# 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 **31 March 2025,** the Profit and Loss Account and the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information ('the Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 ('the Act') and the circulars and guidelines issued by the Reserve Bank of India ('the RBI'), in the manner so required for banking companies and give a true and fair view in conformity with the accounting standards specified under section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Bank as at 31 March 2025, and its profit and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

3. As stated in note 19 of Schedule 18B to the financial statements regarding a litigation pending with the Honourable High Court of Delhi, in relation to the adjustment of deposits aggregating Rs. 79,379 lakhs against loans advanced by erstwhile Lakshmi Vilas Bank Limited (eLVB) (which was amalgamated with the Bank with effect from 27 November 2020), against which the Bank has continued to maintain a provision of Rs. 20,000 lakhs on a prudential basis, in accordance with the advice from the Reserve Bank of India ('RBI'). As the matter is currently sub-judice, the possible effects of this matter on the financial statements as at and for the year ended 31 March 2025, 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 the financial statements" section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') 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 Director's report but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do 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 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.

   The Director's report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

6. The accompanying financial statements have been approved by the Bank's Board of Directors. The Bank's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation 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, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, and the provisions of section 29 of the Banking Regulations Act, 1949 and circulars and guidelines issued by the RBI from time to time as applicable to the Bank. 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; use of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs ; 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, the Bank's Board of Directors 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 the Bank's Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors is also responsible for overseeing the Banks's financial reporting process.

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

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the 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.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. 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.

**Other Matter**

13. The audit of the financial statements for the year ended 31 March 2024, included in the accompanying financial statements as comparative financial information was carried out and reported by Walker Chandiok & Co LLP, one of the current joint auditors of the Bank, and the predecessor joint auditor, Price Waterhouse LLP, who had jointly expressed a modified opinion vide their audit report dated 04 June 2024 which has been furnished to and relied upon by KKC & Associates LLP, for the purpose of their joint audit of the accompanying financial statements. Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

14. 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.
15. As required by sub-section (3) of Section 30 of the Banking Regulation Act, 1949, based on our audit we report that:
    a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
    b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank;
    c) We have visited 26 branches to examine the books of account and other records maintained at the branch for the purpose of our audit. 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 therein.
16. Further, as required by section 143 (3) of the Act, based on our audit we report, to the extent applicable, that:
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
    b) in our opinion, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section and the matter stated in the paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014 (as amended) ('the Rules'), 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) except for the possible effects of the sub-judice matter which is presently not ascertainable as described in the 'Basis for Qualified Opinion' section of our report, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021 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 31 March 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025, 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 16(b) above and in paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Act and Auditors) Rule, 2014 (as amended);
    g) with respect to the adequacy of the internal financial controls with reference to financial statements of the Bank as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; wherein we have expressed a unmodified opinion; and
    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. except for the possible effect of the matter as described in paragraph 3 of the Basis for Qualified Opinion section and note 19 of schedule 18B, the Bank has disclosed the impact of pending litigations on its financial position in its financial statements as at 31 March 2025 – Refer schedule 12(i) and note 14 and note 19 of schedule 18B to the financial statements;
    ii. the Bank has made a provision as at 31 March 2025, 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, note 5(g) of schedule 18A and note 3 and note 16 of schedule 18B to the financial statements;
    iii. as stated in note 21 of schedule 18B to the financial statements, the following delays were noted in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Bank during the year ended March 31, 2025:

| Amount (Rs. in thousands) | Due date | Date of payment |
|---|---|---|
| 1,881 | 25 October 2021 | Not paid |
| 108 | 01 September 2021 | Not paid |
| 3,941 | 02 October 2022 | Not paid |
| 5,683 | 09 July 2023 | Not paid |
| 29 | 09 July 2023 | Not paid |
| 5,335 | 16 August 2024 | Not paid |
| 440 | 03 January 2025 | Not paid |

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;

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; 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 sub-clauses (a) and (b) above contain any material misstatement.

v. The Bank has not declared or paid any dividend during the year ended 31 March 2025.

vi. As stated in note 27 of schedule 18B to the financial statements and based on our examination which included test checks, except for instances mentioned below, the Bank, in respect of financial year commencing on 01 April 2024, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below. Furthermore, the audit trail has been preserved by the Bank as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software except in case of one accounting software which has been decommissioned effective October 2023.

a) The audit trail feature for one accounting software used for maintenance of loans records by the Bank did not record certain details at the application level for the period 01 April 2024 to 17 July 2024 and the same was not enabled at the database level for the period 01 April 2024 to 13 March 2025.

b) The Bank has used accounting software to maintain its books of accounts. However, the audit trail (edit log) feature was not enabled at database level from 01 April 2024:

a) For four accounting software used for maintenance of loan records until 06 April 2024, 16 December 2024, 12 March 2025 and 13 March 2025, respectively;

b) For three accounting software used for maintenance of investment records until 17 March 2025, 22 March 2025 and 22 February 2025, respectively; and

c) For two accounting software used for maintenance of other accounting records until 26 February 2025 and 03 March 2025, respectively.

17. 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 **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

**Murad D. Daruwalla**
Partner
Membership No.: 043334
**UDIN: 25043334BMRJUJ8816**

Place: Mumbai
Date: 29 May 2025

For **KKC & Associates LLP**
Chartered Accountants
Firm's Registration No.: 105146W/W100621

**Vinit Jain**
Partner
Membership No.: 145911
**UDIN: 25145911BMNQZD4965**

Place: Mumbai
Date: 29 May 2025

## Annexure A

**Independent Auditor's Report on the Internal Financial Controls Over Financial Reporting with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

(Referred to in paragraph '16(g)' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Opinion**

1. We have audited the internal financial controls over financial reporting with reference to financial statements of DBS Bank India Limited ('the Bank') as at 31 March 2025 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.
2. In our opinion, the Bank has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI').

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls Over Financial Reporting with reference to Financial Statements**

3. The Bank's Board of Directors are 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 issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls Over Financial Reporting with reference to Financial Statements**

4. Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to financial statements included obtaining an understanding of internal financial controls over financial reporting 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.
6. 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 over financial reporting with reference to financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting with Reference to Financial Statements**

7. A bank's internal financial controls over financial reporting 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 over financial reporting with reference to financial statements include 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 over Financial Reporting with reference to Financial Statements**

8. Because of the inherent limitations of internal financial controls over financial reporting 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 over financial reporting with reference to financial statements to future periods are subject to the risk that the internal financial controls over financial reporting 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.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

**Murad D. Daruwalla**
Partner
Membership No.: 043334
**UDIN: 25043334BMRJUJ8816**

Place: Mumbai
Date: 29 May 2025

For **KKC & Associates LLP**
Chartered Accountants
Firm's Registration No.: 105146W/W100621

**Vinit Jain**
Partner
Membership No.: 145911
**UDIN: 25145911BMNQZD4965**

Place: Mumbai
Date: 29 May 2025

DBS

DBS Bank India Limited

## BALANCE SHEET AS AT 31 MARCH 2025

**(Currency: Indian rupees in thousand)**

| | Schedule | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| **CAPITAL AND LIABILITIES** | | | |
| Capital | 1 | 81,051,974 | 81,051,974 |
| Reserves and Surplus | 2 | 53,747,522 | 44,736,011 |
| Deposits | 3 | 833,135,287 | 794,384,141 |
| Borrowings | 4 | 271,840,909 | 269,913,392 |
| Other Liabilities and Provisions | 5 | 159,731,658 | 114,469,549 |
| **Total** | | **1,399,507,350** | **1,304,555,067** |
| **ASSETS** | | | |
| Cash and Balances with Reserve Bank of India | 6 | 41,059,867 | 56,900,618 |
| Balances with banks and money at call and short notice | 7 | 91,721,865 | 39,884,374 |
| Investments | 8 | 561,690,965 | 553,286,412 |
| Advances | 9 | 539,727,676 | 522,013,474 |
| Fixed Assets | 10 | 5,389,265 | 5,975,755 |
| Other Assets | 11 | 159,917,712 | 126,494,434 |
| **Total** | | **1,399,507,350** | **1,304,555,067** |
| Contingent Liabilities | 12 | 23,857,342,593 | 17,055,722,161 |
| Bills for collection | | 325,018,892 | 322,336,422 |
| 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.

**For Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.:
001076N/N500013

**Murad D. Daruwalla**
Partner
Membership No: 043334

**For KKC & Associates LLP**
Chartered Accountants
Firm Registration No.:
105146W/W100621

**Vinit Jain**
Partner
Membership No: 145911

**For DBS Bank India Limited**

**Rajat Verma**
Managing Director &
Chief Executive Officer
DIN: 07774707

**Prabhat Gupta**
Whole Time
Director
DIN: 10218270

**Meera Nair**
Director
DIN: 10163858

**Rajesh Prabhu**
Chief Financial Officer

**Prasad Poojary**
Company Secretary

Mumbai, 29 May 2025

DBS

DBS Bank India Limited

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025

**(Currency: Indian rupees in thousand)**

| | | Schedule | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|---|
| **I.** | **INCOME** | | | |
| | Interest earned | 13 | 92,952,300 | 78,367,630 |
| | Other income | 14 | 20,368,638 | 15,471,709 |
| | **TOTAL** | | **113,320,938** | **93,839,339** |
| **II.** | **EXPENDITURE** | | | |
| | Interest expended | 15 | 61,770,176 | 51,196,922 |
| | Operating expenses | 16 | 38,571,023 | 35,526,249 |
| | Provisions and contingencies | 17 | 6,136,616 | 3,347,783 |
| | **TOTAL** | | **106,477,815** | **90,070,954** |
| **III.** | **PROFIT** | | | |
| | Net Profit for the year | | 6,843,123 | 3,768,385 |
| | Profit brought forward | | 3,795,633 | 3,795,633 |
| | **TOTAL** | | **10,638,756** | **7,564,018** |
| **IV.** | **APPROPRIATIONS** | | | |
| | Transfer to Statutory Reserve | | 1,710,781 | 942,096 |
| | Transfer to Capital Reserve | | 17,218 | 13,618 |
| | Transfer to/ (Transfer from) Investment Reserve | | - | 392,170 |
| | Transfer to Investment Fluctuation Reserve | | 2,730,502 | 2,420,501 |
| | Balance carried over to Balance Sheet | | 6,180,255 | 3,795,633 |
| | **TOTAL** | | **10,638,756** | **7,564,018** |
| **V.** | **BASIC AND DILUTED EARNINGS PER SHARE (INR)** | **18[B.10]** | **0.84** | **0.50** |
| 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.

**For Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.:
001076N/N500013

**Murad D. Daruwalla**
Partner
Membership No: 043334

**For KKC & Associates LLP**
Chartered Accountants
Firm Registration No.:
105146W/W100621

**Vinit Jain**
Partner
Membership No: 145911

**For DBS Bank India Limited**

**Rajat Verma**
Managing Director &
Chief Executive Officer
DIN: 07774707

**Prabhat Gupta**
Whole Time
Director
DIN: 10218270

**Meera Nair**
Director
DIN: 10163858

**Rajesh Prabhu**
Chief Financial Officer

**Prasad Poojary**
Company Secretary

Mumbai, 29 May 2025

**DBS Bank India Limited**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025**

**(Currency: Indian rupees in thousand)**

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net Profit before taxation and extraordinary items | | 10,453,047 | 6,004,224 |
| **Adjustments for:** | | | |
| Depreciation on Fixed Assets | | 2,027,899 | 1,909,846 |
| Foreign exchange (gain)/loss on revaluation of subordinated debt/Additional Tier 1 | | 275,485 | 185,250 |
| (Profit) on sale of Fixed assets | | (35,506) | (29,088) |
| Goodwill amortization | | 1,683,315 | 1,683,315 |
| **Provision/(Write back) for:** | | | |
| Standard Asset / Derivatives / Unhedged foreign currency exposure | | (142,690) | (60,621) |
| Depreciation on Investments | | (325,519) | 649,980 |
| Unrealized (Profit) / loss on revaluation of investments | | (2,090,094) | (698,757) |
| Other provisions charged / (reversed) | | 443,723 | 124,022 |
| Non-Performing Assets (including write offs net of write backs) | | 2,551,178 | 398,563 |
| Employee Benefit expenses | | (331,377) | (2,940,583) |
| Fixed assets write off | | 49,165 | - |
| **Operating profit before working capital changes** | | 14,558,626 | 7,226,151 |
| (Increase)/Decrease in Term Deposits placed with Banks | | (387) | 20,131,625 |
| (Increase)/Decrease in Investments (excluding HTM investments) | | 69,405,034 | (103,740,836) |
| (Increase)/Decrease in Advances | | (20,265,380) | (50,816,651) |
| (Increase)/Decrease in Other Assets | | (40,848,375) | (797,319) |
| Increase/(Decrease) in Deposits | | 38,751,146 | 180,633,239 |
| Increase /(Decrease) in Other Liabilities and Provisions | | 45,292,453 | (8,973,802) |
| | | 106,893,117 | 43,662,407 |
| Income Tax (Paid)/Received (Net of Refund) | | 1,402,571 | (3,112) |
| **Net Cash from operating activities** | **(A)** | **108,295,688** | **43,659,295** |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of fixed Assets (including movement in Capital Work in Progress) | | (1,702,141) | (2,061,849) |
| Proceeds from Sale of Fixed Assets | | 247,073 | 180,865 |
| Investment in HTM securities (Net) | | (72,496,299) | (18,788,660) |
| **Net Cash used in investing activities** | **(B)** | (73,951,367) | (20,669,644) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Proceeds from issuance of capital including share premium | | - | 19,200,000 |
| Additional Tier 1 borrowing | | 12,282,585 | - |
| Subordinated Debt borrowing | | 21,457,950 | - |
| Redemption of Subordinated Debt | | (12,874,770) | - |
| Increase /(Decrease) in other Borrowings | | (19,213,733) | (8,029,065) |
| **Net Cash from financing activities** | **(C)** | 1,652,032 | 11,170,935 |
| **Net Increase in cash and cash equivalents** | **(A+B+C)** | 35,996,353 | 34,160,586 |
| Cash and cash equivalents at the beginning of the year | | 96,780,211 | 62,619,625 |
| Cash and cash equivalents at the end of the year | | 132,776,564 | 96,780,211 |
| Net Increase / (Decrease) in cash and cash equivalents | | 35,996,353 | 34,160,586 |
| **Notes: Cash and cash equivalents represent** | | | |
| Cash and Balances with Reserve Bank of India (refer schedule 6) | | 41,059,867 | 56,900,618 |
| Balances with banks and money at call and short notice (refer schedule 7) | | 91,721,865 | 39,884,374 |
| Margin Deposits with Banks - Maturity greater than 90 days | | (5,168) | (4,781) |
| **TOTAL** | | 132,776,564 | 96,780,211 |
| Amount of Corporate social responsibility related expenses spent in cash of INR 64,100 thousand (Previous year INR 96,701 thousand) | | | |

As per our report of even date attached.

**For Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.:
001076N/N500013

**Murad D. Daruwalla**
Partner
Membership No: 043334

**For KKC & Associates LLP**
Chartered Accountants
Firm Registration No.:
105146W/W100621

**Vinit Jain**
Partner
Membership No: 145911

**For DBS Bank India Limited**

**Rajat Verma**
Managing Director &
Chief Executive Officer
DIN: 07774707

**Prabhat Gupta**
Whole Time
Director
DIN: 10218270

**Meera Nair**
Director
DIN: 10163858

**Rajesh Prabhu**
Chief Financial Officer

**Prasad Poojary**
Company Secretary

Mumbai, 29 May 2025

**DBS Bank India Limited**

## SCHEDULES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

**(Currency: Indian rupees in thousand)**

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 1 | **CAPITAL** | | |
| | **Authorised Capital** | | |
| | 10,000,000,000 shares (Previous year: 10,000,000,000 shares) of INR 10 each | 100,000,000 | 100,000,000 |
| | **Issued, Subscribed and Paid-up Capital** | | |
| | 8,105,197,427 shares (Previous year: 8,105,197,427 shares) of INR 10 each | 81,051,974 | 81,051,974 |
| | **Total** | **81,051,974** | **81,051,974** |

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-25 | 31-Mar-24 |
|---|---|---|---|
| 2 | **RESERVES AND SURPLUS** | | |
| | **A Statutory Reserve** | | |
| | (Refer schedule 18 Note [B.28]) | | |
| | Opening Balance | 6,793,874 | 5,851,778 |
| | Additions during the year | 1,710,781 | 942,096 |
| | Deduction during the year | - | - |
| | Closing Balance | 8,504,655 | 6,793,874 |
| | **B Capital Reserve** | | |
| | (Refer schedule 18 Note [B.28]) | | |
| | Opening Balance | 51,259 | 37,641 |
| | Additions during the year* | 20,504 | 13,618 |
| | Deduction during the year | - | - |
| | Closing Balance | 71,763 | 51,259 |
| | **C Share Premium** | | |
| | Opening Balance | 23,924,526 | 13,197,606 |
| | Additions during the year | - | 10,726,920 |
| | Deductions during the year | - | - |
| | Closing Balance | 23,924,526 | 23,924,526 |
| | **D Investment Reserve** | | |
| | (Refer schedule 18 Note [B.28]) | | |
| | Opening Balance | 392,170 | - |
| | Additions during the year | - | 392,170 |
| | Deduction during the year** | (392,170) | - |
| | Closing Balance | - | 392,170 |
| | **E Investment Fluctuation Reserve** | | |
| | (Refer schedule 18 Note [B.28]) | | |
| | Opening Balance | 4,877,328 | 2,456,827 |
| | Additions during the year*** | 3,122,672 | 2,420,501 |
| | Deduction during the year | - | - |
| | Closing Balance | 8,000,000 | 4,877,328 |
| | **F Available For Sale Reserve** | | |
| | Opening balance | - | - |
| | Additions during the year# | 828,037 | - |
| | Deduction during the year | - | - |
| | Closing Balance | 828,037 | - |
| | **G Revenue and other Reserve** | | |
| | Opening balance | 4,900,685 | 4,900,685 |
| | Additions during the year## | 1,337,065 | - |
| | Deduction during the year | - | - |
| | Closing Balance | 6,237,750 | 4,900,685 |
| | **H. Balance in Profit and Loss Account** | 6,180,255 | 3,795,633 |
| | **I Deferred Tax Reserve** | | |
| | Opening Balance | 536 | 536 |
| | Additions during the year | - | - |
| | Deduction during the year | - | - |
| | Closing Balance | 536 | 536 |
| | **Total [A to I]** | **53,747,522** | **44,736,011** |

*Additions includes appropriation from current year profit of INR 17,218 thousand on account of sale of immovable property (net of tax) and realised gain on sale of equity shares of INR 3,286 thousand (net of tax)

**As per the transition provision of RBI Investment Direction 2023, effective from 1 April 2024, balance in investment reserve account was transferred to investment fluctuation reserve account during the financial year 2024-25.

***Additions includes appropriation from current year profit of INR 2,730,502 thousand and transfer from investment reserve account of INR 392,170 thousand.

#Includes transition adjustment as per the RBI Investment Direction 2023 of INR 49,000 thousand for AFS equity share on account of adjustment for the difference between the fair value of investment and the previous carrying value as at 31 March 2024 and net mark to market gain on available for sale securities of INR 779,037 thousand.

##Represent transition adjustment for investments other than AFS equity shares on account of adjustment as per the RBI Investment Direction 2023 for the difference between the fair value of investment as at 31 March 2024 and the previous carrying value as at 31 March 2024.

