



DBS Bank India Limited

INDEPENDENT AUDITORS' REPORT

To the Members of DBS Bank India Limited

Report on Audit of the Financial Statements

Qualified Opinion

1. We have audited the accompanying Financial Statements of DBS Bank India Limited ("the Bank"), which comprise the Balance Sheet as at March 31, 2022, the Profit and Loss account, the Cash Flow Statement for the year then ended and Schedules to the financial statements including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 ("the Act") in the manner so required for banking companies and are in conformity with accounting principles generally accepted in India and except for the indeterminate impact of the matter described in the 'Basis for Qualified Opinion' section of our report, give a true and fair view of the state of affairs of the Bank as at March 31, 2022, and its profit and its cash flows for the year ended on that date.

Basis for Qualified Opinion

3. We draw your attention to note 66 of Schedule 18 of the Financial Statements regarding a litigation pending with the Honourable High Court of Delhi, on adjustment of deposits against loans advanced by erstwhile Lakshmi Vilas Bank (eLVB) (which was amalgamated with the Bank with effect from November 27, 2020). As the matter is under litigation, the possible effect of this matter on the financial statements as at and for the year ended March 31, 2022, is presently not ascertainable.
4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of Financial Statements" section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

5. The Bank's Board of Directors is responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our auditor's report thereon. The directors' report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the directors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

6. The Bank's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, and the provisions of Section 29 of the Banking Regulations Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ("RBI") from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the Financial Statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditors' responsibilities for the audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

12. The Financial Statements of the Bank for the year ended March 31, 2021, were audited by another firm of chartered accountants under the Act and the Banking Regulation Act, 1949, who, vide their report dated June 10, 2021, expressed a modified opinion on those Financial Statements.

Report on other legal and regulatory requirements

13. In our opinion, the Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 and Section 133 of the Act.
14. As required by sub-section (3) of Section 30 of the Banking Regulation Act, 1949, we report that:
 - (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
 - (b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and
 - (c) during the course of our audit, we have visited 20 branches to examine the books of account and other records maintained at the branch and performed other relevant audit procedures. Since the key operations of the Bank are automated with the key applications integrated to the core banking system, the audit is carried out centrally as all the necessary records and data required for the purposes of our audit are available there.
15. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, except for the indeterminate impact of the matter described in the 'Basis for Qualified Opinion' section of our report, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, to the extent they are not inconsistent with the accounting policies prescribed by RBI;
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;



DBS Bank India Limited

- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our comment in paragraph 15(b) above.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Bank and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- The Bank has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Schedule 12 (i) and note 51 and note 66 of Schedule 18 to the financial statements;
 - The Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Schedule 17 and note 32, note 54 and note 62 of Schedule 18 to the financial statements;
 - Except as referred to in note 69 of Schedule 18 to the financial statements, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank, during the year ended March 31, 2022;
 - The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Schedule to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 70 of Schedule 18 to the financial statements);
 - The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Schedule to the accounts, no funds have been received by the Bank from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 70 of Schedule 18 to the financial statements); and
 - Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under clause 15 (h) (iv)(a) and 15 (h)(iv)(b) contain any material misstatement.
 - The Bank has not declared or paid any dividend during the year ended March 31, 2022.
16. In our opinion and to the best of our information and according to the explanations given to us, the provisions of Section 197 of the Act are not applicable to the Bank by virtue of Section 35B(2A) of the Banking Regulation Act, 1949. Accordingly, the reporting under Section 197(16) of the Act regarding payment/ provision for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act, is not applicable.

For Mukund M. Chitale & Co

Chartered Accountants
Firm Registration Number: 106655W

Abhay Kamat

Partner
Membership Number: 39585
UDIN: 22039585AJZDTE4101

Place: Mumbai
Date: May 31, 2022

For Price Waterhouse LLP

Chartered Accountants
Firm Registration Number: 301112E/E300264

Sharad Vasant

Partner
Membership Number: 101119
UDIN: 22101119AJYUUV7904

Place: Mumbai
Date: May 31, 2022

Annexure A to Independent Auditors' Report

Referred to in paragraph 15(g) of the Independent Auditors' Report of even date to the members of DBS Bank India Limited on the financial statements for the year ended March 31, 2022

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

1. We have audited the internal financial controls with reference to financial statements of DBS Bank India Limited ("the Bank") as at and for the year ended March 31, 2022 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Bank's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Bank's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A bank's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A bank's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the bank are being made only in accordance with authorisations of management and directors of the bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the bank's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Bank has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Mukund M. Chitale & Co

Chartered Accountants
Firm Registration Number: 106655W

Abhay Kamat

Partner
Membership Number: 39585
UDIN: 22039585AJZDTE4101

Place: Mumbai
Date: May 31, 2022

For Price Waterhouse LLP

Chartered Accountants
Firm Registration Number: 301112E/E300264

Sharad Vasant

Partner
Membership Number: 101119
UDIN: 22101119AJYUUV7904

Place: Mumbai
Date: May 31, 2022



DBS Bank India Limited

BALANCE SHEET AS AT 31 MARCH 2022

(Currency: Indian rupees in thousand)

	Schedule	31-Mar-22	31-Mar-21
CAPITAL AND LIABILITIES			
Capital	1	72,578,894	66,791,470
Reserves and Surplus	2	27,959,293	21,681,000
Deposits	3	489,778,971	515,010,448
Borrowings	4	176,414,361	91,598,518
Other Liabilities and Provisions	5	76,884,575	77,344,918
Total		843,616,094	772,426,354
ASSETS			
Cash and Balances with Reserve Bank of India	6	38,844,097	40,436,276
Balances with banks and money at call and short notice	7	61,058,485	56,818,751
Investments	8	215,655,079	209,729,896
Advances	9	438,980,204	369,727,891
Fixed Assets	10	4,595,798	4,299,684
Other Assets	11	84,482,431	91,413,856
Total		843,616,094	772,426,354
Contingent Liabilities	12	9,329,267,764	5,967,984,551
Bills for collection		270,661,169	229,978,339
Significant accounting policies and Notes to Accounts	18		

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

(Currency: Indian rupees in thousand)

	Schedule	31-Mar-22	31-Mar-21
I. INCOME			
Interest earned	13	43,153,992	33,733,312
Other income	14	8,868,706	10,212,969
TOTAL		52,022,698	43,946,281
II. EXPENDITURE			
Interest expended	15	23,103,677	17,958,506
Operating expenses	16	26,521,829	17,190,654
Provisions and contingencies	17	731,475	5,679,219
TOTAL		50,356,981	40,828,379
III. PROFIT			
Net Profit for the year		1,665,717	3,117,902
Profit brought forward		560,951	-
TOTAL		2,226,668	3,117,902
IV. APPROPRIATIONS			
Transfer to Statutory Reserve		416,429	779,476
Transfer to Capital Reserve		18,955	-
Transfer to / (Transfer from) Investment Reserve		(73,093)	(248,712)
Transfer to / (Transfer from) Investment Fluctuation Reserve		(198,852)	2,026,187
Balance carried over to Balance Sheet		2,063,229	560,951
TOTAL		2,226,668	3,117,902
V. BASIC AND DILUTED EARNINGS PER SHARE (INR)			
	18 [46]	0.25	0.56
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 Mukund M. Chitale & Co **For Price Waterhouse LLP** **For DBS Bank India Limited**

Chartered Accountants
Firm Registration No.: 106655W

Chartered Accountants
Firm Registration No.: 301112E/E300264

Abhay Kamat
Partner
Membership No: 039585

Sharad Vasant
Partner
Membership No: 101119

Surojit Shome
Managing Director & Chief Executive Officer
DIN: 00002635

Rajesh Prabhu
Whole Time Director & Chief Financial Officer
DIN: 01758961

Vikram Sud
Director
DIN: 01853732
Mumbai,
31 May 2022

Ketan Kulkarni
Company Secretary

Mumbai, 31 May 2022

Schedules referred to above form an integral part of these financial statements

As per our report of even date attached.

