

B S R & Co. LLP

Chartered Accountants

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Report on Review of Condensed Interim Standalone Financial Statements

To the Board of Directors of YES Bank Limited

Introduction

We have reviewed the accompanying Condensed Interim Standalone Balance Sheet of YES Bank Limited (the 'Bank') as of 30 June 2019 and the related Condensed Interim Standalone Statement of Profit and Loss and Condensed Interim Standalone Cash Flow Statement for the three month period then ended, and a summary of significant accounting policies and other explanatory notes (hereinafter referred to as the 'Condensed Interim Standalone Financial Statements'). Management is responsible for the preparation and fair presentation of these Condensed Interim Standalone Financial Statements in accordance with the recognition and measurement principles of Accounting Standard 25 "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time ('RBI Guidelines') and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on this Condensed Interim Standalone Financial Statements based on our review. Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2018, as reported in these Condensed Interim Standalone Financial Statements have been approved by the Parent's Board of Directors, but have not been subjected to review.

Scope of Review

We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Interim Standalone Financial Statements do not present fairly, in all material respects, the state of affairs of the Bank as at 30 June 2019, and of its results of operations and its cash flows for the three month period then ended in accordance with the recognition and measurement principles of Accounting Standard 25 "Interim Financial Reporting", prescribed under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014, the RBI Guidelines and other accounting principles generally accepted in India.

Report on Review of Condensed Interim Standalone Financial Statements (Continued)

YES Bank Limited

Emphasis of Matter

We draw attention to Note 16 of the Condensed Interim Standalone Financial Statements which describes the ongoing enquiry by the Bank into certain anonymous whistle-blower allegations.

Our conclusion on the Condensed Interim Standalone Financial Statements is not modified in respect of the above matter.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Venkataramanan Vishwanath

Partner

Membership No: 113156

UDIN: 19113156AAAACZ2247

Mumbai

29 July 2019

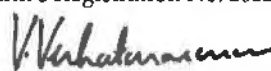
YES BANK Limited
Condensed Standalone Balance Sheet as at June 30, 2019

(₹ in thousands)


	As at Jun 30, 2019 (Unaudited)	As at Mar 31, 2019 (Audited)
CAPITAL AND LIABILITIES		
Capital	4,637,780	4,630,066
Reserves and surplus	260,314,148	264,411,895
Deposits	2,259,015,114	2,276,101,818
Borrowings	1,003,177,576	1,084,241,089
Other liabilities and provisions	184,468,180	178,876,786
Total	3,711,612,798	3,808,261,654
ASSETS		
Cash and balances with Reserve Bank of India	107,855,516	107,977,369
Balances with banks and money at call and short notice	238,370,656	160,917,748
Investments	765,219,364	895,220,327
Advances	2,363,002,489	2,414,996,024
Fixed assets	8,204,215	8,169,955
Other assets	228,960,558	220,980,231
Total	3,711,612,798	3,808,261,654
Contingent Liabilities	6,692,939,017	6,541,580,198
Bills for Collection	59,435,071	50,592,373

Significant Accounting Policies and Notes to Accounts form a part of the condensed standalone financial statements

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022


Venkataramanan Vishwanath
Partner
Membership No: 113156
UDIN: 19113156AAAACZ2247

For and on behalf of the Board of Directors
YES BANK Limited


Ravneet Gill
Managing Director & CEO
(DIN: 00091746)


Raj Anuja
Group Chief Financial Officer


Shivanand R Shettigar
Group Company Secretary

Mumbai
July 29, 2019

YES BANK Limited

Condensed Standalone Statement of Profit and Loss for the quarter ended June 30, 2019

(₹ in thousands)

	For the quarter ended Jun 30, 2019 (Unaudited)	For the quarter ended Jun 30, 2018 (Unaudited)
1 Interest earned (a)+(b)+(c)+(d)	78,161,430	65,780,391
(a) Interest/discount on advances/bills	61,061,450	50,046,560
(b) Income on investments	15,390,736	13,508,591
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	1,036,574	1,620,342
(d) Others	672,670	604,898
2 Other Income	12,726,578	16,941,403
3 TOTAL INCOME (1+2)	90,888,008	82,721,794
4 Interest Expended	55,352,985	43,589,005
5 Operating Expenses (i)+(ii)	15,944,109	14,585,675
(i) Payments to and provisions for employees	6,614,794	5,906,195
(ii) Other operating expenses	9,329,315	8,679,480
6 Total Expenditure (4+5) (excluding provisions and contingencies)	71,297,094	58,174,680
7 Operating Profit (before Provisions and Contingencies)(3-6)	19,590,914	24,547,114
8 Provisions (other than Tax expense) and Contingencies (net)	17,841,071	6,256,537
9 Profit from ordinary activities before tax (7-8)	1,749,843	18,290,577
10 Extraordinary Items	-	-
11 Profit before Tax (9-10)	1,749,843	18,290,577
12 Tax Expense	612,285	5,687,004
13 NET PROFIT (11-12)	1,137,558	12,603,573

Earnings per share for the period

Basic ₹	0.49	5.47
Diluted ₹	0.49	5.39

Not Annualized Not Annualized


Significant Accounting Policies and Notes to Accounts form a part of the condensed standalone financial statements