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 3 | **DEPOSITS** | | |
| | **A (I) Demand Deposits** | | |
| | (i) From Banks | 3,107,850 | 6,050,093 |
| | (ii) From Others | 121,453,936 | 104,877,398 |
| | | 124,561,786 | 110,927,491 |
| | **(II) Saving Bank Deposits** | **85,930,523** | **80,459,746** |
| | **(III) Certificate of Deposits** | **-** | **28,651,804** |
| | **(IV) Term Deposits** | | |
| | (i) From Banks | - | 5,000 |
| | (ii) From Others | 622,642,978 | 574,340,100 |
| | | 622,642,978 | 574,345,100 |
| | **Total (I + II + III + IV)** | 833,135,287 | 794,384,141 |
| | **B** (I) Deposits of branches in India | 833,135,287 | 794,384,141 |
| | (II) Deposits of branches outside India | - | - |
| | **Total (I+II)** | 833,135,287 | 794,384,141 |

Includes deposits under lien amounting to INR 167,678,087 thousand (Previous year: INR 146,307,234 thousand).

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 4 | **BORROWINGS** | | |
| | **(I) Borrowings in India** | | |
| | (i) Reserve Bank of India | 25,500,000 | 30,000,000 |
| | (ii) Other Banks | - | - |
| | (iii) Other institutions and agencies | 212,688,909 | 227,402,642 |
| | (iv) Tier 1 Capital Instruments (Additional Tier 1) | 6,300,000 | - |
| | | 244,488,909 | 257,402,642 |
| | **(II) Borrowings outside India** | | |
| | (i) From banks | - | - |
| | (ii) Capital Instruments | | |
| | (a) Tier 1 Capital (Additional Tier 1)* | 5,983,250 | - |
| | (b) Subordinated Debt (Tier 2)** | 21,368,750 | 12,510,750 |
| | | 27,352,000 | 12,510,750 |
| | **Total (I + II)** | **271,840,909** | **269,913,392** |
| | **Secured borrowings included in I and II above** | **238,188,909** | **257,402,642** |

* Represents Additional Tier 1 in foreign currency from the Ultimate Parent Company USD 70 million (Previous year: Nil).

**Represents Subordinated Debt of USD 250 million (Previous year: USD 150 million) is in the nature of long-term borrowings in foreign currency from the Ultimate Parent Company.

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 5 | **OTHER LIABILITIES AND PROVISIONS** | | |
| | I Bills Payable | 1,630,691 | 1,753,740 |
| | II Inter Office adjustments (net) | - | - |
| | III Interest Accrued | 5,374,265 | 5,451,529 |
| | IV Provision against Standard Advances* | 2,802,873 | 2,793,332 |
| | V Provision against Derivatives exposures | 389,115 | 220,645 |
| | VI Negative MTM on Foreign exchange/Derivative Position | 102,761,882 | 62,083,055 |
| | VII Others (including provisions)# | 46,772,832 | 42,167,248 |
| | **Total (I + II + III + IV + V + VI+VII)** | **159,731,658** | **114,469,549** |

* Includes provision for Unhedged foreign currency exposure amounting to INR 302,124 thousand (Previous year: INR 393,662 thousand). [Refer Schedule 18 Note A.5.g]

# Refer schedule 18 Note [B.24]

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 6 | **CASH AND BALANCE WITH RESERVE BANK OF INDIA** | | |
| | (I) Cash in hand (including foreign currency notes) | 2,618,715 | 2,642,162 |
| | (II) Balances with Reserve Bank of India | | |
| | (i) in Current Account | 36,721,152 | 33,688,456 |
| | (ii) in Other Accounts | 1,720,000 | 20,570,000 |
| | | 38,441,152 | 54,258,456 |
| | **Total (I + II)** | 41,059,867 | 56,900,618 |

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 7 | **BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE** | | |
| | **(I) In India** | | |
| | (i) Balance with Banks | | |
| | (a) In Current Accounts | 289,363 | 593,893 |
| | (b) In Other Deposit Accounts | 5,168 | 4,781 |
| | | 294,531 | 598,674 |
| | (ii) Money at call and short notice | | |
| | (a) With Banks | - | - |
| | (b) With other institutions | 20,224 | 22,384,595 |
| | | 20,224 | 22,384,595 |
| | **(II) Outside India** | | |
| | (i) In Current Accounts | 5,233,002 | 2,884,289 |
| | (ii) In Other Deposit Accounts | - | - |
| | (iii) Money at call and short notice | 86,174,108 | 14,016,816 |
| | | 91,407,110 | 16,901,105 |
| | **Total (I + II)** | 91,721,865 | 39,884,374 |

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 8 | **INVESTMENTS** | | |
| | **(I) Investments in India in** | | |
| | (i) Government Securities* | 469,697,456 | 498,974,887 |
| | (ii) Other approved securities | - | - |
| | (iii) Shares | 344,966 | 243,574 |
| | (iv) Debentures and Bonds ** | 21,794,968 | 16,324,409 |
| | (v) Subsidiaries and Joint Ventures | - | - |
| | (vi) Others (Pass Through Certificates, InvITs and Security Receipts of Asset Reconstruction Companies) | 37,795,060 | 37,738,660 |
| | **Total** | 529,632,450 | 553,281,530 |
| | **(II) Investments outside India in** | | |
| | (i) Other investments (Foreign Currency T-bill and Shares) | 32,058,515 | 4,882 |
| | **Total** | 32,058,515 | 4,882 |
| | **Total Investments (I + II)** | 561,690,965 | 553,286,412 |
| | **Gross Investments** | 559,565,097 | 555,633,402 |
| | Add: Marked to Market- Gain/(Loss)*** | 3,131,138 | (52,375) |
| | Less: Provision for depreciation | (1,005,270) | (2,294,615) |
| | **Net Investments** | 561,690,965 | 553,286,412 |

*Includes:

a. securities representing face value of INR 215,148,700 thousand (Previous year: INR 217,368,100 thousand) pledged with Clearing Corporation of India Limited (CCIL).

b. securities representing face value of INR 24,664,990 thousand (Previous year: 29,802,400) pledged with RBI.

c. securities representing face value of INR 6,310,000 thousand (Previous year: 4,210,000 thousand) pledged with NSE clearing Limited.

d. securities representing face value of Nil (Previous year: 210,000 thousand) pledged with ICICI Bank Limited.

e. securities representing face value of INR 5,850,000 thousand (Previous year: Nil) pledged with Multi Commodity Exchange Clearing Corporation Limited (MCXCCL).

**Includes Optionally Convertible Debentures (OCD) of Nil (Previous year: INR 6,200 thousand) received on conversion of debt (Net of provision).

***At 31 March 2025, as per RBI Investment Direction 2023, effective 1 April 2024, the marked-to-market gains/(losses) across all performing investments have been recognised.

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 9 | **ADVANCES** | | |
| | **A** (i) Bills purchased and discounted | 120,496,954 | 120,514,238 |
| | (ii) Cash credits, overdrafts and loans repayable on demand | 205,604,530 | 199,814,343 |
| | (iii) Term Loans | 213,626,192 | 201,684,893 |
| | **Total** | 539,727,676 | 522,013,474 |
| | **B** (i) Secured by tangible assets * | 282,976,928 | 240,750,898 |
| | (ii) Covered by Bank/Government Guarantees** | 3,087,970 | 2,389,423 |
| | (iii) Unsecured | 253,662,778 | 278,873,153 |
| | **Total** | 539,727,676 | 522,013,474 |
| | **C I** Advances in India | | |
| | (i) Priority Sectors | 160,780,961 | 188,796,278 |
| | (ii) Public Sectors | 32,116,493 | 33,072,775 |
| | (iii) Banks | - | - |
| | (iv) Others | 346,830,222 | 300,144,421 |
| | **II** Advances outside India | - | - |
| | **Total** | 539,727,676 | 522,013,474 |

* includes advances against book debts and stocks of INR 117,555,898 thousand (Previous year : INR 95,629,979 thousand)

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

The aggregate amount of inter-bank participation on risk sharing basis issued by the Bank and reduced from advances as per regulatory guidelines as at 31 March, 2025 was INR 12,699,000 thousand (Previous year: 13,870,000 thousand).

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 10 | **FIXED ASSETS** | | |
| | **I Premises** | | |
| | At cost at 31 March of preceding year | 2,536,959 | 2,753,826 |
| | Additions during the year | - | - |
| | Deductions during the year | (265,310) | (216,867) |
| | | 2,271,649 | 2,536,959 |
| | Depreciation to date | (292,436) | (317,180) |
| | **Net book value of Premises** | 1,979,213 | 2,219,779 |
| | **II Other Fixed Asset (including furniture and fixture)** | | |
| | At cost at 31 March of preceding year | 12,298,952 | 10,380,977 |
| | Additions during the year | 1,630,218 | 2,372,567 |
| | Deductions during the year | (523,244) | (454,592) |
| | | 13,405,926 | 12,298,952 |
| | Depreciation to date | (10,171,997) | (8,695,246) |
| | **Net book value of Other Fixed Asset*** | 3,233,929 | 3,603,706 |
| | **III Capital work-in-progress** | 176,123 | 152,270 |
| | **Total (I + II + III)** | 5,389,265 | 5,975,755 |
| | *Refer schedule 18 Note [B.25] | | |

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 11 | **OTHER ASSETS** | | |
| | (i) Inter Office Adjustments (net) | - | - |
| | (ii) Interest Accrued | 14,834,896 | 16,776,082 |
| | (iii) Tax paid in advance / Tax Deducted at Source (net of provisions) | 4,998,844 | 6,934,998 |
| | (iv) Stationery and Stamps | - | - |
| | (v) Deferred Tax Asset (refer schedule 18 note [B.5]) | 7,091,964 | 10,897,592 |
| | (vi) Non-Banking Assets acquired in satisfaction of claims* | - | 339,041 |
| | (vii) Goodwill | - | 1,683,314 |
| | (viii) Positive MTM on foreign exchange/derivative position | 87,964,884 | 58,876,930 |
| | (ix) Others ** | 45,027,124 | 30,986,477 |
| | **Total** | 159,917,712 | 126,494,434 |

* Represents balance net of provisions

** Refer schedule 18 Note [B.24]

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 12 | **CONTINGENT LIABILITIES** | | |
| | (refer schedule 18 note [B.14]) | | |
| | (i) Claims against the bank not acknowledged as debts | 5,929,382 | 6,185,124 |
| | (ii) Liability for partly paid investments | - | - |
| | (iii) Liability on account of outstanding forward exchange contracts* | 4,380,846,325 | 3,506,026,506 |
| | (iv) Liability on account of outstanding Currency and Interest Rate Swap, Options Contracts and Interest Rate Derivatives* | 19,271,957,501 | 13,374,887,102 |
| | (v) Guarantees given on behalf of constituents | | |
| | - in India | 110,069,684 | 86,293,938 |
| | - outside India | 4,952,598 | 3,095,058 |
| | (vi) Acceptances, endorsements and other obligations | 63,981,502 | 49,890,953 |
| | (vii) Other items for which the Bank is contingently liable | 19,605,601 | 29,343,480 |
| | **Total** | 23,857,342,593 | 17,055,722,161 |

* Represents notional

| | | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|---|
| 13 | | **INTEREST EARNED** | | |
| | (i) | Interest / discount on advances / bills | 51,177,059 | 45,434,853 |
| | (ii) | Income on investments | 36,865,336 | 29,433,687 |
| | (iii) | Interest on balances with RBI and other inter-bank funds | 3,054,589 | 2,498,940 |
| | (iv) | Others | 1,855,316 | 1,000,150 |
| | | **Total** | 92,952,300 | 78,367,630 |

| | | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|---|
| 14 | | **OTHER INCOME** | | |
| | (i) | Commission, exchange and brokerage | 10,388,105 | 9,716,408 |
| | (ii) | Net profit on sale of investments | 3,434,844 | 2,640,583 |
| | (iii) | Net profit / (loss) on revaluation of investments | 2,090,094 | 698,757 |
| | (iv) | Net Profit on sale of land, buildings and other assets | 35,506 | 29,088 |
| | (v) | Net Profit on Foreign Exchange and Derivative transactions | 3,824,387 | 2,185,610 |
| | (vi) | Income earned by way of dividends etc. from subsidiaries / companies and/or joint ventures abroad/in India | - | - |
| | (vii) | Miscellaneous Income* | 595,702 | 201,263 |
| | | **Total** | 20,368,638 | 15,471,709 |

* Refer schedule 18 Note [B.24]

| | | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|---|
| 15 | | **INTEREST EXPENDED** | | |
| | (i) | Interest on Deposits | 47,021,655 | 34,854,134 |
| | (ii) | Interest on RBI / Inter-bank borrowings | 10,236,580 | 13,828,498 |
| | (iii) | Others | 4,511,941 | 2,514,290 |
| | | **Total** | 61,770,176 | 51,196,922 |

| | | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|---|
| 16 | | **OPERATING EXPENSES** | | |
| | (i) | Payments to and provisions for employees | 17,460,615 | 14,896,142 |
| | (ii) | Rent, taxes and lighting | 1,943,386 | 2,257,393 |
| | (iii) | Printing and Stationery | 317,342 | 381,441 |
| | (iv) | Advertisement and publicity | 751,859 | 623,107 |
| | (v) | Depreciation on Bank's property | 2,027,899 | 1,909,846 |
| | (vi) | Director fees allowances and expenses | 19,550 | 13,725 |
| | (vii) | Auditors' fees and expenses | 30,466 | 38,731 |
| | (viii) | Law Charges | 59,966 | 80,863 |
| | (ix) | Postages, Telegrams, Telephones, etc. | 380,325 | 250,948 |
| | (x) | Repairs and maintenance | 322,158 | 176,464 |
| | (xi) | Insurance | 1,213,912 | 860,042 |
| | (xii) | Brokerage charges | 66,792 | 86,505 |
| | (xiii) | Professional Fees | 2,654,529 | 2,082,317 |
| | (xiv) | Computerisation and Related expenses | 5,160,937 | 4,962,911 |
| | (xv) | Travelling expenses | 299,942 | 268,379 |
| | (xvi) | Amortisation of Goodwill | 1,683,315 | 1,683,315 |
| | (xvii) | Other Expenditure* | 4,178,030 | 4,954,120 |
| | | **Total** | 38,571,023 | 35,526,249 |

*Refer schedule 18 Note [B.24]

| | | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 17 | **PROVISIONS AND CONTINGENCIES** | | |
| | (i) Provision / (Write-back of provision) for non-Performing advances / write offs (net of recoveries) | 2,551,178 | 398,563 |
| | (ii) Provision / (Write-back of provision) for Standard Asset (including standard asset provisioning on current credit exposure for derivatives and Unhedged Foreign Currency Exposure) | (142,690) | (60,621) |
| | (iii) Provision / (Write-back of provision) for Depreciation on Non-Performing Investments (net) | (325,519) | 649,980 |
| | (iv) Provision for Tax | | |
| | - Current Income-tax | 533,580 | 255,000 |
| | - Deferred Tax charge | 3,076,344 | 1,980,839 |
| | (v) Other provisions | 443,723 | 124,022 |
| | **Total** | 6,136,616 | 3,347,783 |

**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 are in accordance with Generally Accepted Accounting Principles in India ,statutory requirements prescribed under the Third schedule of 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 together with the Companies (Accounts) Rules, 2014 and 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"). The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year except for Classification and measurement of investments by the Bank.

**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 and assumptions 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 from the period of change.

**Changes in Accounting Policies**

Classification and measurement of investments by the Bank.

Effective April 1, 2024 the Bank has implemented the RBI Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 issued on September 12, 2023 ('RBI Investment Direction 2023').

As prescribed under the transition provisions of the aforesaid RBI Investment Direction 2023 the Bank has transferred;

a. the balance held in the Investment Reserve Account as at 31st March, 2024 of INR 392,170 thousand to the Investment Fluctuation Reserve.

b. transferred an amount of INR 1,337,065 thousand (net of tax) to the general reserve and an amount of INR 48,608 thousand (net of tax) to AFS reserve, on account of adjustment for the difference between the carrying value of investment portfolio as per the revised RBI Investment Direction 2023 and the previous carrying value as at 31st March, 2024.

Further, in compliance with the said RBI Investment Direction 2023, the valuation gains and losses for the period ended 31st March 2025, across all performing investments held under AFS are aggregated and the net appreciation/(depreciation) amounting to INR 779,037 thousand (net of tax) has been directly recognized in AFS Reserve. The securities held in Fair Value through Profit and Loss ('FVTPL') category are fair valued as at 31st March 2025 and the net gain/(loss) of INR 2,090,094 thousand arising on such valuation has been recognized in the Profit and Loss Account. Due to the adoption of the revised framework, the figures for the previous year are not comparable to the current year to that extent.

**4. Significant accounting policies**

**(i) Advances**

**Classification:**

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 (IBPC) 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, Export Credit Corporation of India Limited ('ECGC') claims settled and part recovery towards NPA accounts receipts. 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.

The Bank transfers advances through inter-bank participation with risk. In accordance with the RBI guidelines, the aggregate amount of the participation issued by the Bank is reduced from advances.

On sale of stressed assets to Securitisation Company/Reconstruction Company (SC/RC), if the sale is at a price below the net book value (i.e., funded outstanding less specific provisions held), the shortfall is charged to the Profit and Loss Account and if the sale is for a value higher than the net book value, the excess provision is credited to the Profit and Loss Account in the year when cash is received by way of initial consideration and /or redemption or transfer of security receipts are issued by SC/RC.

**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.

In respect of non-retail loans reported as fraud to RBI, the entire amount is provided over a period not exceeding four quarters starting from the quarter in which fraud has been detected. Further, where there has been delay in reporting the fraud to the RBI or which are classified as loss accounts, the entire amount is provided immediately. In case of fraud in retail accounts, the entire amount is provided immediately.

The Bank also maintains a general loan loss provision and contingency 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'). Further to provisions required as per the asset classification status, provisions are held for individual country exposure (except for home country) as per the RBI guidelines, such exposures are classified in the seven risk categories as mentioned in the ECGC guidelines and provisions are made where country's net funded exposure is one percent or more of the banks total assets 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.

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. The moratorium granted to the borrowers based on RBI guidelines is not accounted as restructuring of loan.

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 installments / 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**

**Significant accounting policies for investments applicable for FY2025**

As per the RBI Investment Direction 2023, investments of the Bank are classified in the Held to Maturity (HTM), Available for Sale (AFS) and Fair Value through Profit and Loss (FVTPL). Held for Trading (HFT) is a separate investment sub-category within FVTPL (hereinafter called 'categories'). Investments are classified based on the business model within which the assets are managed, and whether the assets constitute a "basic lending arrangement" or not.

Under each of these categories investments are further classified under six groups, i.e. government securities, other approved securities, shares, debentures and bonds, subsidiaries and joint ventures and others.

The Bank follows 'Settlement Date' of accounting for recording purchase and sale transactions in securities for all its investments. Investments are initially recognised at fair value, which is generally the acquisition cost/transaction price.

**Classification of Investments**

**HTM:** The Investments which are acquired with the intention of holding it to maturity and the contractual terms of the security give rise to cash flows that are solely for payments of principal and interest on principal outstanding ('SPPI criterion') on specified dates are classified under HTM.

**AFS:** The Investments acquired with an objective that is achieved by both collecting contractual cash flows and selling securities; and the contractual terms of the security meet the 'SPPI criterion' are classified under AFS. The Bank, upon initial recognition, may make an irrevocable election to classify an equity instrument as an AFS that is not held with the objective of trading.

**FVTPL:** The investments that are not classified as HTM or AFS are classified as FVTPL.

**HFT:** The Bank classifies security under sub-category of HFT within FVTPL category if that security is held for the purpose of short-term resale or profiting from short-term price movement etc., as specified in RBI Investment Direction 2023.