For Mukund M. Chitale & Co **For Price Waterhouse LLP** **For DBS Bank India Limited**

Chartered Accountants
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Vikram Sud
Director
DIN: 01853732
Mumbai,
31 May 2022

Ketan Kulkarni
Company Secretary

Mumbai, 31 May 2022



DBS Bank India Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

(Currency: Indian rupees in thousand)

	31-Mar-22	31-Mar-21
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before taxation and extraordinary items	2,695,414	6,789,334
Adjustments for:		
Depreciation on Fixed Assets	1,077,730	618,093
Foreign exchange (gain) / loss on revaluation of subordinated debt	402,375	(383,250)
Loss / (Profit) on sale and write off of Fixed assets	(48,271)	17,867
Goodwill amortisation	1,683,315	1,683,315
MAT Credit written off	-	458,614
Provision/(Write back) for:		
Standard Asset/Derivatives	(443,963)	1,151,880
Depreciation on Investments	192,922	(271,388)
Unrealised (Profit) / loss on revaluation of investments	16,205	714,536
Contingent credit	2,760	15,567
Other provisions	14,217	21,526
Non Performing Assets (including write offs net of write backs)	(64,158)	656,486
Employee Benefits	3,739,090	109,093
Operating profit / (loss) before working capital changes	9,267,636	11,581,673
Decrease in Term Deposits placed with Banks	10,065,712	7,010,463
Decrease in Investments (excluding HTM investments)	8,479,515	19,013,477
(Increase) in Advances	(68,658,155)	(60,840,917)
Decrease in Other Assets	4,715,023	62,624,451
(Decrease) in Deposits	(25,231,477)	(40,471,529)
(Decrease) in Other Liabilities and Provisions	(4,302,191)	(61,492,377)
	(65,663,937)	(62,574,759)
Income Tax (paid) / received	(496,610)	1,887,221
Net cash flow from operating activities (A)	(66,160,547)	(60,687,538)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed Assets (including movement in Capital Work in Progress)	(1,414,552)	(404,841)
Proceeds from Sale of Fixed Assets	88,723	1,791
Investment in HTM securities	(14,613,825)	55,853,665
Net cash flow used in investing activities (B)	(15,939,654)	55,450,615
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital including share premium from Parent	10,400,000	25,000,000
(Redemption) of subordinated debt	(505,000)	-
Increase / (Decrease) in other Borrowings	84,918,468	(2,390,129)
Net Cash flow from financing activities (C)	94,813,468	22,609,871
Net increase in cash and cash equivalents (A+B+C)	12,713,267	17,372,948
Cash and cash equivalents at the beginning of the year	58,388,165	29,106,036
Cash and cash equivalents on amalgamation of erstwhile Lakshmi Vilas Bank Limited (eLVB) (Refer schedule 18 note [6])	-	11,909,181
Cash and cash equivalents at the end of the year	71,101,432	58,388,165
Net Increase / (Decrease) in cash and cash equivalents	12,713,267	17,372,948
Notes: Cash and cash equivalents represent		
Cash and Balances with Reserve Bank of India (refer schedule 6)	38,844,097	40,436,276
Balances with banks and money at call and short notice (refer schedule 7)	61,058,485	56,818,751
Less: Deposits not considered as cash and cash equivalents as per Accounting Standard – 3		
Margin Deposit - Maturity greater than 90 days	-	(118,562)
Term Deposits with Banks - Maturity greater than 90 days	(28,801,150)	(38,748,300)
TOTAL	71,101,432	58,388,165

As per our report of even date attached.

For Mukund M. Chitale & Co

Chartered Accountants
Firm Registration No.:
106655W

Abhay Kamat

Partner
Membership No: 039585

For Price Waterhouse LLP

Chartered Accountants
Firm Registration No.:
301112E/E300264

Sharad Vasant

Partner
Membership No: 101119

For DBS Bank India Limited

Surojit Shome

Managing Director &
Chief Executive Officer
DIN: 00002635

Vikram Sud

Director
DIN: 01853732
Mumbai, 31 May 2022

Rajesh Prabhu

Whole Time Director &
Chief Financial Officer
DIN: 01758961

Ketan Kulkarni

Company Secretary

Mumbai, 31 May 2022

Mumbai, 31 May 2022



DBS Bank India Limited

SCHEDULES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2022

(Currency: Indian rupees in thousand)

	31-Mar-22	31-Mar-21
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*:		
7,257,889,395 shares (Previous year: 6,679,147,046 shares) of INR 10 each	72,578,894	66,791,470
Total	72,578,894	66,791,470

* During the year, 578,742,349 equity shares (Previous year : 1,641,497,046 equity shares) were issued to DBS Bank Ltd., Singapore at a premium of INR 7.97 per share (Previous year : INR 5.23 per share). On 1 March 2019, the Bank issued 4,990,150,000 equity shares 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-22	31-Mar-21
2 RESERVES AND SURPLUS		
A Statutory Reserve		
(refer schedule 18 note [71])		
Opening Balance	4,864,996	4,085,520
Additions during the year	416,429	779,476
Deduction during the year	-	-
	5,281,425	4,864,996
B Capital Reserve		
(refer schedule 18 note [71])		
Opening Balance	5,096	5,096
Additions during the year	18,955	-
Deduction during the year	-	-
	24,051	5,096
C Share Premium Account		
Opening Balance	8,585,030	-
Additions during the year	4,612,576	8,585,030
Deductions during the year	-	-
	13,197,606	8,585,030
D Investment Reserve Account		
(refer schedule 18 note [71])		
Opening Balance	113,744	362,456
Additions during the year	-	-
Deduction during the year	(73,093)	(248,712)
	40,651	113,744
E Investment Fluctuation Reserve Account		
(refer schedule 18 note [71])		
Opening Balance	2,649,962	623,775
Additions during the year	-	2,026,187
Deduction during the year	(198,852)	-
	2,451,110	2,649,962
F Revenue Reserve		
Opening balance	4,900,685	4,900,685
Additions during the year	-	-
Deduction during the year	-	-
	4,900,685	4,900,685
G Balance in Profit and loss account	2,063,229	560,951
H Deferred Tax Reserve	536	536
Total [A to H]	27,959,293	21,681,000

	31-Mar-22	31-Mar-21
3 DEPOSITS		
A (I) Demand Deposits		
(i) From Banks	2,354,617	2,740,387
(ii) From Others	77,488,502	83,858,328
	79,843,119	86,598,715
(II) Saving Bank Deposits	79,675,077	71,643,086
(III) Certificate of Deposits	-	-
(IV) Term Deposits		
(i) From Banks	27,925,201	38,722,752
(ii) From Others	302,335,574	318,045,895
	330,260,775	356,768,647
Total	489,778,971	515,010,448
B (i) Deposits of branches in India	489,778,971	515,010,448
(ii) Deposits of branches outside India	-	-
Total	489,778,971	515,010,448

	31-Mar-22	31-Mar-21
4 BORROWINGS		
(I) Borrowings in India		
(i) Reserve Bank of India	75,000,000	75,000,000
(ii) Other Banks	-	-
(iii) Other institutions and agencies	84,863,679	5,020,900
	159,863,679	80,020,900
(II) Borrowings outside India	5,181,807	106,118
(III) Subordinated debt*	11,368,875	11,471,500
Total	176,414,361	91,598,518
Secured borrowings included in I, II and III above	159,863,679	80,020,900

* Subordinated debt includes an amount USD 150 million equivalent to INR 11,368,875 thousand (Previous year: USD 150 million equivalent to INR 10,966,500 thousand) in the nature of long term borrowings in foreign currency from Ultimate Parent Company

	31-Mar-22	31-Mar-21
5 OTHER LIABILITIES AND PROVISIONS		
I Bills Payable	1,591,115	1,757,665
II Inter Office adjustments (net)	-	-
III Interest Accrued	2,957,238	3,164,712
IV Contingent Provision against Standard Advances	1,995,449	2,376,041
V Contingent Provision against Derivatives exposures	132,934	150,422
VI Others (including provisions)*	70,207,839	69,896,078
Total	76,884,575	77,344,918

* includes provision for unhedged foreign currency exposure amounting to INR 385,143 thousand (Previous year: INR 446,931 thousand)

	31-Mar-22	31-Mar-21
6 CASH AND BALANCE WITH RESERVE BANK OF INDIA		
(I) Cash in hand (including foreign currency notes)	3,128,378	4,417,328
(II) Balances with Reserve Bank of India		
(i) in Current Account	21,835,719	17,058,948
(ii) in Other Accounts	13,880,000	18,960,000
	35,715,719	36,018,948
Total	38,844,097	40,436,276

	31-Mar-22	31-Mar-21
7 BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
(I) In India		
(i) Balance with Banks		
(a) In Current Accounts	119,347	585,788
(b) In Other Deposit Accounts ^{\$}	28,805,675	38,866,862
	28,925,022	39,452,650
(ii) Money at call and short notice		
(a) With Banks	-	-
(b) With other institutions	15,936,931	252,721
	15,936,931	252,721
(II) Outside India		
(i) In Current Accounts	9,186,096	5,297,030
(ii) In Other Deposit Accounts	-	5,117,700
(iii) Money at call and short notice	7,010,436	6,698,650
	16,196,532	17,113,380
Total	61,058,485	56,818,751

^{\$} includes fixed deposits placed under lien towards exchange traded derivatives were Nil (Previous year: INR 75,000 thousand) and INR 4,525 thousand (Previous year: INR 43,562 thousand) towards margin given to other banks for issuance of Bank Guarantees.