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Venkataramanan Vishwanath

Partner

Membership No: 113156

UDIN: 19113156AAAACZ2247

For and on behalf of the Board of Directors


YES BANK Limited



Ravneet Gill
Managing Director & CEO
(DIN:00091746)



Raj Ahuja
Group Chief Financial Officer



Shivanand R Shettigar
Group Company Secretary

Mumbai
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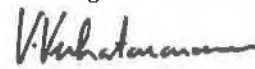
YES BANK Limited
Condensed Standalone Cash Flow Statement for the quarter ended June 30, 2019

(₹ in thousands)

	Period ended Jun 30, 2019 (Unaudited)	Period ended Jun 30, 2018 (Unaudited)
Net Cash from / (used in) operating activities	78,359,545	(17,001,186)
Net Cash from / (used in) investing activities	85,379,586	(37,809,520)
Net Cash from / (used in) financing activities	(86,400,184)	(34,417,453)
Effect of exchange fluctuation on translation reserve	(7,892)	363,471
Net increase / (decrease) in cash and cash equivalents	77,331,055	(88,864,688)
Cash and cash equivalents at the beginning of the period	268,895,117	247,343,664
Cash and cash equivalents at the end of the period	346,226,172	158,478,976

Significant Accounting Policies and Notes to Accounts form a part of the condensed standalone financial statements


As per our report of even date attached.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022


Venkataramanan Vishwanath
Partner
Membership No: 113156
UDIN: 19113156AAAACZ2247

For and on behalf of the Board of Directors
YES BANK Limited


Ravneet Gill
Managing Director & CEO
(DIN: 00091746)


Raj Ahuja
Group Chief Financial Officer


Shivanand R Shettigar
Group Company Secretary

Mumbai
July 29, 2019

Significant Accounting Policies and Notes to Condensed Standalone Financial Statements for the quarter ended June 30, 2019

The accounting policies followed in the preparation of the condensed financial statements for the period ended June 30, 2019 are same as those followed in the preparation of financial statements for the year March 31, 2019.

(₹ in thousands)

Particulars		As at Jun 30, 2019	As at Mar 31, 2019
1	Deposits		
A			
I	Demand Deposits		
	i) From Banks	11,037,614	17,301,403
	ii) From Others	237,095,282	268,119,467
II	Savings Bank Deposit	433,212,332	467,112,348
III	Term Deposits		
	i) From banks	183,825,221	184,849,906
	ii) From others	1,393,844,665	1,338,718,694
	Total	2,259,015,114	2,276,101,818
B			
I	Deposits of branches in India	2,257,966,756	2,274,954,791
II	Deposits of branches outside India	1,048,358	1,147,027
	Total	2,259,015,114	2,276,101,818
2	Borrowings		
I	Innovative Perpetual Debt Instruments (IPDI) and Tier II Debt		
A	Borrowing in India		
	(i) IPDI	90,020,000	90,020,000
	(ii) Tier II Borrowings	180,759,000	180,759,000
	Total (A)	270,779,000	270,779,000
B	Borrowing outside India		
	(i) IPDI	-	-
	(ii) Tier II Borrowings	6,216,956	6,215,786
	Total (B)	6,216,956	6,215,786
	Total (A+B)	276,995,956	276,994,786
II	Other Borrowings*		
A	Borrowings in India		
	(i) Reserve Bank of India	-	-
	(ii) Other banks	53,229,600	57,147,925
	(iii) Other institutions and agencies **	322,231,444	345,669,057
	Total (A)	375,461,044	402,816,982
B	Borrowings outside India	350,720,576	404,429,321
	Total (A+B)	726,181,620	807,246,303
	Total (I+II)	1,003,177,576	1,084,241,089

*Secured borrowings are Nil (March 31, 2019 : ₹ 4,996,813 thousands).

**Including refinance borrowing.



3 Investments (net of provisions)

(₹ in thousands)

	As at Jun 30, 2019	As at Mar 31, 2019
A Investments in India		
(i) Government Securities	516,265,168	553,611,120
(ii) Other approved securities	-	-
(iii) Shares	387,800	429,168
(iv) Debentures and bonds	138,176,456	154,985,441
(v) Subsidiaries and/or joint ventures	2,390,000	2,240,000
(vi) Others (CPs, CDs, Pass through certificates etc)	56,379,963	60,825,681
	<u>713,599,387</u>	<u>772,091,410</u>
B Investments outside India		
(i) Government Securities	49,025,701	120,595,843
(ii) Shares	9,524	9,421
(iii) Debentures and bonds	2,584,752	2,523,653
	<u>51,619,977</u>	<u>123,128,917</u>
Total	<u>765,219,364</u>	<u>895,220,327</u>

(₹ in thousands)

4

Loans and Advances

	As at Jun 30, 2019	As at Mar 31, 2019
(i) Bills purchased and discounted	39,838,862	42,078,951
(ii) Cash credit, overdrafts and loans payable on demand	407,628,631	412,651,470
(iii) Term loans	1,915,534,996	1,960,265,603
Total	<u>2,363,002,489</u>	<u>2,414,996,024</u>

(₹ in thousands)

Particulars

For the quarter ended Jun 30, 2019	For the quarter ended Jun 30, 2018
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5 Interest Earned

(i) Interest/discount on advances/bills	61,061,450	50,046,560
(ii) Income on investments	15,390,736	13,508,591
(iii) Interest on balances with Reserve Bank of India and other inter-bank funds	1,036,574	1,620,342
(iv) Others	672,670	604,898
Total	<u>78,161,430</u>	<u>65,780,391</u>