**Initial Recognition**

**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.
- Broken period interest paid on debt instruments is accounted as revenue through the profit and loss account in accordance with the RBI guidelines.

**Disposal of Investments**

Profit or loss on sale of investments under the FVTPL (including HFT) and AFS categories are recognised in the Profit and Loss Account. The profit from sale of investment under HTM category, is apportioned to Capital Reserve after adjustments for income tax and transfer to statutory reserves. Loss on sale on redemption on HTM portfolio, is recognised fully in the Profit and Loss Account. Cost of investments is determined using First in First Out method.

**Subsequent measurement/Valuation**

As per the RBI Investment Direction 2023, the investments under HTM category are carried at cost and no marked to market (MTM) after initial recognition. All performing securities held in AFS and FVTPL (including HFT) are fair valued and the net gain or loss arising on such valuation is recognised in the AFS reserve and the Profit and Loss Account respectively. Impairment/Provision on Non-performing Investments or standard restructured assets, if any, is recognised through profit and loss account. Any discount or premium on the securities under HTM/AFS/FVTPL (including HFT) are amortised over the remaining life of the instrument.

In the case of equity instrument which is designated under AFS at the time of initial recognition, subsequent changes in fair value are recognised in AFS - Reserve Account. Further, gain or loss on sale of such equity

investment is not transferred from AFS – Reserve Account to the Profit and Loss Account. Instead, such gain or loss is transferred from AFS - Reserve Account to the Capital Reserve Account.

**The Bank determines the fair values of its investments according to the following hierarchy:**

Level 1: Valuation based on quoted market price: These investments are valued with quoted prices (unadjusted) for identical instruments in active markets that the Bank can access at the measurement date.

Level 2: Valuation based on using observable inputs: These investments are valued with inputs other than quoted prices included within Level 1, that are observable, either directly or indirectly.

Level 3: Valuation technique with significant unobservable inputs: These investments are valued using valuation techniques where one or more significant inputs are unobservable.

**Securities are valued as below:**

- Central and State Government securities are valued based on the rates published by the Financial Benchmark India Private Limited ('FBIL').
- Treasury Bills (including foreign treasury bills), Commercial Paper and Certificate of Deposits are held at carrying cost.
- Non-SLR debentures/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.
- Other performing unquoted Non SLR debentures/bonds 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 (PTCs) are classified under HTM category and carried at amortised cost.
- Investments in Security Receipts (SR's) are valued as per the Net Asset Value (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 as at the balance sheet date are stated at fair value being the quoted closing price on stock exchanges. Other unlisted performing equity shares have been valued at break-up value ascertain from the company's latest Balance Sheet in accordance with RBI guidelines. In case the latest audited balance sheet is not available or is more than 18 months old, the shares shall be valued at Re. 1 per company.
- 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.

As required by the RBI Investment Direction 2023, 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 FVTPL (including HFT) and AFS portfolio, on a continuing basis. Drawdown from IFR by the Bank will be as per RBI guidelines.

Depreciation/provision on non-performing investments is made as prescribed under RBI Investment Direction 2023.

**Transfer of securities between categories**

Reclassification of investments are prohibited unless the Bank changes its business model for managing its investments. In practice, this is expected to be infrequent and if reclassification is done, the same shall be in accordance with guidelines provided in RBI Investment Direction 2023.

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/State Government dated securities. The short positions 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 RBI Investment Direction 2023 for valuation of Investments.

**Significant accounting policies for investments applicable for FY2024**

**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. Under each of these categories investments are further classified under six groups, i.e. government securities, other approved securities, shares, debentures and bonds, subsidiaries and joint ventures and others.

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

**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.
- 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 or 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. Cost of investments is determined using First in First Out method.

**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 (including foreign 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 Net Asset Value (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 31 March, 2022 or maturity of respective trust whichever is earlier.
- Listed equity shares as at the balance sheet date are stated at fair value being the quoted closing price on stock exchanges. Other unlisted performing equity shares have been valued at break-up value ascertained from the company’s latest Balance Sheet in accordance with RBI guidelines. In case the latest audited balance sheet is not available or is more than 18 months old, the shares shall be valued at Re. 1 per company.
- 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.

Depreciation/provision on non-performing investments is made as per RBI guidelines.

**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 for valuation of Investments.

**(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. Forward contracts that are entered into for swapping sub-debt, 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.

Notional amounts of outstanding derivative transactions are disclosed under Contingent liability. 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 Sheet under Other Assets or Other Liabilities respectively. Pursuant to RBI guidelines, any receivables under derivative contracts which remain overdue for more than 90 days and mark-to-market gains on other derivative contracts with the same counterparties are reversed through profit and loss account. The Bank has implemented RBI guidelines on 'Bilateral Netting of Qualified Financial Contracts' for which unrealised gains or losses are netted for calculating credit risk weighted assets.

**(v) Fixed Assets and depreciation**

Fixed Assets are stated at historical cost less accumulated depreciation and 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 beyond its previously assessed standard of performance or an extension which becomes an integral part of the asset.

Fixed assets individually costing less than INR 40 thousand are fully expensed in the year of purchase except assets which are purchased in bulk, homogeneous in nature and have a similar useful life, in which case there is a limit of INR 600 thousand which is followed as a bulk purchase threshold.

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.

Capital work in progress includes cost of fixed assets that are not ready for their intended use and also includes advances paid to acquire fixed assets.

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

The Bank assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, on fixed assets (including revalued assets) are recognised in accordance with the Accounting Standard 28 'Impairment of Assets' and is provided in the Profit and Loss Account to the extent the carrying amount of assets exceeds their estimated recoverable amount.

**Amortisation of Goodwill**

Goodwill arising on amalgamation is periodically tested for impairment. 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. Balance amount, if any, is amortised equally over a period of five financial years commencing from financial year ended 31 March 2021.

**(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- employment benefits**

(a) **Provident Fund:** Bank has a Provident Fund Trust for the employees of the Bank, which is approved by the Commissioner of Income Tax. The Bank contributes towards an employees' provident fund trust (12% of the Basic Salary), the trust is governed by the trust rules and it is administered by its board of 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:** The bank provides for gratuity covering employees in accordance with the payment of The Gratuity Act, 1972. The Bank has an obligation towards gratuity, a defined benefit retirement plan covering all eligible employees. 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 Board of trustees.

(c) **Pension:** Certain past employees (including surviving dependents of deceased eligible employees) of eLVB are eligible for pension. The liability towards such pension costs are contributed by the Bank to trust administered by the board of 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.

**(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 ('DBSH'). As per the various plans, these stock awards vest in a graded manner over a period upto 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.

For fair valuation, DBSH considers the market price of share on the grant date after excluding the present value of future expected dividends to be paid during the vesting period.

**(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 AS– 19 on Leases.

**(x) Revenue Recognition**

Interest 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. Interest paid on inter-bank participating certificates (IBPC) with risk sharing is netted-off from interest income

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 or completion of significant act 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, the rules framed there under and considering the material principles set out in Income Computation and Disclosure Standards ('ICDS'). 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.

Current tax assets and liabilities and 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**

The Bank has assessed its obligation arising in the normal course of business, including pending litigation, proceedings pending with tax authorities, other contracts including derivative and long-term contracts. 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.

The Bank estimates the probability of redemption of customer loyalty reward points using an actuarial method by employing an independent actuary and accordingly makes provision for these reward points. Actuarial valuation is determined based on certain assumptions regarding mortality rate, discount rate, cancellation rate and redemption rate.

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 as prescribed under AS-3 Cash Flow Statements, 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) Earnings per share**

The Bank reports Basic and Diluted Earnings per Equity Share in accordance with AS-20 Earnings Per Share. 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.

**Schedule 18 - Notes to Accounts**

**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 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-25 | 31-Mar-24 |
|---|---|---|
| Common Equity Tier 1 capital (CET 1) | 123,492,922 | 112,587,413 |
| Additional Tier 1 capital | 12,283,250 | - |
| Tier 1 capital | 135,776,172 | 112,587,413 |
| Tier 2 capital | 32,653,520 | 20,808,563 |
| Total capital (Tier 1+Tier 2) | 168,429,692 | 133,395,976 |
| Total Risk Weighted Assets (RWAs) | 1,002,069,907 | 846,707,345 |
| CET 1 Ratio (%) | 12.32% | 13.30% |
| Tier 1 Ratio (%) | 13.55% | 13.30% |
| Tier 2 Ratio (%) | 3.26% | 2.45% |
| Capital to Risk Weighted Assets Ratio (CRAR) | 16.81% | 15.75% |
| Leverage Ratio | 7.16% | 6.82% |
| Percentage of the shareholding of | | |
| - Government of India | - | - |
| - State Government | - | - |
| - Sponsor Bank | - | - |
| Amount of paid-up equity capital raised during the year* | - | 19,200,000 |
| Amount of non-equity Tier 1 capital raised during the year | | |
| - Perpetual Debt Instruments | 12,283,250 | - |
| Amount of Tier 2 capital raised during the year | | |
| -Subordinated debt | 21,368,750 | - |

* Including Share Premium (refer Schedule 1 and Schedule 2)

**2. Asset liability management**

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

| | | | | | | | | | | | | 31-Mar-25 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 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 | 41,049,634 | 49,641,541 | 54,623,167 | 104,481,829 | 90,546,450 | 45,974,680 | 91,652,685 | 98,431,436 | 252,467,473 | 3,052,837 | 1,213,555 | 833,135,287 |
| Advances | 410,528 | 9,790,974 | 16,224,878 | 47,660,790 | 36,870,203 | 43,368,954 | 72,077,788 | 63,498,253 | 151,752,197 | 42,579,924 | 55,493,187 | 539,727,676 |
| Investments | 289,924,984 | 15,131,019 | 9,818,992 | 18,447,845 | 23,535,603 | 21,519,316 | 31,717,390 | 23,128,923 | 62,276,596 | 43,904,437 | 22,285,860 | 561,690,965 |
| Borrowings | 4,564,200 | 168,562,109 | 69,300 | - | 39,500 | 373,100 | 24,181,900 | 12,537,300 | 26,260,300 | 12,796,850 | 22,456,350 | 271,840,909 |
| Foreign Currency Assets (*) | 27,593,255 | 69,528,674 | 2,352,325 | 1,411,557 | 10,382,658 | 2,436,387 | 22,749,628 | 26,750,045 | 898,952 | 1,242,034 | 10,197,510 | 175,543,025 |
| Foreign Currency Liabilities (*) | 29,599,719 | 466,479 | 197,656 | 1,455,842 | 782,559 | 881,524 | 5,115,510 | 8,546,246 | 14,517,862 | 6,045,676 | 24,283,371 | 91,892,444 |

(*) 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-24 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 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 | 29,306,674 | 47,831,538 | 33,035,229 | 87,001,254 | 73,807,169 | 50,184,273 | 103,945,457 | 134,321,022 | 228,984,240 | 4,846,096 | 1,121,189 | 794,384,141 |
| Advances | 29,438 | 281,729 | 2,776,081 | 44,144,519 | 40,806,515 | 50,245,294 | 75,077,259 | 64,740,516 | 144,707,905 | 60,254,412 | 38,949,806 | 522,013,474 |
| Investments | 329,063,040 | 8,103,426 | 6,042,487 | 15,290,846 | 13,126,583 | 11,108,962 | 19,264,255 | 22,811,465 | 79,108,933 | 26,434,753 | 22,931,662 | 553,286,412 |
| Borrowings | - | 203,472,842 | 133,100 | - | 133,100 | 8,646,400 | 6,732,600 | 22,190,150 | 28,605,200 | - | - | 269,913,392 |
| Foreign Currency Assets (*) | 16,936,650 | 281,765 | 431,364 | 1,576,179 | 2,060,950 | 11,761,725 | 4,610,731 | 230,176 | 2,358,452 | 1,482,057 | 8,790,340 | 50,520,389 |
| Foreign Currency Liabilities (*) | 21,622,691 | 431,758 | 147,854 | 396,663 | 500,336 | 120,671 | 1,028,739 | 23,936,621 | 14,130,438 | 690,345 | 404 | 63,006,520 |

(*) 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.

As per the guidelines, following is the disclosure of information on Liquidity Coverage Ratio (LCR) for FY 2024-25.

| Particulars | 30-Jun-2024 | | 30-Sep-2024 | | 31-Dec-2024 | | 31-Mar-2025 | |
|---|---|---|---|---|---|---|---|---|
| | 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)** | | **322,727,345** | | **344,600,997** | | **352,175,692** | | **346,903,517** |
| Cash Outflows | | | | | | | | |
| 2. Retail deposits and deposits from small business customers, of which: | 310,154,051 | 27,854,235 | 327,197,243 | 29,566,339 | 330,027,662 | 29,869,808 | 339,193,736 | 30,785,599 |
| (i) Stable deposits | 63,223,384 | 3,161,169 | 63,067,674 | 3,153,383 | 62,659,137 | 3,132,956 | 62,675,471 | 3,133,773 |
| (ii) Less stable deposits | 246,930,667 | 24,693,066 | 264,129,569 | 26,412,956 | 267,368,525 | 26,736,852 | 276,518,265 | 27,651,826 |
| 3. Unsecured wholesale funding, of which: | 415,320,893 | 214,033,112 | 429,984,250 | 230,977,379 | 435,015,376 | 241,278,160 | 425,412,265 | 241,269,890 |
| (i) Operational deposits (all counterparties) | - | - | - | - | - | - | - | - |
| (ii) Non-operational deposits (all counterparties) | 415,320,893 | 214,033,112 | 429,984,250 | 230,977,379 | 435,015,376 | 241,278,160 | 425,412,265 | 241,269,890 |
| (iii) Unsecured debt | - | - | - | - | - | - | - | - |
| 4. Secured wholesale funding | | - | | - | | - | | - |
| 5. Additional requirements, of which | 116,548,708 | 29,003,565 | 115,799,342 | 29,357,313 | 125,896,163 | 30,344,069 | 142,007,922 | 38,069,655 |
| (i) Outflows related to derivative exposures and other collateral requirements | 17,459,305 | 17,459,305 | 16,896,321 | 16,896,321 | 15,999,669 | 15,999,669 | 23,611,190 | 23,611,190 |
| (ii) Outflows related to loss of funding on debt products | - | - | - | - | - | - | - | - |
| (iii) Credit and liquidity facilities | 99,089,403 | 11,544,260 | 98,903,021 | 12,460,992 | 109,896,494 | 14,344,400 | 118,396,732 | 14,458,465 |
| 6. Other contractual funding obligations | 20,723,086 | 20,723,086 | 22,523,947 | 22,523,947 | 25,260,734 | 25,260,734 | 27,763,834 | 27,763,834 |
| 7. Other contingent funding obligations | 420,892,911 | 18,155,748 | 437,518,101 | 18,699,114 | 452,363,216 | 19,094,619 | 445,663,560 | 18,799,132 |

| Particulars | 30-Jun-2024 | | 30-Sep-2024 | | 31-Dec-2024 | | 31-Mar-2025 | |
|---|---|---|---|---|---|---|---|---|
| | 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) |
| 8. **Total Cash Outflows (B)** | | **309,769,746** | | **331,124,092** | | **345,847,390** | | **356,688,110** |
| Cash Inflows | | | | | | | | |
| 9. Secured lending (e.g., reverse repos) | 15,731,766 | - | 11,994,271 | - | 12,510,103 | - | 64,666,454 | - |
| 10. Inflows from fully performing exposures | 100,160,104 | 60,329,787 | 110,103,333 | 66,465,713 | 104,610,514 | 64,832,421 | 107,407,310 | 71,350,303 |
| 11. Other cash inflows | 6,709,805 | 5,860,137 | 8,683,831 | 7,043,012 | 13,012,907 | 6,512,225 | 19,551,987 | 12,904,389 |
| 12. **Total Cash Inflows (C)** | | **66,189,924** | | **73,508,725** | | **71,344,646** | | **8,42,54,692** |
| | | **Total Adjusted Value** | | **Total Adjusted Value** | | **Total Adjusted Value** | | **Total Adjusted Value** |
| **13. TOTAL HQLA** | | **322,727,345** | | **344,600,997** | | **352,175,692** | | **346,903,517** |
| **14. Total Net Cash Outflows (D = B-C)** | | **243,579,822** | | **257,615,367** | | **274,502,744** | | **272,433,418** |
| **15. Liquidity Coverage Ratio (%) (A)/(D)** | | **132.49%** | | **133.77%** | | **128.30%** | | **127.34%** |

In accordance with RBI guidelines vide circular No. RBI/2014-15/529 DBR. No. BP.BC.80/21.06.201/2014-15 dated 31 March 2015, average weighted and unweighted amounts have been calculated taking simple daily average.

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.

Average HQLA increased QoQ from INR 322,727,245 thousand to INR 346,903,517 thousand Q1 to Q4, whereas the average net cash outflows increased INR 243,579,826 thousand to INR 272,433,419 thousand. The increase in HQLA was slightly less than the increase in net outflows, the average LCR decreased from 132.49% in Q1 to 127.34% in Q4. HQLA mostly comprises of government securities. The LCR has always remained healthy throughout the year as can be seen from Quarterly average LCR was always above 125%. This implies Bank has carried sufficient liquidity to meet any outflows within LCR period.