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	31-Mar-22	31-Mar-21
8 INVESTMENTS		
(I) Investments in India in		
(i) Government Securities*	174,038,527	183,683,520
(ii) Other approved securities	-	-
(iii) Shares**	414,406	450,124
(iv) Debentures and Bonds ***	5,723,345	2,748,194
(v) Subsidiaries and Joint Ventures	-	-
(vi) Others (Certificates of Deposits, Commercial Papers and Security Receipts of Asset Reconstruction Companies)	24,489,163	22,848,058
Total	204,665,441	209,729,896
(II) Investments outside India in		
(i) Government Securities	10,989,638	-
Total	10,989,638	-
Total Investments (I + II)	215,655,079	209,729,896
Gross Investments	217,039,362	210,983,945
Less: Provision for depreciation	(1,384,283)	(1,254,049)
Net Investments	215,655,079	209,729,896

*Includes:

(A) Securities pledged as margin with CCIL (Clearing Corporation of India Limited) were INR 12,241,210 thousand (Previous year: INR 12,199,259 thousand)

(B) Securities pledged as collateral with CCIL for Market repo were INR 66,679,398 thousand (Previous year: Nil).

**includes INR 116,301 thousand (Previous year: INR 202,911 thousand) shares received on conversion of debt and interest due thereon.

***Includes (OCD) Optionally Convertible Debentures of INR 972,027 thousand (Previous year: INR 1,165,901 thousand) received on conversion of debt.

	31-Mar-22	31-Mar-21
9 ADVANCES		
A (i) Bills purchased and discounted	106,608,539	57,228,346
(ii) Cash credits, overdrafts and loans repayable on demand	149,584,940	157,457,084
(iii) Term Loans	182,786,725	155,042,461
Total	438,980,204	369,727,891
B (i) Secured by tangible assets *	228,650,688	216,282,591
(ii) Covered by Bank/Government Guarantees**	21,690,800	15,950,225
(iii) Unsecured	188,638,716	137,495,075
Total	438,980,204	369,727,891
C I Advances in India		
(i) Priority Sectors	158,884,566	147,957,694
(ii) Public Sectors	13,958,726	8,876,385
(iii) Banks	-	-
(iv) Others	266,136,912	212,893,812
II Advances outside India	-	-
Total	438,980,204	369,727,891

* includes advances against book debts and stocks of INR 48,801,538 thousand (Previous year : INR 19,423,529 thousand)

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

	31-Mar-22	31-Mar-21
10 FIXED ASSETS		
I Premises		
Opening Cost	2,886,399	-
Additions on amalgamation of erstwhile Lakshmi Vilas Bank Limited (schedule 18 note [6])	-	2,886,399
Additions during the year	27,790	-
Deductions during the year	(67,936)	-
	2,846,253	2,886,399
Depreciation to date*	(359,577)	(340,327)
Net book value of Premises	2,486,676	2,546,072

	31-Mar-22	31-Mar-21
II Other Fixed Asset (including furniture and fixture)		
Opening cost	10,354,040	3,528,181
Additions on amalgamation of erstwhile Lakshmi Vilas Bank Limited (schedule 18 note [6])	-	6,568,223
Additions during the year	1,075,088	382,423
Deductions during the year	(148,440)	(124,787)
	11,280,688	10,354,040
Depreciation to date*	(9,781,381)	(8,898,569)
Net book value of Other Fixed Asset	1,499,307	1,455,471
III Capital work-in-progress**	609,815	298,141
Total (I + II + III)	4,595,798	4,299,684

* Previous year figures includes INR 324,888 thousand towards Premises and INR 5,588,805 thousand towards other fixed assets on account of amalgamation from erstwhile Lakshmi Vilas Bank Limited (refer schedule 18 note [6])

** Previous year figures includes INR 111,812 thousand on take over from erstwhile Lakshmi Vilas Bank Limited (refer schedule 18 note [6])

	31-Mar-22	31-Mar-21
11 OTHER ASSETS		
(i) Inter Office Adjustments (net)	-	-
(ii) Interest Accrued	4,926,027	4,520,205
(iii) Tax paid in advance / Tax Deducted at Source (net of provisions)	6,582,905	6,095,777
(iv) Stationery and Stamps	-	-
(v) Deferred Tax Asset (refer schedule 18 note [40])	14,243,167	15,263,382
(vi) Non-Banking Assets acquired in satisfaction of claims	362,300	367,774
(vii) Goodwill (refer schedule 18 note [6])	5,049,944	6,733,259
(viii) Others	53,318,088	58,433,459
Total	84,482,431	91,413,856

	31-Mar-22	31-Mar-21
12 CONTINGENT LIABILITIES		
(refer schedule 18 note [51])		
(i) Claims against the bank not acknowledged as debts	6,281,394	6,291,466
(ii) Liability for partly paid investments	-	-
(iii) Liability on account of outstanding foreign exchange contracts*	1,773,237,542	1,468,948,364
(iv) Liability on account of outstanding Currency and Interest Rate Swap, Options Contracts and Interest Rate Derivatives*	7,434,175,437	4,394,130,815
(v) Guarantees given on behalf of constituents		
- in India	51,203,237	48,203,754
- outside India	5,035,422	4,919,151
(vi) Acceptances, endorsements and other obligations	53,551,972	44,238,885
(vii) Other items for which the Bank is contingently liable	5,782,760	1,252,116
Total	9,329,267,764	5,967,984,551

* represents notional

	31-Mar-22	31-Mar-21
13 INTEREST EARNED		
(i) Interest / discount on advances / bills	27,055,790	15,949,384
(ii) Income on investments	12,372,129	13,700,958
(iii) Interest on balances with RBI and other inter-bank funds	1,463,905	1,120,643
(iv) Others	2,262,168	2,962,327
Total	43,153,992	33,733,312

	31-Mar-22	31-Mar-21
14 OTHER INCOME		
(i) Commission, exchange and brokerage	5,753,428	4,237,225
(ii) Net Profit / (loss) on sale of investments	(803,331)	3,846,857
(iii) Net (loss) on revaluation of investments	(16,205)	(714,536)
(iv) Net Profit on sale of land, buildings and other assets	48,271	1,572
(v) Net Profit on Foreign Exchange and Derivative transactions	3,657,715	2,750,239
(vi) Income earned by way of dividends etc. from subsidiaries / companies and/or joint ventures abroad/in India	-	-
(vii) Miscellaneous Income	228,828	91,612
Total	8,868,706	10,212,969



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		31-Mar-22	31-Mar-21
15	INTEREST EXPENDED		
(i)	Interest on Deposits	18,131,638	14,144,965
(ii)	Interest on RBI / Inter-bank borrowings	4,772,605	1,658,937
(iii)	Others	199,434	2,154,604
	Total	23,103,677	17,958,506

