A P SANZGIRI & Co
CHARTERED ACCOUNTANTS

Plot No. 22, House No. 174, Anand Nagar Lane,
Behind Vakola Police Station, Santacruz (East),
Mumbai – 400 055, India
Tel : +91-22-2669 1232 / 2669 1233
Email : contact@ca-aps.in

INDEPENDENT AUDITOR'S REPORT

First Abu Dhabi Bank PJSC – India Branch

Unit Nos. 1101 and 1201, Platina Building

C-59, G-Block Bandra Kurla Complex

Bandra (East)

Mumbai 400 051

Report on audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **First Abu Dhabi Bank – PJSC - India Branch** ('the Bank'), which comprise the Balance Sheet as at 31st March 2021, the Profit and Loss Account, the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 in the manner so required for banking companies and are in conformity with accounting principles generally accepted in India and give a true and fair view of the state of affairs of the Bank as at 31st March 2021, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs)specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 18.E.46 of the financial statements which describes the extent to which the COVID-19 pandemic will have impact on Bank's financial performance.

   Our opinion is not modified in respect of this matter.

Information other than financial statements and auditor's report thereon

5. The Bank's Management is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Pillar 3 Disclosure under the New Capital Adequacy Framework (Basel III disclosures), but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover such other information and we do not express any form of assurance conclusion thereon.

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6. Our responsibility in connection with the audit of the financial statements is to read the other information and in doing so, examine if the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on our examination, we conclude that there is material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

7. The Bank's Management is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to 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 accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013, provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, 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.

8. In preparing the financial statements, Bank's Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Bank's Management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Bank's Management is also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the audit of the Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls system in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Bank's Management.

    - Conclude on the appropriateness of Bank's Management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we

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conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

12. 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 and Section 133 of the Companies Act, 2013.

13. As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, we report that:

    (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

    (b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;

    (c) During the course of our audit we have performed select relevant procedures at one branch. Since the Bank's key operations are automated, with the key application largely integrated to the core banking systems, it does not require its branches to submit any financial returns. Accordingly, our audit is carried out centrally at the Head Office, based on the necessary records and data required for the purpose of the audit being made available to us.

    (d) the profit and loss account shows a true balance of profit for the year then ended.

14. Further, as required by section 143(3) of the Act, we 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 financial accounting systems of the Bank are centralized and therefore, accounting returns for the purpose of preparation of financial statement are not required to be submitted by the branches

    d) 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;

    e) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, to the extent they are not inconsistent with the accounting policies prescribed by RBI;

    f) the requirements of section 164(2) of the Companies Act,2013 are not applicable considering the Bank is a branch of First Abu Dhabi Bank, which is incorporated with limited liability in UAE;

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g) 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 A";

h) 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 and Note 18.E.55 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, if any, on long term contracts including derivative contracts - Refer Note 18.E.51 of Schedule 18 to the financial statements;

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

iv. with respect to the matter to be included in the Auditor's Report under section 197(16), the requirements of Section 197 of the Companies Act, 2013 are not applicable considering the Bank is a branch of First Abu Dhabi Bank, which is incorporated in UAE.

For and on behalf of

A P Sanzgiri & Co

Chartered Accountants

FRN: 116293W

Abhijit sanzgiri

Partner

Membership No: 43230

UDIN: 21043230AAAACW7869

Place: Mumbai

Date: 29th June 2021

A P SANZGIRI & Co
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Annexure A to the Independent Auditor's report of even date on the financial statements of First Abu Dhabi Bank – PJSC - India Branch

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

(Referred to in paragraph 13(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. We have audited the internal financial controls over financial reporting of **First Abu Dhabi Bank - PJSC - India Branch** ('the Bank') as at 31 March 2021 in conjunction with our audit of the standalone financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls over Financial Reporting

2. 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). 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 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

3. 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 ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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.

4. 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.

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

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Meaning of Internal Financial Controls Over Financial Reporting

6. 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 authorizations of Bank's Management; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper Bank's 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

8. 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 2021, 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 issued by the ICAI.

For and on behalf of

A P Sanzgiri & Co

Chartered Accountants

FRN: 116293W

Abhijit sanzgiri

Partner

Membership No: 43230

UDIN:

Place: Mumbai

Date: 29th June 2021

First Abu Dhabi Bank PJSC - India Branch
(Incorporated in Abu Dhabi With Limited Liability)

BALANCE SHEET AS AT MARCH 31, 2021

	Schedule	As at March 31, 2021 (Rs. '000)	As at March 31, 2020 (Rs. '000)
CAPITAL AND LIABILITIES			
Capital	1	20,125,891	20,125,891
Reserves and surplus	2	3,469,044	1,799,078
Deposits	3	4,090,267	3,746,420
Borrowings	4	46,605,463	26,529,827
Other liabilities and provisions	5	5,980,479	7,309,644
TOTAL		**80,271,144**	59,510,860
ASSETS			
Cash and balances with Reserve Bank of India	6	368,989	386,911
Balances with banks and money at call and short notice	7	502,473	495,664
Investments	8	53,794,162	36,260,164
Advances	9	18,525,216	14,490,163
Fixed assets	10	24,095	30,849
Other assets	11	7,056,209	7,847,109
TOTAL		**80,271,144**	59,510,860
Contingent liabilities Bills for collection	12	422,509,594	284,837,142
Significant accounting policies and notes to the Financial Statements	18		

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

This is the Balance Sheet referred to in our report of even date

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm Registration No. 116293W

Abhijit Sanzgiri
Partner
Membership Number: 43230

Date : 29-Jun-21

Place : Mumbai

For First Abu Dhabi Bank PJSC - India Branch

Nimesh Karwanyun
Chief Executive Officer

Date : 29-Jun-21

Place : Mumbai

Jitendra Shah
Chief Financial Officer

Date : 29-Jun-21

Place : Mumbai

First Abu Dhabi Bank PJSC - India Branch
(Incorporated in Abu Dhabi With Limited Liability)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021

		Schedule	Year Ended March 31, 2021 (Rs. '000)	Year Ended March 31, 2020 (Rs. '000)
I.	**INCOME**			
	Interest earned	13	4,426,097	3,096,712
	Other income	14	686,746	662,233
	TOTAL		**5,112,843**	3,758,945
II.	**EXPENDITURE**			
	Interest expended	15	1,200,259	997,287
	Operating expenses	16	850,276	780,392
	Provisions and contingencies	17	1,392,342	944,853
	TOTAL		**3,442,877**	2,722,532
III.	**PROFIT /(LOSS)**			
	Net profit / (loss) for the period		1,669,966	1,036,413
	Transfer from Investment Fluctuation Reserves		-	
	Profit / (Loss) brought forward from opening Balance Sheet		843,791	405,636
	TOTAL		**2,513,757**	1,442,049
IV.	**APPROPRIATIONS**			
	Transfer to Statutory Reserves		417,492	259,103
	Transfer to Investment Reserve / Investment Fluctuation Reserve Account		593,855	339,155
	Transfer to Capital Reserve		-	-
	Amount retained in India for meeting Capital to Risk-weighted Asset ratio (CRAR)		-	-
	Balance carried over to Balance Sheet		1,502,410	843,791
	TOTAL		**2,513,757**	1,442,049
	Significant accounting policies and notes to the Financial Statements	18		
	Schedules referred to above form an integral part of the Profit and Loss Account			

This is the Profit and Loss Account referred to in our report of even date

For A. P. Sanzgiri & Co.
Firm Registration No. 116293W

Abhijit Sanzgiri
Partner
Membership Number: 43230

Date : 29-Jun-21

Place : Mumbai

For First Abu Dhabi Bank PJSC - India Branch

Nimesh Karwanyun
Chief Executive Officer

Date : 29-Jun-21

Place : Mumbai

Jitendra Shah
Chief Financial Officer

Date : 29-Jun-21

Place : Mumbai

First Abu Dhabi Bank PJSC - India Branch
(Incorporated in Abu Dhabi With Limited Liability)
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

		Year Ended March 31, 2021 (Rs. '000)	Year Ended March 31, 2020 (Rs. '000)
Cash flows from operating activities			
Net Profit / (Loss)		1,669,966	1,036,413
Add: Provision for taxation(including deferred taxation)		1,305,559	803,819
Net Profit before taxation		**2,975,525**	1,840,232
Adjustments for:			
Depreciation		21,237	22,024
Loss / (Profit) on sale and writeoff of fixed assets		-	-
Provision for Standard assets and unhedged foregin currency exposure		36,487	112,145
Provision for Depreciation on Investments		72,054	0
Provision for country risk		5,458	190
Provision for Large borrowers		(27,216)	28,699
Provision for Non-Performing Assets (including write offs)		-	-
(Writeback) / Provision for Employee benefits		6,813	6,967
Operating profit before working capital changes		**3,090,358**	2,010,257
(Increase)/Decrease in Investments (excluding HTM investments)		(17,606,052)	(14,612,990)
(Increase)/Decrease in Advances		(4,035,053)	(12,990,163)
(Increase)/Decrease in Other assets		828,387	(5,702,673)
Increase/(Decrease) in Deposits		343,847	1,896,011
Increase/(Decrease) in Other liabilities and provisions		(1,427,130)	5,601,588
Income Tax paid		(1,266,623)	(840,000)
Net Cash Flow from generated from/(used in) operating activities	**(A)**	**(20,072,266)**	(24,637,970)
Cash Flows from investing activities			
Purchase of fixed assets (net of recovery)		(14,483)	(23,441)
Proceeds from Sale of fixed assets		-	-
(Increase) in capital work in progress		-	-
(Increase)/Decrease in HTM investments		-	-
Net Cash flow from generated from/(used in) investing activities	**(B)**	**(14,483)**	(23,441)
Cash flows from financing activities			
Infusion of capital		-	-
Increase/(Decrease) in borrowing		20,075,636	19,721,398
Net cash flow from financing activities	**(C)**	**20,075,636**	**19,721,398**
Net Increase/(Decrease) in cash and cash equivalents	**(A+B+C)**	**(11,113)**	**(4,940,013)**
Cash and cash equivalents at the beginning of the year		882,575	5,822,588
Cash and cash equivalents at the end of the year		**871,462**	**882,575**

Note: Cash and cash equivalents represents

PARTICULARS	**Schedule**	**As at March 31, 2020 (Rs. '000)**	As at March 31, 2020 (Rs. '000)
Cash and balances with the Reserve Bank of India	6	368,989	386,911
Balances with banks and money at call and short notice	7	502,473	495,664
Total		**871,462**	882,575

The above cash flow statement has been prepared under the indirect method set out in Accounting Standard 3 issued by the Institute of Chartered Accountants of India.