6

Interest Expended

(i) Interest on deposits	37,182,146	31,691,282
(ii) Interest on Reserve Bank of India/inter-bank borrowings/Tier I and Tier II debt instruments	17,458,927	11,704,081
(iii) Others	711,912	193,642
Total	<u>55,352,985</u>	<u>43,589,005</u>



	For the quarter ended Jun 30, 2019	For the quarter ended Jun 30, 2018
Operating expenses		
(i) Payments to and provisions for employees	6,614,794	5,906,195
(ii) Rent, taxes and lighting	1,124,543	1,075,048
(iii) Printing and stationery	84,422	101,891
(iv) Advertisement and publicity	48,827	155,716
(v) Depreciation on Bank's property	822,828	705,742
(vi) Directors' fees, allowances and expenses	14,927	13,333
(vii) Auditors' fees and expenses	7,120	5,736
(viii) Law charges	23,632	18,621
(ix) Postage, telegrams, telephones, etc.	169,026	163,236
(x) Repairs and maintenance	89,069	110,645
(xi) Insurance	553,503	504,974
(xii) Other expenditure	6,391,418	5,822,538
Total	15,944,109	14,585,675

(₹ in thousands)

Particulars	As at Jun 30, 2019	As at Mar 31, 2019
8 Contingent Liabilities		
(i) Claims against the bank not acknowledged as debts	549,157	549,157
(ii) Liability for partly paid investments	-	-
(iii) Liability on account of outstanding forward exchange contracts	2,811,336,222	2,834,098,764
(iv) Liability on account of outstanding derivative contracts		
- Single currency Interest Rate Swap	2,065,307,035	1,702,671,190
- Others	793,161,010	868,291,165
(v) Guarantees given on behalf on constituents		
- in India	439,520,089	437,258,909
- Outside India	-	-
(vi) Acceptances, endorsement and other obligations	370,762,048	390,140,737
(vii) Other items for which the bank is contingently liable		
- Purchase of securities pending settlement	3,765,849	3,622,750
- Capital commitment	2,693,568	2,937,672
- Amount deposited with RBI under Depositor Education and Awareness Fund (DEAF)	36,409	32,834
- Foreign exchange contracts (Tom & Spot)	204,532,598	300,477,020
- Bills Rediscounting	450,000	1,500,000
- Others	825,031	-
Total	6,692,939,017	6,541,580,198

Contingent Liability on account of outstanding forward exchange contracts and single currency interest rate swap as on June 30, 2019 includes notional amount of ₹2,052,416,632 thousands and ₹636,192,892 thousands (Mar 31, 2019: ₹2,035,934,447 thousands and ₹407,303,929 thousands) guaranteed by CCIL representing 73.01% and 30.80% (Mar 31, 2019: 71.84% and 23.92%) of total outstanding forward exchange contracts and single currency interest rate swaps respectively.



9 Capital

Equity Capital

During the quarter ended June 30, 2019, the Bank allotted 3,857,024 shares, pursuant to the exercise of stock options by certain employees.

During the year ended March 31, 2019, the Bank allotted 12,065,794 shares, pursuant to the exercise of stock options by employees.

Appropriation of Reserves

The Bank appropriates net profit towards various reserves only at year end. For three months ended June 30, 2019, appropriations required by RBI guidelines would have been ₹ 284,390 thousands towards statutory reserves, ₹ 1,983,082 thousands towards capital reserve and ₹ 832,527 thousands towards Investment Fluctuation Reserve.

Capital Adequacy Ratio

Capital Adequacy Ratio as per RBI guidelines (Basel III Capital Regulations dated July 01, 2015) as at June 30, 2019 and March 31, 2019 are given below:

Particulars	(₹ in thousands)	
	As at Jun 30, 2019	As at Mar 31, 2019
Common Equity Tier I Capital	257,197,787	256,989,710
Additional Tier I Capital	87,871,000	87,871,000
Tier I capital	345,068,787	344,860,710
Tier II capital	159,484,941	159,730,587
Total capital	504,553,728	504,591,297
Credit Risk - Risk Weighted Assets (RWA)	2,739,218,026	2,678,862,119
Market Risk - RWA	261,618,739	191,932,330
Operational Risk - RWA	228,985,676	184,986,564
Total risk weighted assets	3,229,822,442	3,055,781,013
Common Equity capital adequacy ratio (%)	8.0%	8.4%
Tier-1 capital adequacy ratio (%)	10.7%	11.3%
Tier-2 capital adequacy ratio (%)	4.9%	5.2%
Total capital adequacy ratio (%)	15.6%	16.5%
Amount raised during the period / year by issue of IPDI	-	-
Amount raised during the period / year by issue of Tier II Capital	-	30,420,000