		31-Mar-22	31-Mar-21
16	OPERATING EXPENSES		
(i)	Payments to and provisions for employees	14,370,241	7,629,937
(ii)	Rent, taxes and lighting	2,091,807	1,223,984
(iii)	Printing and Stationery	122,609	57,423
(iv)	Advertisement and publicity	487,001	281,199
(v)	Depreciation on Bank's property	1,077,730	618,093
(vi)	Director fees allowances and expenses	10,525	7,900
(vii)	Auditors' fees and expenses	25,500	19,508
(viii)	Law Charges	62,080	26,581
(ix)	Postages, Telegrams, Telephones, etc.	392,551	93,605
(x)	Repairs and maintenance	207,125	120,350
(xi)	Insurance	709,447	530,152
(xii)	Brokerage charges	117,407	97,559
(xiii)	Professional Fees	903,925	718,099
(xiv)	Computerisation and Related expenses	2,939,734	2,482,583
(xv)	Travelling expenses	69,071	47,262
(xvi)	Fixed Assets Written Off	-	19,439
(xvii)	Amortisation of Goodwill	1,683,315	1,683,315
(xviii)	Other Expenditure	1,251,761	1,533,665
	Total	26,521,829	17,190,654

		31-Mar-22	31-Mar-21
17	PROVISIONS AND CONTINGENCIES		
(i)	Provision for contingent credit	2,760	15,567
(ii)	Provision / (Write-back of provision) for Non Performing advances / write offs (net)	(64,158)	631,588
(iii)	Provision / (Write-back of provision) for Standard Asset (including standard asset provisioning on current credit exposure for derivatives, Unhedged Foreign Currency Exposure)	(443,963)	1,151,880
(iv)	Provision / (Write-back of provision) for Depreciation on Non Performing Investments	192,922	(271,388)
(v)	Provision for Tax		
	- Current Income-tax	9,482	-
	- Deferred Tax charge	1,020,215	3,671,432
(vi)	Other provisions	14,217	480,140
	Total	731,475	5,679,219

Schedule 18

Significant Accounting policies and Notes to Accounts

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").

Further, considering the amalgamation, the comparatives presented in the financial statements with respect to profit and loss account are not comparable.

Values are reported in INR thousands unless otherwise stated.

2. Basis of preparation

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

apply to the Bank and practices prevailing within the banking industry in India ("Indian GAAP").

3. Impact of COVID-19 Pandemic

COVID-19 pandemic has had an extraordinary impact on macroeconomic conditions in India and around the world during the financial years 2020-21 and 2021-22. The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to volatility in global and Indian financial markets and a decrease in global and local economic activities. The revival of economic activity has since improved, supported by relaxation of restrictions due to administration of the COVID vaccines to a large population in the country. The extent to which any new wave of COVID-19 pandemic will impact the Bank results will depend on future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

4. Use of estimates

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

5. Significant accounting policies

(i) Advances

Advances are classified as performing and non-performing based on the RBI prudential norms. Advances are stated net of bills rediscounted, inter-bank participation certificates on risk sharing basis, specific loan provisions on non-performing loans, write offs including the diminution in the fair value of restructured non-performing accounts, ECGC claims settled and part recovery towards NPA accounts receipts held under sundries.

Provisioning:

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

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

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

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

In accordance with the Scheme, the Bank has scrutinised advances portfolio of eLVB and considered additional provisioning on advances based on its assessment of recoverability of advances. The provision so made, which is not earmarked for individual accounts is treated as floating provision as per the Board approved policy. This provision is utilised for making specific provision on impaired loans as per requirement in accordance with RBI guidelines. The floating provision on advances is netted-off from Schedule 9 ('Advances').

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

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

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

In accordance with the RBI guidelines on the prudential framework for resolution of stressed assets and the resolution framework for COVID-19 related stress, the Bank in accordance with its Board approved policy, carried out one-time restructuring of eligible borrowers. The asset classification and necessary provisions thereon are done in accordance with the said RBI 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



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and included under Schedule 9 ('Advances') under the head 'Bills Purchased and Discounted'.

(ii) Investments

Classification

Investments are recognised on settlement date (i.e. value date) basis and 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. SLR investments acquired on amalgamation are classified by the Bank as HTM and non-SLR investments are classified as AFS on the appointed date.

Investments are further classified under six groups for the purpose of disclosure in the financial statements as set out in Schedule 8 – Investments.

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

Basis of Classification

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

Acquisition Cost

In determining acquisition cost of an investment:

- Brokerage, Commission, etc. paid at the time of acquisition, are charged to Profit and Loss Account.
- Cost of investments is determined using First in First Out method.
- Broken period interest on debt instruments is accounted for in accordance with the RBI guidelines.

Disposal of Investments

Profit/Loss on sale of investments under the HFT and AFS categories are recognised in the Profit and Loss Account on settlement date. The profit from sale of investment under HTM category, net of taxes and transfer to statutory reserves is appropriated from "Profit and Loss Account" to "Capital Reserve Account". Loss on sale, if any, is recognised fully in the Profit and Loss Account.

Valuation

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

- Central and State Government securities are valued based on the rates published by Primary Dealers Association of India ('PDAI') jointly with the Financial Benchmark India Private Limited ('FBIL').
- Treasury Bills, Commercial Paper and Certificate of Deposits are held at carrying cost.
- Security receipts are valued as per the Net Asset Value provided by the issuing Asset Reconstruction Company (ARC) from time to time.
- 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.
- Listed equity shares are valued at closing price as per exchange. Strategic investments made closer to the Balance Sheet date are carried at purchase price. Other unlisted performing equity shares have been valued at break-up value in accordance with RBI guidelines. Unlisted non-performing equity shares are valued at Re. 1.
- Net depreciation is recognised in the Profit and Loss Account and net appreciation, (if any) is ignored per category of investment classification. Consequent to revaluation, the book value of the individual security is not changed.
- Securities received on account of conversion of debt or unpaid interest are classified under AFS and valued in accordance with the RBI guidelines. Depreciation on these instruments is not offset against the appreciation in any other securities held under the AFS category.

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

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

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

Securities categorised under HTM are carried at acquisition cost, or at amortised cost if acquired at a premium over the face value. Such premium is amortised over the

remaining period to maturity of the relevant security on a straight line basis.

Transfer of securities between categories

Reclassification of investments from one category to the other is done in accordance with the RBI guidelines and any such transfer is accounted for at the lower of acquisition cost / book value / market value, as on the date of transfer and depreciation, if any, on such transfer is fully provided for.

Accounting for Repurchase/Reverse-repurchase transactions

In accordance with the RBI guidelines, Tri-party repos Repurchase/Reverse-repurchase transactions (including those under the Liquidity Adjustment Facility 'LAF' with the RBI) are accounted as collateralised borrowing and lending. The difference between the clean price of the first leg and the clean price of the second leg is recognised as interest expense/income over the period of the transaction.

Short Sale

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

(iii) Foreign Exchange

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

(iv) Derivative transactions

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

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

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

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

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

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

(v) Fixed Assets and depreciation

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

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

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

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



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

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

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

Amortisation of Goodwill

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

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

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

(vii) Employee Benefits

Short term benefits

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

Post-retirement benefits

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

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

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

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

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

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

(viii) Employee share based payment:

The eligible employees of the Bank have been granted stock awards under various plans, of equity shares of the ultimate holding company, DBS Group Holding Ltd. As per the various plans, these stock awards vest in a graded manner over a period

of two to four years. The fair value of the options awarded is amortised to the Profit and Loss Account in a graded manner over the vesting period of the shares.

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

(ix) Operating Leases

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

(x) Revenue Recognition

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

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

Pursuant to the RBI guidelines on 'Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package', the Bank has derecognised the 'interest on interest' charged to the borrowers during the moratorium period, i.e. 1 March 2020 to 31 August 2020.

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

Fee income is recognised at the inception of the transaction or as per the terms of engagement except in cases of fee income from issue of guarantees, buyer's credit, letter of credit and mortgages 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 at their contracted interest rate.

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

(xi) Taxation

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

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

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

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

(xii) Provisions, Contingent Liabilities and Contingent Assets

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

A disclosure of contingent liability is made when there is:

- a possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Bank; or



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- a present obligation arising from a past event which is not recognised as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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

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

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

(xiii) Cash and cash equivalents

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

(xiv) Segment Reporting

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

(xv) Cash flow statement

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

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

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

(xvii) Earnings per share

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

6. Amalgamation of the Lakshmi Vilas Bank Limited with DBS Bank India Limited

The Lakshmi Vilas Bank Limited ("eLVB") was a banking company registered under the Companies Act, 1956 and carrying on the business of banking in India. eLVB was regulated by RBI and governed by the Banking Regulation Act, 1949. eLVB was placed under moratorium by an order of the Government of India in the Ministry of Finance, Department of Financial Services vide number S.O.4127(E), dated the 17 November, 2020 in exercise of the powers conferred by sub-section (2) of section 45 of the Banking Regulation Act, 1949.

