



DBS Bank India Limited

**Independent Auditors' Report**  
**To the Members of DBS Bank India Limited**

**Report on Audit of the Financial Statements**

**Qualified Opinion**

1. We have audited the accompanying Financial Statements of DBS Bank India Limited ("the Bank"), which comprise the Balance Sheet as at March 31, 2023, the Profit and Loss Account and the Cash Flow Statement for the year then ended and Schedules 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 ("the Act") in the manner so required for banking companies and are in conformity with accounting principles generally accepted in India and except for the indeterminate impact of the matter described in the 'Basis for Qualified Opinion' section of our report, give a true and fair view of the state of affairs of the Bank as at March 31, 2023, and its profit and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

3. We draw your attention to note 19 of schedule 18B of the Financial Statements regarding a litigation pending with the Honourable High Court of Delhi, on adjustment of deposits against loans advanced by erstwhile Lakshmi Vilas Bank (eLVB) (which was amalgamated with the Bank with effect from November 27, 2020). As the matter is under litigation, the possible effect of this matter on the financial statements as at and for the year ended March 31, 2023, is presently not ascertainable.
4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of 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 Act and the Rules thereunder, 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 qualified opinion.

**Other Information**

5. The Bank's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and our auditor's report thereon. The Directors' Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

**Responsibilities of management and those charged with governance for the Financial Statements**

6. The Bank's Board of Directors 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 Act, and the provisions of Section 29 of the Banking Regulations 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.
7. In preparing the Financial Statements, 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 management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Bank's financial reporting process.

**Auditors' responsibilities for the audit of the Financial Statements**

8. 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.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 Act, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls with reference to financial statements 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 management.
  - Conclude on the appropriateness of management's 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 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.
10. 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.
11. 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. In our opinion, 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 Act.
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;



**DBS Bank India Limited**

- (b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and
- (c) during the course of our audit, we have visited 35 branches to examine the books of account and other records maintained at the branch and performed other relevant audit procedures. Since the key operations of the Bank are automated with the key applications integrated to the core banking system, the audit is carried out centrally as all the necessary records and data required for the purposes of our audit are available there.
14. 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 purposes of our audit;
  - (b) In our opinion, except for the indeterminate impact of the matter described in the 'Basis for Qualified Opinion' section of our report, 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 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;
  - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, to the extent they are not inconsistent with the accounting policies prescribed by RBI;
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our comment in paragraph 14(b) above.
  - (g) With respect to the adequacy of the internal financial controls with reference to financial statements 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 (as amended), 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(i) and note 14 and note 19 of schedule 18B 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 Schedule 17 and note 3 and note 16 of schedule 18B and note 5g of schedule 18A to the financial statements;
    - iii. Except as referred to in note 21 of schedule 18B to the financial statements, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank, during the year ended March 31, 2023;
    - iv (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 22 of schedule 18B to financial statement, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 22 of schedule 18B to the financial statements);
    - (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 22 of schedule 18B to financial statement, no funds have been received by the Bank from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 22 of schedule 18B to the financial statements); and
    - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under clause (a) and (b) above, contain any material misstatement.
    - v. The Bank has not declared or paid any dividend during the year ended March 31, 2023.
    - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for maintaining books of account in accounting software having a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, is applicable to the Bank only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
15. In our opinion and to the best of our information and according to the explanations given to us, the provisions of Section 197 of the Act are not applicable to the Bank by virtue of Section 35B(2A) of the Banking Regulation Act, 1949. Accordingly, the reporting under Section 197(16) of the Act regarding payment/ provision for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act, is not applicable.

**For Mukund M. Chitale & Co**  
Chartered Accountants  
Firm Registration Number: 106655W

**Abhay Kamat**  
Partner  
Membership Number: 39585  
UDIN: 23039585BGXBMF2557

Place: Mumbai  
Date: May 29, 2023

**For Price Waterhouse LLP**  
Chartered Accountants  
Firm Registration Number: 301112E/E300264

**Sharad Vasant**  
Partner  
Membership Number: 101119  
UDIN: 23101119BGXILP4348

Place: Mumbai  
Date: May 29, 2023



DBS Bank India Limited

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 14(g) of the Independent Auditors' Report of even date to the members of DBS Bank India Limited on the financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of DBS Bank India Limited ("the Bank") as at and for the year ended March 31, 2023 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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 ("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 Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Bank's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

### Meaning of Internal Financial Controls with reference to financial statements

6. A bank's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 authorisations of management and directors of the bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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 ICAI.

#### For Mukund M. Chitale & Co

Chartered Accountants

Firm Registration Number: 106655W

#### Abhay Kamat

Partner

Membership Number: 39585

UDIN: 23039585BGXBMF2557

Place: Mumbai

Date: May 29, 2023

#### For Price Waterhouse LLP

Chartered Accountants

Firm Registration Number: 301112E/E300264

#### Sharad Vasant

Partner

Membership Number: 101119

UDIN: 23101119BGXILP4348

Place: Mumbai

Date: May 29, 2023



**DBS Bank India Limited**

**BALANCE SHEET AS AT 31 MARCH 2023**

(Currency: Indian rupees in thousand)

	Schedule	31-Mar-23	31-Mar-22
<b>CAPITAL AND LIABILITIES</b>			
Capital	1	72,578,894	72,578,894
Reserves and Surplus	2	30,240,706	27,959,293
Deposits	3	613,750,902	489,778,971
Borrowings	4	277,757,207	176,414,361
Other Liabilities and Provisions	5	120,700,178	76,884,575
<b>Total</b>		<b>1,115,027,887</b>	<b>843,616,094</b>
<b>ASSETS</b>			
Cash and Balances with Reserve Bank of India	6	30,085,496	38,844,097
Balances with banks and money at call and short notice	7	52,670,535	61,058,485
Investments	8	430,708,139	215,655,079
Advances	9	471,595,386	438,980,204
Fixed Assets	10	5,975,529	4,595,798
Other Assets	11	123,992,802	84,482,431
<b>Total</b>		<b>1,115,027,887</b>	<b>843,616,094</b>
Contingent Liabilities	12	11,598,874,863	9,329,267,764
Bills for collection		311,841,758	270,661,169
Significant accounting policies and Notes to Accounts	18		

Schedules referred to above form an integral part of these financial statements As per our report of even date attached.

<b>For Mukund M. Chitale &amp; Co</b> Chartered Accountants Firm Registration No.: 106655W	<b>For Price Waterhouse LLP</b> Chartered Accountants Firm Registration No.: 301112E/E300264	<b>Surojit Shome</b> Managing Director & Chief Executive Officer DIN: 00002635	<b>Rajesh Prabhu</b> Whole Time Director & Chief Financial Officer DIN: 01758961
<b>Abhay Kamat</b> Partner	<b>Sharad Vasant</b> Partner	<b>Vikram Sud</b> Director DIN: 01853732	<b>Ketan Kulkarni</b> Company Secretary Mumbai, 29 May 2023

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023**

(Currency: Indian rupees in thousand)

	Schedule	31-Mar-23	31-Mar-22
<b>I. INCOME</b>			
Interest earned	13	57,097,631	43,153,992
Other income	14	9,950,333	8,868,706
<b>TOTAL</b>		<b>67,047,964</b>	<b>52,022,698</b>
<b>II. EXPENDITURE</b>			
Interest expended	15	33,534,481	23,103,677
Operating expenses	16	29,668,751	26,521,829
Provisions and contingencies	17	1,563,319	731,475
<b>TOTAL</b>		<b>64,766,551</b>	<b>50,356,981</b>
<b>III. PROFIT</b>			
Net Profit for the year		2,281,413	1,665,717
Profit brought forward		2,063,229	560,951
<b>TOTAL</b>		<b>4,344,642</b>	<b>2,226,668</b>
<b>IV. APPROPRIATIONS</b>			
Transfer to Statutory Reserve		570,353	416,429
Transfer to Capital Reserve		13,590	18,955
(Transfer from) Investment Reserve		(40,651)	(73,093)
Transfer to / (Transfer from) Investment Fluctuation Reserve		5,717	(198,852)
Balance carried over to Balance Sheet		3,795,633	2,063,229
<b>TOTAL</b>		<b>4,344,642</b>	<b>2,226,668</b>
<b>V. BASIC AND DILUTED EARNINGS PER SHARE (INR)</b>			
	<b>18[B.10]</b>	<b>0.31</b>	<b>0.25</b>
Significant accounting policies and Notes to Accounts	18		

Schedules referred to above form an integral part of these financial statements As per our report of even date attached.

<b>For Mukund M. Chitale &amp; Co</b> Chartered Accountants Firm Registration No.: 106655W	<b>For Price Waterhouse LLP</b> Chartered Accountants Firm Registration No.: 301112E/E300264	<b>Surojit Shome</b> Managing Director & Chief Executive Officer DIN: 00002635	<b>Rajesh Prabhu</b> Whole Time Director & Chief Financial Officer DIN: 01758961
<b>Abhay Kamat</b> Partner	<b>Sharad Vasant</b> Partner	<b>Vikram Sud</b> Director DIN: 01853732	<b>Ketan Kulkarni</b> Company Secretary Mumbai, 29 May 2023



DBS Bank India Limited

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023**

(Currency: Indian rupees in thousand)

	31-Mar-23	31-Mar-22
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation and extraordinary items	3,646,149	2,695,414
<b>Adjustments for:</b>		
Depreciation on Fixed Assets	1,201,413	1,077,730
Foreign exchange (gain) / loss on revaluation of subordinated debt	956,625	402,375
Loss / (Profit) on sale and write off of Fixed assets	(39,856)	(48,271)
Goodwill amortisation	1,683,315	1,683,315
<b>Provision/(Write back) for:</b>		
Standard Asset/Derivatives	(544,233)	(443,963)
Depreciation on Investments	1,159,391	192,922
Unrealised (Profit) / loss on revaluation of investments	954,403	16,205
Other provisions charged / (reversed)	112,644	16,977
Non Performing Assets (including write offs net of write backs)	(529,219)	(64,158)
Employee Benefits	1,428,191	3,739,090
<b>Operating profit before working capital changes</b>	<b>10,028,823</b>	<b>9,267,636</b>
Decrease in Term Deposits placed with Banks	8,664,744	10,065,712
(Increase) / Decrease in Investments (excluding HTM investments)	(207,441,673)	8,479,515
(Increase) in Advances	(32,085,963)	(68,658,155)
(Increase) / Decrease in Other Assets	(42,139,804)	4,715,023
Increase / (Decrease) in Deposits	123,971,931	(25,231,477)
Increase / (Decrease) in Other Liabilities and Provisions	42,819,001	(4,302,191)
	(96,182,941)	(65,663,937)
Income Tax (paid) / received	(418,618)	(496,610)
<b>Net cash used in operating activities</b>	<b>(A) (96,601,559)</b>	<b>(66,160,547)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed Assets (including movement in Capital Work in Progress)	(2,690,602)	(1,414,552)
Proceeds from Sale of Fixed Assets	149,314	88,723
Investment in HTM securities (Net)	(9,725,181)	(14,613,825)
<b>Net cash used in investing activities</b>	<b>(B) (12,266,469)</b>	<b>(15,939,654)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Issuance of Capital including share premium	-	10,400,000
Redemption of subordinated debt	-	(505,000)
Net Increase in other Borrowings	100,386,221	84,918,468
<b>Net Cash flow from financing activities</b>	<b>(C) 100,386,221</b>	<b>94,813,468</b>
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<b>(A+B+C) (8,481,807)</b>	<b>12,713,267</b>
Cash and cash equivalents at the beginning of the year	71,101,432	58,388,165
Cash and cash equivalents at the end of the year	62,619,625	71,101,432
Net Increase / (Decrease) in cash and cash equivalents	(8,481,807)	12,713,267
<b>Notes: Cash and cash equivalents represent</b>		
Cash and Balances with Reserve Bank of India (refer schedule 6)	30,085,496	38,844,097
Balances with banks and money at call and short notice (refer schedule 7)	52,670,535	61,058,485
Term Deposits with Banks - Maturity greater than 90 days	(20,136,406)	(28,801,150)
<b>TOTAL</b>	<b>62,619,625</b>	<b>71,101,432</b>

As per our report of even date attached.

**For Mukund M. Chitale & Co**

Chartered Accountants

Firm Registration No.: 106655W

**Abhay Kamat**

Partner

Membership No: 039585

Mumbai, 29 May 2023

**For Price Waterhouse LLP**

Chartered Accountants

Firm Registration No.: 301112E/E300264

**Sharad Vasant**

Partner

Membership No: 101119

Mumbai, 29 May 2023

**For DBS Bank India Limited**

**Surojit Shome**

Managing Director & Chief Executive Officer

DIN: 00002635

**Vikram Sud**

Director

DIN: 01853732

Mumbai, 29 May 2023

**Rajesh Prabhu**

Whole Time Director & Chief Financial Officer

DIN: 01758961

**Ketan Kulkarni**

Company Secretary



DBS Bank India Limited

**SCHEDULES TO FINANCIAL STATEMENTS  
AS AT 31 MARCH 2023**

(Currency: Indian rupees in thousand)

	31-Mar-23	31-Mar-22
<b>1 CAPITAL</b>		
<b>Authorised Capital</b>		
10,000,000,000 shares (Previous year: 10,000,000,000 shares) of INR 10 each	100,000,000	100,000,000
<b>Issued, Subscribed and Paid up Capital*</b>		
7,257,889,395 shares (Previous year: 7,257,889,395 shares) of INR 10 each	72,578,894	72,578,894
<b>Total</b>	<b>72,578,894</b>	<b>72,578,894</b>

\* During the year, no equity shares were issued by the bank. In previous year, 578,742,349 equity shares at a premium of INR 7.97 per share were issued to DBS Bank Ltd., Singapore.

On 1 March 2019, the Bank issued 4,990,150,000 equity shares for consideration other than cash to DBS Bank Ltd., Singapore on amalgamation by conversion of DBS India Branch Undertaking with the Bank, pursuant to the approved scheme of amalgamation.

	31-Mar-23	31-Mar-22
<b>2 RESERVES AND SURPLUS</b>		
<b>A Statutory Reserve</b>		
(refer schedule 18 Note [B.25])		
Opening Balance	5,281,425	4,864,996
Additions during the year	570,353	416,429
Deduction during the year	-	-
Closing Balance	5,851,778	5,281,425
<b>B Capital Reserve</b>		
(refer schedule 18 Note [B.25])		
Opening Balance	24,051	5,096
Additions during the year	13,590	18,955
Deduction during the year	-	-
Closing Balance	37,641	24,051
<b>C Share Premium Account</b>		
Opening Balance	13,197,606	8,585,030
Additions during the year	-	4,612,576
Deductions during the year	-	-
Closing Balance	13,197,606	13,197,606
<b>D Investment Reserve Account</b>		
(refer schedule 18 Note [B.25])		
Opening Balance	40,651	113,744
Additions during the year	-	-
Deduction during the year	(40,651)	(73,093)
Closing Balance	-	40,651
<b>E Investment Fluctuation Reserve Account</b>		
(refer schedule 18 Note [B.25])		
Opening Balance	2,451,110	2,649,962
Additions during the year	5,717	-
Deduction during the year	-	(198,852)
Closing Balance	2,456,827	2,451,110
<b>F Revenue Reserve</b>		
Opening balance	4,900,685	4,900,685
Additions during the year	-	-
Deduction during the year	-	-
Closing Balance	4,900,685	4,900,685
<b>G Balance in Profit and loss account</b>	3,795,633	2,063,229
<b>H Deferred Tax Reserve</b>	536	536
<b>Total [ A to H ]</b>	<b>30,240,706</b>	<b>27,959,293</b>

	31-Mar-23	31-Mar-22
<b>3 DEPOSITS</b>		
<b>A (I) Demand Deposits</b>		
(i) From Banks	2,925,845	2,354,617
(ii) From Others	89,319,799	77,488,502
	92,245,644	79,843,119
<b>(II) Saving Bank Deposits</b>	82,842,313	79,675,077
<b>(III) Certificate of Deposits</b>	9,838,410	-
<b>(IV) Term Deposits</b>		
(i) From Banks	11,618,841	27,925,201
(ii) From Others	417,205,694	302,335,574
	428,824,535	330,260,775
<b>Total</b>	613,750,902	489,778,971
<b>B (i) Deposits of branches in India</b>	613,750,902	489,778,971
(ii) Deposits of branches outside India	-	-
<b>Total (I + II + III + IV)</b>	613,750,902	489,778,971

	31-Mar-23	31-Mar-22
<b>4 BORROWINGS</b>		
<b>(I) Borrowings in India</b>		
(i) Reserve Bank of India	75,000,000	75,000,000
(ii) Other Banks	-	-
(iii) Other institutions and agencies	186,582,683	84,863,679
	261,582,683	159,863,679
<b>(II) Borrowings outside India</b>	3,849,024	5,181,807
<b>(III) Subordinated debt*</b>	12,325,500	11,368,875
<b>Total (I + II + III)</b>	277,757,207	176,414,361
<b>Secured borrowings included in I, II and III above</b>	261,582,683	159,863,679

\* Subordinated debt is an amount USD 150 million equivalent to INR 12,325,500 thousand (Previous year: USD 150 million equivalent to INR 11,368,875 thousand) in the nature of long term borrowings in foreign currency from the Ultimate Parent Company

	31-Mar-23	31-Mar-22
<b>5 OTHER LIABILITIES AND PROVISIONS</b>		
I Bills Payable	1,147,537	1,591,115
II Inter Office adjustments (net)	-	-
III Interest Accrued	3,145,432	2,957,238
IV Provision against Standard Advances	2,180,702	1,995,449
V Provision against Derivatives exposures	253,607	132,934
VI Others (including provisions)* #	113,972,900	70,207,839
<b>Total</b>	<b>120,700,178</b>	<b>76,884,575</b>

\* includes provision for Unhedged foreign currency exposure amounting to INR 436,556 thousand (Previous year: INR 385,143 thousand)  
# Refer schedule 18 Note [B.24]



DBS Bank India Limited

	31-Mar-23	31-Mar-22
<b>6 CASH AND BALANCE WITH RESERVE BANK OF INDIA</b>		
(I) Cash in hand (including foreign currency notes)	3,376,348	3,128,378
(II) Balances with Reserve Bank of India		
(i) in Current Account	26,709,148	21,835,719
(ii) in Other Accounts	-	13,880,000
	26,709,148	35,715,719
<b>Total (I + II)</b>	<b>30,085,496</b>	<b>38,844,097</b>
	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b>7 BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE</b>		
<b>(I) In India</b>		
(i) Balance with Banks		
(a) In Current Accounts	296,035	119,347
(b) In Other Deposit Accounts \$	20,136,406	28,805,675
	20,432,441	28,925,022
(ii) Money at call and short notice		
(a) With Banks	-	-
(b) With other institutions	11,909,161	15,936,931
	11,909,161	15,936,931
<b>(II) Outside India</b>		
(i) In Current Accounts	11,292,082	9,186,096
(ii) In Other Deposit Accounts	-	-
(iii) Money at call and short notice	9,036,851	7,010,436
	20,328,933	16,196,532
<b>Total (I + II)</b>	<b>52,670,535</b>	<b>61,058,485</b>

\$ includes INR 4,756 thousand (Previous year: INR 4,525 thousand) towards margin given to other banks for issuance of Bank Guarantees

	31-Mar-23	31-Mar-22
<b>8 INVESTMENTS</b>		
<b>(I) Investments in India in</b>		
(i) Government Securities*	385,926,271	174,038,527
(ii) Other approved securities	-	-
(iii) Shares**	314,981	414,406
(iv) Debentures and Bonds ***	8,865,406	5,723,345
(v) Subsidiaries and Joint Ventures	-	-
(vi) Others (Pass Through Certificates, Certificates of Deposits, Commercial Papers and Security Receipts of Asset Reconstruction Companies)	35,601,481	24,489,163
<b>Total</b>	<b>430,708,139</b>	<b>204,665,441</b>
<b>(II) Investments outside India in</b>		
(i) Government Securities	-	10,989,638
<b>Total</b>	<b>-</b>	<b>10,989,638</b>
<b>Total Investments (I + II)</b>	<b>430,708,139</b>	<b>215,655,079</b>
<b>Gross Investments</b>	<b>433,976,722</b>	<b>217,039,362</b>
Less: Provision for depreciation	(3,268,583)	(1,384,283)
<b>Net Investments</b>	<b>430,708,139</b>	<b>215,655,079</b>

\*includes:

- Securities pledged as margin with CCIL (Clearing Corporation of India Limited) were INR 15,479,425 thousand (Previous year: INR 12,241,210 thousand)
- Securities pledged as collateral with CCIL for Market repo were INR 23,504,595 thousand (Previous year: INR 66,679,398 thousand).

