



RBI/2015-16/429

DBR.BP.BC.No.106/21.07.001/2015-16

June 23, 2016

All Scheduled Commercial Banks
(excluding Regional Rural Banks)

Madam / Dear Sir,

Implementation of Indian Accounting Standards (Ind AS)

Please refer to [circular DBR.BP.BC.No.76/21.07.001/2015-16 dated February 11, 2016](#) on the captioned subject in terms of which banks have been directed to be in preparedness to submit Proforma Ind AS Financial Statements to the Reserve Bank from the half-year ended September 30, 2016, onwards.

2. Banks shall submit Proforma Ind AS Financial Statements, for the half year ended September 30, 2016 latest by November 30, 2016 to the Principal Chief General Manager, Department of Banking Regulation, Central Office, Reserve Bank of India, Mumbai. Banks shall be guided by the Ind ASs notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. [reference G.S.R.111(E) dated February 16, 2015 and G.S.R.365(E) dated March 30, 2016]. Banks shall also refer to the Report of the Working Group on "Implementation of Ind AS by Banks in India" placed on the RBI website on October 20, 2015.

3. The Proforma Ind AS Financial Statements shall include the following:-

- Balance Sheet including Statement of Changes in Equity (Annex I & II).
- Profit and Loss Account (Annex III).
- Notes (Annex IV).



4. The formats as per the Annexes are solely for the preparation and submission of proforma Ind AS financial statements to the Reserve Bank. The formats for the Ind AS financial statements for the accounting periods beginning April 1, 2018 shall be notified separately. It is also clarified that banks shall continue to be guided by the extant instructions issued vide circular Ref. DBOD.No.BP.BC.78/C.686/91-92 dated February 6, 1992 (as amended from time to time) with respect to the preparation and presentation of financial statements for the financial years 2016-17 and 2017-18.

5. Banks may refer to Annex V for the broad application guidance on the major line items/sub-line items in the financial statements. Banks may [email](#) to the Reserve Bank for specific clarifications/issues, in this regard.

6. To begin with, banks which are not in a position to submit both standalone and consolidated proforma Ind AS financial statements for the half year ended September 30, 2016 are permitted to submit only standalone financial statements. However, banks shall submit both proforma Ind AS standalone and consolidated financial statements in the subsequent periods.

7. Banks shall disclose significant accounting policies including, inter alia, the following:

(i) financial assets and financial liabilities, including use of fair value option in designating financial assets or financial liabilities at Fair Value Through Profit or Loss (FVTPL) upon initial recognition.

(ii) impairment of financial assets, with the following details:

- Methodology for computation of expected credit losses (ECL).
- Level of segmentation in the portfolio used.
- Criteria used for determination of movement from Stage 1 (12 month ECL) to Stage 2 and Stage 3 (lifetime ECL).
- The method used to compute lifetime ECL.



- The manner in which the forward looking information has been incorporated in the ECL estimates- the information provided should include both discussion of the judgment required and how it is applied in determining the allowance.
- The treatment for non-fund based facilities.
- The methodology for computation of ECL for revolving credit facilities.
- The areas where the bank intends to refine work on in this ECL estimate and the work plan / timeline to achieve it.
- The impact of movement from the current approach to the ECL approach- reconciliation of the stock of provisions under the current reporting requirements with the opening Ind AS 109 allowance. A comparison of the impairment allowance under ECL for the half-year ended September 30, 2016 with the corresponding provisions under the extant Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) norms shall also be disclosed.

Banks may note that Ind AS 109 is not specific in terms of the approach to be followed when measuring expected credit losses. The Reserve Bank expects banks to adopt sound expected credit loss methodologies commensurate with the size, complexity, and risk profile specific to individual banks. Banks may also note that the Reserve Bank shall finalise the policy on expected credit loss provisioning, taking into account the impairment requirements under Ind AS 109, after due deliberations, and considering various factors including, inter alia, the inputs as above. Banks are therefore advised to maintain flexibility while designing the systems and processes in this regard.

- (iii) derivatives and hedge accounting.
- (iv) derecognition of financial assets and financial liabilities.
- (v) employee benefits.
- (vi) offsetting financial instruments.
- (vii) income taxes.