The overall liquidity management is guided by ALCO and MLRC who are guided by board approved internal framework. Relevant Units (Risk Management Group – Market & Liquidity Risk (RMG MLR), Corporate Treasury (CT) and Group Liquidity Management (GLM) interact regularly with each other to ensure adherence to the directions set by bank's committees.

| Particulars | 30-Jun-2023 | | 30-Sep-2023 | | 31-Dec-2023 | | 31-Mar-2024 | |
|---|---|---|---|---|---|---|---|---|
| | 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)** | | **204,076,464** | | **221,261,633** | | **253,866,981** | | **289,379,876** |
| Cash Outflows | | | | | | | | |
| 2. Retail deposits and deposits from small business customers, of which: | 249,727,166 | 21,971,502 | 259,928,184 | 22,932,710 | 256,938,212 | 23,398,150 | 271,470,025 | 24,021,226 |
| (i) Stable deposits | 60,024,283 | 3,001,214 | 61,202,153 | 3,060,107 | 59,815,282 | 3,086,699 | 62,515,510 | 3,125,775 |
| (ii) Less stable deposits | 189,702,883 | 18,970,288 | 198,726,031 | 19,872,603 | 197,122,930 | 20,311,451 | 208,954,515 | 20,895,451 |
| 3. Unsecured wholesale funding, of which: | 290,223,277 | 133,567,247 | 314,052,975 | 151,854,798 | 326,766,520 | 162,439,424 | 386,266,432 | 190,357,681 |
| (i) Operational deposits (all counterparties) | 41,643,913 | 10,264,554 | 39,361,352 | 9,696,940 | 38,116,801 | 9,636,571 | 39,526,221 | 9,737,650 |
| (ii) Non-operational deposits (all counterparties) | 248,579,364 | 123,302,693 | 274,691,623 | 142,157,858 | 288,649,719 | 152,802,853 | 346,740,211 | 180,620,031 |
| (iii) Unsecured debt | - | - | - | - | - | - | - | - |

| Particulars | 30-Jun-2023 | | 30-Sep-2023 | | 31-Dec-2023 | | 31-Mar-2024 | |
|---|---|---|---|---|---|---|---|---|
| | 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) |
| 4. **Secured wholesale funding** | | - | | - | | - | | - |
| 5. Additional requirements, of which | 80,954,541 | 30,366,199 | 88,765,296 | 30,622,907 | 95,857,065 | 28,702,992 | 101,150,373 | 31,455,694 |
| (i) Outflows related to derivative exposures and other collateral | 21,614,060 | 21,614,060 | 22,097,953 | 22,097,953 | 20,273,398 | 20,273,398 | 22,683,787 | 22,683,787 |
| (ii) Outflows related to loss of funding on debt products | - | - | - | - | - | - | - | - |
| (iii) Credit and liquidity facilities | 59,340,481 | 8,752,139 | 66,667,343 | 8,524,954 | 75,583,667 | 8,429,594 | 78,466,586 | 8,771,907 |
| 6. Other contractual funding obligations | 13,021,646 | 13,021,646 | 14,435,448 | 14,435,448 | 15,144,357 | 15,144,357 | 19,339,446 | 19,339,446 |
| 7. Other contingent funding obligations | 339,503,006 | 14,521,951 | 370,742,603 | 15,998,570 | 388,515,331 | 17,360,964 | 453,174,799 | 19,876,775 |
| 8. **Total Cash Outflows (B)** | | 213,448,545 | | 235,844,433 | | 247,045,887 | | 285,050,822 |
| Cash Inflows | | | | | | | | |
| 9. Secured lending (e.g., reverse repos) | 10,500,472 | - | 13,823,540 | - | 14,546,089 | - | 9,932,481 | - |
| 10. Inflows from fully performing exposures | 83,257,581 | 53,659,903 | 95,605,648 | 63,270,473 | 97,762,413 | 65,896,074 | 98,777,075 | 63,840,148 |
| 11. Other cash inflows | 7,598,713 | 6,746,107 | 13,566,329 | 7,257,148 | 12,942,672 | 6,603,869 | 14,223,551 | 7,866,763 |
| 12. **Total Cash Inflows (C)** | | 60,406,010 | | 70,527,621 | | 72,499,943 | | 71,706,911 |
| | | **Total Adjusted Value** | | **Total Adjusted Value** | | **Total Adjusted Value** | | **Total Adjusted Value** |
| **13. TOTAL HQLA** | | **204,076,464** | | **221,261,633** | | **253,866,981** | | **289,379,876** |
| **14. Total Net Cash Outflows (D = B-C)** | | **153,042,535** | | **165,316,812** | | **174,545,944** | | **213,343,911** |
| **15. Liquidity Coverage Ratio (%) (A)/(D)** | | **133.35%** | | **133.84%** | | **145.44%** | | **135.64%** |

The main LCR drivers for the Bank are as under:

| | 31-Mar-25 | | | 31-Mar-24 | | |
|---|---|---|---|---|---|---|
| | Average | Maximum | Minimum | Average | Maximum | Minimum |
| HQLA | 341,834,897 | 480,497,118 | 291,322,312 | 241,937,497 | 335,220,428 | 172,267,515 |
| Total Cash Inflows | 73,872,636 | 101,951,506 | 49,199,608 | 68,821,771 | 111,958,608 | 41,96,7253 |
| Total Cash Outflows | 336,052,320 | 441,109,704 | 285,517,209 | 256,385,215 | 347,844,911 | 203,121,843 |
| Total Net Cash Outflows# | 262,179,684 | 371,715,526 | 218,431,522 | 187,563,444 | 235,886,303 | 161,154,590 |

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

The average LCR for the quarter ended 31 March, 2025, was at 127.34% well above the present prescribed minimum RBI requirement of 100%. The average HQLA for the quarter ended 31 March, 2025, was INR 346,903,517 thousand. The total average cash outflows and cash inflows were INR 356,688,110 thousand and INR 84,254,692 thousand respectively.

Number of days used in computing quarterly LCR for the quarter January to March 2025: 61 days (31 March 2024: 60 days), for the quarter October to December 2024: 62 Days (31 December 2023: 61 days), for the quarter July to September 2024: 64 Days (30 September 2023: 63 days) and for the quarter April to June 2024: 59 Days (30 June 2023: 60 days).

## 3. Investments

### a. Composition of Investment Portfolio

| Particulars | Investments in India | | | | | | | Investments outside India | | | | 31-Mar-25 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 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) |
| **Held to Maturity** | | | | | | | | | | | | |
| Gross | 167,094,125 | - | - | - | - | 37,795,060 | 204,889,185 | 26,959,210 | - | - | 26,959,210 | 231,848,396 |
| Less: Provision for non-performing investments (NPI) | - | - | - | - | - | - | - | - | - | - | - | - |
| Net | 167,094,125 | - | - | - | - | 37,795,060 | 204,889,185 | 26,959,210 | - | - | 26,959,210 | 231,848,396 |
| **Available for Sale** | | | | | | | | | | | | |
| Gross | 145,368,309 | - | 307,555 | 5,588,123 | - | - | 151,263,987 | - | - | - | - | 151,263,987 |
| Marked to market gain/(loss) and Provision for depreciation and NPI | 976,794 | - | 37,411 | (431,364) | - | - | 582,841 | - | - | - | - | 582,841 |
| Net | 146,345,103 | - | 344,966 | 5,156,759 | - | - | 151,846,828 | - | - | - | - | 151,846,828 |
| **Held for Trading** | | | | | | | | | | | | |
| Gross | 154,218,834 | - | - | 16,587,510 | - | - | 170,806,344 | 5,099,304 | - | - | 5,099,304 | 175,905,648 |
| Marked to market gain/(loss) and Provision for depreciation and NPI | 2,039,394 | - | - | 50,699 | - | - | 2,090,094 | - | - | - | - | 2,090,094 |
| Net | 156,258,228 | - | - | 16,638,209 | - | - | 172,896,437 | 5,099,304 | - | - | 5,099,304 | 177,995,741 |
| **Fair Value through Profit or Loss (FVTPL)** | | | | | | | | | | | | |
| Gross | - | - | - | 547,066 | - | 0 * | 547,066 | - | - | - | - | 547,066 |
| Marked to market gain/(loss) and Provision for depreciation and NPI | - | - | - | (547,066) | - | (0)* | (547,066) | - | - | - | - | (547,066) |
| Net | - | - | - | - | - | 0 * | 0 | - | - | - | - | 0 |
| **Total Investments** | | | | | | | | | | | | |
| Gross | 466,681,268 | - | 307,555 | 22,722,699 | - | 37,795,060 | 527,506,582 | 32,058,515 | - | - | 32,058,515 | 559,565,097 |
| Marked to market gain/(loss) and Provision for depreciation and NPI | 3,016,188 | - | 37,411 | (927,731) | - | (0)* | 2,125,868 | - | - | - | - | 2,125,868 |
| **Net** | **469,697,456** | **-** | **344,966** | **21,794,968** | **-** | **37,795,060** | **529,632,450** | **32,058,515** | **-** | **-** | **32,058,515** | **561,690,965** |

*Represents amount less than INR 500

| Particulars | Investments in India | | | | | | | Investments outside India | | | | 31-Mar-24 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 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) |
| **Held to Maturity** | | | | | | | | | | | | |
| Gross | 121,613,437 | - | - | - | - | - | 121,613,437 | - | - | - | - | 121,613,437 |
| Marked to market gain/ (loss) and Provision for depreciation and NPI | - | - | - | - | - | - | - | - | - | - | - | - |
| Net | 121,613,437 | - | - | - | - | - | 121,613,437 | - | - | - | - | 121,613,437 |
| **Available for Sale** | | | | | | | | | | | | |
| Gross | 239,641,806 | - | 295,949 | 10,358,598 | - | 39,038,088 | 289,334,441 | - | - | 4,882 | 4,882 | 289,339,323 |
| Marked to market gain/ (loss) and Provision for depreciation and NPI | - | - | (52,375) | (995,187) | - | (1,299,428) | (2,346,990) | - | - | - | - | (2,346,990) |
| Net | 239,641,806 | - | 243,574 | 9,363,411 | - | 37,738,660 | 286,987,451 | - | - | 4,882 | 4,882 | 286,992,333 |
| **Held for Trading** | | | | | | | | | | | | |
| Gross | 137,719,644 | - | - | 6,960,998 | - | - | 144,680,642 | - | - | - | - | 144,680,642 |
| Marked to market gain/ (loss) and Provision for depreciation and NPI | - | - | - | - | - | - | - | - | - | - | - | - |
| Net | 137,719,644 | - | - | 6,960,998 | - | - | 144,680,642 | - | - | - | - | 144,680,642 |
| **Total Investments** | | | | | | | | | | | | |
| Gross | 498,974,887 | - | 295,949 | 17,319,596 | - | 39,038,088 | 555,628,520 | - | - | 4,882 | 4,882 | 555,633,402 |
| Marked to market gain/ (loss) and Provision for depreciation and NPI | - | - | (52,375) | (995,187) | - | (1,299,428) | (2,346,990) | - | - | - | - | (2,346,990) |
| **Net** | **498,974,887** | **-** | **243,574** | **16,324,409** | **-** | **37,738,660** | **553,281,530** | **-** | **-** | **4,882** | **4,882** | **553,286,412** |

*Represents amount less than INR 500

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

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| **Movement in Provisions held towards depreciation on investments** | | |
| Opening balance* | 2,346,990 | 3,268,583 |
| Add: Provisions made during the year | 74,426 | 1,135,718 |
| Less: Write back during the year to Profit and Loss account/General Reserve | (1,416,146) | (2,057,311) |
| **Closing Balance** | 1,005,270 | 2,346,990 |
| **Movement of Investment Fluctuation Reserve** | | |
| Opening balance | 4,877,328 | 2,456,827 |
| Add: Amount transferred during the year | 3,122,672 | 2,420,501 |
| Less: Drawdown | - | - |
| **Closing balance** | **8,000,000** | **4,877,328** |
| Closing balance in IFR as a percentage of closing balance of investments in AFS and FVTPL (Including HFT) | 2.4% | 1.1% |

*Represents Provision for depreciation on NPI and MTM Loss

**c. Sale and transfers to/from HTM category**

During the year ended 31 March 2025, there is no sale/transfer of securities to/from HTM category. (Previous year – Nil)

**d. Non-SLR investment portfolio**

**i) Non-performing non-SLR investments**

| Particulars | 31-Mar-25 | 31-Mar-24* |
|---|---|---|
| Opening balance | 2,222,250 | 2,811,441 |
| Additions during the year | 4,817 | 653,730 |
| Reductions during the year | (1,327,470) | (1,242,921) |
| **Closing balance** | **899,597** | **2,222,250** |
| Total provisions held | 899,597 | 2,152,642 |

*Total provision held includes provisions created in earlier years, reclassified to NPI Provision in the current year.

**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 | 3,306,429<br>(1,499,710) | -<br>(1,499,710) | -<br>(-) | -<br>(-) | -<br>(200,430) |
| (ii) | Financial Institutions* | 8,618,389 | 5,359,006 | - | 314,709 | 575,808 |
| | | (6,990,060) | (6,990,060) | (314,226) | (532,069) | (582,069) |
| (iii) | Banks | 5,399,779 | 4,909,978 | - | - | - |
| | | (3,856,498) | (3,856,498) | (-) | (-) | (1,867,583) |
| (iv) | Private Corporates | 5,705,657 | 4,181,166 | 477,454 | 220,750 | 332,743 |
| | | (5,274,158) | (5,148,713) | (750,570) | (287,564) | (458,111) |
| (v) | Subsidiaries / Joint ventures | -<br>(-) | -<br>(-) | -<br>(-) | -<br>(-) | -<br>(-) |
| (vi) | Others** | 69,853,575 | 37,795,061 | - | - | 37,795,061 |
| | | (39,038,089) | (39,038,089) | (1,299,428) | (843,119) | (39,038,089) |
| (vii) | Provision held towards depreciation and NPI | (890,320)<br>(-2,346,990) | | | | |
| | **Total** | **91,993,509** | **52,245,211** | **477,454** | **535,459** | **38,703,612** |
| | | (54,311,525) | (56,533,070) | (2,364,224) | (1,662,752) | (42,146,282) |

(Figures in bracket indicate Previous year numbers)

* includes investments in NBFCs

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

# NPI investments have been considered as below investment grade

**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 2025 |
|---|---|---|---|---|
| Securities sold under Repos | | | | |
| i) Government securities | 42,743,100 | 227,928,800 | 141,425,750 | 173,791,000 |
| | (47,150,000) | (203,830,600) | (134,104,664) | (203,830,600) |
| ii) Corporate debt securities | - | - | - | - |
| | (-) | (-) | (-) | (-) |
| iii) Any Other securities | - | - | - | - |
| | (-) | (-) | (-) | (-) |
| Securities purchased under Reverse Repos | | | | |
| i) Government securities | 20,000 | 23,580,000 | 11,373,064 | 20,000 |
| | (850,000) | (31,278,000) | (12,731,149) | (22,250,000) |
| ii) Corporate debt securities | - | - | - | - |
| | (-) | (-) | (-) | (-) |
| iii) Any Other securities | - | 94,584,443 | 14,898,384 | 71,499,838 |
| | (-) | (-) | (-) | (-) |

(Figures in brackets indicate Previous year numbers)

**Repo transactions (in market value terms)**

| | Minimum outstanding during the year | Maximum outstanding during the year | Daily average outstanding during the year | As at 31 March 2025 |
|---|---|---|---|---|
| Securities sold under Repos | | | | |
| i) Government securities | 43,247,426<br>(46,879,287) | 231,515,498<br>(204,253,906) | 142,877,308<br>(132,109,175) | 177,327,637<br>(204,253,906) |
| ii) Corporate debt securities | -<br>(-) | -<br>(-) | -<br>(-) | -<br>(-) |
| iii) Any Other securities | -<br>(-) | -<br>(-) | -<br>(-) | -<br>(-) |
| Securities purchased under Reverse Repos | | | | |
| i) Government securities | 20,004<br>(855,900) | 1,231,927,459<br>(31,532,082) | 14,823,718<br>(12,666,522) | 20,004<br>(22,236,133) |
| ii) Corporate debt securities | -<br>(-) | -<br>(-) | -<br>(-) | -<br>(-) |
| iii) Any Other securities | -<br>(-) | 93,844,759<br>(-) | 14,766,969<br>(-) | 71,349,852<br>(-) |

(Figures in brackets indicate Previous year numbers)

**4. Asset quality**

**a. Classification of advances and provisions held**

| Particulars | Standard | Non-Performing | | | | 31-Mar-25 |
|---|---|---|---|---|---|---|
| | Total Standard Advances | Sub-standard | Doubtful | Loss | Total Non-Performing Advances | Total |
| **Gross Standard Advances and NPAs** | | | | | | |
| Opening Balance | 520,761,692 | 1,287,940 | 14,369,903 | 2,268,652 | 17,926,495 | 538,688,187 |
| Add: Additions during the year | | | | | 8,229,323 | 8,229,323 |
| Less: Reductions during the year* | | | | | (10,774,393) | (10,774,393) |
| Closing balance | 538,222,850 | 2,385,020 | 9,068,042 | 3,928,363 | 15,381,425 | 553,604,275 |
| *Reductions in Gross NPAs due to: | | | | | | |
| i) Upgradation | | | | | 1,626,368 | 1,626,368 |
| ii) Recoveries (excluding recoveries from upgraded accounts) | | | | | 3,140,229 | 3,140,229 |
| iii) Technical/ Prudential Write-offs | | | | | 3,092,185 | 3,092,185 |
| iv) Write-offs other than those under (iii) above | | | | | 2,915,611 | 2,915,611 |
| **Provisions (excluding Floating Provisions)** | | | | | | |
| Opening balance of provisions held | 2,793,332 | 657,094 | 13,748,967 | 2,268,652 | 16,674,713 | 19,468,045 |
| Add: Fresh provisions made during the year | | | | | 5,525,822 | 5,525,822 |
| Less: Excess provision reversed/ Write-off loans | | | | | (8,323,936) | (8,323,936) |
| Closing balance of provisions held | 2,802,873** | 1,115,278 | 8,832,958 | 3,928,363 | 13,876,599 | 16,679,472 |

**Represents Standard Asset provision and provision on UFCE

| Particulars | Standard | Non-Performing | | | | 31-Mar-25 |
|---|---|---|---|---|---|---|
| | Total Standard Advances | Sub-standard | Doubtful | Loss | Total Non-Performing Advances | Total |
| **Net NPAs** | | | | | | |
| Opening Balance | | 630,846 | 620,936 | - | 1,251,782 | |
| Add: Fresh additions during the year | | | | | 2,703,501 | |
| Less: Reductions during the year | | | | | (2,450,457) | |
| Closing Balance* | | 1,269,743 | 235,084 | - | 1,504,826 | |
| **Floating Provisions** | | | | | | |
| Opening Balance | | | | | | - |
| Add: Additional provisions made during the year | | | | | | - |
| Less: Amount drawn down during the year | | | | | | - |
| Closing balance of floating provisions | | | | | | - |
| **Technical write-offs and the recoveries made thereon** | | | | | | |
| Opening balance of Technical/ Prudential written-off accounts | | | | | | 14,574,564 |
| Add: Technical/ Prudential write-offs during the year | | | | | | 3,092,185 |
| Sub-total (A) | | | | | | 17,666,749 |
| Less: Recoveries made from previously technical/ prudential written-off accounts during the year (B) | | | | | | (2,453,030) |
| Closing balance (A-B) | | | | | | 15,213,719 |

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

| Particulars | Standard | Non-Performing | | | | 31-Mar-24 |
|---|---|---|---|---|---|---|
| | Total Standard Advances | Sub-standard | Doubtful | Loss | Total Non-Performing Advances | Total |
| **Gross Standard Advances and NPAs** | | | | | | |
| Opening Balance | 466,091,199 | 3,641,455 | 20,531,838 | 3,550,916 | 27,724,209 | 493,815,408 |
| Add: Additions during the year | | | | | 5,859,308 | 5,859,308 |
| Less: Reductions during the year* | | | | | (15,657,022) | (15,657,022) |
| Closing balance | 520,761,692 | 1,287,940 | 14,369,903 | 2,268,652 | 17,926,495 | 538,688,187 |
| *Reductions in Gross NPAs due to: | | | | | | |
| i) Upgradation | | | | | 2,979,137 | 2,979,137 |
| ii) Recoveries (excluding recoveries from upgraded accounts) | | | | | 5,763,136 | 5,763,136 |
| iii) Technical/ Prudential Write-offs | | | | | 3,112,506 | 3,112,506 |
| iv) Write-offs other than those under (iii) above | | | | | 3,802,243 | 3,802,243 |
| **Provisions (excluding Floating Provisions)** | | | | | | |
| Opening balance of provisions held | 2,180,702 | 1,521,134 | 17,147,972 | 3,550,916 | 22,220,022 | 24,400,724 |
| Add: Fresh provisions made during the year | | | | | 4,947,116 | 4,947,116 |
| Less: Excess provision reversed/ Write-off loans | | | | | (10,492,425) | (10,492,425) |
| Closing balance of provisions held | 2,793,332** | 657,094 | 13,748,967 | 2,268,652 | 16,674,713 | 19,468,045 |

