighted assets	**2,539,312**	–	
60b	of which : total market risk weighted assets	**3,766,273**	–	
60c	of which : total operational risk weighted assets	**184,833**	–	
Capital ratios				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	**48.19%**	–	
62	Tier 1 (as a percentage of risk weighted assets)	**48.19%**	–	
63	Total capital (as a percentage of risk weighted assets)	**48.26%**	–	

DISCLOSURES UNDER PILLAR 3 OF THE CAPITAL ADEQUACY FRAMEWORK (BASEL III GUIDELINES) FOR THE YEAR ENDED 31ST MARCH 2016

(Rs. in '000)

Table DF-11: Composition of Capital as on March 31, 2016				
Basel III common disclosure template to be used during the transition of regulatory adjustments			**Amounts Subject to Pre-Basel III Treatment**	**Ref No.**
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	–	–	
65	of which : capital conservation buffer requirement	–	–	
66	of which : bank specific countercyclical buffer requirement	–	–	
67	of which : G-SIB buffer requirement	–	–	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	–	–	
National minima (if different from Basel III)				
69	Notional Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.50%	–	
70	Notional Tier 1 minimum ratio (if different from Basel III minimum)	7.00%	–	
71	Notional total capital minimum ratio (if different from Basel III minimum)	9.00%	–	
Amounts below the thresholds for deduction (before risk weighting)				
72	Non-significant investments in the capital of other financial entities	–	–	
73	Significant investments in the common stock of financial entities	–	–	
74	Mortgage servicing rights (net of related tax liability)	N.A.	–	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	N.A.	–	
Applicable caps on the inclusion of provisions in Tier 2				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	4,675	–	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	–	–	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	–	–	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	–	–	
Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2022)				
-	Current cap on CET1 instruments subject to phase out arrangements	N.A.	–	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	N.A.	–	
82	Current cap on AT1 instruments subject to phase out arrangements	–	–	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–	–	
84	Current cap on T2 instruments subject to phase out arrangements	–	–	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	–	–	

Composition of Capital – Reconciliation requirement as per table DF 12

Step 1

(Rs. in '000)

			Balance sheet as in published financial statements As at 31.03.2016	Under regulatory scope of consolidation As at 31.03.2016
A		**Capital & Liabilities**		
		Paid-up Capital (funds from HO)	3,042,002	3,042,002
		Reserves & Surplus	132,845	132,845
		Total Capital	3,174,847	3,174,847
	ii.	Deposits	3,026,788	3,026,788
		of which : Deposits from banks	334,039	334,039
		of which : Customer deposits	2,692,749	2,692,749
		of which : Other deposits (pl. specify)	–	–

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DISCLOSURES UNDER PILLAR 3 OF THE CAPITAL ADEQUACY FRAMEWORK (BASEL III GUIDELINES) FOR THE YEAR ENDED 31ST MARCH 2016

(Rs. in '000)

			Balance sheet as in published financial statements	Under regulatory scope of consolidation
			As at 31.03.2016	As at 31.03.2016
	iii.	Borrowings	947,530	947,530
		of which : From RBI	–	–
		of which : From banks	947,530	947,530
		of which : From other institutions & agencies	–	–
		of which : Others (pl. specify)	–	–
		of which : Capital instruments	–	–
	iv.	Other liabilities & provisions	103,724	103,724
			7,252,889	**7,252,889**
	B Assets			
	i.	Cash and balances with Reserve Bank of India	214,782	214,782
		Balance with banks and money at call and short notice	1,490,186	1,490,186
	ii.	Investments :	1,304,647	1,304,647
		of which : Government securities	759,540	759,540
		of which : Other approved securities	–	–
		of which : Shares	–	–
		of which : Debentures & Bonds	545,107	545,107
		of which : Subsidiaries / Joint Ventures / Associates	–	–
		of which: Others (Commercial Papers, Mutual Funds etc.)	–	–
	iii.	Loans and advances	3,433,616	3,433,616
		of which : Loans and advances to banks	–	–
		of which : Loans and advances to customers	3,433,616	3,433,616
	iv.	Fixed assets	470,565	470,565
	v.	Other assets	339,093	339,093
		of which : Goodwill and intangible assets	–	–
		of which : Deferred tax assets	3,015	3,015
	vi.	Goodwill on consolidation	–	-
	vii.	Debit balance in Profit & Loss account	-	-
			7,252,889	**7,252,889**