In exercise of the powers conferred by sub-section (7) of section 45 of the Banking Regulation Act, 1949 (the "Act"), the Central Government sanctioned 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 the Reserve Bank of India for amalgamation of the eLVB with the Bank, which came into force on 27 November 2020 ("appointed date").

As per the Scheme, upon its coming into effect from the appointed date i.e. 27 November 2020, the entire undertaking of eLVB including all its assets, liabilities and specified reserves stood transferred/ deemed to be transferred to and vest in the Bank. Further, on and from the appointed date, the entire amount of the paid-up share capital and reserves and surplus, including the balances in the shares or securities premium account of eLVB, were written off.

The amalgamation has been accounted for as per the Scheme. In accordance with the Scheme:

a. Investments were primarily valued as follows:

- Government securities were valued based on the rates published Primary Dealers Association of India ("PDAI") jointly with the Fixed Income Money Market and Derivatives Association of India ("FIMMDA") / Financial Benchmark India Private Limited ("FBIL") as applicable
- Treasury bills were valued at carrying costs
- Trading non-SLR bonds, which were not traded in last 15 days as at appointed date, were valued basis independent broker quotes. Non-trading performing bonds were valued by applying the mark up above corresponding yield on GOI Securities as directed by RBI or recoverability assessment by the Bank, whichever was lower.
- Security receipts were valued as per recoverability assessment by the Bank or Net Asset Value provided by the issuing Asset Reconstruction Company (ARC), whichever was lower.
- Listed equity shares were valued at closing price as per NSE or BSE, whichever was higher. Unlisted equity shares where there was a recent market

transaction, were valued at the transacted price. Other unlisted performing equity shares have been valued at break-up value in accordance with RBI guidelines. Unlisted non-performing equity shares were valued at Rupee One.

- Non-performing investments were valued based on the Bank's assessment of recoverability.
- The Bank scrutinised advances portfolio and considered additional provisioning on advances based on its assessment of recoverability of advances.
- Land and premises were valued at market value. Other fixed assets were valued at net written down value by application of the useful life as per DBIL's policy from the date of put to use. Non-Banking assets acquired in satisfaction of claims were valued at their market value determined based on independent professional valuation reports. Any legal disputes associated with such assets were considered while estimating the net realisable value.
- Deposit liability including interest liability thereon were transferred at carrying value
- Other liabilities, including contingent liabilities and Basel III Tier 2 Bond without Point of Non Viability (PONV) clause, were taken over based on estimated assessment of resources required to meet various obligations.
- The entire amount of the paid-up share capital and reserves and surplus, including the balances in the shares or securities premium account of the transferor bank, were written off.

The value of assets and reckoned liabilities transferred from eLVB to the Bank are in terms of the provisions specified in the Scheme. Details of the assets and liabilities acquired by the Bank are as under:

Details of the assets and liabilities acquired by the Bank are as under:

Particulars	As at 27 Nov 2020
Assets	
Cash and balances with Reserve Bank of India	11,373,229
Balances with banks and money at call and short notice	535,952
Investments	50,770,964
Advances	118,236,595
Fixed assets	3,652,741
Other assets	26,146,595
Total Assets [I]	210,716,076
Liabilities	
Deposits	198,960,878
Borrowings	3,505,000
Other liabilities and provisions	16,666,772
Total Liabilities [II]	219,132,650
Net Assets [III] = [I] - [II]	8,416,574
Purchase consideration [IV]	-
Goodwill [IV] - [III]	8,416,574

7. 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-22	31-Mar-21
Common Equity Tier 1 capital (CET 1)	87,005,197	70,514,216
Additional Tier 1 capital	-	-
Tier 1 capital	87,005,197	70,514,216
Tier 2 capital	16,376,096	15,942,497
Total capital (Tier 1+Tier 2)	103,381,293	86,456,713
Total Risk Weighted Assets (RWAs)	634,556,533	571,596,230
CET 1 Ratio (%)	13.71%	12.34%
Tier 1 Ratio (%)	13.71%	12.34%
Tier 2 Ratio (%)	2.58%	2.79%
Capital to Risk Weighted Assets Ratio (CRAR)	16.29%	15.13%
Leverage Ratio	8.15%	7.39%
Percentage of the shareholding of		
- Government of India	-	-
- State Government	-	-
- Sponsor Bank	-	-
Amount of paid-up equity capital raised during the year*	10,400,000	25,000,000
Amount of non-equity Tier 1 capital raised during the year	-	-
Amount of Tier 2 capital raised during the year	-	-

*refer Schedule 1



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8. Composition of Investment Portfolio

Particulars	Investments in India							Investments outside India				31-Mar-22
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India (A)	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India (B)	Total Investments (A + B)
Held to Maturity												
Gross	93,099,596	-	-	-	-	-	93,099,596	-	-	-	-	93,099,596
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	93,099,596	-	-	-	-	-	93,099,596	-	-	-	-	93,099,596
Available for Sale												
Gross	61,027,809	-	432,410	6,015,829	-	25,074,009	92,550,057	10,989,638	-	-	10,989,638	103,539,695
Less: Provision for depreciation and NPI	(414,637)	-	(18,004)	(292,484)	-	(584,846)	(1,309,971)	-	-	-	-	(1,309,971)
Net	60,613,172	-	414,406	5,723,345	-	24,489,163	91,240,086	10,989,638	-	-	10,989,638	102,229,724
Held for Trading												
Gross	20,400,071	-	-	-	-	-	20,400,071	-	-	-	-	20,400,071
Less: Provision for depreciation and NPI	(74,312)	-	-	-	-	-	(74,312)	-	-	-	-	(74,312)
Net	20,325,759	-	-	-	-	-	20,325,759	-	-	-	-	20,325,759
Total Investments												
Gross	174,527,476	-	432,410	6,015,829	-	25,074,009	206,049,724	10,989,638	-	-	10,989,638	217,039,362
Less: Provision for depreciation and NPI	(488,949)	-	(18,004)	(292,484)	-	(584,846)	(1,384,283)	-	-	-	-	(1,384,283)
Net	174,038,527	-	414,406	5,723,345	-	24,489,163	204,665,441	10,989,638	-	-	10,989,638	215,655,079

Particulars	Investments in India							Investments outside India				31-Mar-21
	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	78,485,771	-	-	-	-	-	78,485,771	-	-	-	-	78,485,771
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	78,485,771	-	-	-	-	-	78,485,771	-	-	-	-	78,485,771
Available for Sale												
Gross	78,914,722	-	473,548	2,921,228	-	23,452,731	105,762,229	-	-	-	-	105,762,229
Less: Provision for depreciation and NPI	(404,812)	-	(23,424)	(173,034)	-	(604,673)	(1,205,943)	-	-	-	-	(1,205,943)
Net	78,509,910	-	450,124	2,748,194	-	22,848,058	104,556,286	-	-	-	-	104,556,286
Held for Trading												
Gross	26,735,945	-	-	-	-	-	26,735,945	-	-	-	-	26,735,945
Less: Provision for depreciation and NPI	(48,106)	-	-	-	-	-	(48,106)	-	-	-	-	(48,106)
Net	26,687,839	-	-	-	-	-	26,687,839	-	-	-	-	26,687,839
Total Investments												
Gross	184,136,438	-	473,548	2,921,228	-	23,452,731	210,983,945	-	-	-	-	210,983,945
Less: Provision for depreciation and NPI	(452,918)	-	(23,424)	(173,034)	-	(604,673)	(1,254,049)	-	-	-	-	(1,254,049)
Net	183,683,520	-	450,124	2,748,194	-	22,848,058	209,729,896	-	-	-	-	209,729,896

9. Movement of Provisions for Depreciation and Investment Fluctuation Reserve

Particulars	31-Mar-22	31-Mar-21
Value of investments		
Gross value of investments	217,039,362	210,983,945
Less: Provision for depreciation	(1,384,283)	(1,254,049)
Net value of investments	215,655,079	209,729,896
Movement in Provisions held towards depreciation on investments		
Opening balance	1,254,049	810,901
Add: Provisions made during the year	150,059	443,148
Less: Write back of excess provisions during the year to Profit and Loss account	(19,825)	-
Closing Balance	1,384,283	1,254,049
Movement of Investment Fluctuation Reserve		
Opening balance	2,649,962	623,775
Add: Amount transferred during the year	-	2,026,187
Less: Drawdown	(198,852)	-
Closing balance	2,451,110	2,649,962
Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT	2%	2%