This Cash Flow referred in our report of even date.

For A.P. Sanzgiri & CO
Chartered Accountants
Firm Registration No. 116293W

Abhijit Sanzgiri
Partner
Membership Number: 43230

Date : 29-Jun-21

Place : Mumbai

For First Abu Dhabi Bank PJSC - India Branch

Nimesh Karwanyun
Chief Executive Officer

Date : 29-Jun-21

Place : Mumbai

Jitendra Shah
Chief Financial Officer

Date : 29-Jun-21

Place : Mumbai

First Abu Dhabi Bank PJSC - India Branch
(Incorporated in Abu Dhabi With Limited Liability)

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at March 31, 2021 (Rs. '000)	As at March 31, 2020 (Rs. '000)
SCHEDULE 1 - Capital		
I. Balance brought forward from opening Balance Sheet	20,125,891	20,125,891
Capital infusion by Head Office during the period	-	-
TOTAL	**20,125,891**	20,125,891
Note: Amount of deposit kept with Reserve Bank of India under section 11 (2)(b)(ii) of the Banking Regulation Act, 1949 is Rs. 500,000 ('000s) (Previous Year: Rs. 300,000 ('000s))		
SCHEDULE 2 - Reserves and Surplus		
I. **Statutory reserves**		
Opening balance	471,818	212,715
Add : Transfer from profit and loss account	417,492	259,103
Less : Transfer to profit and loss account	-	
	889,310	471,818
II. **Capital reserves**		
Opening balance	-	-
Add : Transfer from profit and loss account	-	
Less : Transfer to profit and loss account	-	-
	-	-
III. **Investment Fluctuation Reserves**		
Opening balance	483,469	144,314
Add : Transfer from profit and loss account	593,855	339,155
Less : Transfer to profit and loss account	-	-
	1,077,324	483,469
IV. **Investment reserve account**		
Opening balance	-	-
Add : Transfer from profit and loss account	-	-
Less : Transfer to profit and loss account	-	-
	-	-
V. **Revenue and other reserves**		
Opening balance	-	-
Add : Transfer from profit and loss account	-	
Less : Transfer to profit and loss account	-	-
	-	-
VI. **Balance in profit and loss account**	1,502,410	843,791
TOTAL (I, II, III, IV and V)	**3,469,044**	1,799,078

A. P. SANZGIRI & CO. CHARTERED ACCOUNTANTS MUMBAI F. R. NO. 116203W

FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH

First Abu Dhabi Bank PJSC - India Branch
(Incorporated in Abu Dhabi With Limited Liability)

SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at March 31, 2021 (Rs. '000)	As at March 31, 2020 (Rs. '000)
SCHEDULE 3 - Deposits			
A.	**I. Demand deposits**		
	i) From banks	-	-
	ii) From others	1,336,767	1,226,643
	II. Savings bank deposits	-	-
	III. Term deposits		
	i) From banks	-	-
	ii) From others	2,753,500	2,519,777
	TOTAL (I, II and III)	**4,090,267**	3,746,420
B.	i) Deposits of branches in India	4,090,267	3,746,420
	ii) Deposits of branches outside India	-	-
	TOTAL	**4,090,267**	3,746,420
SCHEDULE 4 - Borrowings			
I.	**Borrowings in India**		
	i) Reserve Bank of India	-	50,000
	ii) Other Banks	-	-
	iii) Other institutions and agencies	46,605,463	26,479,827
		46,605,463	26,529,827
II.	**Borrowings outside India**	-	-
	TOTAL (I and II)	**46,605,463**	26,529,827
	Secured borrowings in I and II above	46,605,463	26,529,827

A. P. SANZGIRI & CO. CHARTERED ACCOUNTANTS MUMBAI F. R. NO. 116208W

FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI BANK PJSC

First Abu Dhabi Bank PJSC - India Branch
(Incorporated in Abu Dhabi With Limited Liability)

SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at March 31, 2021 (Rs. '000)	As at March 31, 2020 (Rs. '000)
SCHEDULE 5 - Other Liabilities and Provisions			
I.	Bills payable	-	-
II.	Inter-office adjustments (net)	-	-
III.	Interest accrued	17,262	12,783
IV.	Others (including provisions)	5,963,217	7,296,861
	TOTAL	**5,980,479**	7,309,644
SCHEDULE 6 - Cash and Balances with Reserve Bank of India			
I.	**Cash in hand** (including foreign currency notes)	-	-
II.	**Balances with Reserve Bank of India**		
	(i) In Current account	218,989	236,911
	(ii) In Other accounts	150,000	150,000
	TOTAL (I and II)	**368,989**	386,911
SCHEDULE 7 - Balances with Banks and Money at Call and Short Notice			
I.	**In India**		
	i) Balances with banks		
	a) In Current accounts	30,599	863
	b) In Other deposit accounts	-	-
	ii) Money at call and short notice		
	a) with banks	-	-
	b) with other institutions	199,908	-
	TOTAL (i and ii)	**230,507**	863
II.	**Outside India**		
	i) In Current accounts	271,966	494,801
	ii) In Other deposit accounts	-	-
	iii) Money at call and short notice	-	-
	TOTAL (i, ii and iii)	**271,966**	494,801
	TOTAL (I and II)	**502,473**	495,664

First Abu Dhabi Bank PJSC - India Branch
(Incorporated in Abu Dhabi With Limited Liability)

SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at March 31, 2021 (Rs. '000)	As at March 31, 2020 (Rs. '000)
SCHEDULE 8 - Investments			
I.	**Investments in India**		
	(i) Government securities *	53,866,216	36,260,164
	(ii) Other approved securities	-	-
	(iii) Shares	-	-
	(iv) Debentures and bonds	-	-
	(v) Subsidiaries and/or joint ventures	-	-
	(vi) Others (including Certificate of Deposits and Pass through certificates)	-	-
	Gross Investments	**53,866,216**	36,260,164
	Less : Provision for depreciation	72,054	-
		53,794,162	36,260,164
II.	**Investments outside India**	-	-
	TOTAL (I and II)	**53,794,162**	36,260,164

* of which -

A) Securities of Face Value Rs. 48,594,200 ('000) deposited with Clearing Corporation of India Limited (CCIL) as margin deposit / collateral (Previous Year: Rs 33,051,200 ('000))
B) Securities of Face Value Rs. 500,000 ('000) deposited with Reserve Bank of India (RBI) under section 11 (2) (b) (ii) (Previous Year: Rs. 300,000 ('000))
C) Securities of Face Value Rs. 474,500 ('000) deposited with Reserve Bank of India (RBI) as collateral for Liquidity Adjustment Facility (Previous Year: Rs. 44,030 ('000))

SCHEDULE 9 - Advances			
A.	(i) Bills purchased and discounted	1,949,216	240,163
	(ii) Cash credits, overdrafts and loans repayable on demand	4,096,000	7,750,000
	(iii) Term loans	12,480,000	6,500,000
	TOTAL	18,525,216	14,490,163
B.	(i) Secured by tangible assets (including book debts)	12,396,000	1,900,000
	(ii) Covered by Bank/Government guarantees	79,858	-
	(iii) Unsecured	6,049,358	12,590,163
	TOTAL	18,525,216	14,490,163
C. I.	Advances in India		
	(i) Priority sector	236,737	-
	(ii) Public sector	-	-
	(iii) Banks	-	-
	(iv) Others	18,288,479	14,490,163
		18,525,216	**14,490,163**
II.	Advances outside India		
	(i) Due from banks	-	-
	(ii) Due from others		
	(a) Bills purchased and discounted	-	-
	(b) Syndicated loans	-	-
	(c) Others	-	-
		-	-
	TOTAL (I and II)	**18,525,216**	**14,490,163**

A. P. SANZGIRI & CO. MUMBAI F.R. NO. 116293W CHARTERED ACCOUNTANTS

FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI BANK

First Abu Dhabi Bank PJSC - India Branch
(Incorporated in Abu Dhabi With Limited Liability)

SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at March 31, 2021 (Rs. '000)	As at March 31, 2020 (Rs. '000)
SCHEDULE 10 - Fixed Assets			
I.	**Premises**		
	At Cost at the beginning of the period	-	-
	Additions during the period	-	-
		-	-
	Deductions during the period	-	-
		-	-
	Depreciation to date	-	-
		-	-
	Capital Work in Progress	-	-
		-	-
II.	**Other Fixed Assets (including Furniture and Fixtures)**		
	At Cost at the beginning of the period	156,662	133,221
	Additions during the period	14,483	23,441
		171,145	156,662
	Deductions during the period	-	-
		171,145	156,662
	Depreciation to date	147,050	125,813
		24,095	30,849
	Capital Work in Progress	-	-
		24,095	30,849
	TOTAL (I and II)	**24,095**	30,849
SCHEDULE 11 - Other Assets			
I.	Inter-office adjustments (net)	-	-
II.	Interest accrued	1,165,906	754,957
III.	Advance tax and tax deducted at source (net) [net of Provision for taxation of Rs. _____ (Previous Year Rs. _____)]	-	-
IV.	Deferred tax assets	154,266	116,779
V.	Stationery and stamps	-	-
VI.	Non-banking assets acquired in satisfaction of claims	-	-
VII.	Others	5,736,037	6,975,373
	TOTAL	**7,056,209**	7,847,109

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FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI BANK PJSC

First Abu Dhabi Bank PJSC - India Branch
(Incorporated in Abu Dhabi With Limited Liability)

SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at March 31, 2021 (Rs. '000)	As at March 31, 2020 (Rs. '000)
SCHEDULE 12 - Contingent Liabilities			
I.	Claims against the Bank not acknowledged as Debts (including tax related matters)	-	-
II.	Liability for partly paid investments	-	-
III.	Liability on account of outstanding forward exchange contracts	188,015,842	119,088,262
IV.	Liability on account of outstanding derivative contracts	229,119,588	158,916,990
V.	Guarantees given on behalf of constituents		
	(a) in India	124,816	-
	(b) outside India	5,097,959	6,830,988
VI.	Acceptances, endorsements and other obligations	151,389	-
VII.	Other items for which the Bank is contingently liable	-	902
TOTAL		**422,509,594**	284,837,142