Particulars	As at Jun 30, 2019	As at Mar 31, 2019
10 Investments		
Gross value	786,811,672	905,718,503
Less: Provision for depreciation	21,592,308	10,498,176
Net value	<u>765,219,364</u>	<u>895,220,327</u>
Provision for depreciation on investments		
Opening Balance	10,498,176	3,673,287
Provision made during the period / year	11,140,261	7,166,048
Provision written back	(46,128)	(341,159)
Closing Balance	<u>21,592,308</u>	<u>10,498,176</u>
11 Non-Performing Assets	For the quarter ended Jun 30, 2019	For the quarter ended Jun 30, 2018
The details of movement of Gross NPAs, Net NPAs and Provisions during three months ended June 30, 2019 and the year ended March 31, 2019 are given below :		
Net NPA to Net Advances	2.91%	1.86%
Movement of NPAs (Gross)		
(a) Opening balance	78,825,590	26,268,021
(b) Additions (Fresh NPAs)	62,315,127	79,703,306
Sub total (A)	<u>141,140,717</u>	<u>105,971,327</u>
Less:		
(i) Upgradations	12,254,975	11,149,952
(ii) Recoveries	4,527,934	11,306,454
(iii) Write-offs	3,436,842	4,689,332
Sub total (B)	<u>20,219,752</u>	<u>27,145,738</u>
Gross NPAs (closing balance) (A-B)	<u>120,920,965</u>	<u>78,825,590</u>
Movement of Net NPAs		
(a) Opening balance	44,848,493	13,127,466
(b) Additions	37,156,986	50,002,038
(c) Reductions	13,172,822	18,281,012
(d) Closing balance	<u>68,832,656</u>	<u>44,848,493</u>
Movement of provisions for NPAs (excluding provision on standard assets)		
(a) Opening balance	33,977,097	13,140,555
(b) Additions	25,158,142	29,701,268
(c) write off / write back of excess provision	7,046,930	8,864,726
(d) Closing balance	<u>52,088,309</u>	<u>33,977,097</u>

12 Provision coverage ratio

The provision coverage ratio of the Bank as at June 30, 2019 computed as per the RBI guidelines is 43.08% (as at Mar 31, 2019 was 43.10%)



13 Segment reporting

Pursuant to the guidelines issued by RBI on AS-17 (Segment Reporting) - Enhancement of Disclosures dated April 18, 2007, effective from period ending March 31, 2008, the following business segments have been reported.

Treasury: Includes investments, all financial markets activities undertaken on behalf of the Bank's customers, proprietary trading, maintenance of reserve requirements and resource mobilisation from other banks and financial institutions.

Corporate/ Wholesale Banking: Includes lending, deposit taking and other services offered to corporate customers.

Retail Banking: Includes lending, deposit taking and other services offered to retail customers.

Other Banking Operations: Includes para banking activities like third party product distribution, merchant banking etc.

(₹ in thousands)

Particulars	For the quarter ended Jun 30, 2019	For the quarter ended Jun 30, 2018
1 Segment Revenue		
(i) Treasury	33,491,871	23,544,745
(ii) Corporate banking	52,627,129	54,682,582
(iii) Retail banking	13,922,999	9,385,372
(iv) Other banking operations	420,133	457,578
(v) Unallocated	(1,199)	(153)
TOTAL	100,460,933	88,070,124
Add/(Less): Inter Segment Revenue	(9,572,924)	(5,348,328)
Income from Operations	90,888,009	82,721,796
2 Segmental Results		
(i) Treasury	5,080,069	8,878,721
(ii) Corporate banking	3,957,793	15,885,951
(iii) Retail banking	(1,672,923)	(831,535)
(iv) Other banking operations	146,793	206,118
(v) Unallocated	(5,761,892)	(5,848,675)
Profit before tax	1,749,840	18,290,581
3 Segment assets		
(i) Treasury	1,253,522,391	1,108,078,511
(ii) Corporate banking	1,912,911,902	1,831,210,602
(iii) Retail banking	501,406,938	367,826,357
(iv) Other banking operations	219,521	392,137
(v) Unallocated	43,552,046	17,985,336
TOTAL	3,711,612,798	3,325,492,943
4 Segment Liabilities		
(i) Treasury	998,302,030	852,044,053
(ii) Corporate banking	1,376,653,635	1,302,749,589
(iii) Retail banking	970,199,920	803,684,759
(iv) Other banking operations	1,049,548	1,141,894
(v) Unallocated	100,455,737	102,733,270
Capital & Reserves	264,951,928	263,139,379
TOTAL	3,711,612,798	3,325,492,943



Notes for segment reporting:

