

BNP PARIBAS -- INDIAN BRANCHES
(Incorporated in France with limited liability)

BALANCE SHEET AS AT MARCH 31, 2015
(Amounts in thousands of Indian Rupees)

| | <u>Schedule</u> | <u>As on</u> <u>March 31, 2015</u> | <u>As on</u> <u>March 31, 2014</u> |
|---|-----------------|---------------------------------------|---------------------------------------|
| <u>CAPITAL AND LIABILITIES</u> | | | |
| Capital | 1 | 19,186,861 | 19,186,861 |
| Reserves and Surplus | 2 | 16,999,804 | 14,045,959 |
| Deposits | 3 | 143,246,032 | 124,376,947 |
| Borrowings | 4 | 37,437,493 | 22,938,307 |
| Other Liabilities and Provisions | 5 | 71,980,491 | 107,036,816 |
| | | <u>288,850,681</u> | <u>287,584,890</u> |
| <u>ASSETS</u> | | | |
| Cash and balances with Reserve Bank of India | 6 | 8,589,848 | 7,221,045 |
| Balances with banks and Money at Call and Short Notice | 7 | 8,872,454 | 4,747,731 |
| Investments | 8 | 67,057,842 | 57,463,693 |
| Advances | 9 | 141,993,088 | 124,313,190 |
| Fixed Assets | 10 | 1,170,794 | 1,295,226 |
| Other Assets | 11 | 61,166,655 | 92,544,005 |
| | | <u>288,850,681</u> | <u>287,584,890</u> |
| Contingent Liabilities | 12 | <u>6,366,418,278</u> | <u>6,190,507,944</u> |
| Bills for Collection | | <u>54,124,346</u> | <u>31,351,714</u> |
| Significant Accounting Policies And Notes to the Financial Statements | 17 & 18 | | |

The accompanying schedules form an integral part of the Balance Sheet.

In terms of our report attached.

For **Kalyaniwalla & Mistry**

Chartered Accountants

Firm Reg. No. 104607W

For **BNP Paribas – Indian Branches**

Roshni R. Marfatia

Partner

Mem. No. 106548

Place : Mumbai

Date : June 25, 2015

Jacques Michel

Chief Executive Officer and Country Manager

Place : Mumbai

Date : June 25, 2015

Ivan Saldanha

Chief Operating Officer

Place : Mumbai

Date : June 25, 2015

BNP PARIBAS -- INDIAN BRANCHES
(Incorporated in France with limited liability)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2015
(Amounts in thousands of Indian Rupees)

| | <u>Schedule</u> | <u>For the year ended March 31, 2015</u> | <u>For the year ended March 31, 2014</u> |
|---|-----------------|--|--|
| <u>I. INCOME</u> | | | |
| Interest earned | 13 | 16,899,106 | 12,211,746 |
| Other Income | 14 | 3,407,595 | 2,603,266 |
| | | <u>20,306,701</u> | <u>14,815,012</u> |
| <u>II. EXPENDITURE</u> | | | |
| Interest expended | 15 | 9,960,095 | 6,966,946 |
| Operating expenses | 16 | 4,721,789 | 4,071,110 |
| Provisions and Contingencies (Refer Schedule 18 (30)) | | 2,642,716 | 1,825,573 |
| | | <u>17,324,600</u> | <u>12,863,629</u> |
| <u>III. PROFIT/(LOSS)</u> | | | |
| Net profit for the year | | 2,982,101 | 1,951,383 |
| Profit/(loss) brought forward from previous year | | - | - |
| | | <u>2,982,101</u> | <u>1,951,383</u> |
| <u>IV. APPROPRIATIONS</u> | | | |
| Transfer to Statutory Reserve | | 745,525 | 487,846 |
| Transfer to Investment Reserve Account | | 96 | 4,293 |
| Transfer to Remittable Surplus retained for Capital Adequacy | | - | 1,459,244 |
| Balance carried over to Balance Sheet | | 2,236,480 | - |
| | | <u>2,982,101</u> | <u>1,951,383</u> |
| Significant Accounting Policies And Notes to the Financial Statements | 17 & 18 | | |

The accompanying schedules form an integral part of the Profit and Loss Account.

In terms of our report attached.