\*\*includes INR 45,572 thousand (Previous year: INR 116,301 thousand) shares received on conversion of debt and interest due thereon.

\*\*\*Includes Optionally Convertible Debentures (OCD) of INR 117,936 thousand (Previous year: INR 972,027 thousand) received on conversion of debt.

	31-Mar-23	31-Mar-22
<b>9 ADVANCES</b>		
<b>A (i) Bills purchased and discounted</b>	108,073,268	106,608,539
<b>(ii) Cash credits, overdrafts and loans repayable on demand</b>	176,126,627	149,584,940
<b>(iii) Term Loans</b>	187,395,491	182,786,725
<b>Total</b>	<b>471,595,386</b>	<b>438,980,204</b>
<b>B (i) Secured by tangible assets *</b>	234,493,512	228,650,688
<b>(ii) Covered by Bank/Government Guarantees**</b>	1,504,734	21,690,800
<b>(iii) Unsecured</b>	235,597,140	188,638,716
<b>Total</b>	<b>471,595,386</b>	<b>438,980,204</b>
<b>C I Advances in India</b>		
(i) Priority Sectors	158,643,250	158,884,566
(ii) Public Sectors	26,522,871	13,958,726
(iii) Banks	-	-
(iv) Others	286,429,265	266,136,912
<b>II Advances outside India</b>	-	-
<b>Total</b>	<b>471,595,386</b>	<b>438,980,204</b>

\* includes advances against book debts and stocks of INR 94,035,718 thousand (Previous year : INR 48,801,538 thousand)

\*\* includes advances covered by Letters of Credit issued by other banks

	31-Mar-23	31-Mar-22
<b>10 FIXED ASSETS</b>		
<b>I Premises</b>		
Opening Cost	2,846,253	2,886,399
Additions during the year	-	27,790
Deductions during the year	(92,427)	(67,936)
	2,753,826	2,846,253
Depreciation to date	(338,549)	(359,577)
<b>Net book value of Premises</b>	<b>2,415,277</b>	<b>2,486,676</b>
<b>II Other Fixed Asset (including furniture and fixture)</b>		
Opening cost	11,280,688	10,354,040
Additions during the year	2,837,429	1,075,088
Deductions during the year	(3,737,140)	(148,440)
	10,380,977	11,280,688
Depreciation to date	(7,283,713)	(9,781,381)
<b>Net book value of Other Fixed Asset</b>	<b>3,097,264</b>	<b>1,499,307</b>
<b>III Capital work-in-progress</b>	462,988	609,815
<b>Total (I + II + III)</b>	<b>5,975,529</b>	<b>4,595,798</b>

	31-Mar-23	31-Mar-22
<b>11 OTHER ASSETS</b>		
(i) Inter Office Adjustments (net)	-	-
(ii) Interest Accrued	11,101,442	4,926,027
(iii) Tax paid in advance / Tax Deducted at Source (net of provisions)	7,001,523	6,582,905
(iv) Stationery and Stamps	-	-
(v) Deferred Tax Asset (refer schedule 18 note [B.5])	12,878,431	14,243,167
(vi) Non-Banking Assets acquired in satisfaction of claims	352,737	362,300
(vii) Goodwill	3,366,629	5,049,944
(viii) Others *	89,292,040	53,318,088
<b>Total</b>	<b>123,992,802</b>	<b>84,482,431</b>

\* Refer schedule 18 Note [B.24]



**DBS Bank India Limited**

	31-Mar-23	31-Mar-22
<b>12 CONTINGENT LIABILITIES</b>		
(refer schedule 18 note [B.14])		
(i) Claims against the bank not acknowledged as debts	6,509,631	6,281,394
(ii) Liability for partly paid investments	-	-
(iii) Liability on account of outstanding forward exchange contracts*	2,593,084,380	1,773,237,542
(iv) Liability on account of outstanding Currency and Interest Rate Swap, Options Contracts and Interest Rate Derivatives*	8,834,068,620	7,434,175,437
(v) Guarantees given on behalf of constituents		
- in India	66,332,827	51,203,237
- outside India	3,410,096	5,035,422
(vi) Acceptances, endorsements and other obligations	53,294,939	53,551,972
(vii) Other items for which the Bank is contingently liable	42,174,370	5,782,760
<b>Total</b>	<b>11,598,874,863</b>	<b>9,329,267,764</b>

\* represents notional

	31-Mar-23	31-Mar-22
<b>13 INTEREST EARNED</b>		
(i) Interest / discount on advances / bills	33,788,357	27,055,790
(ii) Income on investments	19,770,955	12,372,129
(iii) Interest on balances with RBI and other inter-bank funds	1,864,613	1,463,905
(iv) Others	1,673,706	2,262,168
<b>Total</b>	<b>57,097,631</b>	<b>43,153,992</b>

	31-Mar-23	31-Mar-22
<b>14 OTHER INCOME</b>		
(i) Commission, exchange and brokerage	6,723,995	5,753,428
(ii) Net Profit / (loss) on sale of investments	5,717	(803,331)
(iii) Net (loss) on revaluation of investments	(954,403)	(16,205)
(iv) Net Profit on sale of land, buildings and other assets	39,856	48,271
(v) Net Profit on Foreign Exchange and Derivative transactions	3,780,817	3,657,715
(vi) Income earned by way of dividends etc. from subsidiaries / companies and/or joint ventures abroad/in India	-	-
(vii) Miscellaneous Income*	354,351	228,828
<b>Total</b>	<b>9,950,333</b>	<b>8,868,706</b>

\* Refer schedule 18 Note [B.24]

	31-Mar-23	31-Mar-22
<b>15 INTEREST EXPENDED</b>		
(i) Interest on Deposits	21,541,818	18,131,638
(ii) Interest on RBI / Inter-bank borrowings	11,395,282	4,772,605
(iii) Others	597,381	199,434
<b>Total</b>	<b>33,534,481</b>	<b>23,103,677</b>
	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b>16 OPERATING EXPENSES</b>		
(i) Payments to and provisions for employees	13,071,405	14,370,241
(ii) Rent, taxes and lighting	2,154,973	2,321,998
(iii) Printing and Stationery	202,357	122,609
(iv) Advertisement and publicity	737,651	487,001
(v) Depreciation on Bank's property	1,201,413	1,077,730
(vi) Director fees allowances and expenses	10,775	10,525
(vii) Auditors' fees and expenses	28,000	25,500
(viii) Law Charges	51,952	62,080
(ix) Postages, Telegrams, Telephones, etc.	137,957	162,360
(x) Repairs and maintenance	192,644	207,125
(xi) Insurance	691,881	709,447
(xii) Brokerage charges	181,687	117,407
(xiii) Professional Fees	1,330,388	903,925
(xiv) Computerisation and Related expenses	4,354,996	2,939,734
(xv) Travelling expenses	283,035	69,071
(xvi) Amortisation of Goodwill	1,683,315	1,683,315
(xvii) Other Expenditure*	3,354,322	1,251,761
<b>Total</b>	<b>29,668,751</b>	<b>26,521,829</b>

\* Refer schedule 18 Note [B.24]

	31-Mar-23	31-Mar-22
<b>17 PROVISIONS AND CONTINGENCIES</b>		
(i) Provision / (Write-back of provision) for Non Performing advances / write offs (net)	(529,219)	(64,158)
(ii) Provision / (Write-back of provision) for Standard Asset (including standard asset provisioning on current credit exposure for derivatives, Unhedged Foreign Currency Exposure)	(544,233)	(443,963)
(iii) Provision / (Write-back of provision) for Depreciation on Non Performing Investments (net)	1,159,391	192,922
(iv) Provision for Tax		
- Current Income-tax	-	9,482
- Deferred Tax charge	1,364,736	1,020,215
(v) Other provisions	112,644	16,977
<b>Total</b>	<b>1,563,319</b>	<b>731,475</b>





DBS Bank India Limited

## Schedule 18 - Significant Accounting policies

### 1. Background

DBS Bank India Limited (the 'Bank' or 'DBIL') was incorporated in Delhi on 7 February 2018 as a Company under the Companies Act, 2013 and is a wholly owned subsidiary of DBS Bank Ltd, Singapore (the 'Parent'). The Bank was granted Banking license by Reserve Bank of India ("RBI") on 4 October 2018 and it commenced its operations on 1 March 2019 post amalgamation of DBS Bank Ltd., India Branch Undertaking with the Bank. The Bank is regulated by RBI and governed by the Banking Regulation Act, 1949.

During the financial year 2020-21, the erstwhile The Lakshmi Vilas Bank Limited ("eLVB") was amalgamated with the Bank through The Lakshmi Vilas Bank Limited (Amalgamation with DBS Bank India Limited) Scheme, 2020 dated 25 November 2020 (hereinafter referred to as the "Scheme" or "SOA"), prepared by RBI and sanctioned by the Central Government, which came into force on 27 November 2020 ("appointed date"). The integration of technology systems of the eLVB with DBIL's systems was with effect from 10 December 2022.

Values are reported in INR thousands unless otherwise stated.

### 2. Basis of preparation

The accompanying financial statements have been prepared under the accrual basis of accounting and historical cost convention except where otherwise stated, and in accordance with statutory requirements prescribed under the Banking Regulation Act 1949, circulars and guidelines issued by RBI from time to time (RBI guidelines), accounting standards referred to in Section 133 of the Companies Act, 2013 (the Act) and the relevant provisions of the Act read with the Companies (Accounting Standard) Rules, 2021 and other relevant provisions of the Companies Act 2013 in so far as they apply to the Bank and practices prevailing within the banking industry in India ("Indian GAAP").

### 3. Use of estimates

The preparation of financial statements, in conformity with Indian GAAP, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets, liabilities, income and expenses and disclosure of contingent liabilities on the date of the financial statements. The Bank's Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates are recognised prospectively in current and future periods.

### 4. Significant accounting policies

#### (i) Advances

Advances are classified as performing and non-performing based on the RBI prudential norms. Advances are stated net of bills rediscounted, inter-bank participation certificates on risk sharing basis, specific loan provisions on non-performing loans, write offs including the diminution in the fair value of restructured non-performing accounts, ECGC claims settled and part recovery towards NPA accounts receipts held under sundries. Also NPAs are classified into Sub-Standard, Doubtful and Loss assets as required by RBI guidelines. NPAs are upgraded to Standard assets as per RBI guidelines.

The Bank enters into purchase of loans through direct assignment and accounting is as per the guideline prescribed by RBI.

#### Provisioning:

Specific loan loss provisions in respect of non-performing advances are made based on management's assessment of the degree of impairment of advances, subject to the minimum provisioning level prescribed by the RBI.

The Bank also maintains a general loan loss provision on Standard Advances (including restructured advances classified as standard and Derivative Current Credit Exposure at rates as prescribed by the RBI and the same is included in Schedule 5 ('Other liabilities and Provisions'). In addition, the Bank maintains provision for country risk basis the risk categorisation provided by Export Credit Guarantee Corporation of India Limited (ECGC) in accordance with the RBI guidelines and the same is also included under Schedule 5 ('Other liabilities and Provisions').

Provision for Unhedged Foreign Currency Exposure of borrowers is made as per the RBI guidelines in this regard and the same is included under Schedule 5 ('Other liabilities and Provisions').

Non-performing advances are written-off in accordance with the Bank's policies. Recoveries from bad debts written-off are recognised in the Profit and Loss Account.

Provisions made in addition to the Bank's policy for specific loan loss provisions for non-performing assets, regulatory general provisions and provision made for certain identified assets based on management's assessment are categorised as floating provisions as per Bank's policy for floating provision. In accordance with the RBI guidelines, floating provisions are used up to a level approved by the Board for making specific provisions for impaired accounts. The floating provision on advances is netted-off from Schedule 9 ('Advances').

The Bank considers a restructured account as one where the Bank, for economic or legal reasons relating to the borrower's financial difficulty, grants to the borrower concessions that the Bank would not otherwise consider. Restructuring would normally involve modification of terms of the advance / securities, which would generally include, among others, alteration of repayment period / repayable amount / the amount of instalments / rate of interest (due to reasons other than competitive reasons). Restructured accounts are classified as such by the Bank only upon approval and implementation of the restructuring package. Necessary provision for diminution in the fair value of a restructured account is made.

Further, in accordance with RBI guidelines on resolution of stressed assets, additional provision is made where implementation of a viable Resolution Plan (RP) is delayed as required by guidelines.

The provision made on off-balance sheet items is included under Schedule 5 ('Other liabilities and Provisions').

Receivables acquired under factoring are treated as a part of loans and advances and included under Schedule 9 ('Advances') under the head 'Bills Purchased and Discounted'.

#### (ii) Investments

#### Classification

Investments are classified as Held for Trading ('HFT'), Available for Sale ('AFS') or Held to Maturity ('HTM') (hereinafter called 'categories') in accordance with the RBI guidelines.

The Bank follows 'Settlement Date' of accounting for recording purchase and sale transactions in securities.

#### Basis of Classification

Investments that are held with intention to sell within 90 days from the date of purchase are classified under HFT category. Investments which the Bank intends to hold till maturity are classified as HTM securities. Investments which are not classified in either of the above categories are classified under AFS category.

#### 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 First in First Out method.
- Broken period interest on debt instruments is accounted as revenue through the profit and loss account in accordance with the RBI guidelines.

#### Disposal of Investments

Profit/Loss on sale of investments under the HFT and AFS categories are recognised in the Profit and Loss Account on settlement date. The profit from sale of investment under HTM category, is apportioned to Capital Reserve after adjustments for tax and transfer to statutory reserves. Loss on sale on redemption on HTM portfolio, is recognised fully in the Profit and Loss Account.



DBS Bank India Limited

### Valuation

Investments classified under the HFT and AFS categories are valued at lower of acquisition cost or market value in aggregate for each category of investment, in accordance with the guidelines issued by the RBI.

- Central and State Government securities are valued based on the rates published by Primary Dealers Association of India ('PDAI') jointly with the Financial Benchmark India Private Limited ('FBIL').
- Treasury Bills, Commercial Paper and Certificate of Deposits are held at carrying cost.
- Non-SLR bonds, which are traded in last 15 days are valued basis weighted average traded price published by FIMMDA.
- The Bank, based on management assessment, considers additional provision / depreciation on investments, wherever necessary.
- All other performing Non SLR investments (excluding equity shares) are valued by applying the mark up above the corresponding yield on GOI securities as published by FBIL according to directions by RBI in this regard. In case of non-performing Non SLR investments, the valuation is in accordance with prudential norms for provisioning as prescribed by RBI. The Bank does not recognise interest on such securities until received.
- Pass Through Certificates (PTC) Investments would be valued as a bond on the basis of the Base Yield Curve and the applicable spreads as per the spread matrix relative to the Weighted Average Maturity of the paper. The maturity date of the PTC Investment would be computed by considering the weighted average maturity of all the future cash flows. The valuation of PTC would be done using the spread matrix applicable to NBFC category.
- Investments in Security Receipts (SR's) are valued as per the NAV declared by the issuing Asset Reconstruction Company (ARC) or net book value of loans transferred or estimated recoverable value based on Bank's internal assessment on case to case basis, whichever is lower. In case of investments in SRs which are backed by more than 10 percent of the stressed assets sold by the Bank, the valuation of such SRs is additionally subject to a floor of face value of the SRs reduced by the provisioning rate as per the extant asset classification and provisioning norms as applicable to the underlying loans, assuming that the loan notionally continued in the books of the Bank. The difference between the carrying value of such SRs and the valuation arrived at in terms of this clause, as on the next financial reporting date after the date of issuance of these directions, may be provided over a five-year period starting with the financial year ending March 31, 2022 or maturity of respective trust whichever is earlier.
- Listed equity shares are valued at closing price as per exchange. Strategic investments made closer to the Balance Sheet date are carried at purchase price. Other unlisted performing equity shares have been valued at break-up value in accordance with RBI guidelines. Unlisted non-performing equity shares are valued at Re. 1.
- Net depreciation is recognised in the Profit and Loss Account and net appreciation, (if any) is ignored per category of investment classification.
- Securities received on account of conversion of debt or unpaid interest are classified under AFS and valued in accordance with the RBI guidelines. Depreciation on these instruments is not offset against the appreciation in any other securities held under the AFS category.

In accordance with the RBI guidelines, the provision on account of depreciation in the HFT and AFS categories in excess of the required amount is credited to the Profit and Loss Account and an equivalent amount (net of taxes if any and net of transfer of Statutory Reserve as applicable to such excess provision) is appropriated to an Investment Reserve Account.

The provision required to be created on account of depreciation in the AFS and HFT categories is debited to the Profit and Loss Account and an equivalent amount (net of tax benefit, if any and net of consequent reduction in transfer to Statutory Reserves) is transferred from the Investment Reserve Account to the Profit and Loss Account.

As required by RBI guidelines, the Bank creates Investment Fluctuation Reserve ('IFR') of amount not less than lower of a) net profit on sale of investments during the year or b) net profit for the year less mandatory appropriations. The amount would be appropriated to IFR until the amount of IFR is at least 2% of HFT and AFS portfolio, on a continuing basis. Drawdown from IFR by the Bank will be as per RBI guidelines.

Securities categorised under HTM are carried at acquisition cost, or at amortised cost if acquired at a premium over the face value. Such premium is amortised over the remaining period to maturity of the relevant security on a straight line basis.

### Transfer of securities between categories

Reclassification of investments from one category to the other is done in accordance with the RBI guidelines and any such transfer 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.

### Accounting for Repurchase/Reverse-repurchase transactions

In accordance with the RBI guidelines, Tri-party repos Repurchase/Reverse-repurchase transactions (including those under the Liquidity Adjustment Facility 'LAF' with the RBI) are accounted as collateralised 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.

### Short Sale

In accordance with the RBI guidelines, the Bank undertakes short sale transactions in Central Government dated securities. The short positions reflected are included under Schedule 8 ('Investments'). Such short positions are categorised under HFT category and netted off from investments in the Balance Sheet. These positions are marked-to-market along with the other securities under HFT portfolio and the resultant mark-to-market gains/losses are accounted for as per the relevant RBI guidelines.

### (iii) Foreign Exchange

Transactions denominated in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Profit and Loss Account. Monetary assets and liabilities in foreign currencies are translated at the year end at the rates of exchange notified by the Foreign Exchange Dealers' Association of India ('FEDAI') and the resultant gain or loss is recognised in the Profit and Loss Account. Contingent liabilities denominated in foreign currencies are disclosed at the closing rate of exchange as notified by FEDAI.

### (iv) Derivative transactions

Derivatives comprise of interest rate swaps, interest rate futures, forward rate agreements, cross currency swaps, forward contracts, options and structured products (if any). Forward contracts that are entered into for swapping sub-debt, cross currency swaps entered into to hedge long term deposits and placements are classified as hedges and rest are held for trading purposes.

Forward contracts held for trading purposes are revalued at rates notified by FEDAI for specified maturities and at interpolated rates of interim maturities. Forward contracts of greater maturities where exchange rates are not notified by FEDAI are revalued at the forward exchange rates implied by the swap curves in respective currencies. The resulting profits or losses are included in the Profit and Loss Account as per the regulations stipulated by the RBI/ FEDAI.