(viii) significant areas of estimation uncertainty , critical judgements and assumptions in applying accounting policies.

(ix) Approach on exemptions under Ind AS 101 *First Time Adoption of Indian Accounting Standards*.

8. For the purpose of preparation of proforma Ind AS financial statements for the half year ending September 30, 2016, the notional date of transition to Ind ASs shall be the beginning of business as on April 01, 2016 (or equivalently close of business as on March 31, 2016). This however, does not change the date of transition for the purpose of preparation of Ind AS financial statements for the accounting periods beginning April 1, 2018, which shall be as per the provisions of Ind AS 101 *First Time Adoption of Indian Accounting Standards*.

9. The Proforma Ind ASs Financial Statements shall also include:

(i) (a) reconciliation of equity reported in accordance with the existing financial reporting requirements as at April 1, 2016 to its equity in accordance with Ind ASs as on the same date.

(b) reconciliation of equity reported in accordance with the existing financial reporting requirements as at September 30, 2016 to its equity in accordance with Ind ASs as on the same date.

(ii) reconciliation of the total comprehensive income in accordance with Ind AS for the half year ended September 30, 2016 with the profit or loss under the existing financial reporting requirements.

10. The reconciliations required by paragraph 9 above shall be given in sufficient detail to understand the material adjustments to the Balance Sheet and Statement of Profit and Loss, thereby explaining how the transition from the existing financial reporting to Ind ASs affected the reported Balance Sheet and financial performance. The detail shall be such as to enable the Reserve Bank to understand the significant adjustments to equity that will impact regulatory capital. The Reserve Bank does not require the proforma Ind AS financial statements to be audited and understands that this information, while being a fair estimate of the impact to opening equity, is subject to change.



11. Please note that the submission of proforma Ind AS financial statements to the Reserve Bank shall not be construed as validation, in any form, of the financial statements, by the Reserve Bank.

Yours faithfully,

(Sudarshan Sen)
Principal Chief General Manager

Annex I

Balance Sheet of (name of banking company) as at September 30, 2016

	Note	As at September 30, 2016	As at April 01, 2016 (Deemed date of transition)
Assets			
Cash in hand and balances with Reserve Bank of India			
Balances with other central banks			
Balances with other banks, Financial Institutions and money at call and short notice			
Derivative financial instruments			
Investments			
Advances			
Property, plant and equipment			
Goodwill			
Other intangible assets			
Current tax assets			
Deferred tax assets			
Other assets			
Total assets			
Liabilities and equity			
Liabilities			
Deposits			
Borrowings			
Derivative financial instruments			
Other liabilities and provisions			
Current tax liabilities			
Deferred tax liabilities			
Debt securities			
Subordinated liabilities			
Total liabilities			
Equity			
Equity share capital			
Other equity			
Total equity			
Total liabilities and equity			
Contingent liabilities, commitments and guarantees			

	Share application money pending allotment	Equity component of financial instruments	Reserves and Surplus					Items of Other Comprehensive Income (OCI)							Total
			Statutory Reserve	Capital Reserve	Share Premium Account	Other Reserves (specify nature)	Retained Earnings	Re-measurements of net defined benefit plans	Gains/ (losses) from equity investments through OCI	Gains/ (losses) of other financial assets through OCI	Exchange differences on translating financial statements of foreign operations	Cash flow hedge reserve	Revaluation Surpluses	Others (specify nature)	
Income tax on the above															
Profit (loss) for the year after income tax															
Other Comprehensive Income for the year before income tax Less: Income Tax Other Comprehensive Income															
Total Comprehensive Income for the year															
Balance as at September 30, 2016															

Form of Profit and Loss Account

Profit and Loss Account of (name of banking company) **for the half year ended September 30, 2016**