Composition of Capital – Reconciliation requirement as per table DF 12

Step 2

(Rs. in '000)

			Balance sheet as in published financial statements	Under regulatory scope of consolidation
			As at 31.03.2016	As at 31.03.2016)
A	**Capital & Liabilities**			
		Paid-up Capital (funds from HO Paid-up HO)	3,042,002	3,042,002
		Reserves & Surplus	132,845	132,845
		Total Capital	3,174,847	3,174,847
	ii.	Deposits	3,026,788	3,026,788
		of which : Deposits from banks	334,039	334,039
		of which : Customer deposits	2,692,749	2,692,749
		of which : Other deposits (pl. specify)	–	–
	iii.	Borrowings	947,530	947,530
		of which : From RBI	–	–
		of which : From banks	947,530	947,530
		of which : From other institutions & agencies	–	–
		of which : Others (pl. specify)	–	–
		of which : Capital instruments	–	–
	iv.	Other liabilities & provisions	103,724	103,724
			7,252,889	**7,252,889**

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DISCLOSURES UNDER PILLAR 3 OF THE CAPITAL ADEQUACY FRAMEWORK (BASEL III GUIDELINES) FOR THE YEAR ENDED 31ST MARCH 2016

(Rs. in '000)

			Balance sheet as in published financial statements	Under regulatory scope of consolidation
			As at 31.03.2016	**As at 31.03.2016**
	Assets			
	i.	Cash and balances with Reserve Bank of India	214,782	214,782
		Balance with banks and money at call and short notice	1,490,186	1,490,186
	ii.	Investments :	1,304,647	1,304,647
		of which : Government securities	759,540	759,540
		of which : Other approved securities	–	–
		of which : Shares	–	–
		of which : Debentures & Bonds	545,107	545,107
		of which : Subsidiaries / Joint Ventures / Associates	–	–
		of which: Others (Commercial Papers, Mutual Funds etc.)	–	–
	iii.	Loans and advances	3,433,616	3,433,616
		of which : Loans and advances to banks	–	–
		of which : Loans and advances to customers	3,433,616	3,433,616
	iv.	Fixed assets	470,565	470,565
	v.	Other assets	339,093	339,093
		of which : Goodwill and intangible assets	–	–
		of which : Deferred tax assets	3,015	3,015
	vi.	Goodwill on consolidation	–	–
	vii.	Debit balance in Profit & Loss account	–	–
			7,252,889	**7,252,889**

Extract of Basel III common disclosure template (added column) – as per table DF 11

Step 3

(Rs. in '000)

Common Equity Tier 1 capital: instruments and reserves

		Component of regulatory capital reported by bank	Source based on reference numbers/letters of the balance sheet
1	Directly issued qualifying common share (and equivalent for non- joint stock companies) capital plus related stock surplus	3,042,002	–
2	Retained earnings	71,727	–
3	Accumulated other comprehensive income (and other reserves)	54,474	–
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	–	–
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	–	–
6	**Common Equity Tier 1 capital before regulatory adjustments**	**3,168,203**	–
7	Prudential valuation adjustments	–	–
8	Goodwill (net of related tax liability)	–	–
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	(37,825)	–
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	(2,413)	–
11	Regulatory adjustments applied to Common Equity Tier 1 and Tier 2 to cover deductions	–	–
	Common Equity Tier 1 capital (CET1)	**3,127,965**	–
	Main feature of regulatory capital instrument as per table DF 13		

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DISCLOSURES UNDER PILLAR 3 OF THE CAPITAL ADEQUACY FRAMEWORK (BASEL III GUIDELINES) FOR THE YEAR ENDED 31ST MARCH 2016