Forward contracts classified as hedges are translated at the prevailing spot rate at the time of swap. The premium / discount on the swap arising out of the difference in the exchange rate of the swap date and the maturity date of the underlying forward contract is amortised over the period of the swap and it is recognised in the Profit and Loss Account.

Cross currency swaps entered into to hedge inter-bank deposits are accounted on an accrual basis. Derivatives held for trading purposes are recognised at their fair values on inception and subsequently marked to market (MTM) on a daily basis. The resultant gain / loss is recorded in the Profit and Loss Account.

Option contracts are marked to market using market values after considering the premium received or paid. The profit or loss on revaluation is recorded in the Profit and Loss Account and corresponding asset or liability is shown under Other Assets or Other Liabilities as the case may be. Premium received or premium paid is recognised in the Profit and Loss Account upon expiry or exercise of the option. Unrealised gains or losses on these products are reflected in the Balance



## DBS Bank India Limited

Sheet under Other Assets or Other Liabilities respectively. The Bank has implemented RBI guidelines on 'Bilateral Netting of Qualified Financial Contracts' for which unrealised gains or losses are netted and the resultant is reflected under Other Assets or Other Liabilities as applicable.

### (v) Fixed Assets and depreciation

Fixed Assets are stated at historical cost less accumulated depreciation as adjusted for impairment, if any. Cost includes cost of purchase and all expenditure like site preparation, installation costs and professional fees incurred on the asset before it is ready to use. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future benefit/functioning capability from/of such assets.

Fixed assets individually costing less than INR 40 thousand are fully expensed in the year of purchase.

Depreciation is provided on a straight line basis over the estimated useful life of the asset. The management believes that the useful life of assets assessed by the Bank, pursuant to Part C of Schedule II to the Companies Act, 2013, taking into account changes in environment, changes in technology, the utility and efficacy of the asset in use, fairly reflects its estimate of useful lives of the fixed assets. Pursuant to this policy, depreciation is provided at the following useful life which is lower than or equal to the corresponding useful life prescribed in Schedule II:

Assets	Useful life
Premises / building	50 years
Office Equipment	5 years
Computers (Hardware)	3 years
Furniture and Fixtures	5 years
Motor Vehicles	5 years
Plant and Machinery	5 years

Leasehold Improvements are depreciated over the lease term or useful life of the asset, whichever is less. Software is amortised over a period of 3 years.

The Bank assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, is provided in the Profit and Loss Account to the extent the carrying amount of assets exceeds their estimated recoverable amount.

Profit on sale of immovable property net of taxes and transfer to statutory reserve, are transferred to capital reserve account.

### Amortisation of Goodwill

Goodwill arising on amalgamation is amortised equally over a period of five financial years commencing from financial year ended 31 March 2021. Impairment loss, if any, is provided in the Profit and Loss Account to the extent the carrying amount of assets exceeds its estimated value in use.

### (vi) Non-Banking assets acquired in satisfaction of claims

These assets are carried at net realisation value at inception. Subsequent recognition is calculated at lower of recorded value or subsequent net realisable value. Net realisable value is determined based on independent professional valuation reports. Any legal disputes associated with such assets have been considered while estimating the net realisable value.

### vii) Employee Benefits

#### Short term benefits

Employee benefit, payable wholly within twelve months of receiving employee services are classified as short- term employee benefits. These benefits include salaries, bonus and special allowance. The undiscounted amount of short- term employee benefits to be paid in exchange for employee services are recognised as an expense as the related service is rendered by employees.

#### Post-retirement benefits

(a) **Provident Fund:** The Bank contributes towards an employees' provident fund trust set up by the Bank and administered by its trustees. The Bank's contribution to the trust is charged to the Profit and Loss Account. In accordance with trust agreement, any loss to the fund trust (except the depreciation in the value of securities) be borne by and be a charge on the Bank. The Bank computes provision for interest basis Defined Benefit Obligation (DBO) method based on actuarial valuation.

(b) **Gratuity:** For defined benefit plan in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method as per the requirement of AS-15, Employee Benefits with actuarial valuations being carried out at each balance sheet date by an independent actuary. Actuarial gains and losses are recognised in the Profit and Loss Account in the year in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

The contributions towards gratuity liabilities of current and past employees are made to trusts administered by trustees.

(c) **Pension:** Certain sets of current and past employees of eLVB are eligible for pension. The liability towards such pension costs are contributed by the Bank to trust administered by trustees. The cost of providing benefits is determined using Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. This method entails projection of the accrued benefits (i.e., benefits in respect of service already rendered till the valuation date) over their expected period of service, followed by the projection of pensions over the expected remaining single/ joint lifetime. These projected values are then discounted to the present age in order to arrive at the provision. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes. Actuarial gains and losses are recognised in the Profit and Loss Account in the period in which they occur.

(d) **Compensated Absences:** The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment, wherever applicable. 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 service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as a long- term employee benefit. The Bank records an obligation for such compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of independent actuarial valuation using Projected Unit Credit Method.

(e) **Voluntary Retirement Scheme:** Compensation to employees under Voluntary Retirement Schemes is expensed in the period in which the liability arises. The Bank recognises termination benefit as a liability and an expense when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### (viii) Employee share based payment:

The eligible employees of the Bank have been granted stock awards under various plans, of equity shares of the ultimate holding company, DBS Group Holding Ltd. As per the various plans, these stock awards vest in a graded manner over a period of two to four years. The fair value of the options awarded is amortised to the Profit and Loss Account in a graded manner over the vesting period of the shares.

Employee benefits also include share-based compensation, namely the DBSH Employee Share Purchase Plan (the Plan). The expense is amortised over the vesting period of each award.



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**(ix) Operating Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as Operating Leases. Lease payments including cost escalations for assets taken on operating leases are recognised as an expense in the Profit and Loss Account over the lease term on straight line basis in accordance with the Accounting Standard– 19 on Leases.

**(x) Revenue Recognition**

Income is recognised on an accrual basis in accordance with contractual arrangements except in case of interest on non-performing assets which is recognised on receipt basis as per the RBI norms.

Unrealised interest which is converted into Funded Interest Term Loan (FITL) has a corresponding credit in "Sundry Liabilities Account (Interest Capitalisation)". Interest on FITL is recognised on receipt basis.

Income on non-coupon bearing discounted instruments and instruments which carry a premia on redemption is recognised over the tenor of the instrument on a straight line basis.

Fee income is recognised at the inception of the transaction or as per the terms of engagement except in cases of fee income from issue of guarantees, buyer's credit, letter of credit which is recognised over the life of the instrument instead of recognising the same at the inception of the transaction.

Interest on tax refund from Income Tax Department is accounted based on assessment orders received.

Dividend income on investments is accounted when the right to receive the dividend is established.

Interest income on investments in Pass Through Certificates (PTCs) and loans bought out through the direct assignment route is recognised as per respective coupon rates.

Fees received on sale of Priority Sector Lending Certificates (PSLC) is considered as Miscellaneous Income, while fees paid on purchase of PSLC is recognised as an expense under other expenses in accordance with the guidelines issued by RBI

**(xi) Taxation**

Provision for tax comprises of current tax and net change in deferred tax assets and liability during the year. Current tax comprises of the amount of tax for the year determined in accordance with the Income Tax Act, 1961 and the rules framed there under. Deferred tax adjustments reflect the changes in the deferred tax assets or liabilities during the year.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences.

Deferred tax asset is recognised for carried forward tax losses and unabsorbed depreciation to the extent there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. For all other temporary differences, deferred tax asset is recognised where there is reasonable certainty that taxable income will be available against which such deductible temporary differences can be utilised.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Bank has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date and appropriately adjusted to reflect the amount that is reasonably certain to be realised.

**(xii) Provisions, Contingent Liabilities and Contingent Assets**

In accordance with Accounting Standard 29, Provisions, Contingent Liabilities and Contingent Assets, provision is recognised when the Bank has a present obligation as a result of past events where it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value (other than employee benefits) and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure of contingent liability is made when there is:

- a possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Bank; or
- a present obligation arising from a past event which is not recognised as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent liabilities on account of foreign exchange contracts, derivative transactions, guarantees, acceptances, endorsements and other obligations denominated in foreign currencies are disclosed at closing rates of exchange notified by FEDAI.

Contingent assets, if any are not recognised or disclosed in the financial statements.

**(xiii) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, balances with Reserve Bank of India and Balances with Other Banks / institutions and money at Call and short Notice (including the effect of changes in exchange rates on cash and cash equivalents in foreign currency).

**(xiv) Segment Reporting**

The disclosure relating to segment information is in accordance with AS-17, Segment Reporting and as per guidelines issued by the RBI.

**(xv) Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Bank are segregated based on the available information.

**(xvi) Service tax input credit / Goods and Service Tax (GST)**

Service tax / GST input credit is accounted for in the books in the year in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

**(xvii) Earnings per share**

The Bank reports Basic and Diluted Earnings per Equity Share in accordance with Accounting Standard 20, prescribed under Section 133 of the Companies Act, 2013. Basic earnings per share is calculated by dividing the Net Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding as at end of the year

**A. Disclosures as laid down by RBI circulars:**

**1. Regulatory Capital**

The Bank follows the RBI guidelines for calculation of capital adequacy under BASEL III requirements. Credit Risk is calculated using the Standardised Approach, Operational Risk is calculated using the Basic Indicator Approach and Market Risk is computed in accordance with the RBI guidelines with minimum capital



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requirement being expressed in terms of two specific charges – Specific Market Risk and General Market Risk. The capital adequacy ratio of the Bank calculated as per Basel III requirement is set out below:

Particulars	31-Mar-23	31-Mar-22
Common Equity Tier 1 capital (CET 1)	91,116,133	87,005,197
Additional Tier 1 capital	-	-
Tier 1 capital	91,116,133	87,005,197
Tier 2 capital	17,677,988	16,376,096
Total capital (Tier 1+Tier 2)	108,794,121	103,381,293
Total Risk Weighted Assets (RWAs)	725,598,842	634,556,533
CET 1 Ratio (%)	12.55%	13.71%
Tier 1 Ratio (%)	12.55%	13.71%
Tier 2 Ratio (%)	2.44%	2.58%
Capital to Risk Weighted Assets Ratio (CRAR)	14.99%	16.29%
Leverage Ratio	6.61%	8.15%
Percentage of the shareholding of		
- Government of India	-	-
- State Government	-	-
- Sponsor Bank	-	-
Amount of paid-up equity capital raised during the year*	-	10,400,000
Amount of non-equity Tier 1 capital raised during the year	-	-
Amount of Tier 2 capital raised during the year	-	-

\*Refer Schedule 1

**2. Asset liability management**

**a. Maturity profile of assets and liabilities**

												31-Mar-23
	1 Day	2-7 Days	8 – 14 Days	15 – 30 Days	31 Days – 2 Months	2 – 3 Months	3 – 6 Months	6 Months – 1 Year	1 – 3 Years	3 – 5 Years	Over 5 Years	Total
Deposits	20,288,156	35,917,983	39,305,933	74,610,064	70,099,863	37,929,275	38,729,451	57,614,367	230,398,483	7,407,058	1,450,269	613,750,902
Advances	796,294	8,515,671	13,136,319	17,995,722	34,801,097	32,429,289	63,713,278	99,934,290	112,602,439	50,186,950	37,484,037	471,595,386
Investments	1,913,198	261,877,294	3,974,864	7,425,755	6,998,113	4,513,085	5,550,632	7,264,217	39,260,554	33,360,220	58,570,207	430,708,139
Borrowings*	-	161,440,420	1,505,746	3,287	1,441,654	8,902,724	2,330,376	76,527,700	13,279,800	-	12,325,500	277,757,207
Foreign Currency Assets (**)	22,057,645	389,464	13,134,303	1,798,504	11,520,950	9,505,953	8,673,070	35,485,055	10,871,973	1,935,437	9,753,645	125,125,999
Foreign Currency Liabilities (**)	35,524,738	870,972	1,886,525	244,438	1,613,863	1,909,667	1,731,875	9,671,370	17,618,706	1,160,166	12,325,928	84,558,248

\* Borrowing from RBI is considered basis ALCO approval.

(\*\*) Foreign currency assets and liabilities exclude off-balance sheet assets and liabilities and consequent unrealised profit/ loss on the same.

The classification of assets and liabilities under the different maturity buckets are compiled by management on the basis of RBI guidelines and assumptions as approved by Market & Liquidity Risk Committee (MLRC).

												31-Mar-22
	1 Day	2-7 Days	8 – 14 Days	15 – 30 Days	31 Days – 2 Months	2 – 3 Months	3 – 6 Months	6 Months – 1 Year	1 – 3 Years	3 – 5 Years	Over 5 Years	Total
Deposits	18,891,995	25,705,156	23,785,601	34,406,765	30,217,573	30,512,356	56,401,652	76,587,907	183,933,514	7,522,515	1,813,937	489,778,971
Advances	6,816,408	7,970,137	13,577,797	39,810,882	34,785,856	39,099,208	52,105,593	36,607,869	115,835,886	43,378,377	48,992,191	438,980,204
Investments	71,021,442	13,285,663	2,136,927	3,039,412	2,691,870	2,716,753	5,672,377	7,783,314	26,751,772	27,447,212	53,108,337	215,655,079
Borrowings*	4,238,949	78,227,379	129,605	463,850	349,403	-	-	3,387,400	78,248,900	-	11,368,875	176,414,361
Foreign Currency Assets (**)	17,521,937	12,060,452	1,857,099	22,038,723	6,069,078	6,331,733	15,529,020	12,407,235	19,936,828	3,654,376	2,463,465	119,869,946
Foreign Currency Liabilities (**)	6,073,083	920,926	255,987	942,795	683,557	86,670	781,307	4,199,910	25,734,689	673,813	11,368,875	51,721,612

\* Borrowing from RBI is considered basis ALCO approval.

(\*\*) Foreign currency assets and liabilities exclude off-balance sheet assets and liabilities and consequent unrealised profit/ loss on the same.

The classification of assets and liabilities under the different maturity buckets are compiled by management on the basis of RBI guidelines and assumptions as approved by Market & Liquidity Risk Committee (MLRC).

**b. Liquidity Coverage Ratio**

The RBI vide its circular DBOD.BP.BC.No.120 / 21.04.098/2013-14 dated 9 June 2014, notified Basel III framework on Liquidity Standards covering Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards. The same has also been amended vide circulars DBR.BP.BC.No.52/21.04.098/2014-15 dated 28 November 2014, DBR.No.BP.BC.80/21.06.201/2014-15 dated 31 March 2015, DBR.BP.BC.No.86/21.04.098/2015-16 dated 23 March 2016 and DBR.BP.BC.No. 81/21.04.098/2017-18 dated 2 August 2017.



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As per the guidelines, following is the disclosure of information on Liquidity Coverage Ratio (LCR)

Particulars	30-Jun-2022		30-Sep-2022		31-Dec-2022		31-Mar-2023	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1. Total High Quality Liquid Assets (HQLA) (A)		151,258,204		164,882,751		175,225,454		216,179,372
Cash Outflows								
2. Retail deposits and deposits from small business customers, of which:	219,130,331	18,280,364	222,328,587	18,620,663	232,028,322	19,813,600	237,870,616	20,952,086
(i) Stable deposits	72,653,362	3,632,668	72,243,889	3,612,194	67,784,631	3,389,231	56,699,501	2,834,975
(ii) Less stable deposits	146,476,969	14,647,696	150,084,698	15,008,469	164,243,691	16,424,369	181,171,115	18,117,111
3. Unsecured wholesale funding, of which:	232,191,361	104,953,107	238,050,370	112,192,873	257,614,535	123,361,952	301,617,799	142,464,586
(i) Operational deposits (all counterparties)*	37,142,256	9,055,038	39,427,731	9,616,602	40,907,366	10,005,250	41,084,155	10,122,114
(ii) Non-operational deposits (all counterparties)	195,049,105	95,898,069	198,622,639	102,576,271	216,707,169	113,356,702	260,533,644	132,342,472
(iii) Unsecured debt	-	-	-	-	-	-	-	-
4. Secured wholesale funding		-		-		-		-
5. Additional requirements, of which	84,523,624	28,805,857	89,724,966	31,982,598	95,697,893	34,536,178	85,259,096	31,498,039
(i) Outflows related to derivative exposures and other collateral	18,444,607	18,444,607	21,622,562	21,622,562	24,002,751	24,002,751	22,945,826	22,945,826

\* The bank has considered the run off factor of 25% on operational deposits which has been communicated to the Reserve Bank of India.

Particulars	30-Jun-2022		30-Sep-2022		31-Dec-2022		31-Mar-2023	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	66,079,017	10,361,250	68,102,404	10,360,036	71,695,142	10,533,427	62,313,270	8,552,213
6. Other contractual funding obligations	7,355,930	7,355,930	12,855,139	12,855,139	11,857,718	11,857,718	14,943,702	14,943,702
7. Other contingent funding obligations	324,203,990	14,097,143	311,228,835	13,705,259	321,652,474	14,275,543	352,249,393	15,421,999
<b>8. Total Cash Outflows (B)</b>		173,492,401		189,356,532		203,844,991		225,280,412
Cash Inflows								
9. Secured lending (e.g. reverse repos)	15,724,460	-	10,937,461	-	12,502,582	-	10,604,755	-
10. Inflows from fully performing exposures	87,955,789	57,031,851	86,590,199	53,335,500	98,425,227	59,891,191	88,000,273	53,820,631
11. Other cash inflows	9,693,929	4,999,152	13,878,151	7,499,239	15,022,605	8,545,809	12,129,772	9,337,661
<b>12. Total Cash Inflows (C)</b>		62,031,003		60,834,739		68,437,000		63,158,292
		<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>
<b>13. TOTAL HQLA</b>		151,258,204		164,882,751		175,225,454		216,179,372
<b>14. Total Net Cash Outflows (D = B-C)</b>		111,461,400		128,521,796		135,407,993		162,122,122
<b>15. Liquidity Coverage Ratio (%) (A)/(D)</b>		135.70%		128.29%		129.41%		133.34%



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Particulars	30-Jun-2021		30-Sep-2021		31-Dec-2021		31-Mar-2022	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1. Total High Quality Liquid Assets (HQLA) (A)		172,174,380		180,867,980		164,261,897		158,484,478
Cash Outflows								
2. Retail deposits and deposits from small business customers, of which:	224,189,288	18,543,062	222,999,253	18,425,895	218,572,582	18,080,452	218,566,081	18,168,200
(i) Stable deposits	77,517,320	3,875,866	77,480,589	3,874,029	75,557,225	3,778,334	73,768,147	3,688,407
(ii) Less stable deposits	146,671,968	14,667,196	145,518,664	14,551,866	143,015,357	14,302,118	144,797,934	14,479,793
3. Unsecured wholesale funding, of which:	212,685,553	101,914,082	222,501,865	101,330,435	223,068,991	102,854,848	229,987,613	108,698,419
(i) Operational deposits (all counterparties)*	4,486,100	1,092,099	33,910,349	8,264,125	37,314,143	9,095,054	34,766,388	8,470,026
(ii) Non-operational deposits (all counterparties)	208,199,453	100,821,983	188,591,516	93,066,310	185,754,848	93,759,794	195,221,225	100,228,393
(iii) Unsecured debt	-	-	-	-	-	-	-	-
4. Secured wholesale funding								
5. Additional requirements, of which	80,679,152	25,439,409	75,429,872	24,813,386	77,639,885	23,812,877	82,786,955	24,906,430
(i) Outflows related to derivative exposures and other collateral	15,387,118	15,387,118	15,437,059	15,437,059	14,346,745	14,337,194	15,592,781	15,592,781

\* The bank has considered the run off factor of 25% on operational deposits which has been communicated to the Reserve Bank of India.