First Abu Dhabi Bank PJSC - India Branch
(Incorporated in Abu Dhabi With Limited Liability)

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

		Year Ended March 31, 2021 (Rs. '000)	Year Ended March 31, 2020 (Rs. '000)
SCHEDULE 13 - Interest Earned			
I.	Interest/discount on advances/bills	1,232,816	777,685
II.	Income on investments	3,173,374	2,306,986
III.	Interest on balances with Reserve Bank of India and other inter-bank funds	19,907	12,041
IV.	Others	-	-
	TOTAL	**4,426,097**	3,096,712
SCHEDULE 14 - Other Income			
I.	Commission, exchange and brokerage	322,646	460,723
II.	Profit / (Loss) on sale of investments (net)	218,214	165,451
III.	Profit / (Loss) on revaluation of investments (net)	-	-
IV.	Profit / (Loss) on sale of land, buildings and other assets (net)	-	-
V.	Profit on exchange / derivative transactions (net)	125,296	12,140
VI.	Miscellaneous Income	20,590	23,919
	TOTAL	**686,746**	662,233
SCHEDULE 15 - Interest Expended			
I.	Interest on deposits	67,295	48,580
II.	Interest on Reserve Bank of India/inter-bank borrowings	1,132,964	948,707
III.	Others	-	-
	TOTAL	**1,200,259**	997,287

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FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI BANK PJSC

First Abu Dhabi Bank PJSC - India Branch
(Incorporated in Abu Dhabi With Limited Liability)

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

		Year Ended March 31, 2021 (Rs. '000)	Year Ended March 31, 2020 (Rs. '000)
SCHEDULE 16 - Operating Expenses			
I.	Payments to and provisions for employees	326,324	334,716
II.	Rent, taxes and lighting	88,522	89,127
III.	Printing and stationery	280	734
IV.	Advertisement and publicity	-	250
V.	Depreciation on Bank's property	21,237	22,024
VI.	Directors' fees, allowances and expenses	-	-
VII.	Auditors' fees and expenses	2,000	2,000
VIII.	Law Charges	2,210	1,372
IX.	Postages, telegrams, telephones, etc	4,740	3,186
X.	Repairs and maintenance	6,345	6,117
XI.	Insurance	3,771	3,632
XII.	Other expenditure	394,847	317,234
	TOTAL	**850,276**	780,392
SCHEDULE 17 - Provisions and Contingencies			
I.	Provision for unhedged foregin currency exposure	21,200	(13,950)
II.	Provision / (Write-back of provision) for country risk	5,458	190
III	Provision for Non Performing Assets	-	-
IV.	Provision for Taxation	1,343,046	876,225
V.	Provision for Deferred tax	(37,487)	(72,406)
V.	Provision for Standard asset	15,287	126,095
VI.	Provision for Large Borrower Exposure	(27,216)	28,699
VII.	(Write-back of provision) / Provision for depreciation on investments	72,054	-
	TOTAL	**1,392,342**	944,853

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FIRST ABU DHABI BANK PJSC FABT MUMBAI BRANCH

Schedule 18: Significant Accounting Policies

A. Background

The accompanying financial statements for the year ended 31 March 2021 comprise the accounts of First Abu Dhabi Bank PJSC – India Branch ('the Bank') which is a branch of First Abu Dhabi Bank PJSC ('the FAB') incorporated with limited liability and is registered as a Public Joint Stock Company in accordance with the United Arab Emirates Federal Law No. 8 of 1984 (as amended) relating to Commercial Companies. The Bank has only one branch in India as at 31 March 2021 located at Mumbai.

FAB received the banking license from the Reserve Bank of India ('RBI') to set up a branch in Mumbai on 17 December 2014. The Bank commenced its business operations in India on 31 August 2015.

B. Basis of preparation

The financial statements are prepared as a going concern under the historical cost convention and accrual basis of accounting unless otherwise stated, and in accordance with the Generally Accepted Accounting Principles ('GAAP') in India, statutory requirements prescribed under the Third Schedule of Banking Regulation Act, 1949 ('BR Act'), circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time, notified Accounting Standards ('AS') prescribed under section 133 of the Companies Act, 2013 as amended to the extent applicable and practices prevailing within the banking industry in India.

The Financial statements are presented in Indian Rupees rounded off to the nearest thousand unless otherwise stated.

C. Use of estimate

The preparation of the financial statements in conformity with GAAP, requires the management to make estimates and assumptions considered while reporting the amounts of assets and liabilities (including contingent liabilities) as at the date of the financial statements and Revenue and expenses of operations during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

D. Significant Accounting Policies

1. Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured in so far as it is consistent with the statutory provisions and the guidelines issued by the RBI. Interest income is recognised in the profit and loss account on an accrual basis, except for interest on Non-Performing assets, which is recognised on realisation basis as per prudential norms on Income Recognition and Asset Classification ('IRAC') laid down by RBI. Accretion of Discount is recognized as interest over the tenure of the discounted instrument on straight line basis.

Fees for services are recognized at the time the service are rendered and a binding obligation to receive the fees has arisen.

2. Foreign exchange transactions

Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated into Indian rupees at the rates of exchange notified by Foreign Exchange Dealers' Association of India ('FEDAI'). The resultant gains or losses on such revaluation are included in the Profit and Loss Account. Income and expenditure items are translated at the exchange rates prevailing on the date of transaction. Outstanding spot and forward exchange contracts and foreign currency swaps are revalued based on the period end exchange rates notified by FEDAI. The forward exchange contracts are presently valued using appropriate discount rates and the resultant gains or losses are recognised in Profit and Loss account. Contingent liabilities and outstanding contracts denominated in foreign currencies are disclosed at the period end closing rate of exchange as notified by FEDAI and the resultant gains or losses are accounted for in the books of account.

3. Derivative Transaction

Derivatives comprises of FX contracts, interest rate swaps and currency swaps.

Forward contracts held for trading purposes are revalued at rates notified by FEDAI for specified maturities and at interpolated rates for interim maturities. In case of forward contracts of greater maturities where exchange rates are not notified by FEDAI, these are revalued at the forward exchange rates implied by the swap curves in respective currencies.

Interest rate swaps and Currency swaps held for trading purpose are recognised at their fair values on inception and subsequently marked to market (MTM) on a daily basis.

The resulting gains or losses are included in the Profit and Loss Account as per the regulations stipulated by the RBI/ FEDAI. Unrealized gains or losses, if any, are reflected in the Balance Sheet under Other Assets or Other Liabilities respectively.

4. Fixed asset and depreciation

Fixed assets are accounted at historical cost less accumulated depreciation as adjusted for impairment loss, if any. Cost includes cost of purchase and any cost attributable for bringing the asset to its working condition for its intended use. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future benefit / functioning capability from / of such assets

Depreciation/amortisation on fixed assets is provided under the straight-line method over the estimated useful life of the asset. In respect of Disposal/Sale of assets, no depreciation is provided in the month in which the asset is Sold/disposed off.

The useful life as prescribed in Part C of Schedule II to the Companies Act, 2013 is considered as the maximum useful life. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful/ remaining useful life. Pursuant to this policy, depreciation is provided at the following useful life which is lower than or equal to the corresponding useful life prescribed under Part C of Schedule II:

Class of Asset	Useful life
Office equipment (Telephone, CCTV, TV)	3 years
Other Office equipment	5 years
Computer and computer equipment (hardware and software)	3 years
Furniture and Fixtures	5 years
Leasehold improvements to premises	5 years or upto the life of non-cancellable lease period, whichever is less
Mobile phones	2 years

Fixed assets individually costing less than Rs. 5,000 are fully depreciated in the year of purchase.

Capital work in progress, if any, includes cost of fixed assets that are not ready for its intended use but advances have been paid to acquire the same.

5. Impairment of assets

In accordance with 'AS-28 on Impairment of Assets', an asset is considered as impaired when at balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the assets belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The Bank assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the bank estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than the carrying amount, the carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the Profit and Loss Account. If at the Balance sheet date there is an indication that previously assessed Impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

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FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI BANK P.J.S.C.

6. Employee Benefits

Gratuity: The Bank provides for gratuity, a defined benefit retirement plan, covering eligible employees. The plan provides for lump sum payments to vested employees at retirement or upon death while in employment or on termination of employment for an amount equivalent to 15 days' salary payable for each completed year of service if the service is more than five years. The Bank accounts for the liability for future gratuity benefits using the projected unit cost method based on an independent external actuarial valuation. The Bank recognises the actuarial gain or loss during the year in which the same is incurred.

Provident Fund: The Bank contributes to recognised provident fund, which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the Profit and Loss Account. The Bank has no liability for future provident fund benefits other than its annual contribution.

Short Term Benefits: The undiscounted amount of short-term employee benefits to be paid for services rendered is recognized as an expense in the profit and loss account of the period in which the services are rendered. Expenses are accrued as liability if not already paid. These benefits include performance incentives.

Compensated Absences: The Employees can carry-forward a portion of the unutilized accrued compensated absences and utilises it in future services period or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related services and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as Long Term benefit. The Bank records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using Projected Unit Credit method.

7. Provisions, contingent liabilities and assets

In accordance with 'AS-29 on Provisions, Contingent Liabilities and Contingent Assets', a provision is required when the Bank has a present obligation as a result of past event where it is probable that outflow of resources is required and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed

A disclosure of contingent liability is made when there is a possible obligation or present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation, where likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognised in the year in which the change occurs.

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8. Taxation

Income Tax expense comprises current and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. The Bank accounts deferred taxes in accordance with provisions of AS-22 "Accounting for Taxes on Income". Deferred Income Tax reflects the impact of current year timing differences between the taxable income and the accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to taxes levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Bank has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each Balance Sheet date, the Bank re-assesses unrecognised deferred tax assets and recognises deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

9. Advances

Advances are classified as performing and non-performing based on management's periodic internal assessment and in accordance with RBI prudential norms. Advances are stated net of specific loan provision, write offs and interest in suspense for non-performing advances. Provision for loan losses are made in respect of identified advances based on management's assessment of degree of impairment, subject to minimum provisioning levels prescribed by the RBI guidelines.