For **Kalyaniwalla & Mistry**

Chartered Accountants

Firm Reg. No. 104607W

For **BNP Paribas – Indian Branches**

Roshni R. Marfatia

Partner

Mem. No. 106548

Place : Mumbai

Date : June 25, 2015

Jacques Michel

Chief Executive Officer and Country Manager

Place : Mumbai

Date : June 25, 2015

Ivan Saldanha

Chief Operating Officer

Place : Mumbai

Date : June 25, 2015

BNP PARIBAS -- INDIAN BRANCHES
(Incorporated in France with limited liability)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015
(Amounts in thousands of Indian Rupees)

| | <u>For the year ended</u> <u>March 31, 2015</u> | <u>For the year ended</u> <u>March 31, 2014</u> |
|--|--|--|
| <u>CASH FLOW FROM OPERATING ACTIVITIES</u> | | |
| Net profit before Taxes | 5,217,946 | 3,736,815 |
| Adjustment for: | | |
| Depreciation on Bank's property | 165,632 | 131,315 |
| Profit on sale of fixed assets | (365) | 795 |
| Provision for Non-Performing Assets (net) | (4,096) | - |
| Provision for Standard Assets | - | 51,858 |
| Provision for Unhedged Foreign Currency Exposures | 411,081 | - |
| Other Provisions | - | (1,630) |
| Provision for Depreciation on investments (net) | (114) | (10,087) |
| Adjustments for: | | |
| (Increase) / Decrease in Investments (net) | (9,593,646) | (11,810,220) |
| (Increase) / Decrease in Advances (net) | (17,676,191) | (46,940,274) |
| (Increase) / Decrease in Other Assets (net) | 31,392,167 | (31,832,566) |
| Increase / (Decrease) in Deposits (net) | 18,869,086 | 68,579,696 |
| Increase / (Decrease) in Other Liabilities and Provisions (net) | (35,274,387) | 31,751,641 |
| | <u>(6,492,886)</u> | <u>13,657,342</u> |
| Direct Taxes paid | (2,443,681) | (1,411,052) |
| Net Cash (used in) / from Operating activities | <u>(8,936,567)</u> | <u>12,246,290</u> |
| <u>CASH FLOW FROM INVESTING ACTIVITIES</u> | | |
| Purchase of Fixed Assets | (72,682) | (39,774) |
| Proceeds from sale of Fixed Assets | 3,589 | 4,952 |
| Net Cash used in Investing activities | <u>(69,093)</u> | <u>(34,822)</u> |
| <u>CASH FLOW FROM FINANCING ACTIVITIES</u> | | |
| Capital remitted from Head Office | - | 8,491,068 |
| Increase / (Decrease) in Borrowings (net) | 14,499,186 | (11,831,127) |
| Proceeds from issue / (repayment) of Subordinated Debts | - | (683,400) |
| Net Cash from / (used in) Financing activities | <u>14,499,186</u> | <u>(4,023,459)</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | <u>5,493,526</u> | <u>8,188,009</u> |
| Cash and cash equivalents at the beginning of the year as per Schedules 6 & 7 | 11,968,776 | 3,780,767 |
| Cash and cash equivalents at the end of the year as per Schedules 6 & 7 | 17,462,302 | 11,968,776 |

In terms of our report attached.

For **Kalyaniwalla & Mistry**
Chartered Accountants
Firm Reg. No. 104607W

For **BNP Paribas – Indian Branches**

Roshni R. Marfatia
Partner
Mem. No. 106548
Place : Mumbai
Date : June 25, 2015

Jacques Michel
Chief Executive Officer and Country Manager
Place : Mumbai
Date : June 25, 2015

Ivan Saldanha
Chief Operating Officer
Place : Mumbai
Date : June 25, 2015

BNP PARIBAS -- INDIAN BRANCHES
(Incorporated in France with limited liability)

SCHEDULES TO THE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR
ENDED MARCH 31, 2015

(Amounts in thousands of Indian Rupees)

