

May 23, 2017

Ms. Divya Poojari
Manager – Listing Compliance
National Stock Exchange of India Limited
Exchange Plaza,
Plot no. C/1, G Block,
Bandra - Kurla Complex, Bandra (E)
Mumbai - 400 051
NSE Symbol: YESBANK

Sub: Clarification on Media Statement issued by YES Bank Limited ("the Bank") submitted to the Stock Exchanges *vide* letter dated May 12, 2017.

Dear Madam,

This is with reference to our letter dated May 22, 2017 and your subsequent email of even date seeking specific responses to the points mentioned therein.

Respectfully, we would like to again clarify that the Bank has made full disclosure of increase in NPAs in value terms in the Financial Statements for the year ended March 31, 2017 and in the Audited Financial Results submitted by the Bank on April 19, 2017.

The following points will clarify the aforementioned points:

1. The table showing the figure at serial No. 17(iv) (a) to (d) of the Audited Financial Results (with respect to increase in NPAs in value terms) reads as under:

Sr No.	PARTICULARS	(Rs. in Lakhs)						
		Standalone					Consolidated	
		FOR THE QUARTER ENDED 31.03.2017	FOR THE QUARTER ENDED 31.12.2016	FOR THE QUARTER ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.17	FOR THE YEAR ENDED 31.03.16	FOR THE YEAR ENDED 31.03.17	FOR THE YEAR ENDED 31.03.16
		(Audited - Refer Note 7)	(Unaudited)	(Audited - Refer Note 7)	(Audited)	(Audited)	(Audited)	(Audited)
17	Analytical ratios:							
(iv)	NPA ratios-							
(a)	Gross NPA	201,856	100,585	74,898	201,856	74,898	201,856	74,898
(b)	Net NPA	107,227	34,245	28,447	107,227	28,447	107,227	28,447
(c)	% of Gross NPA	1.52%	0.85%	0.76%	1.52%	0.76%	1.52%	0.76%
(d)	% of Net NPA	0.81%	0.29%	0.29%	0.81%	0.29%	0.81%	0.29%

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2. In this regard, **please note that the increase in Gross NPA, Net NPA, % of Gross and Net NPAs as on March 31, 2017 vis-à-vis the figures as on March 31, 2016 due to current impact of divergence in asset classification and provisioning for NPAs as on March 31, 2017** is already reflected in the NPA numbers shown in the results submitted to the stock exchanges on April 19, 2017.
3. Please note that NPA disclosure advised by RBI was pertaining to divergence observed with respect to the retrospective period ended March 31, 2016. In line with RBI guidelines a reconciliation of the same has been disclosed in the Notes to Accounts in the format and the manner prescribed by RBI vide Circular DBR.BP.BC.No. 63/21.04.018/2016-17 dated April 18, 2017. The disclosures have been made in the Notes to Accounts No. 18.5.6.3 of the Annual Audited Financial Statements for the Financial Year 2016-17 (Page No. 267 of the Annual Report), in full conformity with aforesaid RBI Directives (copy of which was submitted by the Bank to NSE on May 22, 2017).
4. A reference to RBI Directive was also mentioned in the Note No. 16 of the Audited Financial Results for the quarter and year ended as on March 31, 2017, submitted to the Stock Exchanges on April 19, 2017 immediately after the Board Meeting, which reads as under:

"In conformity with the RBI circular issued on April 18, 2017 with respect to Divergence in Asset Classification and Provisioning for NPAs (ref. DBR.BP.BC. No. 63/21.04.018/ 2016-17 dated April 18, 2017) and as per approval of the Board of Directors in the meeting held on April 19, 2017, the disclosures prescribed in the circular regarding divergences observed by RBI have been incorporated in the Notes to Audited Financial Statements of the Bank for the year ended 31st March 2017. The Bank has also duly considered the divergences observed recently by RBI in the Audited Financial Statements of the Bank for the year ended 31st March 2017."
5. It is important to note that in its aforesaid RBI Directive addressed to all commercial banks, RBI has categorically mentioned that the disclosure shall be made to the Notes to Accounts in the Annual Audited Financial Statements and any contraventions/ non-compliances of instructions shall attract penalties under the Banking Regulations Act, 1949. Therefore, the Bank was strictly under obligation to adhere to the directions of RBI with regard to the manner and publication of the details of NPAs. Further, please note that as per the format prescribed under the Listing Regulations, the format of the results to be published by the Banks clearly mentions that the notes to the financial results shall be as per the RBI requirements. Further, you will appreciate that there are several disclosures which gets captured in the financial statements as part of the Notes to the Accounts which are published as part of the Annual Report and hence the submissions



made to Stock Exchanges after the Board meeting are strictly as per the format prescribed under Listing Regulations. .

6. In view of the above, we would like to respectfully reiterate and re-submit that the Bank has disclosed in both the press release and investor release the complete details of NPAs *in value terms* i.e. Gross NPA, Net NPA, % of Gross and Net NPAs as on March 31, 2017, strictly in the format prescribed under Listing Regulations for publication of results for Banks and that the disclosures in the Audited Financial Results / Statements are also in full compliance with the RBI Directives.

Trust the matter stands clarified.

Thanking You

Yours Faithfully,
For YES BANK LIMITED



Shivanand R. Shettigar
Company Secretary