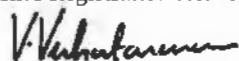
- (i) In computing the above information, certain estimates and assumptions have been made by the Management and have been relied upon by the auditors.
- (ii) Income, expense, assets and liabilities have been either specifically identified with individual segment or allocated to segments on a systematic basis or classified as unallocated.
- (iii) Inter-segment transactions have been generally based on transfer pricing measures as determined by the Management.
- 14 Based on review of Credit portfolio of the Bank, the Bank has identified certain performing accounts which have been faced with stress due to current market and liquidity condition. The Bank had created Contingency Provision of ₹ 21,000.00 million towards these identified accounts in March 2019. In the quarter ended June 30, 2019 the Bank has utilized ₹ 13,993.00 million from the pool towards specific provisioning of NPAs.
- 15 During this quarter, the Bank had sold and transferred securities from HTM category exceeding 5% of the book value of investment held in HTM category at the beginning of the year. The 5% threshold referred to above does not include onetime transfer of securities to/from HTM category with the approval of Board of Directors permitted to be undertaken by banks as per extant RBI guidelines, sale of securities under pre-announced Open Market Operation (OMO) auction to the RBI and sale of securities or transfer to AFS / HFT consequent to the reduction of ceiling on SLR securities under HTM. The book value of HTM investment sold during this quarter was ₹ 99,672.4 million. The market value of investments (excluding investments in subsidiaries) under HTM category as at June 30, 2019 was ₹ 376,147.2 million and was higher than the book value thereof as at that date.
- 16 The Bank became aware in September 2018 through communications from stock exchanges of an anonymous whistleblower complaint alleging irregularities in the Bank's operations, potential conflicts of interests in relation to the former MD and CEO and allegations of incorrect NPA classification. The Bank conducted an internal enquiry of these allegations, which was carried out by management and supervised by the Board of Directors. The enquiry resulted in a report that was reviewed by the Board in November 2018. Based on further inputs and deliberations in December 2018, the Audit Committee of the Bank engaged an external firm to independently examine the matter. The Bank, at the direction of the Audit Committee and with the assistance of this external firm, is continuing to analyze the allegations in the whistleblower complaint and work is currently ongoing. Based on work done and findings till date, the Bank has not identified any material financial statement implications. The Bank will consider the implications of ongoing work once the examination of this matter is completed.
- 17 The condensed standalone financial statements under AS 25 for the period ended 30 June, 2019 and 30 June, 2018 were subjected to a limited review.
- 18 Figures for the previous period/year have been regrouped and reclassified wherever necessary to conform to the current period's presentation.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Venkataramanan Vishwanath

Partner

Membership No: 113156

UDIN: 19113156AAAACZ2247

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Report on Review of Condensed Interim Consolidated Financial Statements

To the Board of Directors of YES Bank Limited

Introduction

We have reviewed the accompanying Condensed Interim Consolidated Balance Sheet of YES Bank Limited (the 'Bank') and its subsidiaries (the Bank and its subsidiaries together referred to as the 'Group') as of 30 June 2019 and the related Condensed Interim Consolidated Statement of Profit and Loss and Condensed Interim Consolidated Cash Flow Statement for the three month period then ended, and a summary of significant accounting policies and other explanatory notes (hereinafter referred to as the 'Condensed Interim Consolidated Financial Statements'). Management is responsible for the preparation and fair presentation of these Condensed Interim Consolidated Financial Statements in accordance with the recognition and measurement principles of Accounting Standard 25 'Interim Financial Reporting', prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with rule 7 of the Companies (Accounts) Rules, 2014, relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time ('RBI Guidelines') and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on these Condensed Interim Consolidated Interim Financial Statements based on our review. Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2018, as reported in these Condensed Interim Consolidated Financial Statements have been approved by the Parent's Board of Directors, but have not been subjected to review.

Scope of Review

We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Interim Consolidated Financial Statements do not present fairly, in all material respects, the state of affairs of the Bank as at 30 June 2019, and of its results of operations and its cash flows for the three month period then ended in accordance with the recognition and measurement principles of Accounting Standard 25 "Interim Financial Reporting", prescribed under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014, the RBI Guidelines and other accounting principles generally accepted in India.



Report on Review of Condensed Interim Consolidated Financial Statements (Continued)

YES Bank Limited

Emphasis of Matter

We draw attention to Note 13 of the Condensed Interim Consolidated Financial Statements which describes the ongoing enquiry by the Bank into certain anonymous whistle-blower allegations.

Our conclusion on the Condensed Interim Consolidated Financial Statements is not modified in respect of the above matter.

Other Matter

We did not review the interim financial information of one subsidiary included in the Condensed Interim Consolidated Financial Statements, whose interim financial information reflect total assets of Rs. 6,760.73 lakhs as at 30 June 2019 and total revenues of Rs. 56.57 lakhs, total net loss after tax of Rs. 570.53 lakhs and net cash inflow of Rs. 954.47 lakhs for the quarter ended 30 June 2019, as considered in the Condensed Interim Consolidated Financial Statements. The aforementioned interim financial information has not been audited/ reviewed by the aforesaid subsidiary's auditors. According to the information and explanations given to us by the Management, this interim financial information is not material to the Group.

Our conclusion on the Condensed Interim Consolidated Financial Statements is not modified in respect of the above matter.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Venkataramanan Vishwanath

Partner

Membership No: 113156

Mumbai
29 July 2019

UDIN: 19113156AAAAC46722

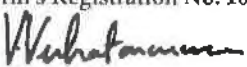
YES BANK Limited
Condensed Consolidated Balance Sheet as at June 30, 2019

(₹ in thousands)

	As at Jun 30, 2019 (Unaudited)	As at Mar 31, 2019 (Audited)
CAPITAL AND LIABILITIES		
Capital	4,637,780	4,630,066
Reserves and surplus	259,964,370	264,244,035
Deposits	2,258,306,268	2,275,579,027
Borrowings	1,003,177,576	1,084,241,089
Other liabilities and provisions	185,553,241	179,901,880
Total	3,711,639,235	3,808,596,097
ASSETS		
Cash and balances with Reserve Bank of India	107,855,516	107,977,369
Balances with banks and money at call and short notice	239,179,231	161,871,938
Investments	763,139,364	893,285,327
Advances	2,361,532,454	2,413,971,851
Fixed assets	8,335,222	8,298,874
Other assets	231,597,448	223,190,738
Total	3,711,639,235	3,808,596,097
Contingent Liabilities	6,692,976,203	6,541,617,385
Bills for Collection	59,435,071	50,592,373