10. Repo/ Reverse Repo Transactions

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	As at 31 March
Securities sold under Repos*				
i) Government securities	-	95,782,264	39,617,691	78,227,379
	(-)	(132,443,243)	(67,436,122)	(-)
ii) Corporate debt securities	-	-	-	-
	(-)	(-)	(-)	(-)
iii) Any Other securities	-	-	-	-
	(-)	(-)	(-)	(-)
Securities purchased under Reverse Repos*				
i) Government securities	3,289,227	71,535,114	34,860,361	29,816,931
	(1,282,583)	(79,056,417)	(19,184,225)	(19,212,721)
ii) Corporate debt securities	-	-	-	-
	(-)	(-)	(-)	(-)
iii) Any Other securities	-	-	-	-
	(-)	(-)	(-)	(-)

(Figures in brackets indicate Previous year numbers)

*Represents repo borrowing / lending amount



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11. Non – Statutory Liquidity Ratio (SLR) Investment Portfolio

Issuer composition of Non – SLR Investments as of 31 March is stated below:

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	156,926	156,926	-	-	-
		(-)	(-)	(-)	(-)	(-)
(ii)	Financial Institutions*	2,696,947	2,696,947	-	141,161	195,782
		(1,504,178)	(1,405,757)	(-)	(-)	(-)
(iii)	Banks	-	-	-	-	-
		(1,862)	(-)	(-)	(1,862)	(-)
(iv)	Private Corporates	3,594,366	3,594,366	78,114	1,503,865	1,447,038
		(1,888,735)	(1,719,166)	(224,839)	(1,756,000)	(1,717,641)
(v)	Subsidiaries / Joint ventures	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)
(vi)	Others#	36,063,645	36,063,645	8,952	84,204	36,063,646
		(23,452,732)	(23,440,418)	(-)	(12,314)	(23,440,418)
(vii)	Provision held towards depreciation	(895,332)				
		(-801,131)				
Total		41,616,552	42,511,884	87,066	1,729,230	37,706,466
		(26,046,376)	(26,565,341)	(224,839)	(1,770,176)	(25,158,059)

(Figures in bracket indicate Previous year numbers)

* includes investments in NBFCs

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

12. Non performing Non – SLR Investments

Non performing Non – SLR Investments are as under:

Particulars	31-Mar-22	31-Mar-21
Opening balance	346,022	292,757
Additions during the year	270,369	346,022
Reductions during the year	(149,231)	(292,757)
Closing balance	467,160	346,022
Total provisions held	276,717	72,698

13. Sale and Transfers to / from HTM Category

During the year ended March 31, 2022, the value of sales/transfers of securities to/from HTM category (excluding one-time transfer of securities, sales to RBI under pre-announced open market operation auctions, repurchase of government securities by Government of India and repurchase of the state development loans by concerned state government, as permitted by RBI guidelines) did not exceed 5.0% of the book value of investments held in HTM category at the beginning of the year (Previous year: Nil).

14. Derivatives – Interest Rate Swap / Forward Rate Agreements

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

Particulars	31-Mar-22	31-Mar-21
Notional principal of Interest Rate Swaps	6,989,494,125	3,868,619,937
Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	23,319,402	20,903,908
Collateral required by the bank upon entering into swaps	-	-
Concentration of credit risk arising from the swaps (exposure to banking industry)	11.02%	17.03%
The fair value of the swap book (liability) / asset	2,556,138	(2,706,781)

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

Benchmark	Terms	31-Mar-22		31-Mar-21	
		Nos.	Notional Principal	Nos.	Notional Principal
6 Month MIFOR	Pay Fixed Receive Floating	277	154,750,000	345	192,350,000
6 Month MIFOR	Receive Fixed Pay Floating	211	139,032,000	174	114,032,000
OIS 1Y CMP	Pay Fixed Receive Floating	1,667	1,756,488,695	716	730,965,263
OIS 1Y CMP	Receive Fixed Pay Floating	1,509	1,513,121,493	796	632,996,715

Benchmark	Terms	31-Mar-22		31-Mar-21	
		Nos.	Notional Principal	Nos.	Notional Principal
OIS 6M COM	Pay Fixed Receive Floating	3,442	1,345,581,093	1,850	740,111,808
OIS 6M COM	Receive Fixed Pay Floating	3,532	1,390,344,504	1,744	692,581,919
USD BS Libor 1 month 6 months	Receive Floating Pay Floating	1	2,652,738	2	2,809,513
USD BS Libor 3 months	Pay Floating Receive Floating	31	27,838,681	26	31,496,804
USD Libor 1 month	Pay Fixed Receive Floating	10	46,780,299	11	86,142,205
USD Libor 1 month	Receive Fixed Pay Floating	14	49,625,145	15	88,925,683
USD Libor 3 months	Pay Fixed Receive Floating	29	86,560,626	27	73,923,492
USD Libor 3 months	Pay Floating Receive Floating	2	4,334,699	1	3,655,500
USD Libor 3 months	Receive Fixed Pay Floating	35	83,258,720	36	79,587,312
USD Libor 6 months	Pay Fixed Receive Floating	110	159,446,875	135	203,207,901
USD Libor 6 months	Receive Fixed Pay Floating	68	124,950,853	89	158,004,318
AUD BBSW 6M	Pay Fixed Receive Floating	3	241,156	3	236,736
AUD BBSW 6M	Receive Fixed Pay Floating	3	241,156	3	236,736
AUD BBSW S 6M	Pay Fixed Receive Floating	5	248,475	6	286,924
AUD BBSW S 6M	Receive Fixed Pay Floating	5	248,475	6	286,924
EUR EURIBOR 6M	Pay Fixed Receive Floating	3	645,855	8	1,291,491
EUR EURIBOR 6M	Receive Fixed Pay Floating	3	645,855	8	1,291,491
GBP LIBOR 6M	Pay Fixed Receive Floating	5	825,476	12	1,689,619
GBP LIBOR 6M	Receive Fixed Pay Floating	3	596,730	12	1,689,619
USD LIBOR 6M	Pay Floating Receive Floating	1	5,684,438	1	5,483,250
SGD SOR Q 3M	Pay Fixed Receive Floating	1	419,775	1	1,222,875
SGD SOR Q 3M	Receive Fixed Pay Floating	1	419,775	1	1,222,875
IGB7.17 080128S	Pay Fixed Receive Fixed	-	-	3	360,030
IGB6.79 261229S	Pay Fixed Receive Fixed	3	924,010	5	1,231,450
IGB7.4 09/35	Pay Fixed Receive Fixed	3	1,072,640	4	1,388,590
IGB6.68 170931S	Pay Fixed Receive Fixed	-	-	1	281,030
IGB7.95 08/32S	Pay Fixed Receive Fixed	1	430,830	3	817,320
IGB7.88 190330S	Pay Fixed Receive Fixed	8	1,965,692	7	1,638,280
IGB8.24 101133S	Pay Fixed Receive Fixed	4	1,252,140	1	132,190
IGB7.59 200329S	Pay Fixed Receive Fixed	1	538,160	1	538,160
IGB8.3 07/40S	Pay Fixed Receive Fixed	1	500,000	1	500,000
IGB7.16 200950S	Pay Fixed Receive Fixed	16	1,087,408	20	1,307,038
IGB6.67 171250S	Pay Fixed Receive Fixed	1	1,029,600	2	1,816,700
EUR EURIBOR 3M	Pay Fixed Receive Floating	1	842,200	1	857,500