In accordance with RBI guidelines and prudential provisioning norms, the Bank makes general provision on standard assets including credit exposures computed as per the current marked to market values of interest rate and foreign exchange derivative contracts at levels stipulated by RBI from time to time.

For entities with Unhedged Foreign Currency Exposure (UFCE), provision is made in accordance with the guidelines issued by RBI, which requires to ascertain the amount of UFCE, estimate the extent of likely loss and estimate the riskiness of un-hedged position.

For Large exposures provisions, Bank follow the guidelines given in circular RBI/2016-17/50 DBR.BP.BC.No.8/21.01.003/2016-17 dated 25 August 2016.

For Stressed sector provision, Bank follows the guidelines given in circular DBR.No.BP.BC.64/21.04.048/2016-17 dated 18 April 2017.

These provisions (provisions other than specific provisions for non performing advances) are classified under Schedule 5 – Other liabilities and provisions in the balance sheet.

10. Investments

Classification of investments

Investments are recognised on settlement date basis (i.e. value date) and are classified as Held for Trading ('HFT'), Available for Sale ('AFS') or Held to Maturity ('HTM') in accordance with RBI guidelines. Under each of these classifications, investments are further categorized as under; (a) Government securities, (b) Other approved securities, (c) Shares, (d) Debentures and bonds, (e) Subsidiaries and (f) Others.

Valuation of investments

Valuation of investments is carried out in accordance with the RBI guidelines. Investments under AFS category are marked to market on a quarterly basis and those classified under HFT are marked to market on a monthly basis. Investments classified under the HFT and AFS categories are valued at lower of acquisition cost or market value at the price as declared by Primary Dealers Association of India jointly with Financial Benchmark India Private Limited ("FBIL"). Securities are valued scrip wise and depreciation/appreciation is aggregated for each category. Net depreciation per category is provided for while net appreciation is ignored. Book value of the individual security is not changed consequent to revaluation of the securities. Treasury bills, Commercial Paper and Certificate of Deposits are held at carrying cost.

Securities categorized under HTM are carried at acquisition cost, or at amortized cost, if acquired at a premium over the face value. Such premium is amortized over the remaining period to maturity of the relevant security on an implied rate.

Acquisition cost

In determining acquisition cost of an investment:

- Brokerage, Commission, etc. paid at the time of acquisition, are charged to Profit and Loss Account.
- Cost of investments is determined using Weighted Average method.
- Broken period interest on debt instruments is accounted for in accordance with RBI guidelines

During the year, post integration of systems in June 2020, there has been change in accounting of acquisition cost from First in First Out method to Weighted Average method on prospective basis.

Disposal of Investments

Profit/Loss on sale of investments under the HFT and AFS categories are recognised in the Profit and Loss Account.

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

Transfer of securities between categories

Transfer of investments between categories is accounted for in accordance with RBI guidelines vide master circular DBR No. BP.BC.6/21.04.141/2015-16 dated 01 July 2015 as follows:

Reclassification of investments from one category to the other is accounted for at the lower of acquisition cost / book value / market value, as on the date of transfer and depreciation, if any, on such transfer is fully provided for.

Investment Fluctuation Reserve (IFR)

In accordance with RBI circular RBI/2017-18/147 - DBR.No.BP.BC.102/21.04.048/2017-18 dated April 2, 2018 Bank creates Investment Fluctuation Reserve of an amount not lower than (a) net profit on sale of investments during the year (b) net profit for the year less mandatory appropriations until the amount of IFR is at least 2% of the HFT and AFS portfolio. In order to achieve Investment Fluctuation Reserve of at least 2 percent of the HFT and AFS portfolio within a period of three years from 2018-19 as advised by RBI, Bank may create additional provision that may be higher than the minimum required as above.

11. Repurchase/Reverse-repurchase transactions

In accordance with the RBI guidelines, repurchase (repos) and reverse repurchase (reverse repos) including Liquidity Adjustment Facility (LAF) transactions are accounted as collateralized borrowing and lending. The difference between the clean price of the first leg and the clean price of the second leg is recognised as interest expense/income over the period of the transaction.

12. Country Risk Provision

In accordance with RBI guidelines on Country Risk Management, the Bank makes adequate provisions only in respect of country where the Bank's net funded exposure is 1 % or more of its total assets. Accordingly, the Bank is maintaining provisions ranging from 0.25% to 100% of the net funded exposure to a particular country based on the "Risk Category" under which it falls. The provision, if any, under the policy is reflecting under Schedule 5 ('Other liabilities and provisions').

13. Accounting for leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight line basis over the lease term in accordance with 'AS-19, Leases'. Assets taken on lease are accounted with the provisions of AS-19

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FIRST ABU DHABI BANK FAB

14. Net profit/(loss)

The Net profit/ (loss) is computed after:-

- Provision for non performing assets, country risk provision, provision on standard assets and derivatives, provision for unhedged foreign currency exposure, large borrower provision, if any.
- Provision for income tax, if any.
- Provision for deferred taxation, if any.
- Other necessary provisions, if any.

15. Cash and Cash Equivalent:

Cash and cash equivalent includes cash in hand balances with RBI, Balances with other banks and money at call and short notice.

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FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI

SCHEDULES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2021
(CURRENCY: INDIAN RUPEES IN THOUSANDS UNLESS STATED OTHERWISE)

E. Notes to accounts

1) Capital adequacy

The capital adequacy ratio of Bank's is calculated in accordance with the RBI guidelines under Basel III framework is detailed below :-

Particulars	As at 31 March 2021	As at 31 March 2020
Common Equity Tier-1 capital ratio (%)	37.39%	37.33%
Tier 1 capital ratio (%)	37.39%	37.33%
Tier 2 capital ratio (%)	2.29%	1.22%
Total capital ratio (CRAR) (%)	**39.68%**	**38.55%**
Amount of capital injected	-	-
Amount of Additional Tier 1 capital raised	-	-
Amount of Tier 2 capital raised	-	-

2) Investments

The details of the investments are given below:-

No.	Particulars	As at 31 March 2021	As at 31 March 2020
1	**Value of investments**		
(i)	Gross value of investments		
	(a) In India	53,866,216	36,260,164
	(b) Outside India	-	-
(ii)	Provision for depreciation		
	(a) In India	72,054	-
	(b) Outside India	-	-
(iii)	Net value of investments		
	(a) In India	53,794,162	36,260,164
	(b) Outside India	-	-
2	**Movement of provisions held towards depreciation on investments**		
(i)	Opening balance	-	-
(ii)	Add : Provisions made during the year	72,054	53,571
(iii)	Less : Write off/ Write back of excess provisions during the year	-	53,571
(iv)	Closing balance	72,054	-

The Investments comprises of investment in Government Bonds.

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SCHEDULES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2021
(CURRENCY: INDIAN RUPEES IN THOUSANDS UNLESS STATED OTHERWISE)

3) Repo/ reverse repo transactions

The details of face value of securities purchased and sold under reverse repo and repo is given below:

In face value terms	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31 March 2021
Securities sold under repo				
i. Government securities	36,440	36,440	36,440	-
ii. Corporate debt securities	-	-	-	-
Securities purchased under reverse repo				
i. Government securities	17,180	7,936,880	1,305,465	154,460
ii. Corporate debt securities	-	-	-	-

In face value terms	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31 March 2020
Securities sold under repo				
i. Government securities	9,520	1,650,000	1,057,228	44,030
ii. Corporate debt securities	-	-	-	-
Securities purchased under reverse repo				
i. Government securities	9,130	9,799,450	157,848	143,120
ii. Corporate debt securities	-	-	-	-

4) Issuer composition of Non-SLR investments

Issuer composition of Non-SLR investments as at 31 March 2021 is stated below:

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

A. P. SANZGIRI & CO. MUMBAI F. R. NO. 116293W CHARTERED ACCOUNTANTS

FIRST ABU DHABI BANK PJSC FAB1 MUMBAI BRANCH FIRST ABU DHABI BANK

SCHEDULES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2021
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4) Issuer composition of Non-SLR investments (continued)

Issuer composition of Non-SLR investments as at 31 March 2020 is stated below:

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

5) Non-Performing Non-SLR investments

There are no Non performing Non SLR securities during the year ended 31 March 2021 (Previous year ended 31 March 2020 : Nil).

6) Sale and Transfers to/ from HTM Category

There was no sale or transfer to/from HTM category during the year ended 31 March 2021 (Previous year ended 31 March 2020 : Nil).

7) Asset Quality

There were no Non Performing Advances (NPA) during the year ended 31 March 2021 and hence the disclosures on NPAs, write-Offs and technical write-offs, are not applicable (Previous year ended 31 March 2020 : Nil).

8) Particulars of accounts restructured (including MSME)

The Bank has not restructured any account during the year ended 31 March 2021 (Previous year ended 31 March 2020 : Nil).

9) Details of financial assets sold to Securitization/ Reconstruction Company for Asset Reconstruction

The Bank has not sold any financial assets to Securitization/ Reconstruction Company for Asset Reconstruction during the year ended 31 March 2021 (Previous year ended 31 March 2020 : Nil).

10) Details of non-performing financial assets purchased/sold

There were no purchases or sales of non-performing financial assets from/to other banks during the year ended 31 March 2021 (Previous year ended 31 March 2020 : Nil).