	Note	Half-year ended September 30, 2016
Interest income		
Interest expense		
Net interest income		<hr/> <hr/>
Fees and commission income		
Fees and commission expense		
Net fee and commission income		<hr/> <hr/>
Net gain/(loss) on fair value changes		
Other income		
Total income		<hr/> <hr/>
Impairment losses on financial instruments		
Employee benefits		
Depreciation and impairment of property, plant and equipment		
Amortisation and impairment of intangible assets		
Other expenses		
Total expenses		<hr/> <hr/>
Net profit/(loss) before taxes and exceptional items		<hr/> <hr/>
Exceptional items		
Net profit/(loss) before taxes		<hr/> <hr/>
Taxes		
- Current tax		
- Deferred Tax		
Net profit/(loss) after tax from continuing operations		<hr/> <hr/>
Profit/(loss) from discontinued operations, net of tax		
Net profit/(loss) for the period		<hr/> <hr/>

Note **Half-year ended**
September 30,
2016

Other Comprehensive Income

A (i) Items that will not be reclassified to profit or loss
(specify items and amounts)

(ii) Income tax relating to items that will not be
reclassified to profit or loss
Subtotal

B (i) Items that will be reclassified to profit or loss
(specify items and amounts)

(ii) Income tax relating to items that will be reclassified
to profit or loss
Subtotal

Other Comprehensive Income (A + B)

Total Comprehensive Income for the period

Earnings per equity share (for continuing operations)

Basic (Rs.)

Diluted (Rs.)

Earnings per equity share (for discontinued operations)

Basic (Rs.)

Diluted (Rs.)

Earnings per equity share (for continuing and discontinued operations)

Basic (Rs.)

Diluted (Rs.)

	As at September 30, 2016							As at April 01, 2016 (Deemed date of transition)						
	Amortised cost	At Fair Value				Others*	Total	Amortised cost	At Fair Value				Others*	Total
		Through other comprehensive income	Through profit and loss account	Designated at fair value through profit and loss account	Subtotal				Through other comprehensive income	Through profit and loss account	Designated at fair value through profit and loss account	Subtotal		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)	(8)	(9)	(10)	(11)	(12=9+10+11)	(13)	(14=8+12+13)
Current tax assets														
Deferred tax assets														
Other assets														
Total assets														
Liabilities														
Deposits														
Borrowings														
Derivative financial instruments														
Other liabilities and provisions														
Current tax liabilities														
Deferred tax liabilities														
Debt securities														
Subordinated liabilities														
Total liabilities														

* Other basis of measurement such as cost may be explained as a footnote

2. Cash in hand and balances with Reserve Bank of India

		As at September 30, 2016	As at April 01, 2016 (Deemed date of transition)
I.	Cash in hand (including foreign currency notes)		
II.	Balances with Reserve Bank of India		
	(a) In Current Accounts		
	(b) In Reverse Repo		
	(c) In Other Accounts*		
	Subtotal (a, b and c)		
	Total (I and II)		

* Restrictions, if any, on utilisation of balances should be disclosed

3. Balances with other central banks*

		As at September 30, 2016	As at April 01, 2016 (Deemed date of transition)
I	In Current Accounts		
II	In Reverse Repo		
III	In Other Accounts		
	Total (I, II and III)		

* Restrictions, if any, on utilisation of balances should be disclosed

4. Balances with other banks, Financial Institutions and money at call and short notice

		As at September 30, 2016	As at April 01, 2016 (Deemed date of transition)
I.	Balances with other Banks		
	(a) in Current Accounts		
	(b) In Reverse Repo		
	(c) in Other deposit accounts		
	Subtotal (a, b and c)		
II	Balances with Financial Institutions		
	(a) Deposits in lieu of shortfall in priority sector lending targets		
	(b) In Reverse Repo		
	(c) Other deposits		
	Subtotal (a, b and c)		
III.	Money at Call and Short Notice		
	(a) with Banks		
	(b) with other institutions		
	Subtotal (a and b)		
	Total (I, II and III)		
	Balances in India		
	Balances outside India		
	Total		

5. Derivative financial instruments

- 1 Explain use of derivatives
- 2 Cross-reference to Financial Risks section for management of risks arising from derivatives