Significant Accounting Policies and Notes to Accounts form part of the condensed consolidated financial statements

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022


Venkataramanan Vishwanath
Partner
Membership No: 113156
UDIN: 19113156AAAACY6722

Mumbai
July 29, 2019

For and on behalf of the Board of Directors
YES BANK Limited


Ravneet Gill
Managing Director & CEO
(DIN:00091746)


Raj Ahuja
Group Chief Financial Officer


Shivanand R Shettigar
Group Company Secretary

YES BANK Limited

Condensed Consolidated statement of Profit and Loss for the quarter ended June 30, 2019

(₹ in thousands)

	For the quarter ended Jun 30, 2019 (Unaudited)	For the quarter ended Jun 30, 2018 (Unaudited)
1 Interest earned (a)+(b)+(c)+(d)	78,129,514	65,777,201
(a) Interest/discount on advances/bills	61,029,534	50,043,370
(b) Income on investments	15,390,736	13,508,591
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	1,036,574	1,620,342
(d) Others	672,670	604,898
2 Other Income	12,928,337	17,233,427
3 TOTAL INCOME (1+2)	91,057,851	83,010,628
4 Interest Expended	55,344,278	43,578,320
5 Operating Expenses (i)+(ii)	16,333,456	14,768,983
(i) Payments to and provisions for employees	6,871,959	6,043,092
(ii) Other operating expenses	9,461,497	8,725,891
6 Total Expenditure (4+5) (excluding provisions and contingencies)	71,677,734	58,347,303
7 Operating Profit (before Provisions and Contingencies)(3-6)	19,380,117	24,663,325
8 Provisions (other than Tax expense) and Contingencies (net)	17,841,071	6,279,903
9 Profit from ordinary activities before tax (7-8)	1,539,046	18,383,422
10 Extraordinary Items	-	-
11 Profit before Tax (9-10)	1,539,046	18,383,422
12 Tax Expense	583,427	5,726,734
13 NET PROFIT (11-12)	955,619	12,656,688
Earnings per share for the period		
Basic ₹	0.41	5.51
Diluted ₹	0.41	5.42

Not Annualized Not Annualized


Significant Accounting Policies and Notes to Accounts form part of the condensed consolidated financial statements

As per our report of even date attached.

For BSR & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022


 Venkataramanan Vishwanath

Partner

Membership No: 113156

UDIN : 19113156 AAAACY6722

For and on behalf of the Board of Directors

YES BANK Limited



 Ravneet Gill

Managing Director & CEO

(DIN:00091746)


 Raj Anuja

Group Chief Financial Officer


 Shivanand R Shettigar

Group Company Secretary

Mumbai

July 29, 2019


YES BANK Limited
Condensed Consolidated Cash Flow Statement for the quarter ended June 30, 2019

(₹ in thousands)

	Period ended Jun 30, 2019 (Unaudited)	Period ended Jun 30, 2018 (Unaudited)
Net Cash from / (used in) operating activities	78,228,724	(16,833,087)
Net Cash from / (used in) investing activities	85,364,791	(37,889,946)
Net Cash from / (used in) financing activities	(86,400,183)	(34,417,452)
Effect of exchange fluctuation on translation reserve	(7,892)	363,471
Net increase / (decrease) in cash and cash equivalents	77,185,440	(88,777,014)
Cash and cash equivalents at the beginning of the period	269,849,307	247,538,171
Cash and cash equivalents at the end of the period	347,034,747	158,761,157

Significant Accounting Policies and Notes to Accounts form part of the condensed consolidated financial statements

As per our report of even date attached.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022



Venkataramanan Vishwanath
Partner
Membership No: 113156
UDIN: 19113156AAAACY 6722

Mumbai
July 29, 2019

For and on behalf of the Board of Directors
YES BANK Limited


Ravneet Gill
Managing Director & CEO
(DIN:00091746)


Raj Ahuja
Group Chief Financial Officer


Shivanand R Shettigar
Group Company Secretary

Significant Accounting policies and Notes to condensed consolidated financial statements for quarter ended June 30, 2019

The consolidated financial statements of the Group comprise financial statements of three wholly owned subsidiaries, Yes Securities (India) Limited (YSIL), YES Asset Management (India) Limited (YAMIL) and YES Trustee Limited (YTL). The Consolidated results are prepared in accordance with Section 133 of Companies Act, 2013 and Regulation 33 of Securities And Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements, 2015).

The accounting policies followed in the preparation of the condensed consolidated financial statements for the quarter ended June 30, 2019 are the same as those followed in the preparation of consolidated financial statements for the year March 31, 2019.