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FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH

11) Derivatives

i. Forward Rate Agreements/ Interest Rate Swaps and OIS

The nature and terms of Interest Rate Swaps are set out as below:-

No.	Particulars	As at 31 March 2021 IRS	As at 31 March 2021 OIS	As at 31 March 2020 IRS	As at 31 March 2020 OIS
i.	The notional principal of swap agreements	135,431,547	43,550,000	104,002,925	8,200,000
ii.	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	755,242	279,825	827,008	9,166
iii.	Collateral required by the bank upon entering into swaps	-	-	-	-
iv.	Concentration of credit risk arising from the swaps (in the banking industry)	71.93%	88.52%	54.89%	100.00%
v.	The fair value of the swap book asset / (liability)	187,375	27,557	36,763	(110,107)

Sr.no	Benchmark	Nature	As at 31 March 2021 IRS		As at 31 March 2021 OIS		As at 31 March 2020 IRS		As at 31 March 2020 OIS	
			No.	Notional	No.	Notional	No.	Notional	No.	Notional
i.	USD Libor - 3 Month	Pay fixed Receive floating	2	1,462,200	-	-	2	1,513,300	-	-
ii.	USD Libor - 3 Month	Pay floating Receive fixed	2	1,462,200	-	-	2	1,513,300	-	-
iii	INR MIFOR 6M	Pay floating Receive fixed	-	-	-	-	1	250,000	-	-
iv	ON MIBOR	Pay fixed Receive floating	-	-	-	-	-	-	8	5,050,000
v	ON MIBOR	Pay floating Receive fixed	-	-	-	-	-	-	3	900,000
vi	INR MIBOR CMP O/N	Pay fixed Receive floating	-	-	-	-	-	-	1	500,000
vii	INR MIBOR ON CMP 1BD<1YR	Pay floating Receive fixed	-	-	1	250,000	-	-	-	-

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FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI BANK PJSC

SCHEDULES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2021
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11) Derivatives (continued)

Sr.no	Benchmark	Nature	As at 31 March 2021 IRS		As at 31 March 2021 OIS		As at 31 March 2020 IRS		As at 31 March 2020 OIS	
			No.	Notional	No.	Notional	No.	Notional	No.	Notional
viii	INR MIBOR ON CMP 1BD>1YR	Pay floating Receive fixed	-	-	3	4,500,000	-	-	-	-
ix	INR MIBOR ON CMP 1BD>1YR	Pay fixed Receive floating	-	-	2	5,500,000	-	-	-	-
x	USD LIBOR 1M	Pay fixed Receive floating	4	34,727,250	-	-	6	46,155,650	-	-
xi	USD LIBOR 1M	Pay floating Receive fixed	6	34,727,250	-	-	6	40,859,100	-	-
xii	USD LIBOR 6M	Pay fixed Receive floating	2	1,096,650	-	-	3	1,891,625	-	-
xiii	USD LIBOR 6M	Pay floating Receive fixed	2	1,096,650	-	-	3	1,891,625	-	-
xiv	INR OIS ONSHORE 1BD>1YR	Pay floating Receive fixed	-	-	38	10,300,000	-	-	7	1,750,000
xv	INR OIS ONSHORE 1BD>1YR	Pay fixed Receive floating	-	-	48	17,750,000	-	-	-	-
xiv	INR MIFOR ONSHORE S 6M	Pay floating Receive fixed	27	15,950,000	-	-	21	9,550,000	-	-
xvii	INR MIFOR ONSHORE S 6M	Pay fixed Receive floating	45	26,800,000	-	-	-	-	-	-
xviii	USD LIBOR S 3M 30/360	Pay floating Receive fixed	4	2,164,056	-	-	1	378,325	-	-
xix	USD LIBOR S 3M 30/360	Pay fixed Receive floating	15	11,924,241	-	-	-	-	-	-
xx	USD LIBOR S 6M 30/360	Pay fixed Receive floating	3	2,558,850	-	-	-	-	-	-
xxi	USD LIBOR SB 3M LCH	Pay floating Receive fixed	1	731,100	-	-	-	-	-	-
xxii	USD LIBOR SB 3M LCH	Pay fixed Receive floating	1	731,100	-	-	-	-	-	-
xxiii	INR OIS ONSHORE 1BD<1YR	Pay floating Receive fixed	-	-	4	2,250,000	-	-	-	-
xxiv	INR OIS ONSHORE 1BD<1YR	Pay fixed Receive floating	-	-	5	3,000,000	-	-	-	-
			114	**135,431,547**	**101**	**43,550,000**	45	104,002,925	19	8,200,000

ii. Exchange traded interest rate derivatives

The Bank had not carried out any transaction in exchange traded interest rate derivatives during the Year ended 31 March 2021 (Previous year ended 31 March 2020 : Nil).

iii. Disclosures on risk exposure in derivative

Qualitative disclosures

- The derivative contracts (including Foreign exchange contracts) entered by the Bank during the year were for the purposes of trading and to meet customer requirements to manage their risks.
- Treasury front-office, mid-office and back-office roles are managed by officials with necessary systems support and clearly defined responsibilities.
- The policy for recognition of income, valuation of outstanding contracts, provisioning and credit risk mitigation is in place. The gains or losses are reported under the head 'Profit on exchange/derivative transactions' in the Profit and Loss account. On the Balance Sheet, unrealized gains are reported under "Other assets" in Schedule 11 and unrealized losses are reported under "Other liabilities and provisions" in Schedule 5.
- The Bank applies the Current Exposure method to assess credit risk associated with Derivatives and Foreign Exchange contracts. Credit risk on a contract is computed as the sum of its mark-to-market value if positive and its potential future exposure which is calculated based on its notional value and its residual maturity

Quantitative disclosures

No.	Particulars	As at 31 March 2021			As at 31 March 2020		
		Currency Derivatives	Interest rate Derivatives	OIS	Currency Derivatives	Interest rate Derivatives	OIS
1	Derivatives (Notional Principal Amount)						
	a) For hedging	-	-	-	-	-	
	b) For trading	238,153,883	135,431,547	43,550,000	165,802,327	104,002,925	82,00,000
2	Marked to Market Position						
	a) Asset (+)	2,786,118	755,242	279,245	4,929,627	827,008	9,166
	b) Liability (-)	3,343,512	567,867	252,268	5,184,995	790,245	119,274
3	Credit exposure#	15,201,156	1,845,700	684,575	15,996,665	1,867,037	80,916
4	Likely impact of one percentage change in interest rate (100*PV01)						
	a) on hedging derivatives	-	-	-	-	-	-
	b) on trading derivatives	-180,148	168,896.10	66,211.29	-39,428.30	33,678.60	32,673.64

SCHEDULES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2021
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5	Maximum of 100*PV01 observed during the year	-	-	-	-	-	-
	a) For hedging	-38,632.69	185,907.50	82,900.41	- 16.04	34,647.83	54,582.41
	b) For Trading						
6	Minimum of 100*PV01 observed during the year	-	-		-	-	
	a) For hedging	-189,617	33,218.67	19,013.22	-41,022.02	-5,664.51	8,749.55
	b) For Trading						

PV01 as disclosed above is based on the assumption and estimates made by the management and which have been relied upon by the auditor.

Credit exposure represents total exposure based on current exposure method as per RBI Master Circular on Exposure Norms.

@ Includes Foreign exchange contracts and currency swaps.

12) Provisions on standard assets other than country risk and UFCE

Particulars	As at 31 March 2021	As at 31 March 2020
Standard provision on advances	98,101	81,961
Standard provision on derivative exposures	70,926	71,779
Total	**169,027**	**153,740**

13) Business Ratios

No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
i.	Interest income as percentage of working funds[1]	6.17%	6.56%
ii.	Non-interest Income as percentage to working funds[1]	0.96%	1.40%
iii.	Operating profit as percentage to working funds[1]	4.27%	4.20%
iv.	Return on assets[2]	2.33%	2.20%
v.	Business (Deposit plus advances) per employee[3 & 4]	4,91,641	3,57,580
vi.	Net profit / (loss) per employee[4]	36,304	20,322

1. Working Funds represent average of total of assets (excluding accumulated losses, if any) as reported in Form X returns submitted to RBI under section 27 of the Banking Regulation Act, 1949 during the year.
2. Return on Assets is with reference to working funds (i.e. total of assets excluding accumulated losses, if any).
3. In the computation of business per employee (deposits plus advances), interbank deposits are excluded.
4. For the purpose of computation of business per employee (deposits plus advances) and Net profit / (loss) per employee, employees as at year- end is considered.

A. P. SANZGIRI & CO. MUMBAI F. R. NO. 116207 CHARTERED ACCOUNTANTS

FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI BANK PJSC

First Abu Dhabi Bank PJSC - India Branch
(Incorporated in Abu Dhabi With Limited Liability)

SCHEDULES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2021
(CURRENCY: INDIAN RUPEES IN THOUSANDS UNLESS STATED OTHERWISE)

14) Asset liability management

Maturity pattern of certain items of assets and liabilities as on 31 March 2021

Maturity Bucket	Deposits	Advances	Investments	Borrowings	Foreign currency assets *	Foreign currency liabilities *
Day 1	1,336,767	-	-	-	564,406	360,884
2 to 7 days	-	87,619	-	46,605,463	52,837	-
8 to 14 days	-	53,239	-	-	-	-
15 to 28 days	-	695,954	-	-	-	-
Day 29 to 3 months	2,753,500	2,260,880	-	-	27,021	-
3 to 6 months	-	1,947,524	-	-	-	-
6 month to 1 year	-	1,000,000	-	-	-	-
1 to 3 years	-	5,830,000	13,179,293	-	-	-
3 to 5 years	-	3,650,000	40,614,869	-	-	-
Over 5 years	-	3,000,000	-	-	391	-
Total	**4,090,267**	**18,525,216**	**53,794,162**	**46,605,463**	**644,655**	**360,884**

* Foreign currency assets and liabilities exclude off-balance sheet assets and liabilities and consequent unrealized profit/ loss on the same.

The classification of assets and liabilities under the different maturity buckets are compiled by the Bank on the same estimates and assumptions as used by the Bank for compiling the returns submitted to RBI.

Maturity pattern of certain items of assets and liabilities as on 31 March 2020

Maturity Bucket	Deposits	Advances	Investments	Borrowings	Foreign currency assets	Foreign currency liabilities
Day 1	1,226,643	-	-	-	494,801	59,332
2 to 7 days	-	300,000	-	26,479,827	151,330	-
8 to 14 days	2,112,463	43,852	-	-	-	-
15 to 28 days	407,314	343,158	-	-	-	-
Day 29 to 3 months	-	5,463,923	-	-	-	-
3 to 6 months	-	8,39,230	-	-	-	-
6 month to 1 year	-	1,000,000	-	50,000	-	-
1 to 3 years	-	2,000,000	11,718,162	-	-	-
3 to 5 years	-	4,500,000	24,542,002	-	-	-
Over 5 years	-	-	-	-	-	-
Total	**3,746,420**	**14,490,163**	**36,260,164**	**26,529,827**	**545,131**	**59,332**

A. P. SANZGIRI & CO. MUMBAI F. R. NO. 116283W CHARTERED ACCOUNTANTS

FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI BANK PJSC

15) Exposure to real estate sector and capital market

a) Exposure to Real Estate Sector

Particulars	As at 31 March 2021	As at 31 March 2020
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 estate (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;	4,000,000	4,000,000
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures	-	-
a) Residential	-	-
b) Commercial Real Estate		
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	1,511,658	2,022,482
Total Exposure to Real Estate Sector	**5,511,658**	**6,022,482**

Note: Commercial Real Estate exposure shown above is not secured by mortgages on commercial real estate, it is secured by Corporate Guarantee from obligor's holding company. As the repayment would be from cash flows generated by commercial real estate it has been classified as commercial real estate exposure.

b) Exposure to Capital Market

The Bank had no direct or indirect exposure to capital market sector as on 31 March 2021 (Previous year ended 31 March 2020 : Nil).