Particulars	30-Jun-2021		30-Sep-2021		31-Dec-2021		31-Mar-2022	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	59,789,716	10,052,291	54,236,158	9,376,327	57,171,626	9,475,683	60,503,119	9,313,649
6. Other contractual funding obligations	5,502,318	5,502,318	5,756,655	5,756,655	6,121,514	6,310,191	6,691,055	6,691,055
7. Other contingent funding obligations	244,088,526	10,308,682	260,219,989	11,025,872	288,875,857	12,435,706	314,325,528	13,653,680
<b>8. Total Cash Outflows (B)</b>		161,707,553		161,352,243		163,494,074		172,117,784
Cash Inflows								
9. Secured lending (e.g. reverse repos)	13,492,442	-	25,671,748	-	37,209,149	-	44,990,039	-
10. Inflows from fully performing exposures	71,570,355	49,640,397	69,776,279	44,758,636	76,125,185	47,643,998	89,496,865	57,860,844
11. Other cash inflows	6,392,039	5,924,632	5,308,538	4,805,173	6,192,625	4,391,820	11,965,713	5,764,164
<b>12. Total Cash Inflows (C)</b>		55,565,029		49,563,809		52,035,818		63,625,008
		<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>
13. TOTAL HQLA		172,174,380		180,867,980		164,261,897		158,484,478
14. Total Net Cash Outflows (D = B-C)		106,142,527		111,788,436		111,458,258		108,492,779
15. Liquidity Coverage Ratio (%) (A)/(D)		162.21%		161.79%		147.38%		146.08%

**Qualitative disclosure around LCR**

The main LCR drivers for the Bank are as under:

	31-Mar-23			31-Mar-22		
	Average	Maximum	Minimum	Average	Maximum	Minimum
HQLA	176,632,228	246,174,128	115,568,658	169,042,121	197,439,560	124,465,006
Total Cash Inflows	63,594,761	80,931,820	47,198,541	55,100,730	88,049,500	35,095,481
Total Cash Outflows	197,814,628	235,612,691	159,785,560	164,629,662	182,994,231	149,814,742
Total Net Cash Outflows#	134,219,867	178,327,550	86,483,371	109,528,932	128,677,214	75,954,374

#The Maximum and Minimum of Total Net Cash Outflows will not equal the respective differences since the same may be of different dates



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The average for each period has been computed based on daily values for the three months ended March 31, 2023, December 31, 2022, September 30, 2022 and June 30, 2022.

The average LCR for the quarter ended March 31, 2023 was at 133.34% well above the present prescribed minimum RBI requirement of 100%. The average HQLA for the quarter ended March 31, 2023 was ₹ 216,179,372 ('000s). The total average cash outflows and Cash inflows were ₹ 225,280,412 ('000s) and ₹ 63,158,292 ('000s) respectively.

HQLA included government securities and treasury bills in excess of minimum Statutory Liquidity Ratio (SLR), Marginal Standing Facility (MSF) and the Facility to Avail Liquidity for LCR (FALLCR) to the extent allowed by RBI and Standing deposit facility (SDF). Level 1 Assets, additionally included cash, balances in excess of cash reserve requirement with RBI and marketable securities issued by foreign sovereigns. Level 2 consisted of eligible corporate bonds.

The overall liquidity management is guided by ALCO and MLRC who are guided by board approved internal framework. Relevant Units (RMG MLR, CT and TLM) interact regularly with each other to ensure adherence to the directions set by bank's committees.

**3. Investments**

a. Composition of Investment Portfolio

Particulars	Investments in India							Investments outside India				31-Mar-23
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India (A)	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India (B)	Total Investments (A + B)
<b>Held to Maturity</b>												
Gross	102,824,777	-	-	-	-	-	102,824,777	-	-	-	-	102,824,777
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	102,824,777	-	-	-	-	-	102,824,777	-	-	-	-	102,824,777
<b>Available for Sale</b>												
Gross	159,994,755	-	314,981	7,691,825	-	36,766,794	204,768,355	-	-	-	-	204,768,355
Less: Provision for depreciation and NPI	(790,644)	-	-	(1,312,626)	-	(1,165,313)	(3,268,583)	-	-	-	-	(3,268,583)
Net	159,204,111	-	314,981	6,379,199	-	35,601,481	201,499,772	-	-	-	-	201,499,772
<b>Held for Trading</b>												
Gross	123,897,383	-	-	2,486,207	-	-	126,383,590	-	-	-	-	126,383,590
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	123,897,383	-	-	2,486,207	-	-	126,383,590	-	-	-	-	126,383,590
<b>Total Investments</b>												
Gross	386,716,915	-	314,981	10,178,032	-	36,766,794	433,976,722	-	-	-	-	433,976,722
Less: Provision for depreciation and NPI	(790,644)	-	-	(1,312,626)	-	(1,165,313)	(3,268,583)	-	-	-	-	(3,268,583)
Net	385,926,271	-	314,981	8,865,406	-	35,601,481	430,708,139	-	-	-	-	430,708,139

Particulars	Investments in India							Investments outside India				31-Mar-22
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India (A)	Government securities (including local authorities)	Subsidiaries and/or joint venture	Others	Total Investments outside India (B)	Total Investments (A + B)
<b>Held to Maturity</b>												
Gross	93,099,596	-	-	-	-	-	93,099,596	-	-	-	-	93,099,596
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	93,099,596	-	-	-	-	-	93,099,596	-	-	-	-	93,099,596
<b>Available for Sale</b>												
Gross	61,027,809	-	432,410	6,015,829	-	25,074,009	92,550,057	10,989,638	-	-	10,989,638	103,539,695





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Particulars	Investments in India							Investments outside India				31-Mar-22
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India (A)	Government securities (including local authorities)	Subsidiaries and/or joint venture	Others	Total Investments outside India (B)	Total Investments (A + B)
Less: Provision for depreciation and NPI	(414,637)	-	(18,004)	(292,484)	-	(584,846)	(1,309,971)	-	-	-	-	(1,309,971)
Net	60,613,172	-	414,406	5,723,345	-	24,489,163	91,240,086	10,989,638	-	-	10,989,638	102,229,724
<b>Held for Trading</b>												
Gross	20,400,071	-	-	-	-	-	20,400,071	-	-	-	-	20,400,071
Less: Provision for depreciation and NPI	(74,312)	-	-	-	-	-	(74,312)	-	-	-	-	(74,312)
Net	20,325,759	-	-	-	-	-	20,325,759	-	-	-	-	20,325,759
<b>Total Investments</b>												
Gross	174,527,476	-	432,410	6,015,829	-	25,074,009	206,049,724	10,989,638	-	-	10,989,638	217,039,362
Less: Provision for depreciation and NPI	(488,949)	-	(18,004)	(292,484)	-	(584,846)	(1,384,283)	-	-	-	-	(1,384,283)
Net	174,038,527	-	414,406	5,723,345	-	24,489,163	204,665,441	10,989,638	-	-	10,989,638	215,655,079

b. Movement of Provisions for Depreciation and Investment Fluctuation Reserve (IFR)

Particulars	31-Mar-23	31-Mar-22
<b>Value of investments</b>		
Gross value of investments	433,976,722	217,039,362
Less: Provision for depreciation	(3,268,583)	(1,384,283)
<b>Net value of investments</b>	430,708,139	215,655,079
<b>Movement in Provisions held towards depreciation on investments</b>		
Opening balance	1,384,283	1,254,049
Add: Provisions made during the year	1,991,403	150,059
Less: Write back of excess provisions during the year to Profit and Loss account	(107,103)	(19,825)
<b>Closing Balance</b>	3,268,583	1,384,283
<b>Movement of Investment Fluctuation Reserve</b>		
Opening balance	2,451,110	2,649,962
Add: Amount transferred during the year	5,717	-
Less: Drawdown during the year	-	(198,852)
Closing balance	2,456,827	2,451,110
Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT	0.7%	2.0%

c. Sale and transfers to/from HTM category

During the year ended March 31, 2023, there is no sale/transfer of securities to/from HTM category.

During the previous year, the value of sales/transfers of securities to/from HTM category (excluding one-time transfer of securities, sales to RBI under pre-announced open market operation auctions, repurchase of government securities by Government of India and repurchase of the state development loans by concerned state government, as permitted by RBI guidelines) did not exceed 5.0% of the book value of investments held in HTM category at the beginning of the year.

d. Non-SLR investment portfolio

i) Non-performing non-SLR investments

Particulars	31-Mar-23	31-Mar-22
Opening balance	467,160	346,022
Additions during the year	2,438,336	270,369
Reductions during the year	(94,055)	(149,231)
Closing balance	2,811,441	467,160
Total provisions held*	2,375,478	276,717

\* This includes provisions created in earlier years, reclassified to NPI provisions in the current year.



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ii) Issuer composition of non-SLR investments

No.	Issuer	Amount	Extent of "private placement"	Extent of "below investment grade" securities	Extent of "unrated" Securities	Extent of "unlisted" securities
(i)	Public Sector Undertakings	500,000 (156,926)	500,000 (156,926)	- (-)	- (-)	- (-)
(ii)	Financial Institutions*	4,642,373 (2,696,947)	4,642,373 (2,696,947)	- (-)	57,745 (141,161)	2,049,730 (195,782)
(iii)	Banks	- (-)	- (-)	- (-)	- (-)	- (-)
(iv)	Private Corporates	5,266,765 (3,594,366)	5,266,765 (3,594,366)	- (78,114)	1,675,087 (1,503,865)	2,811,096 (1,447,038)
(v)	Subsidiaries / Joint ventures	- (-)	- (-)	- (-)	- (-)	- (-)
(vi)	Others#	36,850,670 (36,063,645)	36,850,670 (36,063,645)	- (8,952)	1,433,646 (84,204)	36,850,670 (36,063,645)
(vii)	Provision held towards depreciation	-2,477,940 (-895,332)				
	<b>Total</b>	<b>44,781,868 (41,616,552)</b>	<b>47,259,808 (42,511,884)</b>	<b>- (87,066)</b>	<b>3,166,478 (1,729,230)</b>	<b>41,711,496 (37,706,466)</b>

(Figures in bracket indicate Previous year numbers)

\* includes investments in NBFCs

# others include investments in security receipts of asset reconstruction companies, pass through certificates and investment outside India

e. Repo transactions (in face value terms)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	As at 31 March
Securities sold under Repos*				
i) Government securities	33,933,700 (-)	191,911,789 (95,782,264)	105,417,977 (39,617,691)	161,422,983 (78,227,379)
ii) Corporate debt securities	- (-)	- (-)	- (-)	- (-)
iii) Any Other securities	- (-)	- (-)	- (-)	- (-)
Securities purchased under Reverse Repos*				
i) Government securities	4,163,359 (3,289,227)	44,030,803 (71,535,114)	12,758,229 (34,860,361)	11,909,161 (29,816,931)
ii) Corporate debt securities	- (-)	- (-)	- (-)	- (-)
iii) Any Other securities	- (-)	- (-)	- (-)	- (-)

(Figures in brackets indicate Previous year numbers)

\*Represents repo borrowing / lending amount

**4. Asset quality**

a. Classification of advances and provisions held

Particulars	Standard	Non-Performing			31-Mar-23	
	Total Standard Advances	Sub- standard	Doubtful	Loss	Total Non-Performing Advances	Total
<b>Gross Standard Advances and NPAs</b>						
Opening Balance	431,900,390	3,237,329	30,617,652	11,483,024	45,338,005	477,238,395
Add: Additions during the year					4,901,558	4,901,558
Less: Reductions during the year					(22,515,354)	(22,515,354)
Closing balance	466,091,199	3,641,455	20,531,838	3,550,916	27,724,209	493,815,408
*Reductions in Gross NPAs due to:						
i) Upgradation					4,682,368	4,682,368
ii) Recoveries (excluding recoveries from upgraded accounts)					1,795,311	1,795,311
iii) Technical/ Prudential Write-offs					7,439,315	7,439,315
iv) Write-offs other than those under (iii) above					8,598,360	8,598,359
<b>Provisions (excluding Floating Provisions)</b>						
Opening balance of provisions held	1,995,449	1,664,545	24,961,999	11,385,291	38,011,835	40,007,284
Add: Fresh provisions made during the year					4,495,641	4,495,641
Less: Excess provision reversed/ Write-off loans					(20,287,454)	(20,287,454)
Closing balance of provisions held	2,180,702	1,521,134	17,147,972	3,550,916	22,220,022	24,400,724



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Particulars	Standard	Non-Performing			31-Mar-23	
	Total Standard Advances	Sub- standard	Doubtful	Loss	Total Non-Performing Advances	Total
<b>Net NPAs</b>						
Opening Balance		1,572,783	5,507,031	-	7,079,814	
Add: Fresh additions during the year					405,917	
Less: Reductions during the year					(2,227,900)	
Closing Balance*		2,120,321	3,383,866	-	5,504,187	
<b>Floating Provisions</b>						
Opening Balance						-
Add: Additional provisions made during the year						-
Less: Amount drawn down during the year						-
Closing balance of floating provisions						-
<b>Technical write-offs and the recoveries made thereon</b>						
Opening balance of Technical/ Prudential written-off accounts						9,709,664
Add: Technical/ Prudential write-offs during the year						7,439,315
Sub-total (A)						17,148,979
Less: Recoveries made from previously technical/ prudential written-off accounts during the year (B)						(185,480)
Closing balance (A-B)						16,963,499

Particulars	Standard	Non-Performing			31-Mar-22	
	Total Standard Advances	Sub- standard	Doubtful	Loss	Total Non-Performing Advances	Total
<b>Gross Standard Advances and NPAs</b>						
Opening Balance	359,273,140	11,336,147	27,617,873	14,377,535	53,331,555	412,604,695
Add: Additions during the year					6,200,254	6,200,254
Less: Reductions during the year					(14,193,804)	(14,193,804)
Closing balance	431,900,390	3,237,329	30,617,652	11,483,024	45,338,005	477,238,395
*Reductions in Gross NPAs due to:						
i) Upgradation					1,868,925	1,868,925
ii) Recoveries (excluding recoveries from upgraded accounts)					7,941,039	7,941,039
iii) Technical/ Prudential Write-offs					523,525	523,525
iv) Write-offs other than those under (iii) above					3,860,315	3,860,315
<b>Provisions (excluding Floating Provisions)</b>						
Opening balance of provisions held	2,376,041	4,948,948	20,810,600	14,217,176	39,976,724	42,352,765
Add: Fresh provisions made during the year					6,587,337	6,587,337
Less: Excess provision reversed/ Write-off loans					(8,552,226)	(8,552,226)
Closing balance of provisions held	1,995,449	1,664,545	24,961,999	11,385,291	38,011,835	40,007,284

Particulars	Standard	Non-Performing			31-Mar-22	
	Total Standard Advances	Sub- standard	Doubtful	Loss	Total Non-Performing Advances	Total
<b>Net NPAs</b>						
Opening Balance		6,383,999	4,230,754	-	10,454,753	
Add: Fresh additions during the year					3,361,587	
Less: Reductions during the year					(6,736,526)	
Closing Balance*		1,572,783	5,507,031	-	7,079,814	
<b>Floating Provisions</b>						
Opening Balance						2,537,429
Add: Additional provisions made during the year						-
Less: Amount drawn down during the year						(2,537,429)
Closing balance of floating provisions						-
<b>Technical write-offs and the recoveries made thereon</b>						
Opening balance of Technical/ Prudential written-off accounts						10,703,409
Add: Technical/ Prudential write-offs during the year						523,525
Sub-total (A)						11,226,934
Less: Recoveries made from previously technical/ prudential written-off accounts during the year (B)						(1,517,270)
Closing balance (A-B)						9,709,664

\* net NPA is after considering ECGC claim, sundries balance and floating provision



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Ratios	31-Mar-23	31-Mar-22
Gross NPA to Gross Advances	5.61%	9.50%
Net NPA to Net Advances	1.17%	1.61%
Provision coverage ratio (Including Technical W/offs)	87.68%	87.14%

**b. Sector-wise Advances and Gross NPAs**

Sector	31-Mar-23			31-Mar-22		
	Outstanding Total Advances **	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances **	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
<b>A Priority Sector</b>						
1 Agriculture & allied activities	35,749,710	66,507	0.19%	31,771,514	1,399,610	4.41%
2 Advances to industries sector eligible as priority sector lending	73,275,703	2,822,043	3.85%	77,965,856	2,317,115	2.97%
Of which - Chemicals and Chemical Products (Dyes, Paints, etc.)	13,651,179	35,750	0.26%	14,180,401	108,600	0.77%
Of which - Food Processing	7,877,106	759,280	9.64%	50,000	-	0.00%
Of which - Other Industries	18,471,444	564,532	3.06%	24,362,492	577,846	2.37%
3 Services	46,814,108	523,956	1.12%	50,206,734	371,717	0.74%
Of which - Bank	26,584	-	0.00%	15,753,575	-	0.00%
Of which - non-banking financial institutions/companies	15,960,079	36,571	0.23%	13,089,382	48,754	0.37%
Of which - Retail Trade	2,104,269	95,699	4.55%	1,687,429	23,349	1.38%
Of which - Trading Activity	3,440,534	3,370	0.10%	5,012,207	-	0.00%
Of which - Wholesale Trade	23,567,170	275,659	1.17%	10,999,038	44,916	0.41%
4 Personal loans*	5,118,118	272,682	5.33%	1,549,784	39,495	2.55%
Of which - Home Loan	224,449	40,684	18.13%	801,633	35,020	4.37%
Of which - Other Retail Loans	2,834,205	218,683	7.72%	-	-	-
Of which - Vehicle/Auto Loans	2,018,021	9,035	0.45%	685,386	-	0.00%
<b>Sub-total (A)</b>	<b>160,957,639</b>	<b>3,685,188</b>	<b>2.29%</b>	<b>161,493,888</b>	<b>4,127,937</b>	<b>2.56%</b>

Sector	31-Mar-23			31-Mar-22		
	Outstanding Total Advances **	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances **	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
<b>B Non Priority Sector</b>						
1. Agriculture & allied activities	2,487,655	34,998	1.41%	629,372	567,282	90.13%
2 Industry	157,410,979	14,730,719	9.36%	147,131,074	24,287,539	16.51%
Of which - Construction	15,964,691	820,955	5.14%	15,132,482	887,515	5.86%
Of which - Infrastructure	68,578,353	6,406,129	9.34%	51,303,676	6,975,458	13.60%
Of which - Other Industries	16,427,246	2,214,272	13.48%	19,878,563	8,876,466	44.65%
3 Services	129,417,604	8,418,051	6.50%	136,136,847	15,499,928	11.39%
Of which - non-banking financial institutions/companies	67,178,223	680,209	1.01%	54,601,434	1,610,496	2.95%
Of which - Retail Trade	15,648,390	2,597,203	16.60%	17,786,271	3,438,099	19.33%
Of which - Other Services	29,224,787	3,236,563	11.07%	37,779,145	5,958,922	15.77%
Of which - Wholesale Trade	10,969,868	684,228	6.24%	10,722,481	3,219,858	30.03%
Of which - Trading Activity	2,937,539	912,220	31.05%	10,457,909	750,031	7.17%
4. Personal loans*	43,541,521	855,253	1.96%	31,847,214	855,319	2.69%
Of which - Housing loans	16,426,350	87,284	0.53%	13,773,820	99,019	0.72%
Of which - Other Retail Loans	26,178,932	755,865	2.89%	12,810,071	721,586	5.63%
<b>Sub-total (B)</b>	<b>332,857,769</b>	<b>24,039,021</b>	<b>7.22%</b>	<b>315,744,507</b>	<b>41,210,068</b>	<b>13.05%</b>
<b>Total (A+B)</b>	<b>493,815,408</b>	<b>27,724,209</b>	<b>5.61%</b>	<b>477,238,395</b>	<b>45,338,005</b>	<b>9.50%</b>

\*Personal loan include home loans, loan against property and gold loan

\*\* Represent gross advances

**c. Overseas Assets, NPAs and Revenue**

Particulars	31-Mar-23	31-Mar-22
Total assets	-	-
Total NPAs	-	-
Total revenue	-	-

The Bank does not have any overseas branches, hence, the disclosure is reported Nil.