(₹ in thousands)

Particulars		As at Jun 30, 2019	As at Mar 31, 2019
1	Deposits		
A			
I	Demand Deposits		
i)	From Banks	11,037,614	17,301,403
ii)	From Others	236,903,936	268,020,176
II	Savings Bank Deposit	433,212,332	467,112,348
III	Term Deposits		
i)	From banks	183,825,221	184,849,906
ii)	From others	1,393,327,165	1,338,295,194
	Total	2,258,306,268	2,275,579,027
B			
I	Deposits of branches in India	2,257,257,910	2,274,432,000
II	Deposits of branches outside India	1,048,358	1,147,027
	Total	2,258,306,268	2,275,579,027
2	Borrowings		
I	Innovative Perpetual Debt Instruments (IPDI) and Tier II Debt		
A	Borrowing in India		
(i)	IPDI	90,020,000	90,020,000
(ii)	Tier II Borrowings	180,759,000	180,759,000
	Total (A)	270,779,000	270,779,000
B	Borrowing outside India		
(i)	IPDI	-	-
(ii)	Tier II Borrowings	6,216,956	6,215,786
	Total (B)	6,216,956	6,215,786
	Total (A+B)	276,995,956	276,994,786
II	Other Borrowings*		
A	Borrowings in India		
(i)	Reserve Bank of India	-	-
(ii)	Other banks	53,229,600	57,147,925
(iii)	Other institutions and agencies **	322,231,444	345,669,057
	Total (A)	375,461,044	402,816,982
B	Borrowings outside India	350,720,576	404,429,321
	Total (A+B)	726,181,620	807,246,303
	Total (I+II)	1,003,177,576	1,084,241,089

*Secured borrowings are Nil (March 31, 2019 : ₹ 4,996,813 thousands).

**Including refinance borrowing.



3

	As at Jun 30, 2019	As at Mar 31, 2019
Investments (net of provisions)		
A Investments in India		
(i) Government Securities	516,265,168	553,611,120
(ii) Other approved securities	-	-
(iii) Shares	387,800	429,168
(iv) Debentures and bonds	138,176,456	154,985,441
(v) Subsidiaries and/or joint ventures	-	-
(vi) Others (CPs, CDs, Pass through certificates etc)	56,689,963	61,130,681
Total	711,519,387	770,156,410
B Investments outside India	51,619,977	123,128,917
Total	763,139,364	893,285,327

(₹ in thousands)

4

	As at Jun 30, 2019	As at Mar 31, 2019
Loans and Advances		
(i) Bills purchased and discounted	39,838,862	42,078,951
(ii) Cash credit, overdrafts and loans payable on demand	406,158,596	411,627,297
(iii) Term loans	1,915,534,996	1,960,265,603
Total	2,361,532,454	2,413,971,851

(₹ in thousands)

Particulars

For the quarter
ended Jun 30,
2019

For the quarter
ended Jun 30,
2018

5

Interest Earned		
(i) Interest/discount on advances/bills	61,029,534	50,043,370
(ii) Income on investments	15,390,736	13,508,591
(iii) Interest on balances with Reserve Bank of India and other inter-bank funds	1,036,574	1,620,342
(iv) Others	672,670	611,805
Total	78,129,514	65,784,108

6

	For the quarter ended Jun 30, 2019	For the quarter ended Jun 30, 2018
Interest Expended		
(i) Interest on deposits Interest on Reserve Bank of India/inter-bank borrowings/Tier I and Tier II	37,173,439	31,680,597
(ii) debt instruments	17,458,927	11,704,081
(iii) Others	711,912	193,642
Total	55,344,278	43,578,320



	For the quarter ended Jun 30, 2019	For the quarter ended Jun 30, 2018
Operating expenses		
(i) Payments to and provisions for employees	6,871,959	6,043,092
(ii) Rent, taxes and lighting	1,137,961	1,087,059
(iii) Printing and stationery	84,491	102,097
(iv) Advertisement and publicity	52,510	157,055
(v) Depreciation on Bank's property	835,559	710,108
(vi) Directors' fees, allowances and expenses	16,227	16,266
(vii) Auditors' fees and expenses	7,614	6,168
(viii) Law charges	23,632	18,621
(ix) Postage, telegrams, telephones, etc.	169,149	163,316
(x) Repairs and maintenance	90,107	111,328
(xi) Insurance	553,890	505,479
(xii) Other expenditure	6,490,357	5,848,394
Total	16,333,456	14,768,983

(₹ in thousands)

Particulars	As at Jun 30, 2019	As at Mar 31, 2019
8 Contingent Liabilities		
(i) Claims against the bank not acknowledged as debts	549,157	549,157
(ii) Liability for partly paid investments	-	-
(iii) Liability on account of outstanding forward exchange contracts	2,811,336,222	2,834,098,764
(iv) Liability on account of outstanding derivative contracts	-	-
- Single currency Interest Rate Swap	2,065,307,035	1,702,671,190
- Others	793,161,010	868,291,165
(v) Guarantees given on behalf on constituents		
- in India	439,510,089	437,248,909
- Outside India	-	-
(vi) Acceptances, endorsement and other obligations	370,762,048	390,140,737
(vii) Other items for which the bank is contingently liable		
- Value dated purchase of securities	3,765,849	3,622,750
- Capital commitment	2,740,755	2,984,859
- Amount deposited with RBI under Depositor Education and Awareness Fund (DEAF)	36,409	32,834
- Foreign exchange contracts (Tom & Spot)	204,532,598	300,477,020
- Bills Rediscounting	450,000	1,500,000
- Others	825,031	-
Total	6,692,976,203	6,541,617,385

Capital**Equity Capital**

During the quarter ended June 30, 2019, the Group has allotted 3,857,024 shares, pursuant to the exercise of stock options by certain employees.

Appropriation of Reserves

The Group appropriates net profit towards various reserves only at year end. For the quarter ended June 30, 2019, appropriations required by RBI guidelines would have been ₹ 284,390 thousands towards statutory reserves, ₹ 19,83,082 thousands towards capital reserve and ₹ 832,527 thousands towards Investment Fluctuation Reserve



10 Segment reporting

Pursuant to the guidelines issued by RBI on AS-17 (Segment Reporting) - Enhancement of Disclosures dated April 18, 2007, effective from period ending March 31, 2008, the following business segments have been reported.