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FIRST ABU DHABI BANK P.J.S.C. FAB1 MUMBAI BRANCH

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16) Risk category wise country risk exposure

Provision for country risk exposure in terms of RBI guidelines is as follows:

Risk category	Exposure (net)* as at 31 March 2021	Provision held as at 31 March 2021	Exposure (net)* as at 31 March 2020	Provision held as at 31 March 2020
Insignificant	5,005,238	3,750	2,013,322	-
Low	6,867,495	6,779	7,667,054	5,071
Moderate	-	-	-	-
High	-	-	-	-
Very high	-	-	-	-
Restricted	-	-	-	-
Off-credit	-	-	-	-
Total	**11,872,734**	**10,529**	**9,680,376**	**5,071**

As per extant RBI guidelines, the provision is created for only those countries where the net funded exposure is 1% or more of the total assets. For exposures with contractual maturity of less than 180 days, 25% of the normal provision requirements are held.
* Exposure includes funded and Non funded exposure.

17) Details of Single Borrower Limit (SBL) and Group Borrower Limit (GBL)

During the month of December 2020, HO exposure (i.e. FAB India exposure to FAB Head Office) was in marginal breach of LEF limits and the same was duly informed to RBI on 15 December 2020. The same was remediated before close of December 2020.

18) Unsecured advances against intangible assets

There were no unsecured advances against intangible assets, during the year ended 31 March 2021 (Previous year ended 31 March 2020 : Nil).

19) Provision for current taxation

Particulars	For the year ended 31 March 2021	For the period ended 31 March 2020
Provision for Income tax – current year	1,361,249	876,776
Provision for Income tax – previous year	(18,203)	(551)
Provision for Deferred tax	(37,487)	(72,406)

20) Disclosure of penalties imposed by RBI

During the financial year under review, no penalty has been levied by RBI under section 46 (4) of the BR Act.

(Previous Year ended 31 March 2020 : No penalty was levied by RBI under section 46 (4) of the BR Act.)

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FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI BANK PJSC

21) Disclosure under Revised AS-15 - Employee Benefits

Gratuity - Defined benefit plan

The Bank has adopted AS-15 (Revised 2005) - Employees benefits (AS-15) and determined the actuarial liability for gratuity as per the projected unit credit method using an independent actuary.

Summary

i. Net asset/ (liability) recognised in Balance Sheet

No.	Particulars	As at 31 March 2021	As at 31 March 2020
1	Present value of defined benefit obligation	12,622	9,136
2	Fair value of plan assets	-	-
3	Funded status (surplus/ (deficit))	(12,622)	(9,136)
4	Unrecognised past service costs	-	-
5	Net asset / (liability) recognised in the Balance Sheet	(12,622)	(9,136)

ii. Total expenses recognised in Profit and Loss Account

No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
1	Current service cost	4,241	3,462
2	Interest cost	533	429
3	Actuarial losses / (Gains)	(487)	(888)
4	Total expenses recognised in Profit and Loss Account	4,287	3,003

iii. Change in the fair value of plan assets

No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
1	Fair value of plan assets at the beginning of the year	-	-
2	Contributions by the Bank	-	-
3	Actuarial Gain/ (Loss) recognised during the year	-	-
4	Benefit paid	-	-
5	Fair value of plan assets at the end of the year	-	-

iv. The principal actuarial assumptions used

No.	Particulars	As at 31 March 2021	As at 31 March 2020
1	Salary escalations	10.00%	10.00%
2	Discount rate	5.90%	6.10%
3	Attrition rate	15.00%	15.00%
4	Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ult.	Indian Assured Lives Mortality (2006-08) (modified) Ult.

21) Disclosure under Revised AS-15 - Employee Benefits (continued)

v. Experience History

No.	Experience History	31-Mar-21	31-Mar-20	31-Mar-19	31-Mar-18	31-Mar-17
1	Defined Benefit Obligation at end of the period	(12,622)	(9,136)	(6,133)	(6,693)	(8,997)
2	Plan Assets at end of the period	-	-	-	-	-
3	Funded Status	(12,622)	(9,136)	(6,133)	(6,693)	(8,997)
4	Experience Gain/(Loss) adjustments on plan liabilities	641	1,421	1,930	4,998	(3,770)
5	Experience Gain/(Loss) adjustments on plan assets	-	-	-	-	-
6	Actuarial Gain/(Loss) due to change on assumptions	(153)	(533)	1,458	565	(594)

Compensated Absences

The Bank has charged INR 3,327 ('000) to the Profit and Loss account towards provision of compensated absences during the year ended 31 March 2021. (Previous year: INR 3,964 ('000))

Principal Actuarial Assumptions	31-Mar-21	31-Mar-20
Discount Rate (per annum)	5.90%	6.10%
Salary Escalation Rate (per annum)	10.00%	10.00%
Mortality	IALM 2006-08 (Ultimate)	IALM 2006-08 (Ultimate)
Withdrawal Rate (per annum)	15.00%	15.00%

22) Segment Reporting

As per the guidelines issued by RBI vide DBOD.No.BP.BC.81/21.04.018/2006-07 dated 18 April 2007, the classification of exposures to the respective segments is being followed. The Bank has identified "Treasury & Markets", "Corporate / Wholesale Banking" and "Unallocated" as the primary reporting segments. The business segments have been identified and reported based on the organization structure, the nature of products and services offered, the internal business reporting system and the guidelines prescribed by RBI.

Treasury and Markets undertakes placement of funds, derivatives trading (including foreign exchange operations) on the proprietary account and for customers. Revenues under this section primarily comprise fees, gains / losses from trading and interest income from the investment portfolio and placement of funds.

Corporate/Wholesale Banking caters to the Corporate and Institutional customers.

Unallocated segment is the residual category.

Segment revenues stated below are aggregate of Schedule 13 - Interest earned and Schedule 14 - Other income.

The segment expenses comprise funding costs (external and internal), if any, personnel costs and other direct and allocated overheads.

Segment results are determined basis the segment revenue, segment cost and inter-unit notional charges/recoveries for cost of funds, if any.

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FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH

22) Segment Reporting (continued)

Segment information as of 31 March 2021

Business segments	Treasury and Markets	Corporate / Wholesale Banking	Unallocated	Total
Revenue	3,579,213	1,533,630	-	5,112,843
Operating profit / (loss)	1,927,507	1,048,018	-	2,975,525
Income tax benefit(deferred tax)				1,305,559
Net profit / (loss)				1,669,966
Other information				
Segment asset	67,394,718	12,876,426	-	80,271,144
Segment liabilities	51,762,019	4,914,190	-	56,676,209
Capital and Reserves & Surplus				23,594,935
Total liabilities				80,271,144

Segment information as of 31 March 2020

Business segments	Treasury and Markets	Corporate / Wholesale Banking	Unallocated	Total
Revenue	2,564,157	1,194,788	-	3,758,945
Operating profit / (loss)	1,207,093	633,139	-	1,840,232
Income tax benefit(deferred tax)				803,819
Net profit / (loss)				1,036,413
Other information				
Segment asset	44,029,650	14,749,889	731,321	59,510,860
Segment liabilities	33,346,656	3,746,420	492,815	37,585,891
Capital and Reserves & Surplus				21,924,969
Total liabilities				59,510,860

In computing the above disclosures, certain assumptions and estimates are made by the Management which have been relied upon by the statutory auditors.

The Bank does not have overseas operations and operates only in the domestic segment.

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FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH ABU DHABI

23) Related party disclosures

Related party disclosure as required in accordance with AS 18 – Related Party Disclosures and RBI guidelines, is provided below;

Name and nature of relationship of related parties

Relationship	Name of the related Party
Parent	First Abu Dhabi Bank PJSC incorporated in Abu Dhabi
Key Management Personnel	Nimesh Karwanyun (Chief Executive Officer)

As per RBI Circular No. DBR.BP.BC No.23 /21.04.018/2015-16 dated 01 July 2015, the Bank has not disclosed details pertaining to related parties where under a category, there is only one entity. Accordingly, as there is only one entity in each category of related party during the year, details thereof have not been disclosed.

24) Leases

As at 31 March 2021, the Bank was not obligated under operating leases for premise primarily for business purposes which have a certain lock in period.

Lease amounts recognised in the Profit and Loss Account during the year is INR. 86,113('000s) (Previous year ended 31 March 2020: INR. 86,113 ('000s).

Total minimum lease payments under non-cancellable operating lease are as under:

Particulars	As at 31 March 2021	As at 31 March 2020
Upto one year	-	95,825
More than one year and upto five years	-	-
More than five years	-	-
Total	**-**	**95,825**

25) Micro, Small and Medium Enterprises Development Act, 2006

There are no delays in payments to micro and small enterprises as required to be disclosed under 'The Micro, Small and Medium Enterprises Development Act 2006'. The determination has been made to the extent such parties were identified by the management based on the information available and are relied upon by the statutory auditors.