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d. Particulars of resolution plan and restructuring

Particulars		Agriculture and allied activities		Corporates (excluding MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding agriculture and MSME)		Total	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Standard	Number of borrowers	-	-	6	7	3	3	54	86	63	96
	Gross Amount	-	-	4,271,995	5,708,784	177,817	264,203	81,334	93,405	4,531,146	6,066,392
	Provision held	-	-	794,020	1,248,915	18,653	18,653	11,195	-	823,868	1,267,568
Sub-standard	Number of borrowers	-	-	1	-	-	-	1	12	2	12
	Gross Amount	-	-	690,385	-	-	-	11	32,451	690,396	32,451
	Provision held	-	-	418,570	-	-	-	11	9,523	418,581	9,523
Doubtful	Number of borrowers	-	-	4	18	3	3	1	-	8	21
	Gross Amount	-	-	1,684,840	7,556,495	226,513	33,789	16,490	-	1,927,843	7,590,284
	Provision held	-	-	1,642,714	7,488,496	205,193	31,286	4,122	-	1,852,029	7,519,782
Total	Number of borrowers	-	-	11	25	6	6	56	98	73	129
	Gross Amount	-	-	6,647,220	13,265,279	404,330	297,992	97,835	125,856	7,149,385	13,689,127
	Provision held	-	-	2,855,304	8,737,411	223,846	49,939	15,328	9,523	3,094,478	8,796,873

e. Divergence in the asset classification and provisioning

In terms of the RBI circular no. DOR.ACC.REC.No.74/21.04.018/2022-23 dated 11 October 2022, banks are required to disclose the divergences in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to the financial statements, wherever either (a) the additional provisioning for non-performing assets (NPAs) assessed by the RBI exceeds 10 per cent of the reported profit before provisions and contingencies for the reference period; and or (b) the additional Gross NPAs identified by the RBI exceed 10 per cent of the reported incremental Gross NPAs for the reference period. Based on the condition mentioned in RBI circular, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory process for the year ended 31 March 2022.

f. Disclosure of transfer of loan exposures

Details of loans not in default transferred (sell down) to entities during the year 2022-23 is as under –

Particulars	Transferred through assignment	Transferred through novation	Transferred through loan participation
Weighted average maturity of the loans transferred (in months)	-	-	-
Weighted average holding period (in months)	-	-	-
Retention of beneficial economic interest	-	-	-
Coverage of tangible security coverage	-	-	-
Rating-wise distribution of rated loans	-	-	-
Replacement of loans transferred to transferee(s) or pay damages arising out of any representation or warranty	-	-	-
Amount of Loan Transferred	-	-	-

Details of loans not in default transferred (sell down) to entities during the year 2021-22 is as under –

Particulars	Transferred through assignment	Transferred through novation	Transferred through loan participation
Weighted average maturity of the loans transferred (in months)	-	-	48
Weighted average holding period (in months)	-	-	12
Retention of beneficial economic interest	-	-	-
Coverage of tangible security coverage	-	-	NA
Rating-wise distribution of rated loans	-	-	NA
Replacement of loans transferred to transferee(s) or pay damages arising out of any representation or warranty	-	-	NA
Amount of Loan Transferred	-	-	1,925,000

Details of stressed loans transferred during the year 2022-23 is as under –

Particulars	To ARCs	To permitted transferees	To other transferees (please specify)
No of accounts	200	4	-
Aggregate principal outstanding of loans transferred	6,838,344	1,088,815	-
Weighted average residual tenor of the loans transferred	-	-	-
Net book value of loans transferred (at the time of transfer)	162,991	273,323	-
Aggregate consideration	555,135	609,248	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

Details of stressed loans transferred during the year 2021-22 is as under –



**DBS Bank India Limited**

Particulars	To ARCs	To permitted transferees	To other transferees (please specify)
No of accounts	2,025	-	-
Aggregate principal outstanding of loans transferred	3,446,599	-	-
Weighted average residual tenor of the loans transferred (in months)	31	-	-
Net book value of loans transferred (at the time of transfer)	728,464	-	-
Aggregate consideration	1,021,277	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

Details of loans acquired during the year 2022-23 is as under

Particulars	From Banks and NBFC	From ARCs
Aggregate principal outstanding of loans acquired	35,417	-
Aggregate consideration paid	35,417	-
Weighted average residual tenor of loans acquired (in months)	58	-

Details of loans acquired during the year 2021-22 is as under

Particulars	From Banks and NBFC	From ARCs
Aggregate principal outstanding of loans acquired	685,386	-
Aggregate consideration paid	685,386	-
Weighted average residual tenor of loans acquired (in months)	41	-

The disclosure pertaining to banks investments in security receipts ('SRs') as on 31 March 2023 is as under:

Particulars	SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years*	SRs issued more than 8 years ago
i) Book value of SRs backed by NPAs sold by the bank as underlying	340,060	656,455	353,256
Provision held against (i)	(340,060)	(471,997)	(353,256)
ii) Book value of SRs backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying			
Provision held against (ii)			
Total (i) + (ii) (Gross)	340,060	656,455	353,256

The disclosure pertaining to banks investments in security receipts ('SRs') as on 31 March 2022 is as under:

Particulars	SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years*	SRs issued more than 8 years ago
i) Book value of SRs backed by NPAs sold by the bank as underlying	404,540	1,069,374	84,204
Provision held against (i)	(374,333)	(126,312)	(84,204)
ii) Book value of SRs backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying	-	-	-
Provision held against (ii)	-	-	-
Total (i) + (ii) (Gross)	404,540	1,069,374	84,204

\* The difference between book value and provision held will amortised as per RBI guidelines.

**g. Provision pertaining to fraud accounts**

The disclosure on provision pertaining to fraud accounts in accordance with the RBI circular DBR.No.BP.BC.92/21.04.048/2015-16 dated 18 April 2016 is as under

Particulars	31-Mar-23	31-Mar-22
No. of frauds reported during the year	153	132
Amount involved in fraud	919,195	1,316,280
Amount involved in fraud net of recoveries / write-offs as at the end of the year	637,177	1,306,163
Provisions held as at the end of the year	637,177	1,306,163
Amount of unamortised provision debited from "other reserves" as at the end of the year	-	-

**h. Disclosure under Resolution Framework for Covid-19-related stress**

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 30 September 2022 (A)	Of (A), aggregate debt that slipped into NPA during the half- year ended	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31 March 2023**
Personal Loans	74,372	11	231	7,299	81,334
Corporate persons*	4,650,184	-	-	247,125	5,072,367
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	4,724,556	11	231	254,424	5,153,701

\* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

\*\*excludes interest accrued converted into Term loan as a part of implementation of the plan and includes additional drawdowns



**DBS Bank India Limited**

**5. Exposures**

**a. Exposure to real estate sector**

Particulars	31-Mar-23	31-Mar-22
<b>a) Direct Exposure</b>	62,885,777	67,991,161
(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)	19,226,345	22,694,973
(ii) Commercial Real Estate - Lending secured by mortgages on commercial real estates (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;	43,659,432	45,296,188
(iii) Investments in Mortgage backed Securities (MBS) and other securitised exposures –	-	-
a. Residential,	-	-
b. Commercial Real Estate.	-	-
<b>b) Indirect Exposure</b>	22,919,637	20,742,890
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	22,919,637	20,742,890
<b>Total Exposure to Real Estate Sector</b>	<b>85,805,414</b>	<b>88,734,051</b>

**Note:** Excludes non-banking assets acquired in satisfaction of claims.

**b. Exposure to Capital market**

Sr. No.	Particulars	31-Mar-23	31-Mar-22
(i)	Direct investments made in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	52,494	176,763
(ii)	Advances against shares, bonds, debentures or other securities or on clean basis to individuals for investment in shares (including IPO's/ESOPS), convertible bonds, convertible debentures and units of equity oriented mutual funds	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	7,060
(iv)	Advances for any other purposes to the extent secured by collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	187,340	542,660
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	9,100,000	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii)	Bridge loans to companies against expected equity flows/issues	-	-
(viii)	Underwriting commitments taken up in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to venture capital funds (both registered and unregistered)	-	-
	<b>Total Exposure to Capital Market</b>	<b>9,339,834</b>	<b>726,483</b>

**Note:** Securities received on account of restructuring of loan (except securities received under Scheme for Sustainable Structuring of Stressed Assets) is excluded from exposure to capital market.

**c. Risk Category Wise Country Risk Exposure**

Provision for Country Risk Exposure in terms of the RBI master circular DBR.No.BP.BC .9/ 21.04.048 / 2015-16 dated 01 July 2015 is as follows:

Risk Category	Exposure (net) as at 31 March 2023	Provision held as at 31 March 2023	Exposure (net) as at 31 March 2022	Provision held as at 31 March 2022
Insignificant	45,897,448	24,806	52,681,836	32,004
Low	634,501	-	5,948,342	-
Moderately Low	231,176	-	76,325	-
Moderate	35,415	-	90,756	-
Moderately High	-	-	528,439	-
High	3,338	-	-	-
Very High	-	-	-	-
<b>Total</b>	<b>46,801,878</b>	<b>24,806</b>	<b>59,325,698</b>	<b>32,004</b>

Country risk provisions are held in addition to the provisions required to be held as per the asset classification status. In terms of the RBI circular, the provision is made for only those countries where the net funded exposure is not less than 1 percent of total assets. For exposures with contractual maturity of less than 180 days, 25% of the normal provision requirements are held.



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**d. Unsecured Advances**

Particulars	31-Mar-23	31-Mar-22
Total unsecured advances of the bank (Net)	235,597,140	188,638,716
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	300,110	299,650
Estimated value of such intangible securities	INR 1	INR 1

**e. Factoring Exposure**

Receivables acquired under factoring (gross) as on 31 March 2023 amounts to INR 54,366,542 thousand (Previous year: INR 32,926,279 thousand).

**f. Intra-Group Exposures**

In terms of the RBI circular DBOD.No.BP.BC.96/21.06.102/2013-14 dated 11 February 2014, the disclosures on intra-group exposures are as below:

Particulars	31-Mar-23	31-Mar-22
Total amount of intra-group exposures*	10,187,242	6,079,645
Total amount of top-20 intra-group exposures	10,187,242	6,079,645
Percentage of intra-group exposures to total exposure of the bank on borrowers /customers	1.09%	0.77%
Details of breach of limits on intra-group exposures and regulatory action thereon, if any.	Nil	Nil

\*Exposure is computed basis RBI circular RBI/2018-19/196/DBR.No.BP.BC.43/21.01.003/2018-19 dated 3 June 2019 on Large Exposure Framework

**g. Unhedged Foreign Currency Exposure (UFCE)**

The RBI has issued various guidelines advising banks to closely monitor the unhedged foreign currency exposures of their borrowing clients. However, the extent of unhedged foreign currency exposures of the entities continues to be significant and this can increase the probability of default in times of high currency volatility. The RBI had, therefore, introduced incremental provisioning and capital requirements for bank exposures to entities with unhedged foreign currency exposures.

The process for ascertaining the amount of UFCE, estimating the extent of the likely loss, the riskiness of the unhedged positions, provisions thereof, etc. are to be done as per the RBI Circular DBOD. No. BP.BC. 85/21.06.200/2013-14 dated January 15, 2014. DBS India's policy Guidelines for Monitoring Unhedged Foreign Currency Exposures of Corporates, Provisioning and Capital requirements encompass the RBI guidelines in this regard.

This guideline indicates the definition of "unhedged foreign currency exposure" (as per the RBI) 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 annualised volatilities (currently pegged at 12.47% of notional by the RBI guidelines). Once the loss figure is calculated, it may be compared with the annual Earnings before Interest and Depreciation (EBID) of the corporate as per the latest quarterly results certified by the respective 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) as prescribed by the RBI.

As per the RBI guideline, the UFCE may be obtained from entities every quarter on self-certification basis, and preferably should be internally audited by the entity concerned. However, at least on an annual basis, UFCE information should be audited and certified by the statutory auditors of the entity for its authenticity. For this purpose, for cases with large UFCE where the likely loss to EBID is over 75% are tabled at the Credit Committee on a quarterly basis.

In terms of the RBI Circular DBOD.No.BP.BC. 85 /21.06.200/2013-14 dated 15 January 2014, amended vide RBI/2020-21/100 DOR.No.MRG.BC.41/21.06.200/2020-21 dated 11 October 2022 the details of incremental provisioning and capital held by the Bank are as below:

Particulars	31-Mar-23	31-Mar-22
Incremental provision on account of UFCE	436,556	385,143
Incremental risk weighted assets on account of UFCE	21,780,397	16,730,417

**6. Concentration of deposits, advances, exposures and NPAs**

**a. Concentration of Deposits**

Particulars	31-Mar-23	31-Mar-22
Total Deposits of twenty largest depositors	183,192,960	121,923,171
Percentage of Deposits of twenty largest depositors to Total Deposits of the Bank	29.85%	24.88%

**b. Concentration of Advances\***

Particulars	31-Mar-23	31-Mar-22
Total Advances* # to twenty largest borrowers	165,600,438	157,513,095
Percentage of Advances to twenty largest borrowers to Total Advances of the Bank	16.74%	18.28%

\*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 interbank and Clearing Corporation of India Limited exposures.

**c. Concentration of Exposures\*\***

Particulars	31-Mar-23	31-Mar-22
Total Exposure** # to twenty largest borrowers/customers	169,703,944	164,724,833
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the Bank on borrowers / customers	18.12%	18.09%

\*\*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 interbank and Clearing Corporation of India Limited exposures.

**d. Concentration of Gross NPA's**

Particulars	31-Mar-23	31-Mar-22
Total Exposure to the top twenty Gross NPA accounts	14,485,078	17,592,919
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	52.25%	38.80%





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7. Derivatives

a. Forward Rate Agreements / Interest Rate Swap

The Bank deals in Interest Rate Swaps / Forward Rate Agreements (FRAs).

Particulars	31-Mar-23	31-Mar-22
Notional principal of Interest Rate Swaps	8,343,485,859	6,989,494,125
Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	43,018,209	23,319,402
Collateral required by the bank upon entering into swaps	-	-
Concentration of credit risk arising from the swaps (exposure to banking industry)	11.74%	11.02%
The fair value of the swap book (liability) / asset	2,223,718	2,556,138

In terms of the guidelines issued by the RBI, the following additional information is disclosed in respect of outstanding Interest Rate Swaps / FRAs as at year end:

Benchmark	Terms	31-Mar-23		31-Mar-22	
		Nos.	Notional Principal	Nos.	Notional Principal
IN1 MIFOR 6M	Pay Fixed Receive Floating	191	11,26,50,000	277	15,47,50,000
IN1 MIFOR 6M	Receive Fixed Pay Floating	162	10,81,82,000	211	13,90,32,000
IN1 OIS1YCMP	Pay Fixed Receive Floating	1869	1,85,52,82,401	1667	1,75,64,88,695
IN1 OIS1YCMP	Receive Fixed Pay Floating	1700	1,76,51,39,504	1509	1,51,31,21,493
IN1 OIS 6M COM	Pay Fixed Receive Floating	4646	1,70,72,57,475	3442	1,34,55,81,093
IN1 OIS 6M COM	Receive Fixed Pay Floating	4237	1,64,97,05,666	3532	1,39,03,44,504
USD BS LIBOR 3M	Pay Floating Receive Floating	2	15,96,183	31	2,78,38,681
USD LIBOR 1M	Pay Fixed Receive Floating	5	8,59,631	10	4,67,80,299
USD LIBOR 1M	Receive Fixed Pay Floating	8	10,08,453	14	4,96,25,145
USD LIBOR 3M	Pay Fixed Receive Floating	42	8,58,01,731	29	8,65,60,626
USD LIBOR 3M	Receive Fixed Pay Floating	26	5,94,83,635	35	8,32,58,720
USD LIBOR 6M	Pay Fixed Receive Floating	77	12,94,61,902	110	15,94,46,875
USD LIBOR 6M	Receive Fixed Pay Floating	67	12,51,67,136	68	12,49,50,853
AUD BBSW 6M	Pay Fixed Receive Floating	1	41,269	3	2,41,156
AUD BBSW 6M	Receive Fixed Pay Floating	1	41,269	3	2,41,156
EUR EURIBOR 6M	Pay Fixed Receive Floating	1	90,446	3	6,45,855
EUR EURIBOR 6M	Receive Fixed Pay Floating	1	90,446	3	6,45,855
USD LIBOR 6M	Pay Floating Receive Floating	1	61,62,750	1	56,84,438
IGB6.79 261229S	Pay Fixed Receive Fixed	1	4,43,340	3	9,24,010
IGB7.4 09/35	Pay Fixed Receive Fixed	2	6,44,460	3	10,72,640
IGB7.88 190330S	Pay Fixed Receive Fixed	8	19,65,692	8	19,65,692
IGB8.24 101133S	Pay Fixed Receive Fixed	4	12,52,140	4	12,52,140
IGB7.16 200950S	Pay Fixed Receive Fixed	11	7,25,208	16	10,87,408
EUR EURIBOR 3M	Pay Fixed Receive Floating	1	8,94,425	1	8,42,200
EUR EURIBOR 3M	Receive Fixed Pay Floating	1	8,94,425	1	8,42,200
USD SOFR 1YR	Pay Fixed Receive Floating	139	26,50,61,193	9	1,33,58,428
USD OIS 1YR	Receive Fixed Pay Floating	2	25,67,813	3	38,84,366
IGB7.62 150939S	Pay Fixed Receive Fixed	2	6,50,000	3	11,50,000
IGB6.22 160335S	Pay Fixed Receive Fixed	3	21,71,400	5	31,71,400
USD SOFR 1YR	Receive Fixed Pay Floating	139	27,03,71,483	3	83,37,175
EUR ESTR A 1Y	Pay Fixed Receive Floating	2	9,01,340	1	7,49,558
EUR ESTR A 1Y	Receive Fixed Pay Floating	2	9,01,340	1	7,49,558
IGB6.64 160635S	Pay Fixed Receive Fixed	15	1,07,92,948	15	1,07,92,948
USD BS SOFR LIB	Pay Floating Receive Floating	1	64,366	3	27,87,901
IGB6.67 151235S	Pay Fixed Receive Fixed	2	20,58,510	2	20,58,510
IGB6.76 220261S	Pay Fixed Receive Fixed	3	28,50,000	3	26,00,000
IGB7.72 150649S	Pay Fixed Receive Fixed	1	6,50,000	1	6,50,000
IGB8.17 011244S	Pay Fixed Receive Fixed	2	22,00,000	1	12,00,000
USD SOFR 1YR	Pay Floating Receive Floating	3	13,39,428	2	70,00,000
IN1 OIS6M COM NEW	Pay Fixed Receive Floating	1	9,71,879	1	10,23,030
IN1 MODMIFOR 6M CMP	Pay Fixed Receive Floating	71	4,86,00,000	1	40,34,038
SGD BS SORA SOR	Pay Floating Receive Floating	1	44,53,694	0	-
IN1 MODMIFOR 6M CMP	Receive Fixed Pay Floating	52	3,45,00,000	0	-
IGB8.13 220645S	Pay Fixed Receive Fixed	7	10,67,640	0	-
IGB7.54 230536S	Pay Fixed Receive Fixed	33	1,42,89,460	0	-



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Benchmark	Terms	31-Mar-23		31-Mar-22	
		Nos.	Notional Principal	Nos.	Notional Principal
IGB6.95 1261	Pay Fixed Receive Fixed	26	75,00,000	0	-
IGB7.36 120952S	Pay Fixed Receive Fixed	25	82,50,000	0	-
IGB8.30 12/42S	Pay Fixed Receive Fixed	1	7,50,000	0	-
IN1 OIS3MFX FBIL	Pay Fixed Receive Floating	15	2,43,27,382	0	-
IGB7.40 190962S	Pay Fixed Receive Fixed	9	14,50,000	0	-
IGB7.41 191236S	Pay Fixed Receive Fixed	7	72,23,640	0	-
INR CMP6M ND	Pay Fixed Receive Floating	3	42,50,000	0	-
INR CMP6M ND	Receive Fixed Pay Floating	4	52,50,000	0	-
SGD SORA OIS	Pay Floating Receive Floating	1	16,80,756	0	-
IGB7.69 170643	Pay Fixed Receive Fixed	1	9,00,000	0	-
IGB8.83 12/41S	Pay Fixed Receive Fixed	1	6,00,000	0	-
USD BS LIB 1M6M	Pay Floating Receive Floating	-	-	1	26,52,738
USD LIBOR 3M	Pay Floating Receive Floating	-	-	2	43,34,699
AUD BBSW S 6M	Pay Fixed Receive Floating	-	-	5	2,48,475
AUD BBSW S 6M	Receive Fixed Pay Floating	-	-	5	2,48,475
GBP LIBOR 6M	Pay Fixed Receive Floating	-	-	5	8,25,476
GBP LIBOR 6M	Receive Fixed Pay Floating	-	-	3	5,96,730
SGD SOR Q 3M	Pay Fixed Receive Floating	-	-	1	4,19,775
SGD SOR Q 3M	Receive Fixed Pay Floating	-	-	1	4,19,775
IGB7.95 08/32S	Pay Fixed Receive Fixed	-	-	1	4,30,830
IGB7.59 200329S	Pay Fixed Receive Fixed	-	-	1	5,38,160
IGB8.3 07/40S	Pay Fixed Receive Fixed	-	-	1	5,00,000
IGB6.67 171250S	Pay Fixed Receive Fixed	-	-	1	10,29,600
IN1 MOD MIFNEW	Pay Fixed Receive Floating	-	-	17	1,34,00,000
IN1 MOD MIFNEW	Receive Fixed Pay Floating	-	-	10	58,50,000
GBP OIS 1YR	Receive Fixed Pay Floating	-	-	2	2,28,746
IGB6.99 151251S	Pay Fixed Receive Fixed	-	-	2	10,00,000
<b>Grand Total</b>		<b>13,639</b>	<b>8,343,485,859</b>	<b>11,096</b>	<b>6,989,494,125</b>

**b. Exchange Traded Interest Rate Derivatives**

Particulars	31-Mar-23	31-Mar-22
(i) Notional principal amount of exchange traded interest rate derivatives undertaken during the year:		
NSE 10Y 7.26%	3,521,000	-
NSE 10Y 5.85%	-	13,408,400
NSE 13Y 6.64%	-	2,020,000
NSE 10Y 6.10%	-	3,904,800
(ii) Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 March	-	-
(iii) Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective'	-	-
(iv) Mark to market value of exchange traded interest rate derivatives outstanding and not 'highly effective'	-	-

**c. Disclosure on Risk Exposure in Derivatives**

**Qualitative Disclosures**

The Bank undertakes transactions in derivative contracts either in the role of a User or as a Market Maker. The Bank ensures that by undertaking such transactions, additional risk assumed (if any) is within the limits governed by the relevant Market Risk Policy, Standard and Guide as approved by the Risk Committees.