**Represents Standard Asset provision and provision on UFCE

| Particulars | Standard | Non-Performing | | | | 31-Mar-24 |
|---|---|---|---|---|---|---|
| | Total Standard Advances | Sub-standard | Doubtful | Loss | Total Non-Performing Advances | Total |
| **Net NPAs** | | | | | | |
| Opening Balance | | 2,120,321 | 3,383,866 | - | 5,504,187 | |
| Add: Fresh additions during the year | | | | | 912,192 | |
| Less: Reductions during the year | | | | | (5,164,597) | |
| Closing Balance* | | 630,846 | 620,936 | - | 1,251,782 | |
| **Floating Provisions** | | | | | | |
| Opening Balance | | | | | | - |
| Add: Additional provisions made during the year | | | | | | - |
| Less: Amount drawn down during the year | | | | | | - |
| Closing balance of floating provisions | | | | | | - |
| **Technical write-offs and the recoveries made thereon** | | | | | | |
| Opening balance of Technical/ Prudential written-off accounts | | | | | | 15,998,062 |
| Add: Technical/ Prudential write-offs during the year | | | | | | 3,112,506 |
| Sub-total (A) | | | | | | 19,110,568 |
| Less: Recoveries made from previously technical/ prudential written-off accounts during the year (B) | | | | | | (4,536,004) |
| Closing balance (A-B) | | | | | | 14,574,564 |

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

| Ratios | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Gross NPA to Gross Advances | 2.78% | 3.33% |
| Net NPA to Net Advances | 0.28% | 0.24% |
| Provision coverage ratio (Including Technical W/offs) | 95.08% | 96.15% |

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

| Sector | 31-Mar-25 | | | 31-Mar-24 | | |
|---|---|---|---|---|---|---|
| | 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 |
| **A Priority Sector** | | | | | | |
| **1. Agriculture & allied activities** | **59,077,509** | **376,685** | **0.64%** | **87,616,403** | **415,792** | **0.47%** |
| **2 Advances to industries sector eligible as priority sector lending** | **43,841,912** | **1,673,212** | **3.82%** | **57,260,838** | **1,786,075** | **3.12%** |
| Of which – Textiles | 5,679,850 | 665,765 | 11.72% | 5,682,753 | 755,247 | 13.29% |
| Of which - Chemicals and Chemical Products (Dyes, Paints, etc.) | 5,377,742 | 152,234 | 2.83% | 9,124,209 | 103,210 | 1.13% |
| Of Which - Basic Metal and Metal Products | 4,441,278 | 12,160 | 0.27% | 3,885,039 | 9,031 | 0.23% |
| Of which – Construction | 445,948 | 407,106 | 91.29% | 7,558,836 | 31,285 | 0.41% |
| Of which - Other Industries | 15,834,232 | 237,754 | 1.50% | 17,175,608 | 137,878 | 0.80% |
| **3 Services** | **54,947,459** | **838,075** | **1.53%** | **40,924,669** | **1,023,312** | **2.50%** |
| Of which - Wholesale Trade | 17,321,630 | 426,198 | 2.46% | 13,193,515 | 196,832 | 1.49% |
| Of which - Retail Trade | 5,930,048 | 78,999 | 1.33% | 4,677,347 | 57,094 | 1.22% |
| Of which - Other Services | 27,614,983 | 314,976 | 1.14% | 20,220,253 | 310,825 | 1.54% |
| **4 Personal loans*** | **5,293,196** | **80,959** | **1.53%** | **5,749,470** | **78,242** | **6.80%** |
| Of which - Housing Loans | 5,293,196 | 80,959 | 1.53% | 5,732,503 | 76,912 | 1.34% |
| **Sub-total (A)** | **163,160,076** | **2,968,931** | **1.82%** | **191,551,380** | **3,303,421** | **1.72%** |

| Sector | 31-Mar-25 | | | 31-Mar-24 | | |
|---|---|---|---|---|---|---|
| | 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. Non-Priority Sector** | | | | | | |
| **1. Agriculture & allied activities** | **4,724,748** | **143,846** | **3.04%** | **2,701,287** | **130,702** | **4.84%** |
| **2. Industry** | **151,974,958** | **5,949,596** | **3.91%** | **146,503,698** | **7,752,577** | **5.29%** |
| Of which - Chemicals and Chemical Products (Dyes, Paints, etc.) | 21,904,810 | 11,015 | 0.05% | 17,728,680 | 10,890 | 0.06% |
| Of which - Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels | 6,473,321 | - | 0.00% | 27,942,512 | - | 0.00% |
| Of which – Infrastructure | 43,090,554 | 1,541,985 | 3.58% | 39,890,082 | 1,677,217 | 4.20% |
| **3. Services** | **155,940,334** | **4,850,440** | **3.11%** | **115,415,862** | **5,895,148** | **5.11%** |
| Of which - Wholesale Trade | 24,113,784 | 476,947 | 1.98% | 16,536,549 | 531,917 | 3.22% |
| Of which - Retail Trade | 18,466,009 | 1,588,655 | 8.60% | 22,940,930 | 1,893,680 | 8.25% |
| Of which - Other NBFCs | 49,163,608 | - | 0.00% | 29,951,171 | 609,580 | 2.04% |
| Of Which - Real Estate Activities (Other than Residential Mortgages) | 42,428,532 | 1,865,833 | 4.40% | 22,777,398 | 1,865,833 | 8.19% |
| **4. Personal loans*** | **77,804,160** | **1,468,612** | **1.89%** | **82,515,962** | **844,647** | **1.02%** |
| Of Which - Retail Loan - Other Retail Loans | 50,264,818 | 895,737 | 1.78% | 57,150,719 | 488,032 | 0.85% |
| Of Which -Retail Loan - Housing loans | 16,320,486 | 217,345 | 1.33% | 12,859,293 | 141,390 | 1.10% |
| Of Which -Retail Loan - Credit Card Receivables | 10,264,986 | 348,519 | 3.40% | 11,944,346 | 211,392 | 1.77% |
| **Sub-total (B)** | **390,444,200** | **12,412,494** | **3.18%** | **347,136,809** | **14,623,074** | **4.21%** |
| **Total (A+B)** | **553,604,275** | **15,381,425** | **2.78%** | **538,688,187** | **17,926,495** | **3.33%** |

*Personal loan includes home loans, loan against property and gold loan

** Represent gross advances

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

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Total assets | - | - |
| Total NPAs | - | - |
| Total revenue | - | - |

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

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-25 | 31-Mar-24 | 31-Mar-25 | 31-Mar-24 | 31-Mar-25 | 31-Mar-24 | 31-Mar-25 | 31-Mar-24 | 31-Mar-25 | 31-Mar-24 |
| Standard | Number of borrowers | - | - | 2 | 4 | 1 | 1 | 18 | 35 | 21 | 40 |
| | Gross Amount | - | - | 1,254,443 | 2,027,258 | 5,946 | 5,930 | 41,629 | 58,129 | 1,302,018 | 2,091,317 |
| | Provision held | - | - | 49,726 | 249,767 | 1,547 | 1,547 | 5,850 | 7,196 | 57,123 | 258,510 |
| Sub-standard | Number of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Gross Amount | - | - | - | - | - | - | - | - | - | - |
| | Provision held | - | - | - | - | - | - | - | - | - | - |
| Doubtful | Number of borrowers | - | - | 5 | 5 | 3 | 3 | - | - | 8 | 8 |
| | Gross Amount | - | - | 2,084,045 | 2,084,045 | 165,785 | 194,003 | - | - | 2,249,830 | 2,278,048 |
| | Provision held | - | - | 2,084,045 | 2,041,918 | 165,785 | 170,012 | - | - | 2,249,830 | 2,211,930 |
| Total | Number of borrowers | - | - | 7 | 9 | 4 | 4 | 18 | 35 | 29 | 48 |
| | Gross Amount | - | - | 3,338,488 | 4,111,303 | 171,731 | 199,933 | 41,629 | 58,129 | 3,551,848 | 4,369,365 |
| | Provision held | - | - | 2,133,771 | 2,291,685 | 167,332 | 171,559 | 5,850 | 7,196 | 2,306,953 | 2,470,440 |

*Includes both Fund and Non Fund Exposure.

e. **Divergence in the asset classification and provisioning**

In terms of the RBI circular no. RBI/DOR/2021-22/83 DOR.ACC.REC.No.45/21.04.018/2021-22, Banks shall make suitable disclosures, if either or both of the following conditions are satisfied:

i. the additional provisioning for NPAs assessed by Reserve Bank of India as part of its supervisory process, exceeds five per cent (Previous year: exceeds five per cent) of the reported profit before provisions and contingencies for the reference period, and

ii. the additional Gross NPAs identified by the Reserve Bank of India as part of its supervisory process exceed five per cent (Previous year: exceeds five 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 2024 and 31 March 2023.

f. **Disclosure of transfer of loan exposures**

Details of loans not in default acquired during the year 2024-25 is as under

| Particulars | Acquired through assignment | Acquired through novation | Acquired through loan participation |
|---|---|---|---|
| Aggregate amount of loan acquired | 17,947,784 | - | 2,611,882 |
| Weighted average residual maturity of the loans acquired (in months) | 118 | - | 20 |
| Weighted average holding period of originator (in months) | 11 | - | Not Applicable |
| Retention of beneficial economic interest by originator | 10% | - | 20%/30% |
| Coverage of tangible security coverage | 100% | - | 100% |
| Rating-wise distribution of rated loans | Un- rated | - | Un- rated |

Details of loans not in default acquired during the year 2023-24 is as under

| Particulars | Acquired through assignment | Acquired through novation | Acquired through loan participation |
|---|---|---|---|
| Aggregate amount of Loan acquired | 20,215,233 | - | 58,046,336 |
| Weighted average residual maturity of the loans acquired (in months) | 127 | - | 12 |
| Weighted average holding period of originator (in months) | 14 | - | Not Applicable |
| Retention of beneficial economic interest by originator | 10% | - | 20% |
| Coverage of tangible security coverage | 100% | - | 100% |
| Rating-wise distribution of rated loans | Un-rated | - | Un-rated |

The bank has not transferred (sell down) any loans not in default to entities during the year ended March 2025. (Previous year: Nil)

Details of stressed loans transferred during the year 2024-25 is as under –

| Particulars | To ARCs | To permitted transferees | To other transferees (please specify) |
|---|---|---|---|
| No of accounts | 1 | - | - |
| Aggregate principal outstanding of loans transferred | 50,000 | - | - |
| Weighted average residual tenor of the loans transferred (in months) | - | - | - |
| Net book value of loans transferred (at the time of transfer) | - | - | - |
| Aggregate consideration | 15,000 | - | - |
| Additional consideration realized in respect of accounts transferred in earlier years | - | - | - |

Pursuant to NCLT order 06 June 2024 and resolution plan submitted before NCLT, disclosure to the extent of amount assigned to ARCs is made. Entire consideration has been received in cash.

Details of stressed loans transferred as per resolution plan submitted in NCLT and by NCLT order during the year 2023-24:

| Particulars | To ARCs | To permitted transferees | To other transferees (please specify) |
|---|---|---|---|
| No of accounts | 2 | - | - |
| Aggregate principal outstanding of loans transferred | 554,734 | - | - |
| Weighted average residual tenor of the loans transferred (in months) | - | - | - |
| Net book value of loans transferred (at the time of transfer) | - | - | - |
| Aggregate consideration* | 59,908 | - | - |
| Additional consideration realized in respect of accounts transferred in earlier years | - | - | - |

Pursuant to NCLT order 11 August 2023 & resolution plan submitted before NCLT, disclosure to the extent of amount assigned to ARCs is made.

* Represents amount of SR's received by way of consideration.

Details of stressed loans transferred during the year 2023-24 is as under –

| Particulars | To ARCs | To permitted transferees | To other transferees (please specify) |
|---|---|---|---|
| No of accounts | 86 | 2 | - |
| Aggregate principal outstanding of loans transferred | 7,030,088 | 1,090,102 | - |
| Weighted average residual tenor of the loans transferred (in months) | - | - | - |
| Net book value of loans transferred (at the time of transfer) | 86,149 | 8,856 | - |
| Aggregate consideration | 1,026,280 | 100,000 | - |
| Additional consideration realized in respect of accounts transferred in earlier years | - | - | - |

The bank has not acquired any stressed loans during the year ended 31 March 2025 (Previous year: Nil)

The disclosure pertaining to banks investments in security receipts ('SRs') as on 31 March 2025 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 | - | - | - |
| | Provision held against (i) | - | - | - |
| 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) | | - | - | - |

The disclosure pertaining to banks investments in security receipts ('SRs') as on 31 March 2024 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 | 332,212 | 322,119 | 645,097 |
| | Provision held against (i) | (332,212) | (322,119) | (645,097) |
| 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) | | 332,212 | 322,119 | 645,097 |

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

**f. 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-25 | 31-Mar-24 |
|---|---|---|
| No. of frauds reported during the year | 694 | 3,986 |
| Amount involved in fraud | 214,366 | 214,529 |
| Amount involved in fraud net of recoveries / write-offs as at the end of the year | 140,693 | 72,435 |
| Provisions held as at the end of the year * | 126,626 | 57,300 |
| Amount of unamortised provision debited from "other reserves" as at the end of the year | - | - |

*No provisions have been created for certain frauds which are due to customer negligence and provision is restricted upto the total outflow of funds in case of circuitous transactions.

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

Movement in position of accounts where resolution plan is implemented under RBI Resolution Framework for Covid-19 related stress as per RBI circular dated 6 August, 2020 (Resolution Framework 1.0) during the half year ended 31 March, 2025.

| Type of borrower | Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at 30 September 2024 (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 2025** |
|---|---|---|---|---|---|
| Personal Loans | 44,422 | - | 26 | 2,767 | 41,629 |
| Corporate persons*# | 1,364,990 | - | - | 152,273 | 1,212,717 |
| Of which MSMEs | - | - | - | - | - |
| Others | - | - | - | - | - |
| Total | 1,409,412 | - | 26 | 155,040 | 1,254,346 |

* 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

#Represents non-fund based exposure

Movement in position of accounts where resolution plan is implemented under RBI Resolution Framework for Covid-19 related stress as per RBI circular dated 6 August, 2020 (Resolution Framework 1.0) during the half year ended 30 September, 2024.

| Type of borrower | Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at 01 April 2024 (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 30 Sep 2024** |
|---|---|---|---|---|---|
| Personal Loans | 58,129 | 6 | 20 | 13,680 | 44,422 |
| Corporate persons*# | 1,928,958 | - | - | 563,968 | 1,364,990 |
| Of which MSMEs | - | - | - | - | - |
| Others | - | - | - | - | - |
| Total | 1,987,087 | 6 | 20 | 577,648 | 1,409,412 |

* 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

#Represents fund and non-fund based exposure

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

Movement in position of accounts where resolution plan is implemented under RBI Resolution Framework for Covid-19 related stress as per RBI circular dated 6 August, 2020 (Resolution Framework 1.0) during the half year ended 31 March, 2024.

| Type of borrower | Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at 30 September 2023 (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 2024** |
|---|---|---|---|---|---|
| Personal Loans | 72,242 | - | 47 | 14,066 | 58,129 |
| Corporate persons*# | 4,402,917 | - | - | 2,473,959 | 1,928,958 |
| Of which MSMEs | - | - | - | - | - |
| Others | - | - | - | - | - |
| Total | 4,475,159 | - | 47 | 2,488,025 | 1,987,087 |

* 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

#Represents fund and non-fund based exposure

Movement in position of accounts where resolution plan is implemented under RBI Resolution Framework for Covid-19 related stress as per RBI circular dated 6 August, 2020 (Resolution Framework 1.0) during the half year ended 30 September, 2023.

| Type of borrower | Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at 1 April 2023 (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 30 September 2023** |
|---|---|---|---|---|---|
| Personal Loans | 81,334 | 32 | 59 | 9,002 | 72,242 |
| Corporate persons*# | 5,072,367 | - | - | 669,449 | 4,402,917 |
| Of which MSMEs | - | - | - | - | - |
| Others | - | - | - | - | - |
| Total | 5,153,701 | 32 | 59 | 678,451 | 4,475,159 |

* 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

#Represents fund and non-fund based exposure

**5. Exposures**

**a. Exposure to real estate sector**

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| **a) Direct Exposure** | **124,832,318** | **87,477,338** |
| (i) Residential Mortgages - | 50,104,037 | 37,715,007 |
| 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 for 31 March, 2025 is INR 5,299,944 thousand and for 31 March, 2024 is INR 3,644,468 thousand) | | |
| (ii) Commercial Real Estate - | 74,728,281 | 49,762,331 |
| 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; | | |
| (iii) Investments in Mortgage backed Securities (MBS) and other securitised exposures – | - | - |
| a. Residential, | - | - |
| b. Commercial Real Estate. | - | - |
| **b) Indirect Exposure** | **6,857,588** | **11,289,824** |
| Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs). | 6,857,588 | 11,289,824 |
| **Total Exposure to Real Estate Sector** | **131,689,906** | **98,767,162** |

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

**b. Exposure to Capital market**

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| (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 | 654,492 | 179,491 |
| (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 | - | - |
| (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 | - | 155,183 |
| (v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers | 10,100,000 | 14,000,000 |
| (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) | - | - |
| **Total Exposure to Capital Market** | **10,754,492** | **14,334,674** |

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

Provision for Country Risk Exposure is as follows:

| Risk Category | Exposure (net) as at 31 March 2025 | Provision held as at 31 March 2025 | Exposure (net) as at 31 March 2024 | Provision held as at 31 March 2024 |
|---|---|---|---|---|
| Insignificant | 127,586,048 | 92,782 | 21,091,499 | 14,338 |
| Low | 692,643 | - | 837,569 | - |
| Moderately Low | 35,440 | - | 19,351 | - |
| Moderate | - | - | - | - |
| Moderately High | 58,202 | - | 23,760 | - |
| High | 18,673 | - | 13,091 | - |
| Very High | - | - | - | - |
| **Total** | **128,391,006** | **92,782** | **21,985,270** | **14,338** |

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.

**d. Unsecured Advances**

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Total unsecured advances of the bank (Net) | 253,662,778 | 278,873,153 |
| Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority etc. have been taken | - | - |
| Estimated value of such intangible securities | - | - |

**e. Factoring Exposure**

Receivables acquired under factoring (gross) as on 31 March, 2025 amounts to INR 30,184,794 thousand (Previous year: INR 41,930,824 thousand).

**f. Intra-Group Exposures**

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Total amount of intra-group exposures* | 17,497,670 | 10,396,951 |
| Total amount of top-20 intra-group exposures | 17,497,670 | 10,396,951 |
| Percentage of intra-group exposures to total exposure* of the bank on borrowers /customers | 2.25% | 1.72% |
| 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 15 January, 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 12.23% 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 based on either self-declaration, internal audit or statutory audit. 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/2022-23/131 DOR.MRG.REC.76/00-00-007/2022-23 dated 11 October 2022 the details of incremental provisioning and capital held by the Bank are as below:

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Provision on account of UFCE | 302,124 | 393,662 |
| Incremental risk weighted assets on account of UFCE | 16,041,987 | 18,660,130 |

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

**a. Concentration of Deposits**

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Total Deposits of twenty largest depositors | 222,512,327 | 191,271,564 |
| Percentage of Deposits of twenty largest depositors to Total Deposits of the Bank | 26.71% | 24.08% |

**b. Concentration of Advances***

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Total Advances* # to twenty largest borrowers | 220,958,544 | 175,541,302 |
| Percentage of Advances* to twenty largest borrowers to Total Advances* of the Bank | 17.95% | 16.25% |

*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, London Clearing House and Clearing Corporation of India Limited exposures.

**c. Concentration of Exposures****

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Total Exposure** # to twenty largest borrowers/customers | 247,562,038 | 176,541,011 |
| Percentage of Exposures** to twenty largest borrowers / customers to Total Exposure** of the Bank on borrowers / customers | 18.82% | 15.59% |

**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, London Clearing House and Clearing Corporation of India Limited exposures.