26) Draw down from reserves

The Bank had not drawn any amount from reserves during the year ended 31 March 2021 (Previous year ended 31 March 2020 : Nil)

27) Deferred taxes

The composition of deferred tax is as under:

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax assets (A)	**154,266**	**116,779**
Provision for employee benefits	8,975	5,999
Lease equalisation reserve	-	4,246
Disallowance under Section 43B of Income Tax Act,1961	9,746	11,927
Provision for loan losses (incl. Standard asset provision)	119,812	81,904
Depreciation on fixed assets	15,733	12,703
Deferred tax liability (B)	-	-
Net Deferred tax asset (A-B)	**154,266**	**116,779**

28) Provisions and contingencies

Break up provisions and contingencies

Particulars	For the year ended 31 March 2021	For the period ended 31 March 2020
Provision for depreciation on investments	72,054	-
Provision towards standard assets	15,287	1,26,095
Provision towards unhedged foreign currency exposure	21,200	(13,950)
Provision for Large borrowers Exposure	(27,216)	28,699
Provision made towards income tax		
-Current tax expense	1,343,046	876,225
-Deferred tax charge / (Credit)	(37,487)	(72,406)
Other provisions and contingencies		
- Provision towards country risk exposure	5,458	190

29) Floating provisions

The Bank has not created or utilised any floating provision during the year ended 31 March 2021. (The floating provision as on 31 March 2020 is Nil).

30) Letter of comfort

During the year ended 31 March 2021, the Bank has not issued any letter of comfort (Previous year ended 31 March 2020 : Nil).

SCHEDULES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2021
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31) Disclosure of complaints/unimplemented awards of Banking Ombudsmen:

Summary information on complaints received by the bank from customers and from the OBOs				
No.		Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Complaints received by the bank from its customers				
1		No. of complaints pending at the beginning of the year	-	-
2		No. of complaints received during the year	-	-
3		Number of complaints disposed during the year	-	-
	3.1	Of which, number of complaints rejected by the bank	-	-
4		Number of complaints pending at the end of the year		
Maintainable complaints received by the bank from OBOs				
5		Number of maintainable complaints received by the bank from OBOs	-	-
	5.1.	Of 5, number of complaints resolved in favour of the bank by BOs	-	-
	5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by BOs	-	-
	5.3	Of 5, number of complaints resolved after passing of Awards by BOs against the bank	-	-
6		Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
For the year ended 31 March 2021					
Ground - 1	-	-	-	-	-
Ground - 2	-	-	-	-	-
Ground - 3	-	-	-	-	-
Ground - 4	-	-	-	-	-
Ground - 5	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-
For the year ended 31 March 2020					
Ground - 1	-	-	-	-	-
Ground - 2	-	-	-	-	-
Ground - 3	-	-	-	-	-
Ground - 4	-	-	-	-	-
Ground - 5	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-

A. P. SANZGIRI & CO. MUMBAI F. R. NO. 116293W CHARTERED ACCOUNTANTS

FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI BANK P.J.S.C.

32) Provision coverage ratio

The Bank did not have any non-performing assets as at 31 March 2021 and thus provision coverage ratio is not applicable (Previous year ended 31 March 2020 : Not applicable).

33) Credit default swaps

The Bank has not entered in any Credit Default Swaps during the year ended 31 March 2021 (Previous year ended 31 March 2020 : Nil).

34) Bancassurance business

The Bank is not into the business of Bancassurance and has not received any fees/remuneration in respect of the same during the year ended 31 March 2021 (Previous year ended 31 March 2020 : Nil).

35) Concentration of deposits, advances, exposures and NPAs'

a) Concentration of deposits

Particulars	As at 31 March 2021	As at 31 March 2020
Total deposits of twenty largest depositors	4,090,267	3,746,420
Percentage of deposits of twenty largest depositors to total deposits of the Bank	100%	100%

b) Concentration of advances

Particulars	As at 31 March 2021	As at 31 March 2020
Total advances to twenty largest borrowers * #	39,581,163	27,121,054
Percentage of advances of twenty largest borrowers to total advances of the Bank	95.48%	100%

*Advances have been computed as per the definition of Credit Exposure including derivatives as prescribed in the RBI's Master Circular DBR.No.Dir.BC.12/13.03.00/2015-16 dated 01 July 2015.

Excludes exposures with Banks as counterparties.

c) Concentration of exposures

Particulars	As at 31 March 2021	As at 31 March 2020
Total Exposure to twenty largest borrowers /customers ** #	39,581,163	27,121,054
Percentage of exposures of twenty largest borrowers /customers to total exposure of the Bank on borrowers / customers	95.48%	100%

** Exposures are computed based on Credit and Investment exposure as prescribed in the RBI's Master Circular DBR.No.Dir.BC.12/13.03.00/2015-16 dated 01 July 2015.

Excludes exposures with Banks as counterparties and Investment in government securities.

A. P. SANZGIRI & CO. MUMBAI F. R. NO. 1162 CHARTERED ACCOUNTANTS

FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI BANK PJSC

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35) Concentration of deposits, advances, exposures and NPAs'(continued)

d) Concentration of NPAs' and Movement in NPAs

The Bank did not have any NPA as at 31 March 2021. (Previous year ended 31 March 2020 : Nil).

e) Sector wise advances

No.	Sector	As at 31 March 2021		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
A	**Priority Sector**			
1	Agriculture and allied activities	-	-	-
2	Advances to industries sector eligible as priority sector lending	236,737	-	-
3	Services	-	-	-
4	Personal Loans	-	-	-
	Sub-total (A)	**236,737**	**-**	**-**
B	**Non Priority Sector**			
1	Agriculture and allied activities	-	-	-
2	Industries	18,288,479	-	-
3	Services	-	-	-
4	Personal Loans	-	-	-
	Sub-total (B)	18,288,479	**-**	**-**
	Total (A+B)	**18,525,216**	-	**-**

During the year ended 31 March 2021, Bank purchased Priority Sector Lending Certificates (PSLCs) amounting to INR 6,937,500 ('000) and did not sell any PSLC.

No.	Sector	As at 31 March 2020		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
A	**Priority Sector**			
1	Agriculture and allied activities	-	-	-
2	Advances to industries sector eligible as priority sector lending	-	-	-
3	Services	-	-	-
4	Personal Loans	-	-	-
	Sub-total (A)	**-**	**-**	**-**
B	**Non Priority Sector**			
1	Agriculture and allied activities	-	-	-
2	Industries	14,490,163	-	-
3	Services	-	-	-
4	Personal Loans	-	-	-
	Sub-total (B)	14,490,163	**-**	**-**
	Total (A+B)	**14,490,163**	-	**-**

During the year ended 31 March 2020, Bank purchased Priority Sector Lending Certificates (PSLCs) amounting to INR 300,000 ('000) and did not sell any PSLC

A. P. SANZGIRI & CO. MUMBAI F.R. NO. 116201

FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH ABU DHABI BANK PJSC

36) Overseas assets, NPAs' and revenue

The Bank is a branch of a foreign bank and hence this disclosure is not considered applicable.

37) Off Balance sheet SPVs sponsored (which are required to be considered as per accounting norms)

There are no off–balance sheet SPVs sponsored during the year ended 31 March 2021 (Previous year ended 31 March 2020 : Nil).

38) Disclosures on remuneration

In terms of guidelines issued by RBI vide circular DBOD No.BC.72/29.67.001/2011-12 dated 13 January 2012, the Bank has submitted the declaration to Reserve Bank of India to the effect that compensation structure in India, including that of CEO, is in conformity with the Financial Stability Board (FSB) principles and standards.

39) Intra-Group exposures

As at 31 March 2021, the Bank does not have any intra-group exposures, (Previous year ended 31 March 2020 : Nil).

40) Corporate social responsibility

As required by the provisions of section 135 of the Companies Act, 2013. the Bank has Corporate Social Responsibility (CSR) Committee in place which is responsible for undertaking the CSR spends on behalf of the Bank. The Bank is required to contribute 2% of the average of previous 3 years' net profits towards CSR. For financial year 2020-21, the bank was required to incur CSR of INR 2.32 crores and carried over of for the year ended 31 March 2020 of INR 0.73 crores. The bank has disbursed INR 1.55 crores towards approved project. The bank has not been able to disburse INR 1.50 crores due to COVID-19 issue and the same has been held as provision by the bank. The disbursement of the same towards the approved project will be undertaken once the lockdown is opened up in Mumbai.

41) Unhedged Foreign Currency Exposure

RBI guidelines indicate the definition of "unhedged foreign currency exposure" and how to estimate the extent of likely loss. Likely loss is defined as "The loss to the entity in case of movement in USD-INR exchange rate may be calculated using the annualized volatilities. Once the loss figure is calculated, it may be compared with the annual EBID of the corporate as per the latest quarterly results examined by the statutory auditors. This loss may be computed as a percentage of EBID. Higher this percentage, higher will be the susceptibility of the entity to adverse exchange rate movements. Therefore, as a prudential measure, all exposures to such entities (whether in Foreign Currency or in INR) would attract incremental capital and provisioning requirements (i.e., over and above the present requirements). In terms of RBI Circular DBOD.No.BP.BC. 85 /21.06.200/2013-14 dated 15 January 2014, the details of incremental provisioning and capital held by the Bank are as below:

Particulars	As at 31 March 2021	As at 31 March 2020
Incremental provision on account of UFCE	21,200	-
Incremental risk weighted assets on account of UFCE	71,290	-

A. P. SANZGIRI & CO. MUMBAI F. R. NO. 116203W

FIRST ABU DHABI BANK PJSC FAB MUMBAI BRANCH FIRST ABU DHABI BANK

42) Transfers to Depositor Education and Awareness Fund (DEAF)

The Bank did not have any amount to be transferred to DEAF during the year ended 31 March 2021 (Previous year ended 31 March 2021 : Nil).

43) Divergence in NPA

There is no divergence in Bank's asset classification and provisioning as observed by RBI in their last inspection report.

44) Resolution of Stressed Assets – Revised framework

There are no accounts during the year where resolution plans were implemented.

45) In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated 27th March, 2020, 17th April, 2020 and clarification issued by RBI through Indian Bankers Association, dated 6th May 2020. No Borrower instalment is re-scheduled or any FITL was granted. Disclosures mandated therein are not applicable and hence not stated. Given that no accounts were granted moratorium in terms of the Covid19 Regulatory Package, the guidelines vide RBI circular no. DOR.STR.REC.4/21.04.048/2021-22 dated 07th April 2021 for asset classification will not be applicable. (Previous Year: No Borrower instalment is re-scheduled. Disclosures mandated therein are not applicable and hence not stated).

46) The Banking services being under essential services, the operations of the bank continued uninterrupted during the lock down period caused by COVID-19 (first and second wave). The Bank has been constantly reviewing the disruptions caused by COVID-19 and the related impact on the Bank's business including regulatory changes. As at 31st, March 2021 & till date there is no impact of material nature due to COVID-19.