Derivative exposures are subject to Market Risk Control and Risk Appetite limits separately calibrated for the Trading and Banking books. The Risk Appetite limit, by way of Expected Shortfall limits, is approved by the Board Risk Management Committee (BRMC), while the Control limits by way of sensitivities to interest rates (IR PV01), FX (FX Delta), Volatility (FX Vega) and Risk Matrix grids which measure first order as well as higher order risks for interest rates and FX products, including options, JTZ and CS01 limits are approved by the MLRC. The setting of the Risk Appetite Limit takes into consideration the Bank's risk bearing capacity, level of business activity, operational considerations, market volatility and utilisation. The limit calibration process is dynamic and aims to consistently maintain and enhance the relevance of the various applicable limits as risk capacity, risk consumption and market behaviour changes.

Carved out of the control limits at entity level are granular business level sensitivity limits for interest rates at desk / trader book and tenor levels for each currency and for FX at desk / trader book level for each currency.

All derivative trades entered by the Bank are undertaken in the trading book except for forward contracts entered for swapping sub-debt which are held in banking book. The Bank has also entered into inter-bank deposits and uses cross currency swaps to manage the risk arising from them. Such currency swaps too are held in the banking book.

All Derivative contracts are valued on a mark-to-market basis with appropriate market curves tagged for respective currencies except for Forward contracts in banking book which are translated at the prevailing spot rate at the time of swap. The premium / discount on the Banking Book swap arising out of the difference in the exchange rate of the swap date and the maturity date of the underlying forward contract is amortised over the period of the swap and it is recognized in the Profit and Loss Account. Cross-currency swaps entered into to hedge inter-bank deposits are accounted for on accrual basis.



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**c. Disclosure on Risk Exposure in Derivatives (Continued)**  
Quantitative Disclosures

Sr. No	Particular	31-Mar-23		31-Mar-22	
		Currency Derivatives #	Interest Rate Derivatives@	Currency Derivatives #	Interest Rate Derivatives@
<b>1</b>	<b>Derivatives (Notional Principal Amount)</b>				
(a)	- For Hedging **	23,920,365	-	39,246,073	-
(b)	- For Trading	3,059,746,776	8,343,485,859	2,178,672,781	6,989,494,125
<b>2</b>	<b>Marked to Market Positions</b>				
(a)	- Asset	24,042,818	43,018,209	11,974,996	23,319,402
(b)	- Liability	32,781,258	40,794,492	19,931,372	20,763,264
<b>3</b>	<b>Credit Exposure</b>	116,580,784	105,472,505	85,389,729	76,862,212
<b>4</b>	<b>Likely impact of 1% change in interest rates (100*PV01)</b>				
(a)	- On Hedging Derivatives **	24,067	-	(7,630)	-
(b)	- On Trading Derivatives	(888,890)	9,814,380	(846,850)	3,778,723
<b>5</b>	<b>Maximum and Minimum of 100*PV01 observed during the year</b>				
(a)	- On Hedging ** :				
	Maximum	44,136	-	4,667	-
	Minimum	(35,753)	-	(180,367)	-
(b)	- On Trading :				
	Maximum	(669,305)	10,329,295	(734,779)	5,736,536
	Minimum	(1,004,064)	3,667,691	(1,230,797)	3,205,301

# Currency Derivatives includes Foreign Exchange contracts.

@ Interest rate derivatives include Interest rate futures and Forward Rate Agreement.

\*\* The hedges pertain to forward contracts that are entered into for swapping sub-debt and cross currency swaps for hedging inter-bank deposits accepted and placed which are held in banking book.

**d. Credit default swaps**

The Bank did not deal in any Credit default swaps during the year ended 31 March 2023 (Previous year: Nil).

**8. Disclosures relating to securitisation**

During the year, the Bank has not entered into any securitisation transactions as a originator. (Previous year : Nil)

**9. Off Balance Sheet Sponsored Special Purpose Vehicles**

The Bank did not have any off balance sheet sponsored Special Purpose Vehicle as at 31 March 2023. (Previous year: Nil)

**10. Transfers to Depositor Education and Awareness Fund (DEAF)**

In terms of the RBI circular No. DOR.ACC.REC.No.45/21.04.018/2021-22 dated August 30, 2021, there is transfer to DEAF during the year. Accordingly, the disclosures on DEAF are as below:

Particulars	31-Mar-23	31-Mar-22
Opening balance of amounts transferred to DEAF	845,428	739,273
Add : Amounts transferred to DEAF during the year	169,831	107,536
Less : Amounts reimbursed by DEAF towards claims during the year	7,366	1,381
Closing balance of amounts transferred to DEAF	1,007,893	845,428

**11. Complaints**

In terms of the RBI Circular No. DOR.ACC.REC.No.45/21.04.018/2021-22 dated August 30, 2021, the details of customer complaints and Banking Ombudsman awards during the year are as under:

**(A) Customer Complaints**

Sr. No.	Particulars	31-Mar-23	31-Mar-22
1.	No. of complaints pending at the beginning of the year	62	70
2.	No. of complaints received during the year	10,682	7,564
3.	No. of complaints disposed during the year	9,918	7,572
3.1	Of which, number of complaints rejected by the Bank	2,469	2,761
<b>4.</b>	<b>No. of complaints pending at the end of the year</b>	<b>826</b>	<b>62</b>
5.	Maintainable complaints received by the Bank from Offices of Banking Ombudsman (OBOs)	535	403
5.1	of 5, number of complaints resolved in favour of the Bank by Banking Ombudsman (BO)	535	396
5.2	of 5, number of complaints resolved through conciliation / mediation / advisories issued by BOs	40	4
5.3	of 5, number of complaints resolved after passing of awards by BOs against the Bank	5	-
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-



**DBS Bank India Limited**

**(B) Top five grounds of complaints received by the Bank from customers**

Grounds of complaints	No. of Complaints pending at the beginning of the year	No. 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 6, no. of complaints pending beyond 30 days
(1)	(2)	(3)	(4)	(5)	(6)
ATM/Debit Cards	46	4,431	(21.34%)	88	29
Credit Cards	-	3,408	100.00%	145	12
Internet/Mobile/Electronic Banking	1	818	66.26%	112	50
Loans and advances	6	277	218.39%	40	17
Account opening/difficulty in operation of accounts	1	196	76.58%	23	7
Others	8	1,552	46.28%	418	145
<b>Total (FY 2022-23)</b>	<b>62</b>	<b>10,682</b>	<b>41.22%</b>	<b>826</b>	<b>260</b>
ATM/Debit Cards	50	5,633	(0.69%)	46	-
Internet/Mobile/ Electronic Banking	3	492	2.07%	1	1
Loans and advances	2	223	14.36%	6	1
Account opening /difficulty in operation of accounts	3	111	(64.76%)	1	-
Mis-selling/Para-banking	2	44	10.00%	1	-
Others	10	1,061	131.15%	7	3
<b>Total (FY 2021-22)</b>	<b>70</b>	<b>7,564</b>	<b>92.14%</b>	<b>62</b>	<b>5</b>

**12. Penalties imposed by the RBI**

During the year, RBI has not imposed any penalty on the bank. (Previous year - Nil).

**13. Disclosure on Remuneration**

Qualitative Disclosures

**a. Information relating to the composition and mandate of the Nomination and Remuneration Committee.**

The Nomination and Remuneration Committee (NRC) comprises of Independent Directors and Non-Executive Directors of the Bank. Key mandate of the NRC is to oversee the overall design and operation of the remuneration policy and framework of the Bank and ensure that such policies are consistent with all applicable legal and regulatory requirements applicable for the Bank.

**b. Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.**

The Bank's compensation philosophy is based on DBS Group remuneration strategy and framework, which is adapted for local implementation including local governance and regulatory considerations.

The three main thrusts of the Banks remuneration approach are:

**Pay for performance**

This is measured against the balanced scorecard which aims to instil and drive a pay-for-performance culture. It also ensures close linkage between total compensation and our annual and long-term business objectives as measured through the balanced scorecard. Further, a calibrated mix of fixed and variable pay aims to drive sustainable performance and alignment to DBS PRIDE! values, considering both the "what" and "how" of achieving KPIs.

**Provide market competitive pay**

We benchmark our total compensation against other organizations of similar size and standing in the markets we operate in. We drive performance differentiation by benchmarking total compensation for top performing employees against the upper quartile or higher.

**Guard against excessive risk-taking**

Focus on achieving risk-adjusted returns that are consistent with our prudent risk and capital management, as well as emphasis on long-term sustainable outcomes. Design pay-out structure to align incentive payments with the long-term performance of the Bank through deferral and claw back arrangements.

The Bank has designed its remuneration guidelines in line with FSB principles and relevant RBI 2019 notification.

**c. Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.**

One of the main thrusts of the Bank remuneration approach as illustrated above is to guard against excessive risk taking. The remuneration framework is designed to focus on achieving risk-adjusted returns that are consistent with our prudent risk and capital management, as well as emphasis on long-term sustainable outcomes. In addition, the pay-out structure is designed to align to the performance payments with the long-term sustainable performance of the Bank through deferral and claw back mechanism.

**d. Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.**

Individual performances are assessed in line with the balanced scorecard which aims to instil and drive a pay for performance culture. The balance score card is reviewed annually and revised to accurately reflect the priorities for the year in line with the long-term business objectives. This ensures close linkages between total compensation and our annual and long-term business objectives as it is measured through the balanced scorecard. Calibrate mix of fixed and variable pay to drive sustainable performance and alignment to DBS PRIDE Values, taking into account both what and how of achieving KPIs.

**e. A discussion of the Bank's policy on deferral and vesting of variable remuneration and a discussion of the Bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.**

DBS Bank Ltd., India Branch converted to a Wholly Owned Subsidiary (WOS) i.e., DBS Bank India Limited (the 'Bank') effective 1 March 2019. Post conversion the Bank adheres to regulations applicable to local Banks under RBI regulations and the Companies Act, 2013.

In line with the discussion with RBI, the Bank has designed its remuneration guidelines considering the FSB principles and relevant RBI notification. These guidelines were tabled and approved by the Bank's Nomination and Remuneration Committee.

The Bank remuneration framework consist of guarding against excessive risk taking, wherein Bank focuses on achieving risk adjusted returns that are consistent with our prudent risk and capital management, as well as emphasis on long term sustainable outcomes. Pay-out structures are designed to align variable or bonus



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payments with the long-term performance of the Bank through deferral and malus/claw back arrangements.

Compensation in the Bank has clear linkages to risk outcomes, time horizon sensitive pay-out schedule in the form of a longer deferral period of 4 years against the guideline of 3 years. The shares vest from the second to fourth year (33%, 33% and 34% respectively). Such longer deferral period is considered conservative compared to others in the industry. In addition, cash bonus, unvested and /or vested shares is subject to malus / claw back during the seven-year period from the date of grant if certain events are triggered.

**f. Description of the different forms of variable remuneration (i.e., Cash and types of shares linked instruments) that the bank utilizes and the rationale for using these different forms.**

The variable pay at the Bank is primarily comprise of two components i.e., Cash Bonus and Long – Term Incentive in the form of DBS Group shares. The rationale and the linkage are to provide a portion of total compensation that is performance linked, focus employees on the achievement of objectives which are aligned to value creation for our shareholders and multiple stakeholders and align the same to a time horizon of risk.

As per the Scheme of Amalgamation (SOA), the Bank has been given 3 years by RBI to harmonize the grade, remuneration, benefits, and other terms and condition for eLVB employees. Until such time the Bank continues to accrue and pay salary as per the erstwhile terms of employment.

**Remuneration - Quantitative disclosures (The quantitative disclosures cover Whole Time Directors / Chief Executive Officer/ Material Risk Takers)**

**a. Number of meetings held by the Remuneration Committee during the period and remuneration paid to its members.**

Five meetings of Nomination & Remuneration Committee (“NRC”) were held during the year ended 31 March 2023 (Previous year: Five meetings). Chairperson of the NRC is paid a sitting fee of INR 1 lakh per meeting and all other Independent Director who is a member of NRC is paid sitting fees of INR 75 thousand per meeting.

**b. Number of employees having received a variable remuneration award during the financial year.**

15 employees (Previous year: 9) received variable remuneration award during the year.

**c. Number and total amount of sign-on awards made during the financial year.**

Nil during the year ended 31 March 2023 (Previous year: Nil).

**d. Details of guaranteed bonus, if any, paid as joining / sign on bonus.**

Nil. (Previous year: None)

**e. Details of severance pay, in addition to accrued benefits, if any.**

Nil during the year ended 31 March 23. (Previous year: Nil)

**f. Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.**

Deferred Cash – INR 69,900 thousand (Previous year: INR 29,743 thousand)

Shares, outstanding RSPs as at 31 March 2023 – 165,227 units (Previous year: 133,718 units)

**g. Total amount of deferred remuneration paid out in the financial year.**

An amount of INR 87,082 thousand (Previous year: INR 57,286 thousand) during the year ended 31 March 2023

**h. Breakdown of amount of remuneration awards for the financial period to show fixed and variable, deferred and non-deferred.**

Particulars	31-Mar-23	31-Mar-22
Fixed remuneration	384,076	253,642
Variable remuneration	415,144	267,732
- Deferred remuneration	181,699	97,670
- non-deferred remuneration	233,445	170,062

**i. Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments.**

Nil during the year ended 31 March 23. (Previous year: Nil)

**j. Total amount of reductions during the financial year due to ex- post explicit adjustments.**

Nil during the year ended 31 March 23. (Previous year: Nil)

**k. Total amount of reductions during the financial period due to ex- post implicit adjustments.**

Nil during the year ended 31 March 23. (Previous year: Nil)

**l. Number of Material Risk Takers (MRT)**

The Bank has identified 15 MRTs (Previous year: 9 MRTs)

**m. Malus / Clawback**

- Number of cases where malus has been exercised: Nil (Previous year: Nil)
- Number of cases where clawback has been exercised: Nil (Previous year: Nil)
- Number of cases where both malus and clawback have been exercised: Nil (Previous year: Nil)

**n. The mean pay for the bank as a whole (excluding sub-staff) and the deviation of the pay of each of its Whole Time Directors from the mean pay.**

Whole Time Director & Chief Executive Officer – 33 times (Previous year: 37 times)

Whole Time Director & Chief Financial Officer – 12 times (Previous year:13.3 times)

**14. Other Disclosures**

**a. Business Ratios**

Particulars	31-Mar-23	31-Mar-22
i Interest Income to working funds	5.62%	5.09%
ii Non-interest income to working funds	0.98%	1.05%
iii Cost of Deposits	4.09%	3.70%
iv Net Interest Margin	2.85%	2.84%
v Operating profits to working funds	0.38%	0.28%
vi Return on Assets	0.22%	0.20%
vii Business (deposits plus advances) per employee	166,138	161,618
viii Net Profit per employee	347	287

- 1) Working funds are reckoned as average of total assets (excluding accumulated losses, if any) as reported to Reserve Bank of India in Form X under Section 27 of the Banking Regulation Act, 1949, during the year.



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- 2) Operating Profit = Total Income – Interest expended – Operating expenses  
 3) Return on Assets is with reference to average working funds (i.e. total of assets excluding accumulated losses, if any).  
 4) Business volume has been computed based on advances and deposits (excluding interbank deposits) outstanding as at the year-end.  
 5) Employee numbers are those as at the year-end.

**b. Bancassurance business**

The Bank has earned an amount of INR 411,998 thousand in respect of Bancassurance business undertaken during the year ended 31 March 2023 (Previous year: INR 299,227 thousand).

**c. Marketing and distribution**

The Bank has received an amount of INR 553,871 thousand as fees/remuneration in respect of the marketing and distribution function (excluding bancassurance business) during the year ended 31 March 2023 (Previous Year: INR 592,742 thousand).

**d. Priority Sector Lending Certificates (PSLC)(Category-wise) sold and purchased during the year**

Particulars	31-Mar-23	31-Mar-22
<b>PSLC purchased during the year</b>		
(i) PSLC – Agriculture	10,500,000	-
(ii) PSLC – SF/MF	-	-
(iii) PSLC – Micro Enterprises	15,000,000	-
(iv) PSLC – General	-	-
<b>Total</b>	<b>25,500,000</b>	<b>-</b>
<b>PSLC sold during the year</b>		
(i) PSLC – Agriculture	-	-
(ii) PSLC – SF/MF	8,000,000	11,000,000
(iii) PSLC – Micro Enterprises	-	-
(iv) PSLC – General	-	-
<b>Total</b>	<b>8,000,000</b>	<b>11,000,000</b>

**e. Provisions and contingencies**

Particulars	31-Mar-23	31-Mar-22
Provision debited to Profit and Loss Account*		
i) Provisions for NPI	1,159,391	192,922
ii) Provision towards NPA	(529,219)	(64,158)
iii) Provision made towards Income tax	1,364,736	1,029,697
iv) Other Provisions and Contingencies **	(431,589)	(426,986)

\* This represents amount net debited in the Profit and Loss account as shown in Schedule 17

\*\* Represents Provision created/reversed during the year on account of Standard Asset provisions, Unhedged Foreign Currency Exposure, Country Risk provisions and others.