| | <u>As on</u> <u>March 31, 2015</u> | <u>As on</u> <u>March 31, 2014</u> |
|--|---------------------------------------|---------------------------------------|
| SCHEDULE 1. CAPITAL | | |
| Head Office Account | | |
| Opening balance | 19,186,861 | 10,695,793 |
| Remittances received from Head Office during the year | - | 8,491,068 |
| Closing balance | <u>19,186,861</u> | <u>19,186,861</u> |
| Deposit kept with the RBI under Section 11(2)(b) of the Banking Regulation Act, 1949 | <u>3,550,000</u> | <u>3,200,000</u> |
| SCHEDULE 2. RESERVES AND SURPLUS | | |
| a. Statutory Reserve | | |
| Opening balance | 3,424,191 | 2,936,345 |
| Additions during the year | <u>745,525</u> | <u>487,846</u> |
| Closing balance | <u>4,169,716</u> | <u>3,424,191</u> |
| b. Capital Reserve | | |
| Opening balance | <u>144,027</u> | <u>144,027</u> |
| Closing balance | <u>144,027</u> | <u>144,027</u> |
| c. Remittable Surplus retained | | |
| Opening balance | 9,101,265 | 7,642,021 |
| Additions during the year | <u>-</u> | <u>1,459,244</u> |
| Closing balance | <u>9,101,265</u> | <u>9,101,265</u> |
| d. General Reserve | | |
| Opening balance | <u>183,320</u> | <u>183,320</u> |
| Closing balance | <u>183,320</u> | <u>183,320</u> |
| e. Revaluation Reserve (Refer Schedule 18 (24)) | | |
| Opening balance | 770,010 | 798,267 |
| Amortisation during the year | <u>(28,256)</u> | <u>(28,257)</u> |
| Closing balance | <u>741,754</u> | <u>770,010</u> |
| f. Investment Reserve Account | | |
| Opening balance | 423,146 | 418,853 |
| Additions during the year | <u>96</u> | <u>4,293</u> |
| Closing balance | <u>423,242</u> | <u>423,146</u> |
| g. Balance in Profit and Loss Account | | |
| | 2,236,480 | - |
| | <u>16,999,804</u> | <u>14,045,959</u> |

| | <u>As on</u> <u>March 31, 2015</u> | <u>As on</u> <u>March 31, 2014</u> |
|--|---------------------------------------|---------------------------------------|
| SCHEDULE 3. DEPOSITS | | |
| A.I. Demand Deposits | | |
| (i) From Banks | 356,091 | 76,829 |
| (ii) From Others | 22,947,270 | 17,139,447 |
| II. Savings Bank Deposits | 742,212 | 1,161,850 |
| III. Term Deposits | | |
| (i) From Banks | 9,319,615 | 3,085,550 |
| (ii) From Others | 109,880,844 | 102,913,271 |
| | <u>143,246,032</u> | <u>124,376,947</u> |
| B.I. Deposits of branches in India | 143,246,032 | 124,376,947 |
| II. Deposits of branches outside India | - | - |
| | <u>143,246,032</u> | <u>124,376,947</u> |
| SCHEDULE 4. BORROWINGS | | |
| I. Borrowings in India | | |
| (i) Reserve Bank of India | 28,990,000 | 15,100,000 |
| (ii) Other Banks | 1 | 51 |
| (iii) Other institutions and agencies | 1,500,000 | - |
| | <u>30,490,001</u> | <u>15,100,051</u> |
| II. Borrowings outside India | | |
| (i) Subordinated Debt from Head Office (Refer Schedule 18(43)) | 5,376,059 | 5,376,059 |
| (ii) Others | 1,571,433 | 2,462,197 |
| | <u>6,947,492</u> | <u>7,838,256</u> |
| Total I and II | <u>37,437,493</u> | <u>22,938,307</u> |
| Secured borrowings included in I and II above | <u>30,490,000</u> | <u>11,450,000</u> |
| SCHEDULE 5. OTHER LIABILITIES AND PROVISIONS | | |
| I. Bills Payable | 438,986 | 474,548 |
| II. Inter-office adjustments (net) | - | - |
| III. Interest accrued | 1,315,323 | 1,447,047 |
| IV. Provision for tax (net of advance tax) | 825,211 | 1,018,230 |
| V. Others* (Including provisions) | 69,400,971 | 104,096,991 |
| | <u>71,980,491</u> | <u>107,036,816</u> |

*Included in Others is an amount of Rs. 832,264 (2014 - Rs. 832,264) and Rs. 411,081 (2014 - Nil) pertaining to provisions made against standard assets and unhedged foreign currency exposures respectively.

As on
March 31, 2015

As on
March 31, 2014

SCHEDULE 6. CASH AND BALANCES WITH RESERVE BANK OF INDIA

| | | |
|--|------------------|------------------|
| I. Cash in hand (including foreign currency notes) | 40,009 | 39,802 |
| II. Balances with Reserve Bank of India | | |
| (i) In current accounts | 8,549,839 | 7,181,243 |
| (ii) In other accounts | - | - |
| | <u>8,589,848</u> | <u>7,221,045</u> |

SCHEDULE 7. BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE

| | | |
|---|------------------|------------------|
| I. In India | | |
| (i) Balances with Banks | | |
| (a) In current accounts | 25,688 | 27,804 |
| (b) In Other Deposit Accounts | 8,187,500 | - |
| (ii) Money at call and short notice | | |
| (a) With Banks | - | 3,594,900 |
| (b) With other Institutions | - | - |
| II. Outside India | | |
| (i) In current accounts | 659,266 | 1,125,027 |
| (ii) In other Deposit Accounts | - | - |
| (iii) In Money at call and short notice | - | - |
| | <u>8,872,454</u> | <u>4,747,731</u> |