Treasury: Includes investments, all financial markets activities undertaken on behalf of the Bank's customers, proprietary trading, maintenance of

Corporate/Wholesale Banking: Includes lending, deposit taking and other services offered to corporate customers.

Retail Banking: Includes lending, deposit taking and other services offered to retail customers.

Other Banking Operations: Includes para banking activities like third party product distribution, merchant banking etc.

(₹ in thousands)

Particulars	For the quarter ended Jun 30, 2019	For the quarter ended Jun 30, 2018
1 Segment Revenue		
(i) Treasury	33,491,870	23,544,742
(ii) Corporate banking	52,594,205	54,679,392
(iii) Retail banking	13,922,999	9,385,372
(iv) Other banking operations	622,900	749,602
(v) Unallocated	(1,199)	(152)
TOTAL	100,630,775	88,358,956
Add/(Less): Inter Segment Revenue	(9,572,924)	(5,348,328)
Income from Operations	91,057,851	83,010,628
2 Segmental Results		
(i) Treasury	5,080,071	8,878,717
(ii) Corporate banking	3,933,576	15,893,445
(iii) Retail banking	(1,672,923)	(831,535)
(iv) Other banking operations	(39,787)	294,440
(v) Unallocated	(5,761,891)	(5,851,645)
Profit before tax	1,539,046	18,383,422
3 Segment Assets		
(i) Treasury	1,253,832,393	1,108,078,511
(ii) Corporate banking	1,911,441,868	1,831,210,514
(iii) Retail banking	501,406,937	367,826,357
(iv) Other banking operations	3,468,166	1,412,643
(v) Unallocated	41,489,871	16,991,714
TOTAL	3,711,639,235	3,325,519,739
Segment Liabilities		
(i) Treasury	998,302,031	852,044,055
(ii) Corporate Banking	1,375,927,491	1,301,972,683
(iii) Retail Banking	970,199,920	803,684,759
(iv) Other Banking Operations	2,142,557	1,930,734
(v) Unallocated	100,465,083	102,752,741
Capital and Reserves	264,602,150	263,134,767
TOTAL	3,711,639,234	3,325,519,739

- (i) In computing the above information, certain estimates and assumptions have been made by the Management and have been relied upon by the auditors.
- (ii) Income, expense, assets and liabilities have been either specifically identified with individual segment or allocated to segments on a systematic basis or classified as unallocated.
- (iii) Inter-segment transactions have been generally based on transfer pricing measures as determined by the Management.



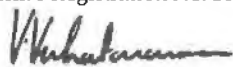
- 11 Based on review of Credit portfolio of the Bank, the Bank has identified certain performing accounts which have been faced with stress due to current market and liquidity condition. The Bank had created Contingency Provision of ₹ 21,000.00 million towards these identified accounts in March 2019. In the quarter ended June 30, 2019 the Bank has utilized ₹ 13,993.00 million from the pool towards specific provisioning of NPAs.
- 12 During this quarter, the Bank had sold and transferred securities from HTM category exceeding 5% of the book value of investment held in HTM category at the beginning of the year. The 5% threshold referred to above does not include onetime transfer of securities to/from HTM category with the approval of Board of Directors permitted to be undertaken by banks as per extant RBI guidelines, sale of securities under pre-announced Open Market Operation (OMO) auction to the RBI and sale of securities or transfer to AFS / HFT consequent to the reduction of ceiling on SLR securities under HTM. The book value of HTM investment sold during this quarter was ₹ 99,672.4 million. The market value of investments (excluding investments in subsidiaries) under HTM category as at June 30, 2019 was ₹ 376,147.2 million and was higher than the book value thereof as at that date.
- 13 The Bank became aware in September 2018 through communications from stock exchanges of an anonymous whistleblower complaint alleging irregularities in the Bank's operations, potential conflicts of interests in relation to the former MD and CEO and allegations of incorrect NPA classification. The Bank conducted an internal enquiry of these allegations, which was carried out by management and supervised by the Board of Directors. The enquiry resulted in a report that was reviewed by the Board in November 2018. Based on further inputs and deliberations in December 2018, the Audit Committee of the Bank engaged an external firm to independently examine the matter. The Bank, at the direction of the Audit Committee and with the assistance of this external firm, is continuing to analyze the allegations in the whistleblower complaint and work is currently ongoing. Based on work done and findings till date, the Bank has not identified any material financial statement implications. The Bank will consider the implications of ongoing work once the examination of this matter is completed.
- 14 The condensed consolidated financial statements under AS 25 for the period ended 30 June, 2019 and 30 June, 2018 were subjected to a limited review.
- 15 Figures for the previous period/year have been regrouped and reclassified wherever necessary to conform to the current period's presentation.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Venkataramanan Vishwanath

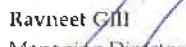
Partner

Membership No: 113156

UDIN : 19113156AAAACY6722

For and on behalf of the Board of Directors

YES BANK Limited


Ravneet Gill
Managing Director & CEO
(BIN:00091746)


Raj Ahuja
Group Chief Financial Officer


Shivanand R. Shethgar
Group Company Secretary

Mumbai

July 29, 2019