Though their remains a level of uncertainty on the time frame required for business operations to completely normalize, the Bank management does not estimate any significant impact on its business and financial results at this juncture considering the sound composition of its credit portfolio, satisfactory liquidity position and safeguard measures taken for staff well-being.

47) The bank has not levied any compounding interest to any of its borrower during the year. Hence, there is nil cases of refunding the differential between simple and compounded interest vide RBI circular no. RBI/2020-21/61 DOR.No.BP.BC.26/21.04.048/2020-21 dated 26th October 2020 and RBI circular no. DOR.STR.REC.4/21.04.048/2021-22 dated 07th April 2021 and in consonance with IBA guidelines. Disclosures mandated therein are not applicable and hence not stated.

48) Miscellaneous income includes cost recovery of INR 18,997 ('000) (Previous Year: INR 21,094('000)).

49) Liquidity Coverage Ratio

RBI vide its circular DBOD.BP.BC.No.120 / 21.04.098/2013-14 dated 09 June 2014, notified Basel III framework on Liquidity Standards covering Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards. As per the guidelines, following is the disclosure of information on Liquidity Coverage Ratio (LCR).

First Abu Dhabi Bank PJSC - India Branch
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Sr. No	Particulars	Quarter ended 31 March 2021		Quarter ended 31 December 2020		Quarter ended 30 September 2020		Quarter ended 30 June 2020	
		Total Un weighted value (average)	Total Weighted Value (average)	Total Un weighted value (average)	Total Weighted Value (average)	Total Un weighted value (average)	Total Weighted Value (average)	Total Un weighted value (average)	Total Weighted Value (average)
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (HQLA)		**7,455,134**		**9,807,998**		**9,154,749**		**12,160,677**
	Cash Outflows								
2	Retail deposits and deposits from small business customers, of which:	-	-	-	-	-	-	-	-
(i)	Stable deposits	-	-	-	-	-	-	-	-
-	Less stable deposits	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding, of which:	**4,879,574**	**4,513,985**	**4,391,388**	**3,314,841**	**4,561,167**	**2,069,943**	**5,102,821**	**2,335,686**
(i)	Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii)	Non-operational deposits (all counterparties)	818,994	339,583	1,884,716	775,658	4,026,153	1,560,111	-	-
(iii)	Unsecured debt	-	-	-	-	-	-	-	-
4	Secured wholesale funding	39,464,307	-	39,928,403	-	34,906,016	-	28,759,388	-
5	Additional requirements, of which	**20,359,008**	**981,656**	**20,087,859**	**928,288**	**17,786,918**	**783,537**	**15,696,073**	**717,778**
(i)	Outflows related to derivative exposures and other collateral requirements	25,028	25,763	2,513	2,626	43,072	41,623	46,079	46,222
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	4,621	4,809	4,077	4,209	10,437	10,115	4,964	5,069
7	Other contingent funding obligations	20,333,981	951,084	20,085,346	921,453	17,743,846	731,799	15,649,994	663,602
8	**Total Cash Outflows**	**64,692,087**	**5,491,046**	**64,376,848**	**4,260,995**	**57,254,101**	**2,853,480**	**49,558,283**	**3,053,464**
	Cash Inflows								
9	Secured lending (e.g. reverse repos)	2,604,782	2,665,187	1,696,684	1,755,726	980,266	939,631	1,215,654	1,237,821
10	Inflows from fully performing exposures	79,266	81,733	39,950	41,617	14,403	13,921	83,295	83,407
11	Other cash inflows	-	-	-	-	-	-	-	-
12	**Total Cash Inflows**	-	3,070,726	-	2,898,756	-	1,502,898	-	2,025,564
	Total Adjusted Value								
13	TOTAL HQLA		7,455,134		9,940,836		9,154,749		12,160,677
14	Total Net Cash Outflows		2,433,959		1,602,110		1,510,870		1,375,577
	Liquidity Coverage Ratio (%)		**306.30%**		**620.48%**		**605.93%**		**884.04%**

First Abu Dhabi Bank PJSC - India Branch
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SCHEDULES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2021
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Sr. No	Particulars	Quarter ended 31 March 2020		Quarter ended 31 December 2019		Quarter ended 30 September 2019		Quarter ended 30 June 2019	
		Total Un weighted value (average)	Total Weighted Value (average)	Total Un weighted value (average)	Total Weighted Value (average)	Total Un weighted value (average)	Total Weighted Value (average)	Total Un weighted value (average)	Total Weighted Value (average)
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (HQLA)		**9,877,726**		**6,226,827**		**5,201,740**		**7,108,019**
	Cash Outflows								
2	Retail deposits and deposits from small business customers, of which:	-	-	-	-	-	-	-	-
(i)	Stable deposits	-	-	-	-	-	-	-	-
(ii)	Less stable deposits	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding, of which:	**3,890,103**	**1,434,235**	**2,350,403**	**714,845**	**1,171,099**	**878,343**	**1,484,133**	**148,390**
(i)	Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii)	Non-operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(iii)	Unsecured debt	-	-	-	-	-	-	-	-
4	Secured wholesale funding	28,869,141	-	22,517,802		19,437,416	-	8,504,786	-
5	Additional requirements, of which	**14,019,408**	**4,371,928**	**9,754,853**	**796,672**	**7,137,290**	**296,659**	**6,099,323**	**194,740**
(i)	Outflows related to derivative exposures and other collateral requirements	3,946,231	3,946,231	459,016	459,016	80,230	80,230	323	323
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	48,284	48,284	5,633	5,633	4,870	4,870	3,213	3,213
7	Other contingent funding obligations	10,024,867	377,414	9,290,200	332,039	7,052,219	211,549	6,095,800	191,191
8	**Total Cash Outflows**	**46,778,656**	**5,806,190**	**34,623,060**	**1,511,551**	**27,745,857**	**1,174,967**	**16,088,279**	**343,156**
	Cash Inflows								
9	Secured lending (e.g. reverse repos)	1,392,629	1,392,629	40,764	40,764	56,647	56,647	9,081	9,081
10	Inflows from fully performing exposures	3,611,194	3,611,194	263,333	263,333	35,467	35,467	-	-
11	Other cash inflows	1,341,083	670,497	754,799	377,383	1,103,191	551,607	1,090,248	795,124
12	**Total Cash Inflows**	6,344,885	5,674,352	1,058,896	681,476	1,195,291	643,720	1,099,329	804,205
	Total Adjusted Value								
13	TOTAL HQLA		9,877,726		6,226,827		5,201,740		7,108,019
14	Total Net Cash Outflows	40,433,755	1,451,549	33,562,147	830,056	26,738,177	946,813	14,988,933	188,139
	Liquidity Coverage Ratio (%)		**1832.23%**		**983.65%**		**1916.01%**		**8614.21%**

In computing the above information, certain assumptions and estimates have been made by the management which has been relied upon by the statutory auditors. The Bank measures and monitors the LCR in line with Reserve Bank of India's guidelines. The LCR guidelines aim at measuring and promoting short term resilience of banks to potential liquidity disruptions, by ensuring that banks maintain an adequate level of un-encumbered High Quality Liquid Assets (HQLAs) to meet net cash outflows over next 30 days under stressed conditions.

LCR of the Bank is monitored by Asset Liability Committee which also strategizes the Balance sheet profile of the Bank. The Bank has maintained LCR well above the regulatory threshold of 100%.

50) Expense included in the "other expenditure" schedule 16 (XII) (Operating expense) exceeding 1 % of total income includes:-

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Professional fees	26,042	57,345
Cenvat write-off	45,318	34,584
Subscriptions expense	23,965	22,667
IT related services	58,068	67,652
Head Office Management Charges	162,288	98,274
Others	79,165	36,712
Total	**394,846**	**317,234**

51) **Provision for Long Term Contracts**

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, if required, as per 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 on the financial statements.

52) In terms of guidelines issued by RBI vide circular DBR. No. BP.BC.102/21.04.048/2017-18 dated 02 April 2018, during the year Bank has transferred an amount of INR 593,855 ('000) to Investment Fluctuation Reserve from Balance in Profit and Loss Account. (Previous Year: INR 339,155 ('000))

53) During the year, post integration of systems in June 2020, there has been change in accounting of acquisition cost from First in First Out method ('FIFO') to Weighted Average method on prospective basis. If Bank had continued the accounting of acquisition cost basis FIFO method then the Bank would have recorded higher profit on sale of investment by INR 57,589 ('000).

54) The Bank has completed its automation of NPA identification for funded advances booked in core banking solution. For identification on non-funded exposure and provisioning on advances the work is in process and the Bank has requested for more time. The Bank is currently having only a wholesale banking operations with niche customers base and all accounts are tracked 100% for adherence to IRAC norms. There are NIL NPA since inception.

55) Disclosure of Contingent Liabilities

i) Claims against the Bank not acknowledged as debts

The Bank is a party to various legal and tax 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.

ii) The Liability on account of forward exchange contracts/ Currency and Interest rate Swap

The Bank enters into foreign exchange contracts, currency options/swaps, interest rate option/ swaps and forward rate agreement 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 two currencies, based on predetermined rates. Interest rate swaps are commitments to exchanges fixed and floating interest rate cash flows.

iii) Guarantees given on behalf of constituents

As a part of our Corporate Banking activities, the Bank issues guarantees on behalf of its customers. Guarantees generally represent assurances that the Bank will make payments in the event of the customer failing to fulfill its financial or performance obligations.

iv) Acceptances, endorsement and other obligations

These includes documentary credit issued by the Bank on behalf of its customers and bills drawn by the Bank's customers that are accepted or endorsed by the Bank

v) Other items for which the bank is contingently liable

Other items represent amount payable against estimated amount of contracts remaining to be executed on capital account.

56) Previous year figures have been regrouped/reclassified to conform to the current year presentation.

For A.P. Sanzgiri & Co.
Chartered Accountants
Firm Registration No. 116293W

Abhijit P. Sanzgiri
Partner
Membership Number: 43230

Date : 29-Jun-2021
Place : Mumbai

For First Abu Dhabi Bank PJSC - India Branch

Nimesh Karwanyun
Chief Executive Officer

Date : 29-Jun-2021
Place : Mumbai

Jitendra Shah
Chief Financial Officer

Date : 29-Jun-2021
Place : Mumbai