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

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Total Exposure to the top twenty Gross NPA accounts* | 8,938,762 | 10,539,164 |
| Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs | 58.11% | 58.79% |

*Gross NPA represents outstanding balances

**7. Derivatives**

**a. Forward Rate Agreements / Interest Rate Swaps**

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

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Notional principal of Interest Rate Swaps/Forward Rate Agreements (FRAs) | 17,756,888,028 | 12,627,518,425 |
| Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | 51,610,109 | 42,175,122 |
| Collateral required by the bank upon entering into swaps | - | - |
| Concentration of credit risk arising from the swaps (exposure to banking industry) | 5.32% | 10.43% |
| The fair value of the swap book (liability) / asset | (3,080,092) | 431,529 |

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:

DBS

DBS Bank India Limited

| Benchmark | Terms | 31-Mar-25 | | 31-Mar-24 | |
|---|---|---|---|---|---|
| | | Nos. | Notional Principal | Nos. | Notional Principal |
| IN1 MIFOR 6M | Pay Fixed Receive Floating | 36 | 18,150,000 | 104 | 51,650,000 |
| IN1 MIFOR 6M | Receive Fixed Pay Floating | 26 | 13,450,000 | 83 | 48,150,000 |
| IN1 OIS1YCMP | Pay Fixed Receive Floating | 1,509 | 2,610,384,586 | 1,623 | 2,171,675,592 |
| IN1 OIS1YCMP | Receive Fixed Pay Floating | 1,453 | 2,349,233,727 | 1,547 | 2,219,936,686 |
| IN1 OIS 6M COM | Pay Fixed Receive Floating | 7,828 | 3,357,336,560 | 6,217 | 2,521,212,396 |
| IN1 OIS 6M COM | Receive Fixed Pay Floating | 7,350 | 3,250,895,196 | 5,849 | 2,414,070,465 |
| USD BS LIBOR 3M | Pay Floating Receive Floating | 1 | 296,153 | 2 | 1,533,110 |
| USD LIBOR 1M | Receive Fixed Pay Floating | 4 | 223,183 | 7 | 532,904 |
| USD LIBOR 3M | Pay Fixed Receive Floating | 3 | 21,417,385 | 8 | 52,420,460 |
| USD LIBOR 3M | Receive Fixed Pay Floating | 6 | 296,916 | 10 | 3,397,780 |
| USD LIBOR 6M | Pay Fixed Receive Floating | 2 | 34,190,000 | 2 | 33,362,000 |
| USD LIBOR 6M | Receive Fixed Pay Floating | 5 | 7,439,491 | 10 | 13,514,699 |
| EUR EURIBOR 6M | Pay Fixed Receive Floating | 2 | 5,525,400 | 1 | 898,775 |
| EUR EURIBOR 6M | Receive Fixed Pay Floating | 2 | 5,525,400 | 1 | 898,775 |
| IGB7.4 09/35 | Pay Fixed Receive Fixed | - | - | 1 | 227,170 |
| IGB7.88 190330S | Pay Fixed Receive Fixed | 3 | 1,240,912 | 5 | 1,621,892 |
| IGB8.24 101133S | Pay Fixed Receive Fixed | 3 | 1,119,950 | 4 | 1,252,140 |
| IGB7.16 200950S | Pay Fixed Receive Fixed | 5 | 371,480 | 7 | 465,430 |
| EUR EURIBOR 3M | Pay Fixed Receive Floating | 1 | 1,002,860 | 1 | 898,775 |
| EUR EURIBOR 3M | Receive Fixed Pay Floating | 1 | 1,002,860 | 1 | 898,775 |
| USD SOFR 1YR | Pay Fixed Receive Floating | 1,061 | 2,183,706,907 | 678 | 1,207,716,151 |
| USD OIS 1YR | Receive Fixed Pay Floating | 2 | 2,671,094 | 2 | 2,606,406 |
| IGB6.22 160335S | Pay Fixed Receive Fixed | 1 | 239,400 | 2 | 1,177,400 |
| USD SOFR 1YR | Receive Fixed Pay Floating | 1,007 | 2,044,652,506 | 654 | 1,229,732,901 |
| EUR ESTR A 1Y | Pay Fixed Receive Floating | 13 | 2,434,880 | 8 | 1,713,891 |
| EUR ESTR A 1Y | Receive Fixed Pay Floating | 15 | 2,866,137 | 8 | 1,713,891 |
| IGB6.64 160635S | Pay Fixed Receive Fixed | 7 | 4,829,520 | 12 | 9,405,198 |
| USD BS SOFR LIB | Pay Floating Receive Floating | 8 | 20,565,998 | 14 | 35,140,866 |
| IGB6.67 151235S | Pay Fixed Receive Fixed | - | - | 1 | 306,820 |
| IGB8.17 011244S | Pay Fixed Receive Fixed | 6 | 1,546,200 | 1 | 1,000,000 |
| USD SOFR 1YR | Pay Floating Receive Floating | 23 | 168,060,505 | 18 | 141,741,608 |
| IN1 OIS6M COM NEW | Pay Fixed Receive Floating | - | - | 1 | 818,424 |
| IN1 MODMIFOR 6M CMP | Pay Fixed Receive Floating | 193 | 154,950,000 | 263 | 204,800,000 |
| SGD BS SORA SOR | Pay Floating Receive Floating | - | - | 1 | 4,449,550 |
| IN1 MODMIFOR 6M CMP | Receive Fixed Pay Floating | 96 | 64,200,000 | 157 | 106,850,000 |
| IGB8.13 220645S | Pay Fixed Receive Fixed | 7 | 1,067,640 | 7 | 1,067,640 |
| IGB7.54 230536S | Pay Fixed Receive Fixed | 10 | 4,920,860 | 19 | 9,458,570 |
| IGB6.95 1261 | Pay Fixed Receive Fixed | 14 | 4,400,000 | 17 | 5,350,000 |
| IGB7.36 120952S | Pay Fixed Receive Fixed | 23 | 7,100,000 | 25 | 8,250,000 |
| IGB8.30 12/42S | Pay Fixed Receive Fixed | 1 | 750,000 | 1 | 750,000 |
| IN1 OIS3MFIX FBIL | Pay Fixed Receive Floating | 2 | 11,500,000 | 15 | 22,379,262 |
| IGB7.40 190962S | Pay Fixed Receive Fixed | 17 | 4,100,000 | 17 | 4,100,000 |
| IGB7.41 191236S | Pay Fixed Receive Fixed | 7 | 7,950,000 | 8 | 8,650,000 |
| INR CMP6M ND | Pay Fixed Receive Floating | 20 | 42,202,000 | 3 | 4,250,000 |
| INR CMP6M ND | Receive Fixed Pay Floating | 27 | 69,032,000 | 4 | 5,250,000 |

| Benchmark | Terms | 31-Mar-25 | | 31-Mar-24 | |
|---|---|---|---|---|---|
| | | Nos. | Notional Principal | Nos. | Notional Principal |
| SGD SORA OIS | Pay Floating Receive Floating | 2 | 1,155,275 | 1 | 1,119,461 |
| IGB7.69 170643 | Pay Fixed Receive Fixed | 1 | 900,000 | 1 | 900,000 |
| IGB8.83 12/41S | Pay Fixed Receive Fixed | - | - | 1 | 600,000 |
| IGB7.25 120663S | Pay Fixed Receive Fixed | 30 | 8,303,000 | 33 | 9,203,000 |
| IGB7.46 061173S | Pay Fixed Receive Fixed | 19 | 6,450,000 | 19 | 6,450,000 |
| IGB7.30 190653S | Pay Fixed Receive Fixed | 11 | 4,211,400 | 12 | 4,711,400 |
| IGB7.18 240737S | Pay Fixed Receive Fixed | 11 | 3,750,000 | 13 | 4,572,900 |
| INR CMP1Y ND | Pay Fixed Receive Floating | 10 | 132,850,000 | 1 | 4,360,000 |
| USD SOFR CME 3M | Pay Floating Receive Floating | 11 | 59,832,500 | 4 | 33,362,000 |
| EUR OIS 1YR | Pay Fixed Receive Floating | 4 | 3,028,195 | 1 | 2,471,631 |
| EUR OIS 1YR | Receive Fixed Pay Floating | 2 | 2,596,938 | 1 | 2,471,631 |
| IGB7.34 220464 | Pay Fixed Receive Fixed | 44 | 27,534,300 | - | - |
| IN1 MODMIFOR PD 2BD | Receive Fixed Pay Floating | 383 | 338,300,000 | - | - |
| IN1 MODMIFOR PD 2BD | Pay Fixed Receive Floating | 428 | 329,250,000 | - | - |
| USD SOFR CME 3M | Receive Fixed Pay Floating | 4 | 12,821,250 | - | - |
| IGB7.09 251174S | Pay Fixed Receive Fixed | 15 | 8,108,100 | - | - |
| IGB7.09 050854 | Pay Fixed Receive Fixed | 1 | 750,000 | - | - |
| IGB7.23 150439 | Pay Fixed Receive Fixed | 5 | 1,000,000 | - | - |
| JPY OIS 1YR | Receive Fixed Pay Floating | 1 | 8,500,557 | - | - |
| JPY OIS 1Y | Receive Fixed Pay Floating | 1 | 14,802,125 | - | - |
| JPY OIS 1YR | Pay Fixed Receive Floating | 2 | 23,302,682 | - | - |
| INR CMP1Y ND | Receive Fixed Pay Floating | 8 | 286,594,000 | - | - |
| **Grand Total** | | **21,793** | **17,756,888,028** | **17,506** | **12,627,518,425** |

**b. Exchange Traded Interest Rate Derivatives**

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| (i) Notional principal amount of exchange traded interest rate derivatives undertaken during the year: | | |
| NSE 10Y 7.10% | 20,191 | - |
| NSE 10Y 7.26% | - | 1,590,906 |
| (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 India Market Risk Management Policy, Standard and Guide as approved by the Risk Committees.

The Bank has a Credit Control Group (CCG) which is responsible for setting up counterparty limits for all transactions including derivatives on the basis of the counter-party's control structure. In addition, the Bank independently evaluates the Potential Credit Exposure ('PCE') on account of all derivative transactions, wherein limits are separately specified by product and tenor.

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, while the Risk Control limits by way of sensitivities to interest rates (IR PV01), FX (FX Delta and FX Vega), 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 local 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 risk control limits at entity level are granular business level sensitivity limits for interest rates at desk / trader book & tenor levels for each currency and for FX at desk / trader book level for each currency.

Quantitative Disclosures

| Sr. No | Particular | 31-Mar-25 Currency Derivatives # | 31-Mar-25 Interest Rate Derivatives@ | 31-Mar-24 Currency Derivatives # | 31-Mar-24 Interest Rate Derivatives@ |
|---|---|---|---|---|---|
| **1** | **Derivatives (Notional Principal Amount)** | | | | |
| (a) | - For Hedging ** | - | - | 12,510,750 | - |
| (b) | - For Trading | 5,895,915,798 | 17,756,888,028 | 4,240,884,433 | 12,627,518,425 |
| **2** | **Marked to Market Positions** | | | | |
| (a) | - Asset | 45,668,661 | 51,610,109 | 18,606,379 | 42,175,122 |
| (b) | - Liability | 52,394,986 | 54,690,201 | 25,170,424 | 41,743,593 |
| **3** | **Credit Exposure** | 263,037,813 | 194,185,286 | 148,045,072 | 141,874,834 |
| **4** | **Likely impact of 1% change in interest rates (100*PV01)** | | | | |
| (a) | - On Hedging Derivatives ** | - | - | 2,167 | - |
| (b) | - On Trading Derivatives | (5,479,355) | 19,203,014 | (2,610,794) | 13,111,025 |
| **5** | **Maximum and Minimum of 100*PV01 observed during the year** | | | | |
| (a) | - On Hedging ** : | | | | |
| | Maximum | - | - | 24,134 | - |
| | Minimum | - | - | 621 | - |
| (b) | - On Trading : | | | | |
| | Maximum | (2,357,989) | 19,916,511 | (888,200) | 13,944,387 |
| | Minimum | (5,779,152) | 12,415,909 | (2,629,922) | 7,706,232 |

# 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 2025 (Previous year: Nil).

**8. Disclosures relating to securitisation**

During the year, the Bank has not entered into any securitisation transactions as an 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 2025. (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 30 August, 2021, there is transfer to and claim from DEAF during the year. Accordingly, the disclosures on DEAF are as below:

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Opening balance of amounts transferred to DEAF | 1,120,994 | 1,007,893 |
| Add : Amounts transferred to DEAF during the year | 136,210 | 127,799 |
| Less : Amounts reimbursed by DEAF towards claims during the year | 8,121 | 14,698 |
| Closing balance of amounts transferred to DEAF | 1,249,083 | 1,120,994 |

The closing balance of the amount transferred to DEA Fund, as disclosed above, are also included under 'Schedule 12 - Contingent Liabilities - Other items for which the bank is contingently liable.

**11. Disclosure of Complaints**

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

**(A) Complaints**

| Sr. No. | | Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|---|
| 1. | | No. of complaints pending at the beginning of the year | 349 | 837 |
| 2. | | No. of complaints received during the year | 31,431 | 15,074 |
| 3. | | No. of complaints disposed during the year | 30,038 | 15,562 |
| | 3.1 | Of which, number of complaints rejected by the Bank | 3,109 | 2,925 |
| **4.** | | **No. of complaints pending at the end of the year** | **1,742** | **349** |
| 5. | | Maintainable complaints received by the Bank from Office of Ombudsman | 476 | 668 |
| | 5.1 | of 5, number of complaints resolved in favour of the Bank by Office of Ombudsman | 190 | 280 |
| | 5.2 | of 5, number of complaints resolved through conciliation / mediation / advisories issued by Office of Ombudsman | 286 | 388 |
| | 5.3 | of 5, number of complaints resolved after passing of awards by Office of Ombudsman against the Bank | - | - |
| 6. | | Number of Awards unimplemented within the stipulated time (other than those appealed) | - | - |

**(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 5, no. of complaints pending beyond 30 days |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| Credit Cards | 78 | 14,684 | 220.96% | 854 | 321 |
| ATM/Debit Cards | 23 | 4,215 | -20.02% | 60 | 15 |
| Internet/Mobile/Electronic Banking | 46 | 3,219 | 228.80% | 281 | 121 |
| Loans and advances | 33 | 2,309 | 382.05% | 172 | 18 |
| Account opening/difficulty in operation of accounts | 21 | 2,680 | 507.71% | 88 | 8 |
| Others | 148 | 4,324 | 29.85% | 287 | 35 |
| **Total (FY 2024-25)** | **349** | **31,431** | **108.51%** | **1,742** | **518** |
| Credit Cards | 145 | 4,575 | 34.24% | 78 | 0 |
| ATM/Debit Cards | 99 | 5,270 | -10.02% | 23 | 1 |
| Internet/Mobile/Electronic Banking | 112 | 979 | 19.68% | 46 | 0 |
| Loans and advances | 40 | 479 | 72.92% | 33 | 3 |
| Account opening/difficulty in operation of accounts | 23 | 441 | 125.00% | 21 | 0 |
| Others | 418 | 3,330 | 114.56% | 148 | 5 |
| **Total (FY 2023-24)** | **837** | **15,074** | **24.50%** | **349** | **9** |

**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 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 first to fourth year (25%, 25%, 25% and 25% 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.

**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.**

Seven meetings of Nomination & Remuneration Committee ("NRC") were held during the year ended 31 March 2025 (Previous year: Six 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.**

17 employees (Previous year: 16) received variable remuneration award during the year.

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

3 employees were offered sign-on awards of INR 45,963 thousand during the year ended 31 March 2025 (Previous year: 1 employee was offered INR 40,940 thousand).

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

Nil (Previous year: Nil).

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

Nil during the year ended 31 March 25 (Previous year: Nil).

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

Deferred Cash – INR 252,658 thousand (Previous year: INR 178,918 thousand)

Shares, outstanding RSPs as at 31 March 2025 – 201,873 units (Previous year: 217,137 units)

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

An amount of INR 252,876 thousand (Previous year: INR 175,575 thousand) during the year ended 31 March 2025

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

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Fixed remuneration | 473,480 | 424,480 |
| Variable remuneration | 534,143 | 487,975 |
| - Deferred remuneration | 338,127 | 308,901 |
| - Non-deferred remuneration | 196,016 | 179,074 |

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 25. (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 25. (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 25. (Previous year: Nil)

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

The Bank has identified 19 MRTs (Previous year: 16 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 – 28 times (Previous year: 31 times)

Whole Time Director & Head Legal, Compliance and Secretariat – 9 times (Previous year: 9 times)

**14. Other Disclosures**

**a. Business Ratios**

| | Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| i | Interest Income to working funds | 7.18% | 6.90% |
| ii | Non-interest income to working funds | 1.57% | 1.39% |
| iii | Cost of Deposits | 5.67% | 5.28% |
| iv | Net Interest Margin | 2.70% | 2.75% |
| v | Operating profits to working funds | 1.00% | 0.63% |
| vi | Return on Assets | 0.53% | 0.33% |
| vii | Business (deposits plus advances) per employee | 188,531 | 191,323 |
| viii | Net Profit per employee | 932 | 543 |

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

**b. Bancassurance business**

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| For selling life Insurance policies | 811,326 | 675,607 |
| For selling non-life Insurance policies (including health) | 34,911 | 31,643 |
| Total | 846,237 | 707,250 |

**c. Marketing and distribution**

The Bank has received an amount of INR 326,015 thousand as fees/remuneration in respect of the marketing and distribution function (excluding bancassurance business) during the year ended 31 March 2025 (Previous Year: INR 275,564 thousand).

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

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| **PSLC purchased during the year** | | |
| (i) PSLC – Agriculture | 19,050,000 | 30,000,000 |
| (ii) PSLC – SF/MF | 5,000,000 | - |
| (iii) PSLC – Micro Enterprises | - | 5,000,000 |
| (iv) PSLC – General | 10,000,000 | - |
| **Total** | **34,050,000** | **35,000,000** |
| **PSLC sold during the year** | | |
| (i) PSLC – Agriculture | - | - |
| (ii) PSLC – SF/MF | 14,000,000 | 25,000,000 |
| (iii) PSLC – Micro Enterprises | - | - |
| (iv) PSLC – General | - | - |
| **Total** | **14,000,000** | **25,000,000** |

**e. Provisions and contingencies**

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Provision debited to Profit and Loss Account* | | |
| i) Provisions for NPI | (325,519) | 649,980 |
| ii) Provision towards NPA | 2,551,178 | 398,563 |
| iii) Provision for tax (net of Deferred Tax) | 3,609,924 | 2,235,839 |
| iv) Other Provisions and Contingencies ** | 301,033 | 63,401 |

* 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 provisons, Unhedged Foreign Currency Exposure, Country Risk provisions and others.

**f. Implementation of IFRS converged Indian Accounting Standards (IndAS)**

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 vide notification dated 22 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 2024 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-25 | 31-Mar-24 |
|---|---|---|
| Payment of DICGC Insurance Premium (including GST) | 1,208,807 | 892,021 |
| 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 11 November, 2020 and as such there is no additional liability on account of revision in family pension.