	As at September 30, 2016			As at April 01, 2016 (Deemed date of transition)		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Currency derivatives						
Spot and forwards						
Currency Futures						
Currency swaps						
Options purchased						
Options sold (written)						
Others						
Total						
Interest rate derivatives						
Forward Rate Agreements and Interest Rate Swaps						
Options purchased						
Options sold (written)						
Futures						
Others						
Total						
Credit derivatives						
Equity linked derivatives						
Other derivatives (Please specify)						
Total derivatives						
Included in above are derivatives held for hedging and risk management purposes as follows:						
Fair value hedging:						
- Currency derivative						
- Interest rate derivative						
- Credit derivative						
- Equity linked derivative						
- Others						
Subtotal (A)						
Cash flow hedging:						
- Currency derivative						
- Interest rate derivative						
- Credit derivative						
- Equity linked derivative						
- Others						
Subtotal (B)						
Net investment hedging:						
- Currency derivative						
- Interest rate derivative						
- Credit derivative						

	As at September 30, 2016			As at April 01, 2016 (Deemed date of transition)		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
- Equity linked derivative						
- Others						
Subtotal (C)						
Total (A+B+C)						

With respect to hedges and hedge accounting, banks may provide a description in accordance with the requirements of Indian Accounting Standards, of how derivatives are used for hedging, explain types of hedges recognised for accounting purposes and their usage/application by the entity.

	As at September 30, 2016							As at April 01, 2016 (Deemed date of transition)						
	Amortised cost	At Fair Value				Others*	Total	Amortised cost	At Fair Value				Others*	Total
		Through other comprehensive income	Through profit and loss account	Designated at fair value through profit and loss account	Subtotal				Through other comprehensive income	Through profit and loss account	Designated at fair value through profit and loss account	Subtotal		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)	(8)	(9)	(10)	(11)	(12=9+10+11)	(13)	(14=8+12+13)
Subsidiaries, associates and joint ventures														
Others (specify)														
Total – Gross														
Less: Impairment loss allowance														
Total – Net														
Total Investments – Gross (C) = (A) + (B)														
Less: Impairment loss allowance														
Total – Net														

* Other basis of measurement such as cost may be explained as a footnote

	As at September 30, 2016							As at April 01, 2016 (Deemed date of transition)						
	Amortised cost	At Fair Value				Others*	Total	Amortised cost	At Fair Value				Others*	Total
		Through other comprehensive income	Through profit and loss account	Designated at fair value through profit and loss account	Subtotal				Through other comprehensive income	Through profit and loss account	Designated at fair value through profit and loss account	Subtotal		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)	(8)	(9)	(10)	(11)	(12=9+10+11)	(13)	(14=8+12+13)
Gross														
Less: Impairment loss allowance														
Net														
II. Advances outside India														
(i) Banks														
(ii) Others														
Gross														
Less: Impairment loss allowance														
Net														
Total: (C I and C II)														

* Other basis of measurement such as cost may be explained as a footnote

8. Property, plant and equipment

	As at September 30, 2016				As at April 01, 2016 (Deemed date of transition)			
	Property*	Equipment / Furniture and Fittings	Assets on lease	Total	Property*	Equipment / Furniture and Fittings	Assets on lease	Total
At cost or fair value at the beginning of the year								
Additions								
Acquisitions #								
Revaluation adjustment, if any								
Disposals								
Reclassification from/to held for sale								
Other adjustments (please specify)								
At cost or fair value at the end of the year								
Accumulated depreciation and impairment as at the beginning of the year								
Depreciation for the year								
Disposals								
Impairment/(reversal) of impairment								
Reclassification from/to held for sale								
Other adjustments (please specify)								
Accumulated depreciation and impairment as at the end of the year								
Net carrying amount as at the end of the year								
Capital Work in Progress including advances for capital assets								

* Includes Land Rs.XXX (Previous Year Rs.XXX)

Represents assets acquired in a business combination during the year

9. Goodwill

	As at September 30, 2016	As at April 01, 2016 (Deemed date of transition)
At cost, beginning of the year		
Additions		
Acquisitions		
Disposals		
Other adjustments		
Total cost		
Accumulated impairment:		
At beginning of the year		
Disposals		
Impairment/(reversal) of impairment		
Other adjustments		
Total impairment		
Net carrying amount		