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Benchmark	Terms	31-Mar-22		31-Mar-21	
		Nos.	Notional Principal	Nos.	Notional Principal
EUR EURIBOR 3M	Receive Fixed Pay Floating	1	842,200	1	857,500
USD SOFR 1YR	Pay Fixed Receive Floating	9	13,358,428	3	3,746,888
USD OIS 1YR	Receive Fixed Pay Floating	3	3,884,366	3	3,746,888
IGB7.62 150939S	Pay Fixed Receive Fixed	3	1,150,000	1	500,000
IGB6.22 160335S	Pay Fixed Receive Fixed	5	3,171,400	5	3,171,400
USD SOFR 1YR	Receive Fixed Pay Floating	3	8,337,175	-	-
IN1 MOD MIFNEW	Pay Fixed Receive Floating	17	13,400,000	-	-
IN1 MOD MIFNEW	Receive Fixed Pay Floating	10	5,850,000	-	-
EUR ESTR A 1Y	Pay Fixed Receive Floating	1	749,558	-	-
EUR ESTR A 1Y	Receive Fixed Pay Floating	1	749,558	-	-
GBP OIS 1YR	Receive Fixed Pay Floating	2	228,746	-	-
IGB6.64 160635S	Pay Fixed Receive Fixed	15	10,792,948	-	-
USD BS SOFR LIB	Pay Floating Receive Floating	3	2,787,901	-	-
IGB6.67 151235S	Pay Fixed Receive Fixed	2	2,058,510	-	-
IGB6.76 220261S	Pay Fixed Receive Fixed	3	2,600,000	-	-
IGB7.72 150649S	Pay Fixed Receive Fixed	1	650,000	-	-
IGB8.17 011244S	Pay Fixed Receive Fixed	1	1,200,000	-	-
IGB6.99 151251S	Pay Fixed Receive Fixed	2	1,000,000	-	-
IN1 OIS3MFX	Pay Fixed Receive Floating	2	7,000,000	-	-
IN1 OIS6M COM NEW	Pay Fixed Receive Floating	1	1,023,030	-	-
SGD BS SORA SOR	Pay Floating Receive Floating	1	4,034,038	-	-
Grand Total		11,096	6,989,494,125	6,090	3,868,619,937

15. Exchange Traded Interest Rate Derivatives

Particulars	31-Mar-22	31-Mar-21
(i) Notional principal amount of exchange traded interest rate derivatives undertaken during the year:		
NSE 10Y 6.45%	-	2,274,400
NSE 10Y 7.26%	-	750,000
NSE 12Y 7.95%	-	1,750,000
NSE 13Y 7.57%	-	2,400,000
NSE 10Y 5.79%	-	2,000
NSE 10Y 5.77%	-	8,799,000
NSE 10Y 5.85%	13,408,400	-
NSE 13Y 6.64%	2,020,000	-
NSE 10Y 6.10%	3,904,800	-
(ii) Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 March	-	-
(iii) Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective'	-	-
(iv) Mark to market value of exchange traded interest rate derivatives outstanding and not 'highly effective'	-	-

16. Disclosure on Risk Exposure in Derivatives

Qualitative Disclosures

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

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

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

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

Quantitative Disclosures

Sr. No.	Particular	31-Mar-22		31-Mar-21	
		Currency Derivatives #	Interest Rate Derivatives@	Currency Derivatives #	Interest Rate Derivatives@
1	Derivatives (Notional Principal Amount)				
(a)	- For Hedging **	39,246,073	-	48,875,569	-
(b)	- For Trading	2,178,672,781	6,989,494,125	1,945,583,673	3,868,619,937
2	Marked to Market Positions				
(a)	- Asset	11,974,996	23,319,402	16,699,775	20,903,908
(b)	- Liability	19,931,372	20,763,264	24,158,024	23,610,689
3	Credit Exposure	85,389,729	76,862,212	89,225,032	51,915,670
4	Likely impact of 1% change in interest rates (100*PV01)				
(a)	- On Hedging Derivatives **	(7,630)	-	(161,943)	-
(b)	- On Trading Derivatives	(846,850)	3,778,723	(1,141,797)	4,224,563
5	Maximum and Minimum of 100*PV01 observed during the year				
(a)	- On Hedging **: Maximum	4,667	-	(151,135)	-
	Minimum	(180,367)	-	(372,998)	-
(b)	- On Trading : Maximum	(734,779)	5,736,536	(91,089)	5,892,807
	Minimum	(1,230,797)	3,205,301	(1,515,884)	3,431,153

Currency Derivatives includes Foreign Exchange contracts.



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@ 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.

17. Asset quality - Classification of advances and provisions held

Particulars	Standard		Non-Performing			31-Mar-22	
	Total Standard Advances	Sub- standard	Doubtful	Loss	Total Non- Performing Advances	Total	
Gross Standard Advances and NPAs							
Opening Balance	359,273,140	1,136,147	27,617,873	14,377,535	53,331,555	412,604,695	
Add: Additions during the year**					6,200,254	6,200,254	
Less: Reductions during the year*					(14,193,804)	(14,193,804)	
Closing balance	431,900,390	3,237,329	30,617,652	11,483,024	45,338,005	477,238,395	
*Reductions in Gross NPAs due to:							
i) Upgradation					1,868,925	1,868,925	
ii) Recoveries (excluding recoveries from upgraded accounts)					7,941,039	7,941,039	
iii) Technical/ Prudential Write-offs					523,525	523,525	
iv) Write-offs other than those under (iii) above					3,860,315	3,860,315	
Provisions (excluding Floating Provisions)							
Opening balance of provisions held	2,376,041	4,948,948	20,810,600	14,217,176	39,976,724	42,352,765	
Add: Fresh provisions made during the year@					6,587,337	6,587,337	
Less: Excess provision reversed/ Write-off loans					(8,552,226)	(8,552,226)	
Closing balance of provisions held#	1,995,449	1,664,545	24,961,999	11,385,291	38,011,835	40,007,284	
Net NPAs							
Opening Balance		6,383,999	4,230,754	-	10,454,753		
Add: Fresh additions during the year					3,361,587		
Less: Reductions during the year					(6,736,526)		
Closing Balance***		1,572,783	5,507,031	-	7,079,814		
Floating Provisions							
Opening Balance						2,537,429	
Add: Additional provisions made during the year						-	
Less: Amount drawn down during the year						(2,537,429)	
Closing balance of floating provisions						-	
Technical write-offs and the recoveries made thereon							
Opening balance of Technical/ Prudential written-off accounts						10,703,409	
Add: Technical/ Prudential write-offs during the year						523,525	
Sub-total (A)						11,226,934	
Less: Recoveries made from previously technical/ prudential written-off accounts during the year (B)						(1,517,270)	
Closing balance (A-B)						9,709,664	

Particulars	Standard		Non-Performing			31-Mar-21	
	Total Standard Advances	Sub- standard	Doubtful	Loss	Total Non- Performing Advances	Total	
Gross Standard Advances and NPAs							
Opening Balance	190,410,227	1,000,285	4,075,381	-	5,075,666	195,485,893	
Add: Additions on amalgamation of eLVB (schedule 18 note [6])	119,263,833	1,794,114	23,855,847	14,825,427	40,475,388	159,739,221	
Add: Additions during the year**					11,824,505	11,824,505	
Less: Reductions during the year*					(4,044,004)	(4,044,004)	
Closing balance	359,273,140	1,136,147	27,617,873	14,377,535	53,331,555	412,604,695	
*Reductions in Gross NPAs due to:							
i) Upgradation					93,938	93,938	
ii) Recoveries (excluding recoveries from upgraded accounts)					1,480,982	1,480,982	
iii) Technical/ Prudential Write-offs					2,177,071	2,177,071	
iv) Write-offs other than those under (iii) above					292,013	292,013	
Provisions (excluding Floating Provisions)							
Opening balance of provisions held	926,261	445,014	3,734,014	-	4,179,028	5,105,289	
Add: Additions on amalgamation of eLVB (schedule 18 note [6])	1,033,600	573,572	17,558,926	14,548,180	32,680,678	33,714,278	
Add: Fresh provisions made during the year@					6,650,013	6,650,013	
Less: Excess provision reversed/ Write-off loans					(3,532,995)	(3,532,995)	
Closing balance of provisions held#	2,376,041	4,948,948	20,810,600	14,217,176	39,976,724	42,352,765	



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Particulars	Standard	Non-Performing			31-Mar-21	
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non- Performing Advances	Total
Net NPAs						
Opening Balance		555,271	341,367	-	896,638	
Add: Additions on amalgamation of eLVB (schedule 18 note [6])		1,206,349	3,120,311	-	4,326,660	
Add: Fresh additions during the year					6,068,893	
Less: Reductions during the year					(837,438)	
Closing Balance***		6,383,999	4,230,754	-	10,454,753	
Floating Provisions						
Opening Balance						-
Add: Additional provisions made during the year ##						3,033,600
Less: Amount drawn down during the year						(496,171)
Closing balance of floating provisions						2,537,429
Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts						2,705,684
Add: Addition on Amalgamation of eLVB (schedule 18 note [6])						5,907,787
Add: Technical/ Prudential write-offs during the year						2,177,071
Sub-total (A)						10,790,542
Less: Recoveries made from previously technical/ prudential written-off accounts during the year (B)						(87,133)
Closing balance (A-B)						10,703,409

Includes an amount of INR 1,742,726 thousand (Previous year: INR 7,620,699 thousand) pertaining to provision for restructured accounts classified as NPA.