**18. B Other Disclosure**

**1. Sector-wise Gross NPAs**

| Sector | Percentage of NPAs to Total Advances in that sector | |
|---|---|---|
| | 31-Mar-25 | 31-Mar-24 |
| Agriculture and allied activities | 0.82% | 0.61% |
| Industry (Micro & small, Medium and Large) | 3.89% | 4.68% |
| Services | 2.70% | 4.43% |
| Personal Loans | 1.86% | 1.05% |

**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 |
|---|---|---|
| 2024-25 | 3 | 102,446 |
| 2023-24 | 3 | 105,293 |

**3. Provision for Standard Assets and Derivatives**

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| General Loan Loss Provision on Standard Assets (Includes Provision on UFCE) | 2,802,873 | 2,793,332 |
| General Provision on Credit Exposures on Derivatives | 389,115 | 220,645 |

**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-25 | 31-Mar-24 |
|---|---|---|
| **Deferred tax assets (A):** | **7,353,972** | **10,897,592** |
| - Depreciation on fixed assets | 178,605 | 140,505 |
| - Provision on advances | 4,123,191 | 5,042,636 |
| - Disallowance u/s 43B of Income Tax Act 1961 | 222,902 | 192,067 |
| - Provision for employee benefits | 169,528 | 261,111 |
| - Amortization of fee income | 95,902 | 85,443 |
| - Carry forward Income tax losses | 634,201 | 3,621,781 |
| - Provision for country risk, outside SDR cases and contingent credit | 25,517 | 5,250 |
| - Accounting Standard 19 Straight lining | 19,242 | 16,408 |
| - Others | 1,884,884 | 1,532,391 |
| **Deferred tax liabilities (B):** | **(262,008)** | **-** |
| - MTM on investments (AFS reserves) | (262,008) | - |
| **Net Deferred tax assets (A-B)** | **7,091,964** | **10,897,592** |

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 repaid Subordinated Debt of USD 150 Million (Previous Year – Nil). The Bank has raised Subordinated debt of USD 250 Million 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 30 August, 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.

Funding Management Unit (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 also includes 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.

The Digital Banking segment represents business by Digital Banking Unit ('DBU') which provide banking services through digital modes/channels. DBU is catered to provide services like account opening, term deposits, fund transfer, cash withdrawal, distribution of other financial products and other banking services. Revenue of the DBU comprise of fees from services rendered. Expenses of this segment primarily comprises of interest expense on saving accounts, deposits, infrastructure and premises expenses for operating the DBU and other direct overheads of DBU 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 07 April, 2022 mandated all banks to disclose 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 into (i) Digital Banking Unit (DBU) and (ii) Other Retail Banking. During the year ended 31 March, 2024, the Bank had commenced DBU operations and the segment information related to the said DBU is disclosed below.

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 | | Digital Banking Unit | Other Retail Banking | | |
| Segmental Revenue | 44,506,356<br>(35,812,677) | 97,102,999<br>(74,131,652) | 77,041,739<br>(66,749,149) | -<br>(-) | 47,504,559<br>(35,150,293) | 1,172,289<br>(1,179,109) | 267,327,942<br>(213,022,880) |
| Less: Intersegmental Revenue | | | | | | | 154,007,004<br>(119,183,541) |
| Unallocated Income | | | | | | | -<br>(-) |
| Total Revenue | | | | | | | 113,320,938<br>(93,839,339) |
| Results | 4,951,728<br>(1,279,422) | 6,195,329<br>(2,989,519) | 10,168,385<br>(9,288,229) | (2,485)<br>(-810) | (10,348,884)<br>(-7,047,929) | 1,172,289<br>(1,179,108) | 12,136,362<br>(7,687,539) |
| Unallocated expenses | | | | | | | 1,683,315<br>(1,683,315) |
| Profit / Loss before tax and extraordinary items | | | | | | | 10,453,047<br>(6,004,224) |
| Tax | | | | | | | 3,609,924<br>(2,235,839) |
| **Net Profit after Tax** | | | | | | | 6,843,123<br>(3,768,385) |

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 | | Digital Banking Unit | Other Retail Banking | | |
| Segment Assets | 278,919,224<br>(230,242,296) | 63,303,743<br>(61,985,554) | 734,822,021<br>(694,994,891) | 116<br>(180) | 309,958,511<br>(297,816,242) | -<br>(-) | 1,387,003,615<br>(1,285,039,163) |
| Unallocated Assets | | | | | | | 12,503,735<br>(19,515,904) |
| **Total Assets** | | | | | | | 1,399,507,350<br>(1,304,555,067) |
| Segment Liabilities | 245,384,536<br>(251,510,130) | 78,431,561<br>(70,824,112) | 598,429,015<br>(556,776,857) | 3,411<br>(990) | 342,459,331<br>(299,654,991) | -<br>(-) | 1,264,707,854<br>(1,178,767,080) |
| Unallocated Liabilities* | | | | | | | 134,799,496<br>(125,787,987) |
| **Total Liabilities** | | | | | | | 1,399,507,350<br>(1,304,555,067) |

(Figures in brackets and italics indicate Previous year numbers)

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

*Includes Capital and Reserve & Surplus

**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**

- DBS Bank Ltd., London
- DBS Bank Ltd., Taipei
- DBS Bank Ltd., Hong Kong
- DBS Bank Ltd., GIFT City
- DBS Bank Ltd., Australia
- DBS Bank Ltd., UAE
- DBS Bank Ltd., Vietnam

**Subsidiaries of Parent**

- DBS Bank (Hong Kong) Limited
- DBS Bank (Taiwan) Ltd.
- DBS Bank (China) Limited
- PT Bank DBS Indonesia
- DBS Technology Services India Private Limited

**Employee Trusts**

- DBS Bank Employees' Provident Fund Trust
- DBS India Branches Employees' Group Gratuity Scheme
- DBS (eLVB) Employees' Pension Trust
- Lakshmi Vilas Bank Provident Fund Trust (applicable only for the year ended 31 March 2024)

**Key Management Personnel**

- Mr. Surojit Shome: Managing Director & Chief Executive Officer (CEO) (Retired from end of business day 28 February 2025).
- Mr. Rajat Verma: Managing Director & Chief Executive Officer (CEO) (effective 1 March 2025).
- Mr. Rajesh Prabhu: Whole Time Director (WTD) & Chief Financial Officer (Ceases from the position of WTD effective 29 August 2023)
- Mr. Prabhat Gupta: Whole Time Director (appointed WTD effective 11 January, 2024)

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

Balances and transaction with related parties as at 31 March 2025 is given below:

| Items / Related Party | Branches of Parent | Subsidiaries of Parent | Employee Trusts | Total |
|---|---|---|---|---|
| Deposit | 51,357 | 3,773,157 | 230,656 | **4,055,170** |
| | (3,227,401) | (20,343,584) | (950,601) | **(24,521,586)** |
| Placement of Deposits | 32,897 | 5,208 | - | **38,105** |
| | (829,078) | (55,889) | - | **(884,967)** |
| Borrowings | - | 6,300,000 | - | **6,300,000** |
| | - | (6,300,000) | - | **(6,300,000)** |
| Guarantees / Derivatives / Forward Contracts | 11,781,910 | 140,239,202 | - | **152,021,112** |
| | (11,830,560) | (145,882,680) | - | **(157,713,240)** |
| Other assets | 284,432 | 64 | - | **284,496** |
| Other liabilities | - | 132,216 | 374 | **132,590** |
| Interest paid | - | 592,315 | 11,424 | **603,739** |
| Interest received | 927 | - | - | **927** |
| Rendering of services * | 995,047 | 826 | - | **995,873** |
| Receiving of services | 227 | 275 | - | **502** |
| Purchase of fixed assets | - | - | - | **-** |

(Figures in brackets indicate maximum outstanding during the year)

* (excludes Goods and Service Tax)

Balances and transaction with related parties as at 31 March 2024 is given below:

| Items / Related Party | Branches of Parent | Subsidiaries of Parent | Employee Trusts | Total |
|---|---|---|---|---|
| Deposit | 13,768 | 7,641,847 | 423,386 | 8,079,001 |
| | (245,540) | (13,151,086) | (756,089) | (14,152,715) |
| Placement of Deposits | 3,124 | 11,482 | - | 14,606 |
| | (574,367) | (29,972) | - | (604,339) |
| Borrowings | - | - | - | - |
| | - | - | - | - |
| Guarantees / Derivatives / Forward Contracts | 363,327 | 106,501,202 | - | 106,864,529 |
| | (464,095) | (754,483,918) | - | (754,948,013) |
| Other assets | 220,891 | 39 | - | 220,930 |
| Other liabilities | 111 | 55,821 | 330 | 56,262 |
| Interest paid | - | 420,469 | 16,665 | 437,134 |
| Interest received | 700 | - | - | 700 |
| Rendering of services * | 245,748 | 431 | - | 246,179 |
| Receiving of services | 325 | 157 | - | 482 |
| Purchase of fixed assets | - | 560 | - | 560 |

(Figures in brackets indicate maximum outstanding during the year)

* (excludes Goods and Service Tax)

| Key Management Personnel (KMP) | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Deposits | 11,773 | 196,251 |
| | (204,364) | (198,248) |
| Interest paid | 9,283 | 2,167 |
| Remuneration Paid to Key Management Personnel* | 170,345 | 149,957 |

(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.

In accordance with paragraph 5 of AS-18, the bank has not disclosed transactions with relatives of Key Management Personnel as they are 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 Private Limited INR 3,773,025 thousand (Previous year: INR 7,641,715 thousand).

**Placement of Deposits:**

Nostro deposit was placed with DBS Bank Ltd., Hong Kong foreign currency equivalent of INR 32,897 thousand (Previous year: INR 3,124 thousand) and with DBS Bank (Hongkong) Limited foreign currency equivalent of INR 5,208 thousand (Previous year: INR 11,482 thousand).

**Borrowings:**

Issue of Additional Tier 1 capital instrument to DBS Technology Services India Private Limited INR 6,300,000 thousand (Previous year: Nil).

**Guarantees / Derivatives / Forward Contracts:**

Guarantees/Derivatives Deals of DBS Bank (Hong Kong) Limited foreign currency equivalent of INR 137,018,251 thousand (Previous year: INR 103,895,979 thousand).

**Other liabilities:**

Other liabilities include accrued interest payable on AT1 bonds and term deposit payable to DBS Technology Services India Private Limited amounting to INR 131,811 thousand (Previous year: INR 55,511 thousand).

**Other assets:**

Other assets include receivable on account of income for the services provided to DBS Bank Ltd., GIFT City foreign currency equivalent of INR 284,432 thousand (Previous year: INR 220,891 thousand).

**Interest paid:**

Interest paid on AT1 bonds and term deposits to DBS Technology Services India Private Limited INR 592,315 thousand (Previous year: INR 420,469 thousand).

**Interest received:**

Interest on other deposit received from DBS Bank Ltd., Hongkong is INR 927 thousand (Previous year: INR 700 thousand).

**Rendering of Services:**

Service fee income from DBS Bank Ltd., GIFT City foreign currency equivalent of INR 994,443 thousand (Previous year: INR 245,435 thousand).

**Receiving of Services:**

Nostro charges paid to DBS Bank Ltd., Hongkong of INR 165 thousand (Previous year: INR 130 thousand), Nostro charges paid to DBS Bank (Hong Kong) Limited of INR 230 thousand (Previous year: INR 157 thousand) and Guarantee commission paid to DBS Bank Ltd., Australia of INR 23 thousand (Previous year: INR 195 thousand).

**Purchase of fixed assets:**

During the year the Bank has not purchased fixed assets from related parties. (Previous year: from DBS Technology Services India Private Limited INR 560 thousand)

**Remuneration paid to Key Managerial Personnel:**

Gross earnings, perquisites and variable pay granted to the CEO and the Whole Time Directors 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:

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Not later than one year | 435,610 | 378,809 |
| Later than one year and not later than 5 years | 419,481 | 683,896 |
| Later than five years | - | 1,560 |

The lease payments for the year ended 31 March 2025 charged to the Profit and Loss Account amount to INR 1,379,967 thousand (Previous year: INR 1,324,611 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-25 | 31-Mar-24 |
|---|---|---|
| Net profit after tax | 6,843,123 | 3,768,385 |
| Weighted average number of equity shares outstanding | 8,105,197,427 | 7,512,544,814 |
| Nominal Value per share in INR | 10 | 10 |
| Basic and diluted earnings per share in INR | 0.84 | 0.50 |

11. **Employee Benefits**

**Provident Fund:** The Bank's contribution to the Employees' Provident Fund during the year was INR 662,994 thousand (Previous year: INR 551,107 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 2025 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 2025 based on actuarial valuation is 62,596 Thousand (Previous year: Nil).

| (I) | Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| A | Value of the Interest Rate Guarantee | 126,590 | 106,234 |
| B | Accumulated Balance in the Provident Fund | 8,595,525 | 7,786,568 |
| C | Present Value of the Obligation (A+B) | 8,722,115 | 7,892,802 |
| D | Carrying Value of Plan Assets | 8,659,519 | 7,934,851 |
| E | **Liability recognized in the Balance Sheet (C – D)** | **62,596** | **-** |

| (II) | Changes in Defined Benefit Obligation during the Year | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Opening Defined Benefit Obligation (DBO) | 7,786,568 | 6,587,088 |
| | Current Service Cost (Employer's Contribution) | 602,135 | 551,998 |
| | Plan Participants' (Employees') Contribution | 674,134 | 626,465 |
| | Transfer-in from other Provident Funds | 254,876 | 418,228 |
| | Transfer-out to other liabilities | (3,778) | (422) |
| | Change in deficit/ miscellaneous amendment | (103,390) | (181,494) |
| | Interest Credited | 618,974 | 540,826 |
| | Benefits Paid | (1,125,852) | (721,957) |
| | Non-refundable loans granted | (19,543) | (20,761) |
| | Change in inoperative account dues | (88,599) | (13,403) |
| | **Closing Defined Benefit Obligation** | **8,595,525** | **7,786,568** |

| (III) | Changes in fair value of Plan Assets | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Opening Fair Value of Plan Assets | 7,934,851 | 6,633,790 |
| | Employer's Contribution | 602,135 | 551,998 |
| | Plan Participants' (Employees') Contribution | 674,134 | 626,465 |
| | Expected Return on Plan Assets | 615,031 | 565,225 |
| | Actuarial gain/ (loss) | (275,336) | (117,516) |
| | Change in assets/ miscellaneous amendment | (2,412) | 3,401 |
| | Transfer-in from other Provident Funds | 254,876 | 418,228 |
| | Transfer-out to other liabilities | (3,778) | (422) |
| | Benefits Paid | (1,125,852) | (721,957) |
| | Non-refundable loans granted/(refunded) | (19,543) | (26,887) |
| | Provision for Non-Performing Assets | 5,413 | 2,526 |
| | Impermissible assets | - | - |
| | Closing Fair Value of Plan Assets | 8,659,519 | 7,934,851 |
| | Estimated Employer Contributions for the next year | 650,000 | 600,000 |
| | Actual Return on Plan Assets | 339,695 | 447,709 |

| (IV) | Amount recognized in the Profit and Loss Account | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Current Service Cost (Employer's Contribution) | 602,135 | 551,998 |
| | Cost of Interest Rate Guarantee | 62,596 | (7,810) |

| (V) | Asset Information | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Government Securities and related investments | 50.54% | 58.17% |
| | Debt Instruments and related investments (including short-term bonds) | 42.66% | 35.27% |
| | Equities and related investments | 6.79% | 6.56% |
| | Special Deposit | 0.01% | 0.00% |
| | Total | 100.00% | 100.00% |

| (VI) | Experience adjustments | FY25 | FY24 | FY23 | FY22 | FY21 |
|---|---|---|---|---|---|---|
| | Present Value of DBO (incl. cost of guarantee) | 8,722,115 | 7,892,802 | 6,626,389 | 5,490,034 | 5,170,126 |
| | Fair Value of Plan Assets | 8,659,519 | 7,934,851 | 6,633,790 | 5,727,266 | 5,200,180 |
| | Funded Status [Surplus/ (Deficit)] | (62,596) | 42,049 | 7,401 | 237,232 | 30,054 |
| | Experience Adjustment on Plan Liabilities: (Gain)/ Loss | - | - | | - | - |
| | Experience Adjustment on Plan Assets: Gain/ (Loss) | (275,336) | (117,519) | (54,940) | (54,845) | 62,550 |

| (VII) | Principal Actuarial Assumptions | DBIL | | eLVB | |
|---|---|---|---|---|---|
| | | 31-Mar-25 | 31-Mar-24 | 31-Mar-25 | 31-Mar-24 |
| I | Discount rate for the term of the obligation | 6.4%pa | 7.0%pa | NA* | 7.0%pa |
| II | Average historical yield on the investment portfolio | 7.7%pa | 8.1%pa | NA* | 7.9%pa |
| III | Expected Investment Return | 8.0%pa | 8.1%pa | NA* | 7.9%pa |
| IV | Guaranteed Rate of Return | 8.3%pa | 8.3%pa | NA* | 8.3%pa |
| V | Salary escalation rate for the term of the obligation | 6.0% pa | 8.0%pa | NA* | 8.0%pa |
| VI | Withdrawal Rate | 15.0%pa | 15.0%pa | NA* | 15.0%pa |
| VII | Weighted average duration of the obligation | 4.5 years | 5 years | NA* | 5 years |

*During FY 2024-25, the DBS Bank PF Trust received the appropriate Income-tax Authority's approval to the deed of amalgamation of the erstwhile Lakshmi Vilas Bank's PF Trust with DBS Bank PF Trust with effect from 1 October, 2022. Accordingly, the interest rate guarantee liability as of 31 March, 2025 is determined from the resultant merger of assets and liabilities into the consolidated DBS Bank PF Trust.

The estimate of future salary increase considered in actuarial valuation takes account an employee's seniority, promotion and other factors as well as inflation.

Compensated Absences: The Bank has released an amount of INR 11,431 thousand through Profit and Loss Account towards provision for compensated absences during the year ended 31 March 2025 (Previous year: charged INR 17,227 thousand).

| Principal Actuarial Assumptions | 31-Mar-25 | | 31-Mar-24 | |
|---|---|---|---|---|
| | DBIL | eLVB | DBIL | eLVB |
| Discount Rate (per annum) | 6.4% | NA* | 7.0% | 6.9% |
| Salary Escalation Rate (per annum) | 6.0% | NA* | 8.0% | NA* |
| Mortality | IALM 2012-14 (Ult.) | NA* | IALM 2012-14 (Ult.) | NA* |
| Withdrawal rate (per annum) | 15.0% | NA* | 15.0% | NA* |

*Effective 1 March, 2022, the CTC employees' benefits were harmonised with DBS Bank India Limited and subsequently IBA employees' benefit harmonization happened effective October 2022. As part of the harmonization, their accumulated privilege leave balances as 31 December, 2021, will be paid out in three equal tranches over FY24, FY25 and FY26. Second tranche was paid in FY25, third tranche will be paid in FY26.

The estimate of future salary increase considered in actuarial valuation takes account an employee's seniority, promotion and other factors as well as inflation.