10. Other intangible assets

	As at September 30, 2016			As at April 01, 2016 (Deemed date of transition)		
	Software	Other Intangible assets	Total	Software	Other Intangible Assets	Total
At cost, beginning of the year						
Additions						
Acquisitions						
Fair value adjustments						
Disposals						
Other adjustments						
Total cost						
Accumulated amortization and impairment:						
At beginning of the year						
Amortization						
Disposals						
Impairment/(reversal) of impairment						
Other adjustments						
Total amortization and impairment						
Net carrying amount						

11. Other assets

	As at September 30, 2016	As at April 01, 2016 (Deemed date of transition)
Interest accrued		
Assets held for sale		
- Out of the above, non-banking assets acquired in satisfaction of claims		
Security and other Deposits		
Acceptances and endorsements		
Others		
Total		

12. Deposits

	As at September 30, 2016			As at April 01, 2016 (Deemed date of transition)		
	At Amortised Cost	At Fair Value Through profit and loss	Total	At Amortised Cost	At Fair Value Through profit and loss	Total
	(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)
Demand deposits						
(i) From Banks						
(ii) From Others						
Savings deposits						
Term deposits						
(i) From Banks						
(ii) From Others						
(iii) Certificate of Deposits						
Total						
Deposits of branches in India						
Deposits of branches outside India						
Total						
Deposits -non-interest bearing						
Deposits - interest bearing						
Total						

13. Borrowings

	As at September 30, 2016			As at April 01, 2016 (Deemed date of transition)		
	At Amortised Cost	At Fair Value Through profit and loss	Total	At Amortised Cost	At Fair Value Through profit and loss	Total
	(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)
Reserve Bank of India						
Other Banks						
Others						
Total						
Borrowings in India						
Borrowings outside India						
Total						

14. Other liabilities and provisions

	As at September 30, 2016	As at April 01, 2016 (Deemed date of transition)
Interest accrued		
Bills payable		
Acceptances and endorsements		
Provisions for employee benefits		
Share application money pending allotment		
Others		
Total		

15. Debt Securities

	As at September 30, 2016				As at April 01, 2016 (Deemed date of transition)			
	At Amortised Cost	At Fair Value Through profit and loss	Designated at fair value through profit and loss	Total	At Amortised Cost	At Fair Value Through profit and loss	Designated at fair value through profit and loss	Total
	(1)	(2)	(3)	(4)=(1) +(2)+ (3)	(4)	(5)	(6)	(7)=(4) +(5)+ (6)
Liability component of compound financial instruments								
Others (Bonds/ Debenture etc.)								
Total								
Debt securities in India								
Debt securities outside India								
Total								

16. Subordinated Liabilities

	As at September 30, 2016			As at April 01, 2016 (Deemed date of transition)		
	At Amortised Cost	At Fair Value Through profit and loss	Total	At Amortised Cost	At Fair Value Through profit and loss	Total
	(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)
Perpetual Debt Instruments other than those that qualify as equity						
Preference Shares other than those that qualify as Equity						
Others (specifying the nature and type of instrument issued)						
Total						
Subordinated Liabilities in India						
Subordinated Liabilities outside India						
Total						

17. Equity

A banking company shall disclose the following in the notes to accounts:

1. Share Capital

- for each class of share capital:

- (a) the number and amount of shares authorized;
- (b) the number of shares issued, subscribed and fully paid, and subscribed but not fully paid;
- (c) par value per share;
- (d) a reconciliation of the number of shares outstanding at the beginning and at the end of the period; separately disclosing the shares held by the Central Government and the percentage thereof
- (e) the terms and conditions of the main features of each class of shares including rights, preferences and restrictions attaching to each class of shares and restrictions on the distribution of dividends and the repayment of capital;
- (f) shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;
- (g) shares in the banking company held by each shareholder holding 5 percent or more shares specifying the number of shares held and the percentage thereof;
- (h) shares reserved for issue under options and contracts/commitments for the sale of shares, including the terms and amounts;
- (i) Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order
- (j) Calls unpaid (showing aggregate value of calls unpaid by directors and officers)
- (k) Forfeited shares (amount originally paid up)
- (l) In case of Banks incorporated outside India:-
 - a. Share Capital represents amount brought in by banks as capital including the start up capital prescribed by RBI
 - b. Amount of deposit kept with RBI u/s 11(2) of the Banking Regulation Act, 1949 to be separately disclosed

2. Other Equity

- (i) A description of the nature and purpose of each reserve under 'Other Reserves' shall be made in the notes.
- (ii) Debit balance of Profit and Loss account shall be shown as a negative figure under the head 'retained earnings'.

