

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2020

### 14 DUE FROM BANKS

	THE GROUP			THE BANK		
	2020 MUR'000	2019 MUR'000	2018 MUR'000	2020 MUR'000	2019 MUR'000	2018 MUR'000
At amortised cost:						
Short term collateralised placements	7,039,627	4,844,692	-	7,039,627	4,844,692	-
Medium term collateralized placements	-	1,781,279	3,489,079	-	1,781,279	3,489,079
Medium term placements with the Central Bank	507,262	1,009,464	1,675,663	507,262	1,009,464	1,675,663
Long term placements with Central Bank	-	507,181	-	-	507,181	-
Medium term placements with other banks	3,590,726	4,829,200	-	3,590,726	4,829,200	-
	<b>11,137,615</b>	12,971,816	5,164,742	<b>11,137,615</b>	12,971,816	5,164,742
Less: allowance for impairment losses	(4,877)	(3,886)	-	(4,877)	(3,886)	-
	<b>11,132,738</b>	12,967,930	5,164,742	<b>11,132,738</b>	12,967,930	5,164,742

The collateralised placements relate to reverse repurchase agreement (Repo) with local banks, with government securities held as collateral. The fair value of the collateral at 30 June 2020 was MUR 10.9bn (2019: MUR 9.4bn, 2018: MUR 5.6bn).

#### THE GROUP AND THE BANK

The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's external credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

The financial assets were classified in Stage 1 and 12 month ECL was calculated hereon at 30 June 2020 and 2019.

	THE GROUP AND THE BANK	
	2020 MUR'000	2019 MUR'000
<b>External rating grade</b>		
Performing:		
Credit rating AAA	507,262	1,516,644
Credit rating AA+ to AA-	-	1,069,659
Credit rating A+ to A-	985,804	712,354
Credit rating BBB+ to BBB-	2,012,429	8,955,768
Credit rating BB+ to BB-	6,829,589	717,391
Credit rating B+ to B-	802,531	-
Total gross carrying amount	<b>11,137,615</b>	12,971,816
Loss allowance	(4,877)	(3,886)
Carrying amount at 30 June	<b>11,132,738</b>	12,967,930

An analysis of changes in the gross carrying amount and the corresponding ECLs is, as follows:

	2020 MUR'000	2019 MUR'000
Gross carrying amount at 01 July	12,971,816	5,164,742
New financial assets originated	11,137,616	12,971,817
Financial assets that have been repaid	(12,971,817)	(5,164,743)
Gross carrying amount at 30 June	<b>11,137,615</b>	12,971,816

#### Allowance for impairment losses

	2020 MUR'000	2019 MUR'000
Loss allowance as at 01 July	3,886	-
- Effect of adopting IFRS 9	-	226
Loss allowance as at 01 July	3,886	226
New financial assets originated	4,877	3,886
Financial assets that have been repaid	(3,886)	(226)
Loss allowance as at 30 June	<b>4,877</b>	3,886