**Gratuity:** The Bank has charged INR 58,506 thousand towards provision held in the Gratuity Fund for the year ended 31 March 2025 (Previous year: INR 307,677 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 2021.

| (I) | Net Asset / (Liability) recognised in the Balance Sheet | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Present Value of obligations as at year end | 1,946,652 | 1,987,242 |
| | Fair Value of plan assets as at year end | 1,888,387 | 1,679,565 |
| | Net Asset / (Liability) recognised in the Balance Sheet | (58,265) | (307,677) |

| (II) | Changes in Defined Benefit Obligation during the year | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Opening Defined Benefit Obligation (DBO) | 1,987,242 | 1,732,682 |
| | Interest cost | 139,107 | 123,020 |
| | Current Service Cost | 216,494 | 180,250 |
| | Past Service Cost | - | - |
| | Actuarial (Gain) / Losses | (143,096) | 168,225 |
| | Benefits Paid | (253,095) | (216,935) |
| | Closing Defined Benefit Obligation | 1,946,652 | 1,987,242 |

| (III) | Changes in fair value of Plan Assets | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Opening Fair Value of Plan Assets | 1,679,565 | 1,413,323 |
| | Expected Return on Plan Assets | 123,118 | 105,359 |
| | Actuarial Gain / (Losses) | 30,881 | 58,459 |
| | Contributions by employer | 307,918 | 319,359 |
| | Benefits Paid | (253,095) | (216,935) |
| | Closing Fair Value of Plan Assets* | 1,888,387 | 1,679,565 |
| | Estimated Employer Contributions for the next year | 60,000 | 150,000 |
| | Actual Return on Plan Assets | 153,999 | 163,818 |

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

| (IV) | Amount recognised in the Profit and Loss Account | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Current Service Cost | 216,494 | 180,250 |
| | Interest on Defined Benefit Obligation (DBO) | 139,107 | 123,020 |
| | Expected Return on Plan Assets | (123,118) | (105,359) |
| | Net Actuarial Losses / (Gains) for the current year | (173,977) | 109,766 |
| | Past Service Cost | - | - |
| | Amount recognised in the Profit and Loss Account | 58,506 | 307,677 |

| (V) | Asset Information | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | PSU/ Bank/ NBFC debt securities | 6.18% | 11.41% |
| | Central / State Government Debt securities | 19.53% | 22.40% |
| | Cash and Cash Equivalents | 0.12% | 1.14% |
| | Insurer Managed Funds (non unit-linked) | 0.01% | 0.01% |
| | Insurer Managed Funds (unit-linked) | 72.06% | 62.87% |
| | Others (Liquid plan, Equity mutual fund, etc,) | 2.10% | 2.17% |
| | Total | 100.00% | 100.00% |

| (VI) | Experience adjustments | 31-Mar-25 | 31-Mar-24 | 31-Mar-23 | 31-Mar-22 | 31-Mar-21 |
|---|---|---|---|---|---|---|
| | Present Value of DBO | 1,946,652 | 1,987,242 | 1,732,682 | 1,487,227 | 1,420,730 |
| | Fair Value of Plan Assets | 1,888,387 | 1,679,565 | 1,413,323 | 1,178,084 | 1,355,973 |
| | Funded Status [Surplus/ (Deficit)] | (58,265) | (307,677) | (319,359) | (309,143) | (64,757) |
| | Experience adjustment on Plan Liabilities : (Gain) / Loss | (45,330) | 20,579 | 51,372 | 73,630 | 23,112 |
| | Experience adjustment on Plan Asset : Gain | 29,123 | 71,813 | 13,577 | (9,496) | 46,276 |

| (VII) | Principal Actuarial Assumptions | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Discount Rate (per annum) | 6.4% | 7.0% |
| | Expected rate of return on assets (per annum) | 7.0% | 7.1% |
| | Salary Escalation Rate (per annum) | 6.0% | 8.0% |
| | Attrition Rate | 15.0% | 15.0% |
| | Expected average remaining working lives of employees | 4.5 years | 4.5 years |
| | Mortality Rate | IALM 2012-14 (Ult.) | IALM 2012-14 (Ult.) |

The estimate of future salary increase considered in actuarial valuation takes account an employee’s seniority, promotion and other factors as well as inflation.

**Pension Fund:** This retirement benefit is applicable to eligible employees(including surviving dependents of deceased employee) of eLVB. The Bank has released an amount of INR 130,684 thousand towards provision held in the Pension Fund for the year ended 31 March 2025. (Previous year: released to Profit & Loss Account INR 628,533 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 2021.

| (I) | Net Asset / (Liability) recognised in the Balance Sheet | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Present Value of obligations as at year | 993,323 | 1,008,058 |
| | Fair Value of plan assets as at year | 1,290,033 | 1,174,084 |
| | Net Asset / (Liability) recognised in the Balance Sheet | 296,710 | 166,026 |

| (II) | Changes in Defined Benefit Obligation during the year | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Opening Defined Benefit Obligation (DBO) | 1,008,058 | 3,903,189 |
| | Effect of Settlement | - | (669,685) |
| | Interest cost | 72,580 | 296,642 |
| | Current Service Cost | - | - |
| | Past Service Cost | - | - |
| | Actuarial (Gain) / Losses | (24,800) | (117,068) |
| | Benefits Paid | (62,515) | (2,405,020) |
| | Closing Defined Benefit Obligation | 993,323 | 1,008,058 |

| (III) | Changes in fair value of Plan Assets | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Opening Fair Value of Plan Assets | 1,174,084 | 1,520,682 |
| | Expected Return on Plan Assets | 83,343 | 86,285 |
| | Actuarial Gain / (Losses) | 95,121 | 52,137 |
| | Contributions by employer | - | 1,920,000 |
| | Benefits Paid | (62,515) | (2,405,020) |
| | Closing Fair Value of Plan Assets | 1,290,033 | 1,174,084 |
| | Estimated Employer Contributions for the next year | Nil | Nil |
| | Actual Return on Plan Assets | 178,464 | 138,422 |

| (IV) | Amount recognised in the Profit and Loss Account | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Current Service Cost | - | - |
| | Interest on Defined Benefit Obligation (DBO) | 72,580 | 296,642 |
| | Effect of settlement | - | (669,685) |
| | Expected Return on Plan Assets | (83,343) | (86,285) |
| | Net Actuarial Losses / (Gains) for the current year | (119,921) | (169,205) |
| | Past Service Cost | - | - |
| | Amount recognised in the Profit and Loss Account | (130,684) | (628,533) |

| (V) | Asset Information | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | PSU / Bank / NBFC debt securities | 10.79% | 15.17% |
| | Central / State Government debt securities | 17.04% | 18.42% |
| | Return of Capital LIC annuities | 27.36% | 29.31% |
| | Funds with LIC (insurer) | 42.20% | 35.14% |
| | Bank Balances | 1.12% | 0.44% |
| | Others (Liquid plan, Equity mutual fund, etc,) | 1.49% | 1.52% |
| | Total | 100.00% | 100.00% |

| (VI) | Experience adjustments | 31-Mar-25 | 31-Mar-24 | 31-Mar-23 | 31-Mar-22 |
|---|---|---|---|---|---|
| | Present Value of DBO | 993,323 | 1,008,058 | 3,903,189 | 7,306,707 |
| | Fair Value of Plan Assets | 1,290,033 | 1,174,084 | 1,520,682 | 1,847,889 |
| | Funded Status [Surplus/ (Deficit)] | 296,710 | 166,026 | (2,382,507) | (5,458,818) |
| | Experience adjustment on Plan Liabilities: (Gain) / Loss | (24,800) | (172,386) | 346,252 | 596,010 |
| | Experience adjustment on Plan Asset: Gain/(Loss) | 90,491 | 56,678 | (47,088) | 71,994 |

| (VII) | Principal Actuarial Assumptions | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| | Discount Rate (per annum) | 7.2% p.a | 7.2% p.a |
| | Expected rate of return on assets (per annum) | 7.2% p.a | 7.6% p.a |
| | Salary Escalation Rate (per annum) | NA | NA |
| | Withdrawal Rate | NA | NA |
| | Mortality Rate<br>Pension escalation rate | "NA Pre retirement; 105% of Indian Individual Annuitants Mortality 2012-15 post retirement"<br>4.5% p.a | "NA Pre retirement; 105% of Indian Individual Annuitants Mortality 2012-15 post retirement"<br>4.5% p.a |

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.

**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:

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, in case of non-Material Risk Takers thirty-three percent of the shares comprised in the main award will vest one year after the date of grant. A further thirty-three percent of the shares comprised in the main award will vest two 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 three years after the date of grant. In case of Material Risk Takers (MRT), 25% of the shares vest each year from the first to fourth year from the date of grant.

A reconciliation of employee shares based payment movements in number of shares during the year ended 31 March 2025 is shown below:

| Category | Year | Opening balance | Granted | Vested | Lapsed | Closing balance |
|---|---|---|---|---|---|---|
| Restricted Share Plan | 2021# | 43,171 | 3,391 | 44,404 | 2,158 | - |
| | 2022# | 62,858 | 4,151 | 28,711 | 2,914 | 35,384 |
| | 2023# | 1,57,149 | 14,396 | 62,347 | 18,033 | 91,165 |
| | 2024*# | 2,20,804 | 39,309 | 67,314 | 17,567 | 1,75,232 |
| | 2025 | - | 2,17,644 | 22,850 | 700 | 1,94,094 |

*Shares granted represent shares that were granted based on regulatory approvals in 2024-2025.

#The share granted includes bonus shares credited in FY 2024-25.

The weighted average fair value of shares awarded as shown above were in the range of SGD 30.36 – SGD 46.02. 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 2024 is shown below:

| Category | Year | Opening balance | Granted | Vested | Lapsed | Closing balance |
|---|---|---|---|---|---|---|
| Restricted Share Plan | 2020 | 41,716 | - | 40,168 | 1,548 | - |
| | 2021 | 80,530 | - | 34,115 | 3,244 | 43,171 |
| | 2022 | 94,917 | - | 27,944 | 4,115 | 62,858 |
| | 2023* | 2,13,606 | 20,563 | 62,673 | 14,347 | 1,57,149 |
| | 2024 | - | 2,48,402 | 27,598 | - | 2,20,804 |

*Shares granted represent shares that were granted based on regulatory approvals in 2023-2024.

The weighted average fair value of shares awarded as shown above were in the range of SGD 29.01 – SGD 36.09. 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 2025 was INR 472,399 thousand (Previous year: INR 358,398 thousand).

Liability on account of share based payment as at 31 March 2025 is INR 111,503 thousand (Previous year: INR 71,583 thousand).

**13. Impairment of Assets**

There is no impairment of fixed assets and goodwill. Accordingly, 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, Currency Futures, Option contracts and Interest Rate Derivatives

The Bank enters into foreign exchange contracts, currency options/swaps, interest rate options/swaps, currency futures 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. Currency future is a standardised foreign exchange derivative contract traded on a recognised stock exchange to buy or sell one currency against another on a specified future date, at a price specified on the date of 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.

| Sl. No. | Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|---|
| 1 | Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end. | 97,961 | 8,068 |
| 2 | Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end. | 1,454 | 1,591 |
| 3 | Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | 102,309 | 36,528 |
| 4 | Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | NIL | NIL |
| 5 | Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | 832 | 1,265 |
| 6 | Interest due and payable towards suppliers registered under MSMED Act, for payments already made | 924 | 832 |
| 7 | Further interest remaining due and payable for earlier years | NIL | NIL |

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-25 | 31-Mar-24 |
|---|---|---|
| Opening balance at the beginning of the year | 5,219,769 | 5,215,442 |
| Add : Provision made during the year | - | 4,357 |
| Less : Utilisation, write back of excess provisions during the year | (3,687) | (30) |
| Closing balance at the end of the year | 5,216,082 | 5,219,769 |

**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.

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

| Sr. No. | Particulars | March 2025 | | | | | |
|---|---|---|---|---|---|---|---|
| | | Amount Required to be spent | Amount Approved by the board | Amount spent | Amount adjusted from excess CSR expenditure of FY 23-24 | Amount unpaid / provision * | Total |
| (i) | Construction / acquisition of any asset | 82,310 | - | - | - | - | - |
| (ii) | On purpose other than (i) above | | 85,451 | 64,100 | 9,161 | 9,049 | 82,310 |

| Sr. No. | Particulars | March 2024 | | | | |
|---|---|---|---|---|---|---|
| | | Amount Required to be spent | Amount Approved by the board | Amount spent | Amount unpaid / provision | Total |
| (i) | Construction / acquisition of any asset | 87,540 | - | - | - | - |
| (ii) | On purpose other than (i) above | | 96,701 | 96,701 | - | 96,701 |

B. Details of CSR expenditure under Section 135(5) of the Act in respect of ongoing projects:

| Balance unspent as at 1 April 2024 | Amount deposited in Specified Fund of Schedule VII of the Act within specified period | Amount required to be spent during the year | Amount spent during the year | Balance unspent as at 31 March 2025 * |
|---|---|---|---|---|
| 23 | - | 82,310 | 73,284 | 9,049 |

C. Details of excess CSR expenditure under Section 135(5) of the Act for FY 2024-25 :

| 31-Mar-25 | | | | |
|---|---|---|---|---|
| Opening Balance | Amount required to be spent during the year | Amount spent during the year | Amount Adjusted for current year shortfall | Closing Balance carrying forward |
| 9,161 | 82,310 | 64,100 | 9,161 | - |

D. None of the CSR expenditure incurred by the Bank is to entities controlled by the Related Parties identified by the Management as per AS 18 – 'Related Party Disclosure'

* The Bank has paid to implementing agencies

**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 14,550 thousand was paid (including provisions) as sitting fees to the Non-Executive Directors during the year (Previous year: INR 11,225 thousand).

In addition to the above sitting fees, a fixed remuneration of INR 5,000 thousand (Previous year: INR 2,500 thousand) was paid (including provisions) to Independent Directors for FY 2024-25 in accordance with the Corporate Governance guidelines issued by RBI in April 2021.

**19.** During financial year 2017-18, erstwhile Lakshmi Vilas Bank Limited ("eLVB") had adjusted deposits 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 adjustments, the depositor has filed a suit against eLVB in May 2018, before the Hon'ble 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 21 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 the Bank, the adjustment of deposits against loans is lawful and tenable. Impact of the above matter on the financial statement is not ascertainable as at 31 March 2025. Future impact if any, on the final outcome of the case will be recorded in financial statements as and when the matter is decided by the court.

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

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Opening provision for reward points | 152,288 | 43,412 |
| Provision for reward points made during the year | 154,336 | 200,098 |
| Utilisation/write-back of provision for reward points | 168,428 | 91,222 |
| Closing provision for reward points | 138,196 | 152,288 |

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 17,417 thousand (Previous year INR 11,642 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. DBIL is in discussions with Ministry of Corporate Affairs and steps are being taken to resolve it.

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

During the year ended 31 March 2025, 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:

- 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 2025 | Carrying Value** as at 31 March 2024 |
|---|---|---|---|
| NR1/R1+/RR1+ | >150% | - | - |
| NR2/R1/RR1 | 100% - 150% | - | - |
| NR3/R2/RR2 | 75% - 100% | - | - |
| NR4/R3/RR3 | 50% - 75% | - | - |
| NR5/R4/RR4 | 25% - 50% | - | - |
| NR6/R5/RR5 | 0% - 25% | - | - |
| Yet to be Rated | | - | - |
| Unrated | | - | - |
| **Total** | | **-** | **-** |

* recovery rating is as assigned by various rating agencies

** net of provisions

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

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| **Other Liabilities** | - | - |
| **Other Assets** | | |
| Collateral placed | 15,697,001 | 13,837,049 |
| **Other Income** | - | - |
| **Other Expenditure** | - | - |

*Less than 1% last year

**25. Other Fixed Assets (including furniture and fixture)**

The disclosure on the movement in software capitalised by the Bank is set out below.

| Particulars | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| At cost at 31 March of preceding year | 53,69,896 | 44,84,645 |
| Additions during the year | 6,77,266 | 9,61,763 |
| Deductions during the year | (2,57,782) | (76,512) |
| Depreciation to date | (44,85,765) | (37,64,706) |
| **Net book value** | **13,03,615** | **16,05,190** |

**26. Portfolio-level information on the use of funds raised from green deposits**

The Bank has not raised green deposits on or after 01 June, 2023 based on the Framework for the acceptance of Green deposits issued by RBI.

**27. Audit trail**

As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014, the Bank uses only such accounting software for maintaining its books of account that have a feature of recording audit trail, at transaction level, creating an edit log of each change made in the books of account along with the date when such changes were made within such accounting software as required under the said Rules. This feature of recording audit trail operated throughout the year, was not tampered with during the year and the audit trail has been preserved as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting softwares except in case of one accounting software which was retired effective October 2023. In respect of one accounting software audit trail feature was not enabled at application level from 01 April 2024 to 17 July 2024 and the same was not enabled at the database level for the period 01 April 2024 to 13 March 2025. Further, the audit trail feature was not enabled at the database level for nine software used for maintenance of loan, investment and other accounting records from 01 April 2024 to 06 April 2024, 16 December 2024, 22 February 2025, 26 February 2025, 03 March 2025, 12 March 2025, 13 March 2025, 17 March 2025 and 22 March 2025 respectively for direct database changes. It is noted that the audit trail feature was duly enabled at application level as well as database level and has been operating effectively for all software from their respective dates of activation until 31 March 2025.

The Bank has following internal controls in place over audit trail at application layer (where certain details were not captured in the log for one accounting software used for maintenance of loans records) wherein all transactions and masters' updates / uploads follows a four-eye principle and wherein adequate maker-checker controls are in place to ensure that the transactions are valid and authorised. Further, in case of database layer, access to in-scope databases is controlled via privilege access management tool, CyberArk, the access of which is granted on need basis only and which is controlled through the change and access management process of the Bank. Based on the above factors, the Bank has established and maintained an adequate internal control framework and based on its assessment believes that this was effective for the year ended 31 March 2025.

**28. Other Disclosures**

- In addition to Schedule 18.3, according to clause 43 Chapter XIV which permitted for reclassification on transition date, effective 1 April 2024, the Bank has reclassified its investment portfolio from AFS to HFT with face value amounting to INR 24,880,720 thousand of which INR 19,630,720 thousand represent Government securities and INR 5,250,000 thousand represents Corporate Bonds. Further, investment in Pass-through-certificate with face value amounting to INR 37,738,659 thousand were reclassified from AFS to HTM category and investment in Security Receipts with book value amounting to INR 1,299,428 thousand and corporate bonds with book value of INR 596,675 thousand were reclassified from AFS to FVTPL (non-HFT) category.

  Also, during the year Bank has transferred from AFS reserve to capital reserve the INR 3,286 thousand (net of tax) representing released gain on sale of equity shares during the year.
- The Bank has transferred an amount of INR 392,170 thousand from Investment Reserve account to Investment Fluctuation Reserve under the transition provisions of the RBI Investment Direction 2023 (Previous year: INR 392,170 thousand transferred to Investment Reserve account).
- The Bank has transferred an amount of INR 1,710,781 thousand to Statutory Reserve account (Previous year: INR 942,096 thousand).
- The Bank has transferred an amount of INR 3,122,672 thousand to Investment Fluctuation Reserve which includes transfer from Investment reserve account of INR 392,170 thousand under the transition provisions of the RBI Investment Direction 2023 (Previous year: INR 2,420,501 thousand).
- The Bank has transferred an amount of INR 20,504 thousand to Capital Reserve which includes released gain on sale of equity shares of INR 3,286 thousand (net of tax) (Previous year: INR 13,618 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 2025 (Previous year: Nil).
- Previous year numbers have regrouped or reclassified in order to conform to the current year presentation.

**For Walker Chandiok & Co LLP**
Chartered Accountants
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**Murad D. Daruwalla**
Partner
Membership No: 043334

**For KKC & Associates LLP**
Chartered Accountants
Firm Registration No.: 105146W/W100621

**Vinit Jain**
Partner
Membership No: 145911

**For DBS Bank India Limited**

**Rajat Verma**
Managing Director &
Chief Executive Officer
DIN: 07774707

**Prabhat Gupta**
Whole Time
Director
DIN: 10218270

**Meera Nair**
Director
DIN: 10163858

**Rajesh Prabhu**
Chief Financial Officer

**Prasad Poojary**
Company Secretary

Mumbai, 29 May 2025

**BASEL PILLAR 3 DISCLOSURES as at March 31, 2025**

Pillar 3 disclosures at March 31, 2025 as per Basel III guidelines of RBI have been disclosed separately on the Bank's website under 'Regulatory Disclosure' Section and can be viewed at **https://www.dbs.com/india/regulatory-disclosure/default.page**