Disclosure template for main features of regulatory capital instruments

1	Issuer	Not Applicable
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	Not Applicable
3	Governing law(s) of the instrument	Not Applicable
	Regulatory treatment	
4	Transitional Basel III rules	Not Applicable
5	Post-transitional Basel III rules	Not Applicable
6	Eligible at solo/group/ group & solo	Not Applicable
7	Instrument type	Not Applicable
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	Not Applicable
9	Par value of instrument	Not Applicable
10	Accounting classification	Not Applicable
11	Original date of issuance	Not Applicable
12	Perpetual or dated	Not Applicable
13	Original maturity date	Not Applicable
14	Issuer call subject to prior supervisory approval	Not Applicable
15	Optional call date, contingent call dates and redemption amount	Not Applicable
16	Subsequent call dates, if applicable	Not Applicable
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Not Applicable
18	Coupon rate and any related index	Not Applicable
19	Existence of a dividend stopper	Not Applicable
20	Fully discretionary, partially discretionary or mandatory	Not Applicable
21	Existence of step up or other incentive to redeem	Not Applicable
22	Noncumulative or cumulative	Not Applicable
23	Convertible or non-convertible	Not Applicable
24	If convertible, conversion trigger(s)	Not Applicable
25	If convertible, fully or partially	Not Applicable
26	If convertible, conversion rate	Not Applicable
27	If convertible, mandatory or optional conversion	Not Applicable
28	If convertible, specify instrument type convertible into	Not Applicable
29	If convertible, specify issuer of instrument it converts into	Not Applicable
30	Write-down feature	Not Applicable
31	If write-down, write-down trigger(s)	Not Applicable
32	If write-down, full or partial	Not Applicable
33	If write-down, permanent or temporary	Not Applicable
34	If temporary write-down, description of write-up mechanism	Not Applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not Applicable
36	Non-compliant transitioned features	Not Applicable
37	If yes, specify non-compliant features	Not Applicable

Composition of capital disclosure template (Capital Structure)

Common equity tier 1 capital

Primarily comprises of interest free capital fund received from head office, statutory reserve, capital reserve, general reserve and remittable surplus retained for meeting capital adequacy requirement.

Additional Tier I Capital

The bank does not have any additional tier I capital

Tier II capital

Tier II capital mainly comprises of the subordinated debt raised from head office, investment reserve, provision country risk, provision towards standard assets (including derivatives and unhedged foreign currency exposure)

Quantitative disclosure as per table DF 11, DF 12, DF 13 and DF 14

The composition of capital as on March 31, 2016 as per table DF 11, composition of capital – reconciliation requirement as March 31, 2016 (Step 1 to 3) as per table DF 12 and Main features of regulatory capital instrument as per table DF 13 are provided as separate annexure to this disclosure.

The bank has received only interest free capital funds from Head office. The terms and condition of the same already disclosed under DF 13.

The bank has not issued any regulatory capital instrument in India. Accordingly, no specific disclosure is required under DF 14.

Equities – Banking book position

Qualitative and Quantitative Disclosure as per table DF 16

The bank does not have any equity exposure and disclosure under this section is NIL

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DOHA BANK

DOHA BANK QSC – INDIA OPERATIONS

DISCLOSURES UNDER PILLAR 3 OF THE CAPITAL ADEQUACY FRAMEWORK (BASEL III GUIDELINES) FOR THE YEAR ENDED 31ST MARCH 2016

Leverage Ratio Disclosures

As on march 31, 2016 the leverage ratio is 41.65%. The summary comparison of accounting assets vs leverage ratio exposure measure as per table DF 17 and Leverage ratio common disclosure as per table DF 18 are provided as separate annexure to this disclosure.

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

	Item	**(Rs. in 000)**
1	Total consolidated assets as per published financial statements	7,252,889
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	–
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	–
4	Adjustments for derivative financial instruments	–
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	–
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	306,710
7	Other adjustments	–
8	Leverage ratio exposure	7,559,599

Table DF-18: Leverage ratio common disclosure template

	Item Leverage ratio framework	**(Rs. in 000)**
On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	7,252,889
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(50,297)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	7,202,592
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	576
5	Add-on amounts for PFE associated with all derivatives transactions	–
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	–
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	–
8	(Exempted CCP leg of client-cleared trade exposures)	–
9	Adjusted effective notional amount of written credit derivatives	–
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–
11	Total derivative exposures (sum of lines 4 to 10)	576
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	–
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	–
14	CCR exposure for SFT assets	–
15	Agent transaction exposures	–
16	Total securities financing transaction exposures (sum of lines 12 to 15)	–
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	1,024,508
18	(Adjustments for conversion to credit equivalent amounts)	(718,374)
19	Off-balance sheet items (sum of lines 17 and 18)	306,134
Capital and total exposures		
20	Tier 1 capital	3,127,965
21	Total exposures (sum of lines 3, 11, 16 and 19)	7,509,302
Leverage ratio		
22	Basel III leverage ratio	41.65%

For Doha Bank QSC – India Operations

Sd/-
G. Pattabiraman
Country Manager - India