SCHEDULE 8. INVESTMENTS

| | | |
|--|-------------------|-------------------|
| I. Investments in India in (net of provisions) | | |
| (i) Government Securities * | 66,040,469 | 51,694,448 |
| (ii) Other approved securities | - | - |
| (iii) Shares ** | 52 | 52 |
| (iv) Debentures and Bonds | 1,000,000 | - |
| (v) Subsidiaries and/or joint ventures | - | - |
| (vi) Others (Refer Schedule 18 (4)) | 17,432 | 5,769,418 |
| | <u>67,057,953</u> | <u>57,463,918</u> |
| Less: Provision for diminution | <u>(111)</u> | <u>(225)</u> |
| | <u>67,057,842</u> | <u>57,463,693</u> |
| II. Investments outside India | - | - |
| | <u>67,057,842</u> | <u>57,463,693</u> |

* Investments include securities pledged with RBI for availment of liquidity adjustment facility of Face value Rs. 30,149,600 (2014 – Rs. 11,908,000) and include Government Securities lodged with Clearing Corporation of India Limited of Face Value Rs.1,660,814 (2014 - Rs. 500,000)

** net of provision for non-performing investments of Rs. 73,311 (2014 - Nil)

| | <u>As on</u> | <u>As on</u> |
|--|-----------------------|-----------------------|
| | <u>March 31, 2015</u> | <u>March 31, 2014</u> |

SCHEDULE 9. ADVANCES

| | | |
|---|-------------|-------------|
| A. (i) Bills purchased and discounted | 44,189,342 | 28,832,661 |
| (ii) Cash credits, overdrafts and loans repayable on demand | 53,462,291 | 60,324,948 |
| (iii) Term loans | 44,341,455 | 35,155,581 |
| | 141,993,088 | 124,313,190 |
| | | |
| B. (i) Secured by tangible assets (includes advances against book debts) | 26,015,754 | 20,865,093 |
| (ii) Covered by Bank/Government Guarantees | 36,040,375 | 25,572,268 |
| (iii) Unsecured | 79,936,959 | 77,875,829 |
| | 141,993,088 | 124,313,190 |
| | | |
| C. I. Advances in India | | |
| (i) Priority sectors | 27,135,344 | 24,557,888 |
| (ii) Public sector | 1,879,467 | 620,000 |
| (iii) Banks | 9,375,000 | 2,995,750 |
| (iv) Others | 103,603,277 | 96,139,552 |
| | 141,993,088 | 124,313,190 |
| | | |
| C. II. Advances outside India | - | - |
| | 141,993,088 | 124,313,190 |

SCHEDULE 10. FIXED ASSETS

I. Premises

At Book Value

| | | |
|----------------------------|-----------|-----------|
| Beginning of the year | 1,300,116 | 1,299,759 |
| Additions during the year | - | 357 |
| Deductions during the year | - | - |
| | 1,300,116 | 1,300,116 |
| | | |
| Depreciation to date | | |
| Beginning of the year | 384,206 | 346,440 |
| Additions during the year | 37,786 | 37,766 |
| Deductions during the year | - | - |
| | 421,992 | 384,206 |
| | 878,124 | 915,910 |

| | <u>As on</u> <u>March 31, 2015</u> | <u>As on</u> <u>March 31, 2014</u> |
|--|---------------------------------------|---------------------------------------|
| II. Other Fixed Assets (including furniture and fixtures) | | |
| At Cost | | |
| Beginning of the year | 909,749 | 891,992 |
| Additions during the year | 72,682 | 40,258 |
| Deductions during the year | (111,768) | (22,501) |
| | <u>870,663</u> | <u>909,749</u> |
| Depreciation to date | | |
| Beginning of the year | 530,433 | 425,386 |
| Additions during the year | 156,104 | 121,801 |
| Deductions during the year | (108,544) | (16,754) |
| | <u>577,993</u> | <u>530,433</u> |
| | <u>292,670</u> | <u>379,316</u> |
| III. Capital work-in-progress | <u>-</u> | <u>-</u> |
| | <u>1,170,794</u> | <u>1,295,226</u> |