**f. Implementation of Indian Accounting Standards (Ind AS)**

The Ministry of Corporate Affairs (MCA), Government of India had notified the Companies (Indian Accounting Standards) Rules, 2015 on 16 February 2015. Further, a press release was issued by the MCA on 18 January 2016 outlining the roadmap for implementation of Indian Accounting Standards (IndAS) converged with International Financial Reporting Standards (IFRS) for banks. Banks in India have complied with the IndAS for financial statements for accounting period beginning from 1 April 2018 onwards, with comparatives for the year ended 31 March 2018. Subsequently, in accordance with press release on 'Statement on Developmental and Regulatory Policies' dated 5 April 2018, RBI had advised deferment of implementation of IndAS by one year taking into consideration various legislative amendments required to align with IndAS requirements and implementation constraints on the banking sector in general. This was further deferred by RBI in March 2019 until further notice.

In preparedness towards achieving the same and in accordance with RBI guidelines, the Bank had prepared and submitted proforma financials as per IndAS for the half-year ended 30 September 2022 to RBI.

The Bank will continue its preparation towards migration to adopting IndAS as per regulatory timelines.

**g. Payment of DICGC Insurance Premium**

Particulars	31-Mar-23	31-Mar-22
Payment of DICGC Insurance Premium	674,925	677,327
Arrears in payment of DICGC premium	-	-

**h. Disclosure on amortisation of expenditure on account of enhancement in family pension of employees of banks**

The Bank is not covered under the 11th Bipartite Settlement and Joint Note dated November 11, 2020 and as such there is no additional liability on account of revision in family pension.

**B. Other Disclosure**

**1. Sector-wise Gross NPAs**

Sector	Percentage of NPAs to Total Advances in that sector	
	31-Mar-23	31-Mar-22
Agriculture and allied activities	0.27%	6.07%
Industry (Micro & small, Medium and Large)	7.61%	11.82%
Services	5.07%	8.52%
Personal Loans	2.32%	2.68%



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### 2. Restructured MSME Accounts

This disclosure is made pursuant to RBI circular RBI/2018-19/100 DBR.No.BP.BC.18/21.04.048/2018-19 dated 1 January 2019 read with RBI/2019-20/160 DOR.No.BP.BC.34/21.04.048/2019-20 dated 11 February, 2020 and read with RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated 6 August 2020 is as below -

Year	No. of account restructured	Amount
2022-23	2	106,623
2021-22	1	27,171

### 3. Provision for Standard Assets and Derivatives

Particulars	31-Mar-23	31-Mar-22
General Loan Loss Provision on Standard Assets (including standard asset provisioning on asset classified as standard restructured)	2,180,702	1,995,449
General Provision on Credit Exposures on Derivatives	253,607	132,934

### 4. Details of Large Exposure Framework Limits exceeded by the Bank

During the year, there were no cases where Large Exposure Framework limits were exceeded by the Bank. (Previous Year : Nil)

### 5. Deferred Taxes

The composition of Deferred Tax Asset / (Liability) is:

Particulars	31-Mar-23	31-Mar-22
<b>Deferred tax assets (A):</b>	13,497,857	14,245,859
- Depreciation on fixed assets	185,392	263,005
- Provision on advances	8,128,665	7,423,119
- Disallowance u/s 43B of Income Tax Act 1961	-	83,243
- Provision for employee benefits	1,691,135	1,815,140
- Amortisation of fee income	84,972	45,050
- Carry forward Income tax losses	1,333,400	2,574,266
- Provision for country risk, outside SDR cases and contingent credit	99,996	101,807
- Accounting Standard 19 Straight lining	13,183	-
- Others	1,961,115	1,940,229
<b>Deferred tax liabilities (B):</b>	(619,426)	(2,692)
- Disallowance u/s 43B of Income Tax Act 1961	(619,426)	-
- Accounting Standard 19 Straight lining	-	(2,692)
<b>Net Deferred tax assets (A-B)</b>	<b>12,878,431</b>	<b>14,243,167</b>

While assessing and concluding on the virtual certainty of making sufficient taxable profits in the near future to realise such unabsorbed business losses, the Management has considered Bank's current levels of income earning assets, interest bearing liabilities and operating margins, NPA recovery plans and current capital position.

### 6. Subordinated Debt

During the year, the Bank has not redeemed of any Subordinated Debt (Previous Year – INR 505,000 thousand). The Bank has not raised any Subordinated debt during the year (Previous Year – Nil).

### 7. Segmental Reporting

As per the guidelines issued by the RBI vide DOR.ACC.REC.No.45/21.04.018/2021-22 dated August 30, 2021, the classification of exposures to the respective segments is being followed. The Bank has identified "Treasury", "Corporate / Wholesale Banking", "Retail Banking" and "Other Banking Operations" as the primary reporting segments. The business segments have been identified and reported based on the organisation structure, the nature of products and services offered, the internal business reporting system and the guidelines prescribed by the RBI.

Treasury undertakes trading in bonds and other investment, derivatives trading and 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.

FMU results for DBIL only depicts the net impact of the internal fund transfer pricing (FTP) policy of the Bank whereby FMU charges an FTP to each respective business for the asset owned by them and provides an FTP credit for liabilities raised by each business. FTP interest income forms part of segment revenues. The corporate unallocated assets (fixed assets, etc. excluding taxes) and liabilities of the bank reside with the FMU team.

Corporate / Wholesale Banking caters to the Corporate and Institutional customers. This segment includes all advances to trusts, partnership firms, companies and statutory bodies, which are not included under "Retail Banking". These also include custody operations, payment and settlement operations and factoring advances. Small and medium enterprises are also included in Corporate / Wholesale Banking.

Retail Banking segment, for DBIL constitutes the business with individuals through the branch network and other delivery channels like ATM, Internet banking, mobile banking, entire housing loan portfolio, etc. For exposures which fulfil the four criteria of orientation, product, granularity and low value of individual exposures are classified under Retail Banking segment.

Other Banking Operations represents income from third party product distribution.

Segment revenues stated below are aggregate of Interest income and Other income.

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

RBI vide its notification RBI/2022-23/ 19 DOR.AUT.REC.12/ 22.01.001/2022-23 dated April 07, 2022 mandated all banks to disclosed a Digital Banking Segment, for the purpose of disclosure under Accounting Standard 17 (AS-17), as a sub-segment of the existing 'Retail Banking' Segment which will be sub-divided in to (i) Digital Banking and (ii) Other Retail Banking. As the Bank does not have any operational DBU as at 31 March 2023, sub segment under Retail Banking is not required to be disclosed separately.



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

	Treasury		Corporate / Wholesale Banking	Retail Banking	Other Banking Operations	Total
	Treasury and Markets	Funding Management Unit				
Segmental Revenue	18,938,575 (10,036,199)	56,795,437 (31,666,548)	47,072,000 (31,757,446)	26,521,722 (12,806,588)	754,211 (1,234,835)	150,081,945 (87,501,616)
Less: Intersegmental Revenue						83,033,981 (35,478,918)
Unallocated Income						- (-)
Total Revenue						67,047,964 (52,022,698)
Results	1,069,810 (2,719,869)	2,620,431 (5,629,521)	7,451,614 (3,599,507)	(6,566,602) (-8,708,245)	754,211 (1,138,077)	5,329,464 (4,378,729)
Unallocated expenses						1,683,315 (1,683,315)
Profit / Loss before tax and extraordinary items						3,646,149 (2,695,414)
Tax						1,364,736 (1,029,697)
<b>Net Profit after Tax</b>						2,281,413 (1,665,717)

Details of Segmental Assets and Liabilities are given below -

	Treasury		Corporate / Wholesale Banking	Retail Banking	Other Banking Operations	Total
	Treasury and Markets	Funding Management Unit				
Segment Assets	202,763,401 (145,990,574)	88,380,145 (79,832,597)	590,972,246 (455,156,021)	208,977,462 (126,456,666)	- (-)	1,091,093,254 (807,435,858)
Unallocated assets						23,934,633 (36,180,236)
<b>Total Assets</b>						1,115,027,887 (843,616,094)
Segment Liabilities	252,754,106 (146,163,852)	122,730,644 (153,688,946)	391,673,724 (257,323,495)	245,049,814 (225,990,933)	- (-)	1,012,208,288 (783,167,226)
Unallocated Liabilities						102,819,599 (60,448,868)
<b>Total Liabilities</b>						1,115,027,887 (843,616,094)

(Figures in brackets and italics indicate Previous year numbers)

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

### 8. Related Parties

Details of branches / subsidiaries of parent are disclosed below where the Bank has transactions during the year. Further, details of Ultimate Parent and Parent are given below:

#### Ultimate Parent

DBS Group Holdings Ltd.

#### Parent

DBS Bank Ltd., Singapore

#### Branches of Parent / Subsidiaries of Parent

- DBS Bank (Hong Kong) Limited
- DBS Bank Ltd., London
- DBS Bank Ltd., Taipei
- DBS Bank Ltd., Hong Kong
- DBS Bank (Taiwan) Ltd.
- DBS Bank (China) Limited
- PT Bank DBS Indonesia
- DBS Technology Services India Private Limited. (erstwhile DBS Asia Hub 2 Private Limited)

#### Employee Trusts

- DBS Bank Employees' Provident Fund Trust
- DBS India Branches Employees' Group Gratuity Scheme
- Lakshmi Vilas Bank Provident Fund Trust
- Lakshmi Vilas Bank Pension Trust
- Lakshmi Vilas Bank Gratuity Trust

#### Key Management Personnel

- Mr. Surojit Shome: Managing Director & Chief Executive Officer
- Mr. Rajesh Prabhu: Whole Time Director & Chief Financial Officer





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With regard to the RBI Circular No. DOR.ACC.REC.No.45/21.04.018/2021-22 dated August 30, 2021, the Bank has not disclosed details pertaining to related parties where under a category, there is only one entity. Accordingly, disclosures have only been made for transactions with "Branches of Parent / Subsidiaries of Parent". Balances and transaction with related party is as below -

Items / Related Party	31-Mar-23	31-Mar-22
Deposits	5,840,021	3,862,041
	(11,307,697)	(9,906,647)
Placement of Deposits	11,554	22,952
	(196,092)	(205,485)
Borrowings	-	-
	-	-
Guarantees / Derivatives / Forward Contracts	53,864,256	8,600,469
	(61,664,936)	(17,287,073)
Other assets	-	-
Other liabilities	24,635	15,011
Interest paid	202,725	129,789
Interest received	650	117
Rendering of services*	706	1,125
Receiving of services	206	2,295

(Figures in brackets indicate maximum outstanding during the year)

\* (excludes Goods and Service Tax)

Key Management Personnel (KMP)	31-Mar-23	31-Mar-22
Deposits	31,172	21,733
	(35,608)	(31,789)
Interest paid	1,415	852
Remuneration Paid to Key Management Personnel*	105,562	94,993

(Figures in brackets indicate maximum outstanding during the year)

\* Amount disclosed as remuneration paid to KMP is in accordance with Form 16 of the provisions of the Income Tax Act, 1961. Bonus and retiral benefits (excluding provident fund and leave encashment) for KMP are accrued as part of an overall pool and are not allocated against the KMP. These will be paid based on approval from RBI as appropriate.

In accordance with paragraph 5 of AS-18, the bank has not disclosed transactions with relatives of Key Management Personnel as they are in the nature of banker-customer relationship.

**Material related party transactions are given below:**

A specific related party transaction is disclosed as a material related party transaction wherever it exceeds 10% of all related party transactions in that category. Following were the material transactions between the Bank and its related parties:

**Acceptance of Deposits:**

Deposit placed by DBS Technology Services India Pvt. Ltd. INR 5,542,097 thousand (Previous year: INR 3,710,675 thousand).

**Placement of Deposits:**

Nostro deposit was placed with DBS Bank Ltd., Hong Kong foreign currency equivalent of INR 6,666 thousand (Previous year: INR 9,508 thousand) and with DBS Bank (Hongkong) Limited foreign currency equivalent of INR 4,888 thousand (Previous year: INR 13,444 thousand).

**Guarantees / Derivatives / Forward Contracts:**

Derivatives Deals of DBS Bank Hong Kong Limited foreign currency equivalent of INR 52,235,664 thousand (Previous year: INR 5,336,740 thousand).

**Other liabilities:**

Other liabilities include accrued interest payable on term deposit payable to DBS Technology Services India Pvt. Ltd amounting to INR 23,955 thousand (Previous year: INR 9,692 thousand).

**Interest paid:**

Interest paid on term deposits to DBS Technology Services India Pvt. Ltd INR 183,743 thousand (Previous year: INR 64,488 thousand).

**Interest received:**

Interest on other deposit received from DBS Bank Ltd., Hongkong Branch is INR 650 thousand (Previous year: INR 117 thousand).

**Rendering of Services:**

Guarantee commission income from DBS Bank (Hong Kong) Limited foreign currency equivalent of INR 318 thousand (Previous year: Nil), from DBS Bank Ltd., London foreign currency equivalent of INR 144 thousand (Previous year: INR 67 thousand), from DBS Bank (China) Limited foreign currency equivalent of INR 107 thousand (Previous year: INR 916 thousand) and Bank charges from DBS Technology Services India Private Ltd of INR 137 thousand (Previous year: INR 118 thousand).

**Receiving of Services:**

Nostro charges paid to DBS Bank Ltd., Hongkong Branch of INR 105 thousand (Previous year: INR 48 thousand), Nostro charges paid to DBS Bank Hong Kong Limited of INR 101 thousand (Previous year: INR 48 thousand) and Reimbursement of expense to PT Bank DBS Indonesia was Nil (Previous year: INR 2,148 thousand)

**Remuneration paid to Key Managerial Personnel:**

Gross earnings, perquisites and variable pay granted to the CEO and the Whole Time Director of the Bank.

**9. Operating Leases**

Operating Leases are entered into for office premises, ATM and ATM premises, Kiosks, vehicles and accommodation to staff. The total of future minimum lease payments under non-cancellable operating leases as determined by the lease agreements are as follows:



**DBS Bank India Limited**

Particulars	31-Mar-23	31-Mar-22
Not later than one year	344,755	498,419
Later than one year and not later than 5 years	708,974	808,951
Later than five years	-	-

The lease payments for the year ended 31 March 2023 charged to the Profit and Loss Account amount to INR 1,196,456 thousand (Previous year: INR 1,658,826 thousand).

Certain leases are cancellable on providing notice period of 1 month to 6 months and may be renewed for a further period from 1 year to 3 years based on mutual agreement of both the parties.

**10. Earnings Per Share**

Particulars	31-Mar-23	31-Mar-22
Net profit after tax	2,281,413	1,665,717
Weighted average number of equity shares outstanding	7,257,889,395	6,704,516,574
Nominal Value per share in INR	10	10
Basic and diluted earnings per share in INR	0.31	0.25

**11. Employee Benefits**

**Provident Fund:** The Bank's contribution to the Employees' Provident Fund during the year was INR 269,208 thousand (Previous year: INR 287,243 thousand).

The defined benefit obligation of interest rate guarantee on exempt Provident Fund in respect of the employees of the Bank has been determined for the year ended 31 March 2023 based on the Guidance Note (GN 29) on Valuation of Interest Rate Guarantees on Exempt Provident Funds under Accounting Standard 15 (Revised) issued by The Institute of Actuaries of India. The defined benefit obligation on interest rate guarantee as at 31 March 2023 based on actuarial valuation is Nil (Previous year: Nil).

**Table 1: Break-down of Liability to be recognised in the Balance Sheet**

Particulars	31-Mar-23		31-Mar-22	
	DBIL	eLVB	DBIL	eLVB
A Value of the Interest Rate Guarantee	31,087	8,214	69,476	2,410
B Accumulated Balance in the Provident Fund	5,387,181	1,199,907	4,207,121	1,211,027
C Present Value of the Obligation (A+B)	5,418,268	1,208,121	4,276,597	1,213,437
D Carrying Value of Plan Assets	5,433,479	1,200,311	4,500,185	1,227,081
<b>E Asset / (Liability) recognised in the Balance Sheet (C – D)</b>	-	7,810	-	-

**Table 2: Parameters of PF investment and obligations**

Particulars	31-Mar-23		31-Mar-22	
	DBIL	eLVB	DBIL	eLVB
Discount rate for the term of the obligation	7.1% pa	7.1% pa	6.2% p.a	7.1% p.a
Average historical yield on the investment portfolio	8.0% pa	7.9% pa	8.3% p.a	8.2% p.a
Expected Investment Return	8.0% pa	7.9% pa	8.3% p.a	8.2% p.a
Guaranteed Rate of Return	8.1% pa	8.2% pa	8.1% p.a	8.1% p.a
Salary escalation rate for the term of the obligation	6.0% p.a	6.0% p.a	6.0% p.a	4.5% p.a

**Compensated Absences:** The Bank has charged INR 184,488 thousand to the Profit and Loss Account towards provision for compensated absences during the year ended 31 March 2023 (Previous year: INR 34,092 thousand).

Principal Actuarial Assumptions	31-Mar-23		31-Mar-22	
	DBIL	eLVB	DBIL	eLVB
Discount Rate (per annum)	7.1%	7.0%	6.20%	7.20%
Salary Escalation Rate (per annum)	6.0%	N.A*	6.00%	4.50%
Mortality	IALM 2012-14 (Ult.)	N.A*	IALM 2012-14 (Ult.)	IALM 2012-14 (ultimate)
Withdrawal rate (per annum)	15.0%	N.A*	15%	4%

\*Effective March 1, 2022, most of the CTC employees were transferred out from eLVB to DBS Bank India Limited. Their accumulated privilege leave balances as at February 2022 will be paid out in three equal tranches over the next three years by the Bank. Further, in FY 2022-23, most of the IBA employees were transferred out from the eLVB division to DBS Bank India Limited. The accumulated privilege leave balance as at March 31, 2022 will be paid out in three equal tranches over the next three years.

**Gratuity:** The Bank has charged INR 157,078 thousand towards provision held in the Gratuity Fund for the year ended 31 March 2023 (Previous year: INR 294,386 thousand).

The following table gives the disclosures regarding the Gratuity Scheme in accordance with Accounting Standard 15 (Revised) as notified by the Companies (Accounting Standards) Rules 2006.