- (iii) In case the sum of 'Other Equity' in the Statement of Changes in Equity is negative, it shall continue to be presented as a negative amount under 'Other Equity'.
3. Share application money pending allotment shall be classified into equity or liability in accordance with relevant Indian Accounting Standards. Share application money to the extent not refundable shall be shown under the head Equity and share application money to the extent refundable shall be separately shown under the head 'Other liabilities and provisions'.
 4. Preference shares including premium received on issue shall be classified and presented as 'Equity' or 'Liability' in accordance with the requirements of the relevant Accounting Standards. Accordingly, the disclosure and presentation requirements in this regard applicable to the relevant class of equity or liability shall be applicable *mutatis mutandis* to the preference shares. For instance, redeemable preference shares shall be classified and presented under 'Subordinated Liabilities' and the disclosure requirements in this regard applicable to such borrowings shall be applicable *mutatis mutandis* to redeemable preference shares.
 5. Compound financial instruments such as convertible debentures, where split into equity and liability components, as per the requirements of the relevant Accounting Standards, shall be classified and presented under the relevant heads in 'Equity' and 'Liabilities'.
 6. The amount of dividends proposed to be distributed to equity and preference shareholders for the period and the related amount per share shall be disclosed separately. Arrears of cumulative dividends on preference shares shall also be disclosed separately.

18. Contingent liabilities and commitments

	As at September 30, 2016	As at April 01, 2016 (Deemed date of transition)
Claims against bank not acknowledged as debts		
Liability for partly paid investments		
Guarantees given on behalf of constituents - in India		
Guarantees given on behalf of constituents - outside India		
Letters of Credit issued on behalf of constituents		
Others		
Total		

19. Interest income

	Half year ended September 30, 2016
Interest on balances with and dues from banks	
Interest on advances	
Interest income from investments	
Other interest income	
Total

20. Interest expense

	Half year ended September 30, 2016
Interest on deposits	
Interest on borrowings	
Interest on debt securities	
Interest on subordinated liabilities	
Other interest expense	
Total

21. Net gain/ (loss) on fair value changes

	Half year ended September 30, 2016
A. Net gain/ (loss) on financial instruments at fair value through profit and loss account :-	
a) On trading portfolio	
- Investments	
- Derivatives	
- Others	
b) On financial instruments designated at fair value through profit and loss account	
B. Others	
Total	

22. Other income

	Half year ended September 30, 2016
Net gain/(loss) on derecognition of financial assets at amortised cost	
Net gain/(loss) on ineffective portion of hedges	
Net gain/(loss) on derecognition of property, plant and equipment	
Dividend	
Foreign exchange gain/ (loss)	
Others*	
Total	

* Any item under the subhead 'Others' which exceeds one per cent of the total income to be presented separately

23. Impairment losses on financial instruments

	Half year ended September 30, 2016
On advances	
On investments	
On off Balance Sheet Items	
On other assets	
Total	

24. Employee benefits

	Half year ended September 30, 2016
Salaries and wages including bonus	
Post employment benefits	
Employee Share Based Payments	
Others	
Total	

25. Other expenses

	Half year ended September 30, 2016
Rent, taxes and energy costs	
Repairs and maintenance	
Communication Costs	
Printing and stationery	
Advertisement and publicity	
Director's fees, allowances and expenses	
Auditor's fees and expenses	
Legal and Professional charges	
Insurance	
Other expenditure*	
Total	

* Any item under the subhead 'other expenditure' which exceeds one percent of the total income to be presented separately.

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.