SCHEDULE 11. OTHER ASSETS

| | | |
|--|-------------------|-------------------|
| I. Inter-office adjustment (net) | - | - |
| II. Interest accrued | 1,326,458 | 1,558,500 |
| III. Tax paid in advance/tax deducted at source | - | - |
| IV. Stationery and stamps | 215 | 206 |
| V. Non-banking assets acquired in satisfaction of claims | - | - |
| VI. Others | | |
| (a) Advances to employees | 451 | 496 |
| (b) Deferred tax asset (net) (Refer Schedule 18 (29)) | 307,915 | 293,098 |
| (c) Deposits | 7,643,428 | 5,298,391 |
| (d) Others | 51,888,188 | 85,393,314 |
| | <u>61,166,655</u> | <u>92,544,005</u> |

SCHEDULE 12. CONTINGENT LIABILITIES (Refer Schedule 18 (42))

| | | |
|---|----------------------|----------------------|
| I. Claims against the Bank not acknowledged as debts | 624,550 | 768,580 |
| II. Liability for partly paid investments | - | - |
| III. Liability on account of outstanding forward exchange contracts | 1,873,146,197 | 1,871,164,926 |
| IV. Guarantees given on behalf of constituents | | |
| (a) In India | 15,772,860 | 11,013,632 |
| (b) Outside India | 34,203,960 | 37,561,734 |
| V. Acceptances, endorsements and other obligations | 6,308,822 | 9,609,076 |
| VI. Other items for which the Bank is contingently liable | 4,436,361,889 | 4,260,389,996 |
| | <u>6,366,418,278</u> | <u>6,190,507,944</u> |

| | <u>For the year ended</u> <u>March 31, 2015</u> | <u>For the year ended</u> <u>March 31, 2014</u> |
|--|--|--|
| SCHEDULE 13. INTEREST EARNED | | |
| I. Interest/discount on advances/bills | 10,969,743 | 8,033,185 |
| II. Income on investments | 5,397,377 | 3,804,394 |
| III. Interest on Balance with RBI & other Inter-bank funds | 74,169 | 35,582 |
| IV. Others | 457,817 | 338,585 |
| | <u>16,899,106</u> | <u>12,211,746</u> |

| | | |
|--|------------------|------------------|
| SCHEDULE 14. OTHER INCOME | | |
| I. Commission, exchange and brokerage | 1,022,744 | 915,145 |
| II. Net profit/(loss) on sale of investments | 521,716 | 36,824 |
| III. Net profit/(loss) on sale of fixed assets | 365 | (795) |
| IV. Net profit/(loss) on exchange transactions and derivatives | 1,435,058 | 1,212,662 |
| V. Miscellaneous income * | 427,712 | 439,430 |
| | <u>3,407,595</u> | <u>2,603,266</u> |

| | | |
|---|------------------|------------------|
| SCHEDULE 15. INTEREST EXPENDED | | |
| I. Interest on deposits | 9,326,483 | 6,162,843 |
| II. Interest on RBI/Inter-bank borrowings | 296,003 | 609,657 |
| III. Others | 337,609 | 194,446 |
| | <u>9,960,095</u> | <u>6,966,946</u> |

| | | |
|--|------------------|------------------|
| SCHEDULE 16. OPERATING EXPENSES | | |
| I. Payments to and provisions for employees (Refer Schedule 18 (25)) | 1,655,195 | 1,460,701 |
| II. Rent, taxes and lighting (Refer Schedule 18 (28)) | 623,560 | 555,220 |
| III. Printing and Stationery | 15,427 | 16,732 |
| IV. Advertisement and Publicity | 22,605 | 75,600 |
| V. Depreciation on the Bank's property ** | 165,632 | 131,315 |
| VI. Auditors' fees and expenses | 3,373 | 3,103 |
| VII. Law charges | 12,358 | 13,507 |
| VIII. Postage, Telegrams, Telephones, etc. | 39,604 | 49,541 |
| IX. Repairs and maintenance | 83,738 | 81,862 |
| X. Insurance | 147,448 | 82,658 |
| XI. Head Office charges (Refer Schedule 18 (22)) | 306,462 | 149,939 |
| XII. Other expenditure *** | 1,646,387 | 1,450,931 |
| | <u>4,721,789</u> | <u>4,071,110</u> |

* Included in Miscellaneous Income is an amount of Rs. Nil (2014 - Rs. 2,000) towards recovery from NPA's written off in earlier years

**Net of Depreciation charged to Revaluation Reserve Rs. 28,256 (2014 - Rs. 28,257)

*** Includes IT support fees Rs. 764,580 (2014 - Rs. 664,111) and Other taxes & duties Rs. 395,631 (2014 - Rs. 315,400)