(I)	Net Asset / (Liability) recognised in the Balance Sheet	31-Mar-23	31-Mar-22
	Present Value of obligations as at year end	1,732,682	1,487,227
	Fair Value of plan assets as at year end	1,413,323	1,178,084
	Net Asset / (Liability) recognised in the Balance Sheet	(319,359)	(309,143)



DBS Bank India Limited

(II)	Changes in Defined Benefit Obligation during the year	31-Mar-23	31-Mar-22
	Opening Defined Benefit Obligation (DBO)	1,487,227	1,420,730
	Interest cost	129,035	91,478
	Current Service Cost	151,961	137,690
	Past Service Cost	-	(12,044)
	Actuarial (Gain) / Losses	84,696	143,061
	Benefits Paid	(120,237)	(293,688)
	Closing Defined Benefit Obligation	1,732,682	1,487,227
(III)	Changes in fair value of Plan Assets	31-Mar-23	31-Mar-22
	Opening Fair Value of Plan Assets	1,178,084	1,355,973
	Expected Return on Plan Assets	87,349	79,140
	Actuarial Gain / (Losses)	8,407	(13,341)
	Contributions by employer	259,720	50,000
	Benefits Paid	(120,237)	(293,688)
	Closing Fair Value of Plan Assets*	1,413,323	1,178,084
	Estimated Employer Contributions for the next year	150,000	200,000
	Actual Return on Plan Assets	95,756	65,799

\*excludes fixed deposits of INR 5,300 thousand (Previous year – INR 34,250 thousand)

(IV)	Amount recognised in the Profit and Loss Account	31-Mar-23	31-Mar-22
	Current Service Cost	151,961	137,690
	Interest on Defined Benefit Obligation (DBO)	129,035	91,478
	Expected Return on Plan Assets	(87,349)	(79,140)
	Net Actuarial Losses / (Gains) for the current year	76,289	156,402
	Past Service Cost	-	(12,044)
	Amount recognised in the Profit and Loss Account	269,936	294,386

(V)	Asset Information	31-Mar-23	31-Mar-22
	PSU/ Bank/ NBFC debt securities	14.0%	27.5%
	Central / State Government Debt securities	26.5%	31.5%
	Bank Balances	0.3%	2.3%
	Insurer Managed Funds (non unit-linked)	0.0%*	0.0%*
	Insurer Managed Funds (unit-linked)	57.2%	35.5%
	Others (Liquid plan, Equity mutual fund, etc.)	2.0%	3.2%
	Total	100.0%	100.0%

\*Represents less than 0.0%\*

(VI)	Experience adjustments	31-Mar-23	31-Mar-22	31-Mar-21
	Present Value of DBO	1,732,682	1,487,227	1,420,730
	Fair Value of Plan Assets	1,413,323	1,178,084	1,355,973
	Funded Status [Surplus/ (Deficit)]	(319,359)	(309,143)	(64,757)
	Experience adjustment on Plan Liabilities : (Gain) / Loss	51,372	73,630	23,112
	Experience adjustment on Plan Asset : Gain	13,577	(9,496)	46,276

(VII)	Principal Actuarial Assumptions	31-Mar-23		31-Mar-22	
		DBIL	eLVB	DBIL	eLVB
	Discount Rate (per annum)	7.1%	N.A*	6.20%	7.10%
	Expected rate of return on assets (per annum)	6.2%	N.A*	5.80%	6.70%
	Salary Escalation Rate (per annum)	6.0%	N.A*	6.00%	4.50%
	Attrition Rate	15.0%	N.A*	15.00%	4.00%
	Expected average remaining working lives of employees	4.5 years	N.A*	5 years	10 years
	Mortality Rate	IALM 2012-14 (Ult.)	N.A*	IALM 2012-14 (Ultimate).	IALM 2012-14 (Ultimate.)

\*All employees of the eLVB division (except those who have resigned from eLVB) have been transferred to DBS Bank India Limited. There are no employees in the eLVB division as at March 31, 2023, hence actuarial assumptions are Not Applicable for eLVB division.

Pension Fund: This retirement benefit is applicable to eligible employees of eLVB. The Bank has charged INR 839,186 thousand towards provision held in the Pension Fund for the year ended 31 March 2023 (Previous year: INR 3,121,332 thousand).

The following table gives the disclosures regarding the Pension Scheme in accordance with Accounting Standard 15 (Revised) as notified by the Companies (Accounting Standards) Rules 2006.

(I)	Net Asset / (Liability) recognised in the Balance Sheet	31-Mar-23	31-Mar-22
	Present Value of obligations as at year	3,903,189	7,306,707
	Fair Value of plan assets as at year	1,520,682	1,847,889
	Net Asset / (Liability) recognised in the Balance Sheet	(2,382,507)	(5,458,818)



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(II)	Changes in Defined Benefit Obligation during the year	31-Mar-23	31-Mar-22
	Opening Defined Benefit Obligation (DBO)	7,306,707	5,383,815
	Effect of Settlement	750,964	-
	Interest cost	526,083	303,325
	Current Service Cost	127,395	136,661
	Past Service Cost	-	-
	Actuarial (Gain) / Losses	255,887	2,906,961
	Benefits Paid	(5,063,847)	(1,424,055)
	Closing Defined Benefit Obligation	3,903,189	7,306,707
(III)	Changes in fair value of Plan Assets	31-Mar-23	31-Mar-22
	Opening Fair Value of Plan Assets	1,847,889	3,046,329
	Expected Return on Plan Assets	124,531	153,848
	Actuarial Gain / (Losses)	(54,352)	71,767
	Contributions by employer	4,666,461	-
	Benefits Paid	(5,063,847)	(1,424,055)
	Closing Fair Value of Plan Assets	1,520,682	1,847,889
	Estimated Employer Contributions for the next year	2,000,000	2,000,000
	Actual Return on Plan Assets	70,179	225,615
(IV)	Amount recognised in the Profit and Loss Account	31-Mar-23	31-Mar-22
	Current Service Cost	127,395	136,661
	Interest on Defined Benefit Obligation (DBO)	526,083	303,325
	Effect of settlement	750,964	-
	Expected Return on Plan Assets	(124,531)	(153,848)
	Net Actuarial Losses / (Gains) for the current year	310,239	2,835,194
	Past Service Cost	-	-
	Amount recognised in the Profit and Loss Account	1,590,150	3,121,332
(V)	Asset Information	31-Mar-23	31-Mar-22
	PSU / Bank / NBFC debt securities	13.0%	15.4%
	Central / State Government debt securities	14.0%	11.3%
	Return of Capital LIC annuities	22.0%	17.3%
	Funds with LIC (insurer)	49.0%	55.1%
	Bank Balances	1.0%	1.1%
	Others (Liquid plan, Equity mutual fund, etc.)	1.0%	0.8%
	Total	100.0%	100.0%
(VI)	Experience adjustments	31-Mar-23	31-Mar-22
	Present Value of DBO	3,903,189	7,306,707
	Fair Value of Plan Assets	1,520,682	1,847,889
	Funded Status [Surplus/ (Deficit)]	(2,382,507)	(5,458,818)
	Experience adjustment on Plan Liabilities: (Gain) / Loss	346,252	596,010
	Experience adjustment on Plan Asset: Gain	(47,088)	71,994
(VII)	Principal Actuarial Assumptions	31-Mar-23	31-Mar-22
	Discount Rate (per annum)	7.6% p.a	Pensioners - 7.3% Active employees - 7.2%
	Expected rate of return on assets (per annum)	7.2% p.a	6.78%
	Salary Escalation Rate (per annum)	NA	4.50%
	Withdrawal Rate	NA	4.00%
	Mortality Rate	NA Pre retirement 105% of Indian Individual Annuitants Mortality 2012-15 post retirement	100% of IALM 2012-14 (Ult.) pre retirement 105% of Indian Individual Annuitants Mortality 2012-15 post retirement

The estimate of future salary increase considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors.

**Code on Social Security:** The Code on Social Security 2020 (the "Code") relating to employee benefits during employment and post-employment benefits received Presidential Assent in September 2020. The Code has been published in the Gazette of India, however the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Bank has assessed the impact of the Code based on the draft guidelines and its interpretation of the same with the help of an independent actuary and have made a provision for the Code's impact on an estimated basis as at the balance sheet date.



## DBS Bank India Limited

### 12. Employee Share Based Payments

The Bank grants shares in its ultimate parent, DBS Group Holdings Ltd., to certain eligible employees. Upon settlement the shares are transferred to its employees. The shares are awarded to the eligible employees as per the current schemes which are set out below:

- a. Restricted share plan - The shares awarded under the said plan to the eligible employees could be performance-based and/or time-based. Where time-based awards are granted, they will only vest after the satisfactory completion of time-based service conditions. A time-based award comprises two elements, namely, the main award and the retention (also known as "kicker") award.

Shares awarded vest in a graded manner whereby, thirty-three percent of the shares comprised in the main award will vest two years after the date of grant. A further thirty-three percent of the shares comprised in the main award will vest three years after the date of grant. The remainder thirty-four percent of the shares comprised in the main award, together with the shares comprised in the retention award, known as kicker will vest four years after the date of grant.

- b. Chairman Recognition award – Eligible employees of the Bank are awarded ordinary shares for their excellent performance during the year. Shares awarded vest in a graded manner whereby thirty-three percent of the shares will vest two years after the date of grant, a further thirty-three percent of the shares comprised in the main award will vest three years after the date of grant and the remainder thirty-four percent of the shares will vest four years after the date of grant.

A reconciliation of employee shares based payment movements in number of shares during the year ended 31 March 2023 is shown below:

Category	Year	Opening balance	Granted	Vested	Lapsed	Closing balance
Restricted Share Plan	2019	50,255	-	50,023	232	-
	2020	87,089	-	43,264	2,109	41,716
	2021	131,017	-	47,764	2,723	80,530
	2022*	95,163	2,925	-	3,171	94,917
	2023	-	2,15,643	-	2,037	2,13,606

\*Shares granted represent shares that were granted based on regulatory approvals in 2022-2023.

The weighted average fair value of shares awarded as shown above were in the range of SGD 28.44 – SGD 35.65. The shares are fair valued (i.e. listed price of Ultimate Parent Company).

A reconciliation of employee share based payment movements in number of shares during the year ended 31 March 2022 is shown below:

Category	Year	Opening balance	Granted	Vested	Lapsed	Closing balance
Restricted Share Plan	2018	24,068	-	24,068	-	-
	2019	99,839	-	39,703	9,881	50,255
	2020	137,168	-	40,483	9,596	87,089
	2021*	124,264	15,303	-	8,550	131,017
	2022	-	95,363	-	200	95,163
Chairman's Recognition Award	2018	8,700	-	7,615	1,085	-

\*Shares granted represent shares that were granted based on regulatory approvals in 2021-2022.

The weighted average fair value of shares awarded as shown above were in the range of SGD 27.36 – SGD 36.87. The shares are fair valued (i.e. listed price of Ultimate Parent Company).

The charge to Profit and Loss Account for the year ended 31 March 2023 was INR 150,967 thousand (Previous year: INR 172,803 thousand).

Liability on account of share based payment as at 31 March 2023 is INR 44,350 thousand (Previous year: INR 38,177 thousand).

### 13. Impairment of Assets

There is no impairment of fixed assets and as such there is no provision required in terms of Accounting Standard 28 'Impairment of Assets'.

### 14. Contingent Liabilities

- a) Claims against bank not acknowledged as debt (also refer Schedule 18 note [B.19])

This includes liability on account of litigation cases and tax demands raised against the Bank that are referred to various authorities. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, result of operations or cash flows.

- b) Liability on account of forward exchange contracts/Liability on account of outstanding Currency and Interest Rate Swap, Option contracts and Interest Rate Derivatives

The Bank enters into foreign exchange contracts, currency options/swaps, interest rate options/swaps and forward rate agreements 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 exchange fixed and floating interest rate cash flows. Forward Rate Agreements are agreements to pay or receive a certain sum based on a differential interest rate on a notional amount for an agreed period. A foreign currency option is an agreement between two parties in which one grants to the other the right, but not the obligation, to buy or sell a specified amount of currency at a specific price within a specified time period or at a specified future time. Interest Rate Futures is a standardised interest rate derivative contract traded on a recognised stock exchange to buy or sell a notional security or any other interest bearing instrument or an index of such instruments or interest rates at a specified future date, at a price determined at the time of the contract. The notional principal amounts of foreign exchange and derivatives contracts have been recorded as contingent liabilities.

- c) Guarantees given on behalf of constituents

As a part of its banking activities, the Bank issues guarantees on behalf of its customers. Generally, guarantees represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfil its financial or performance obligations.

- d) Acceptances, endorsements and other obligations

These include documentary credits 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

- e) Other items for which the bank is contingently liable

Other items represent estimated amount of contracts remaining to be executed on capital account, value of investment traded on or before the Balance Sheet date with a settlement post Balance Sheet date and Depositor Education and Awareness Fund (DEAF).

### 15. Disclosure under Micro, Small & Medium Enterprises Development Act, 2006

The Bank has a policy of payment to its vendors based on the agreed credit terms. The following table sets forth, for the periods indicated, details relating to enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.



**DBS Bank India Limited**

Sr. No.	Particulars	31-Mar-23		31-Mar-22	
		Principal	Interest	Principal	Interest
1.	The Principal amount and the interest due thereon remaining unpaid to any supplier.	56,270	1,265	12,226	220
2.	The amount of interest paid by the buyer in terms of Section 16, along with the amount of the payment made to the supplier beyond the due date.	-	-	-	-
3.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the period ) but without adding the interest specified under MSMED Act, 2006	-	-	-	-
4.	The amount of interest accrued and remaining unpaid	-	1,265	-	449
5.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowed as a deductible expenditure under Section 23	-	-	-	-

The above information takes into account only those suppliers who have responded to inquiries made by the Bank for this purpose.

**16. Movement in provisions**

Disclosure of movement in provisions in accordance with AS 29 is set out below:

Particulars	31-Mar-23	31-Mar-22
Opening balance at the beginning of the year	5,965,442	5,215,442
Add : Provision made during the year	-	750,000
Less : Utilisation, write back of excess provisions during the year	(750,000)	-
Closing balance at the end of the year	5,215,442	5,965,442

Note: Provision represents potential claims/demand.

**17. Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, the Bank has constituted a CSR committee. The CSR committee has formulated and recommended to the Board of the Bank, a CSR policy which indicates the activities to be undertaken by the Bank in accordance with the provisions of the Companies Act, 2013.

The agenda/ vision for CSR is to actively contribute to the social and economic development of the communities including the communities in which the Bank operates and build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

The details of amount spent by way of contribution towards CSR are as under:

Particulars	31-Mar-23			31-Mar-22		
	Amount spent	Amount unpaid / provision	Total	Amount spent	Amount unpaid / provision	Total
(i) Construction / acquisition of any asset	-	-	-	-	-	-
(ii) On purpose other than (i) above	69,677	9,667	79,344	57,966	3,400	61,366

As required under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, surplus of INR 4,923 thousand arising out of CSR activities during the year ended March 31, 2023 has been transferred to unspent CSR Account on 3 May 2023.

**18. Disclosure on remuneration to Non-Executive Directors**

The Non-Executive Directors are paid remuneration by way of sitting fees for attending meetings of the Board and its committees. An amount of INR 8,775 thousand was paid as sitting fees to the Non-Executive Directors during the year (Previous year: INR 8,525 thousand).

In addition to the above sitting fees, a fixed remuneration of INR 2,000 thousand (Previous year: INR 2,000 thousand) was paid to the Independent Directors for FY 2022-23 in accordance with the Corporate Governance guidelines issued by RBI in April 2021.

**19.** During financial year 2017-18, eLVB had adjusted deposit against loan aggregating to Rs 79,379 lakhs, extended to two parties against deposits of another group company towards recovery of irregular dues. Disputing the said adjustment, the depositor has filed a suit against eLVB in May 2018, before the Honourable High Court of Delhi and the same is being defended appropriately. The matter still remains sub-judice. The Reserve Bank of India ("RBI") vide letter dated 21st November 2019, had advised eLVB to maintain provisions, on a prudential basis, to cover potential losses for the 'Claim against the Bank not acknowledged as debt' in respect of the above-mentioned matter. Accordingly, the Bank continues to maintain a provision of Rs 20,000 lakhs created by eLVB. As per legal opinions received by Bank, the adjustment of deposits against loans is lawful and tenable. Impact, if any, on the final outcome of the case will be recorded in financial result as and when the matter is decided by the court. Further to the above, Economic Offence Wing (EOW) has filed charges against the bank in relation to the above matter which has been stayed by the Delhi High Court vide its judgement dated March 24, 2023 until the Reserve Bank of India clarifies regarding criminal proceedings constituted against eLVB if be carried forward to DBIL or not after the amalgamation under the current scheme. After the Reserve Bank clarifies, parties be directed to approach the Court for requisite remedy and till then impugned summoning order dated 16.02.2021 against the DBS Bank India Limited shall remain stayed. No material liability is expected on this matter. The Bank received a Show Cause Notice from Securities and Exchange Board of India (SEBI) which was disposed by SEBI, during the period without imposing any penalty.

**20. Movement in provision for credit cards reward points**

Particulars	31-Mar-23	31-Mar-22
Opening provision for reward points	89	-
Provision for reward points made during the year	56,110	89
Utilisation/write-back of provision for reward points	12,787	-
Closing provision for reward points	43,412	89

The closing provision is based on the valuation of accumulated reward points on Credit Cards.

**21. Investor Education and Protection Fund**

There are certain unpaid / unclaimed dividend and rights issue amounts of INR 5,930 thousand (Previous year - INR 1,989 thousand) pertaining to shareholders of eLVB for which 7 years have been completed and as per the extant regulations, such amounts are required to be transferred to Investor Education and Protection Fund (IEPF). However due to regulatory constraints, DBIL is unable to transfer these funds and is in discussions with Ministry of Corporate Affairs to resolve this issue.

**22. Disclosure required as per Ministry of Corporate Affairs notification dated 24 March 2021 Rule 11(e)**

During the year ended 31 March 2023, other than the transactions undertaken in the normal course of banking business and in accordance with extant regulatory guidelines and Bank's internal policies, as applicable:

**DBS Bank India Limited**

- The Bank has not granted any advance/loans or investments or provided guarantee or security to any other person(s) or entities with an understanding, whether recorded in writing or otherwise, to further lend or invest on behalf of the Bank or provide guarantee or security or the like to any other person identified by the Bank.
- The Bank has not received any funds from any person(s) or entities with an understanding, whether recorded in writing or otherwise, that the Bank shall further lend or invest or provide guarantee or security or the like in any other person on behalf of and identified by such person(s)/entities

**23. Details of the recovery ratings assigned to security receipts**

Recovery Ratings*	Anticipated Recovery as per Recovery Rating	Carrying Value** as at 31 March 2023	Carrying Value** as at 31 March 2022
NR1/R1+/RR1+	>150%	-	-
NR2/R1/RR1	100% - 150%	-	526,577
NR3/R2/RR2	75% - 100%	184,458	325,123
NR4/R3/RR3	50% - 75%	-	121,569
NR5/R4/RR4	25% - 50%	-	-
NR6/R5/RR5	0% - 25%	-	-
Yet to be Rated ***		-	-
Unrated		-	-
Total		184,458	973,269

\* recovery rating is as assigned by various rating agencies

\*\* net of provisions

\*\*\* Recent purchases where statutory period has not elapsed

**24. Disclosure of material items in accordance with RBI circular DOR.ACC.REC.No.91/21.04.018/2022-23**

Particulars	31-Mar-23	31-Mar-22
Other Liabilities		
Negative Mark to Market on FX/Derivative Position	74,734,856	33,629,236
Other Assets		
Positive Mark to Market on FX/Derivative Position	63,022,265	33,136,638
Other Income	-	-
Other Expenditure	-	-

**25. Other Disclosures**

- The Bank has transferred an amount of INR 40,651 thousand from Investment Reserve account (Previous year: INR 73,093 thousand).
- The Bank has transferred an amount of INR 570,353 thousand to Statutory Reserve account (Previous year: INR 416,429 thousand).
- The Bank has transferred an amount of INR 5,717 thousand to Investment Fluctuation Reserve (Previous year: INR 198,852 thousand from Investment Fluctuation Reserve).
- The Bank has transferred an amount of INR 13,590 thousand to Capital Reserve (Previous year: INR 18,955 thousand).
- The net book value of the fixed assets includes computer software of INR 1,677,842 thousand as at 31 March 2023 (Previous year: INR 557,844 thousand).
- The Bank has not financed any margin trading activities nor securitised any assets during the current year. (Previous year: Nil)
- The Bank did not issue any Letters of Comfort (LoC) during the year ended 31 March 2023. (Previous year: Nil)
- Previous year numbers have regrouped or reclassified in order to conform to the current year presentation.

Signature to Notes to Accounts.

**For Mukund M. Chitale & Co**  
Chartered Accountants  
Firm Registration No.: 106655W

**Abhay Kamat**  
Partner  
Membership No: 039585

Mumbai, 29 May 2023

**For Price Waterhouse LLP**  
Chartered Accountants  
Firm Registration No.: 301112E/E300264

**Sharad Vasant**  
Partner  
Membership No: 101119

Mumbai, 29 May 2023

**For DBS Bank India Limited**

**Surojit Shome**  
Managing Director &  
Chief Executive Officer  
DIN: 00002635

**Vikram Sud**  
Director  
DIN: 01853732  
Mumbai, 29 May 2023

**Rajesh Prabhu**  
Whole Time Director &  
Chief Financial Officer  
DIN: 01758961  
**Ketan Kulkarni**  
Company Secretary