

Guidance for preparation of proforma Ind AS financial statements

1. Banks are advised to follow the application guidance given in Annex III of the Report of the Working Group on Implementation of Ind AS by Banks in India, in the preparation of Proforma Ind AS financial statements.
2. Banks may note that the application guidance referred to in para 1 above provides broad guidance on the major line items/sub-line items in the financial statements. Banks may also note that it is not always necessary or possible to define a term /title/line item specifically and exclusively. Banks are also advised to refer to relevant Indian accounting standards and their framework, as well as the prevailing industry practices, where relevant, to interpret the meaning thereof.
3. In order to promote uniformity, banks may present the proforma Ind AS financial statements in the following order:
 - (i) Balance Sheet including Statement of Changes in Equity.
 - (ii) Profit and Loss Account.
 - (iii) Notes to Account.
4. The figures appearing in the financial statements shall be rounded off to the nearest million rupees.
5. Net realised and unrealised gains and losses on financial assets/liabilities at fair value through profit or loss are included in the head '**Net Gain/loss on fair value changes**' in **Note 21**. However, contractual interest income and expense on financial instruments (other than derivatives) held at /designated at fair value through profit or loss may be recognised under interest income and interest expense, respectively. The effect of the same should be suitably adjusted while determining fair value gains and losses. The subhead '**Others**' in Note 21 would include reclassification from OCI.