Including addition on amalgamation of eLVB

** Includes fresh NPA of INR 5,128,039 thousand (Previous year: INR 11,545,657 thousand)

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

@ Includes provision on fresh NPA of INR 7,529,396 thousand (Previous year: INR 5,184,918 thousand)

Ratios	31-Mar-22	31-Mar-21
Gross NPA to Gross Advances	9.50%	12.93%
Net NPA to Net Advances	1.61%	2.83%
- Net NPA of DBIL standalone excluding eLVB (%)	0.25%	0.49%
Provision coverage ratio	87.14%	83.67%

18. Non-Performing Assets (Mark to Market on derivative deals)

Basis the guidelines issued by the RBI vide notification DBOD. No. BP.BC. 31/ 21.04.157/ 2012-13 dated 23 July 2012, Crystallised Receivables – Positive MTM on terminated derivative deals overdue for more than 90 days and Positive MTM on Live deals for NPA Customers have been reported under "Schedule 11 - Other Assets" after netting of the "Suspense crystallised receivables" and "Suspense account Positive MTM". The Gross value of crystallised receivables as on 31 March 2022 is Nil (Previous year: Nil) and the Net value is Nil (Previous year: Nil)

19. Concentration of Gross NPAs's

Particulars	31-Mar-22	31-Mar-21
Total Exposure to the top twenty NPA accounts*	17,592,919	19,243,640
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	38.80%	36.08%

*Represents gross NPA

20. Sector-wise Gross NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	31-Mar-22	31-Mar-21
Agriculture and allied activities	6.07%	13.85%
Industry (Micro & small, Medium and Large)	11.82%	15.56%
Services	8.52%	11.60%
Personal Loans	2.68%	5.12%

21. Concentration of Deposits

Particulars	31-Mar-22	31-Mar-21
Total Deposits of twenty largest depositors	121,923,171	146,163,994
Percentage of Deposits of twenty largest depositors to Total Deposits of the Bank	24.88%	28.38%

22. Concentration of Advances*

Particulars	31-Mar-22	31-Mar-21
Total Advances* # to twenty largest borrowers	157,513,095	138,711,957
Percentage of Advances to twenty largest borrowers to Total Advances of the Bank	18.28%	18.91%

*Advances have been computed as per the definition of Credit Exposure including derivatives as prescribed in the RBI's Master Circular DBR.No.Dir.BC.12/13.03.00/2015-16 dated 01 July 2015

Excludes interbank and Clearing Corporation of India Limited exposures.

23. Concentration of Exposures**

Particulars	31-Mar-22	31-Mar-21
Total Exposure** # to twenty largest borrowers/customers	164,724,833	142,792,291
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the Bank on borrowers / customers	18.09%	18.78%

**Exposures are computed based on Credit and Investment exposure as prescribed in the RBI's Master Circular DBR.No.Dir.BC.12/13.03.00/2015-16 dated 01 July 2015

Excludes interbank and Clearing Corporation of India Limited exposures.

24. Overseas Assets, NPAs and Revenue

Particulars	31-Mar-22	31-Mar-21
Total assets	-	-
Total NPAs	-	-
Total revenue	-	-

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

25. Off Balance Sheet Sponsored Special Purpose Vehicles



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The Bank did not have any off balance sheet sponsored Special Purpose Vehicle as at 31 March 2022. (Previous year: Nil)

26. 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
2021-22	1	27,171
2020-21	2	269,846

27. Covid 19 – Regulatory Package

The disclosure as required by RBI circular RBI /2019-20/220 DOR. No. BP. BC. 63 / 21.04. 048 /2020-21 dated 17 April 2020 are given below -

Particulars	31-Mar-22	31-Mar-21
Amount in SMA / Overdue categories, where moratorium / Deferment was extended*	4,689,946	7,269,086
Amount where asset classification benefit was extended	-	-
Provision made on the accounts*	-	212,551
Provision adjusted during the respective accounting periods against slippages / Written back	-	(212,551)
Residual provision	-	-

* Includes amounts from eLVB as disclosed in the audited financial statement as at the date of amalgamation

In accordance with the RBI Guidelines relating to Covid 19 Regulatory package – Review of Resolution Timelines under the Prudential Framework on Resolution of Stressed Assets, resolution period has not been extended for any loan.

28. Asset quality - Resolution Framework for Covid-19-related stress

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at the end of the previous half year (A)	Of (A), aggregate debt that slipped into NPA during the half- year	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 the end of this half year**
Personal Loans	195,486	4,270	944	81,146	93,405
Corporate persons*	12,996,263	325,610	-	6,396,958	6,722,330
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	13,191,749	329,880	944	6,478,104	6,815,735

* 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

29. Refund of Interest following the expiry of Covid-19 regulatory package

During the year ended 31 March 2021, the Honourable Supreme Court of India had pronounced its judgement in the matter of Small Scale Industrial Manufacturers Association vs UOI & Ors. and other connected with matters on 23 March 2021. Further, in accordance with RBI Circular dated 7 April 2021 and methodology recommended by Indian Banks Association (IBA), the Bank had estimated the amount to be refunded and had made a provision of INR 174,004 thousand in the profit and loss account for the year ended 31 March 2021 by reducing the same from interest income. Considering the guidelines were applicable for the year ended 31 March 2021, no additional provision was required to be made for the year ended 31 March 2022.

30. Asset quality - 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-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Standard										
Number of borrowers	-	-	7	6	3	4	86	165	96	175
Gross Amount	-	-	5,708,784	4,981,553	264,203	221,131	93,405	190,551	6,066,392	5,393,235
Provision held	-	-	1,248,915	827,851	18,653	17,340	-	6,538	1,267,568	851,729
Sub-standard										
Number of borrowers	-	-	-	2	-	1	12	12	12	15
Gross Amount	-	-	-	1,022,014	-	2,180	32,451	1,114	32,451	1,025,308
Provision held	-	-	-	698,749	-	697	9,523	967	9,523	700,413
Doubtful										
Number of borrowers	-	-	18	18	3	1	-	-	21	19
Gross Amount	-	-	7,556,495	7,623,857	33,789	5,371	-	-	7,590,284	7,629,228
Provision held	-	-	7,488,496	7,587,661	31,286	5,371	-	-	7,519,782	7,593,032
Total										
Number of borrowers	-	-	25	26	6	6	98	177	129	209
Gross Amount	-	-	13,265,279	13,627,424	297,992	228,682	125,856	191,665	13,689,127	14,047,771
Provision held	-	-	8,737,411	9,114,261	49,939	23,408	9,523	7,505	8,796,873	9,145,174

31. Asset quality - Disclosure of transfer of loan exposures

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

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

Details of loans not in default transferred (sell down) to entities during the year 2020-21 is as under –

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



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

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

Details of stressed loans transferred during the year 2020-21 is as under –

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

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

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

*From SCBs, RRBs, UCBS, StCBs, DCCBs, AIFs, SFBs and NBFCs including Housing Finance Companies (HFCs)

Details of loans acquired during the year 2020-21 is as under

Particulars	From Banks and NBFC*	From ARCs
Aggregate principal outstanding of loans acquired	-	-
Aggregate consideration paid	-	-
Weighted average residual tenor of loans acquired	-	-

*From SCBs, RRBs, UCBS, StCBs, DCCBs, AIFs, SFBs and NBFCs including Housing Finance Companies (HFCs)

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

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

* includes SRs received on amalgamation of eLVB (Refer schedule 18 note [6])

The disclosure pertaining to banks investments in SRs as on 31 March 2021 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*	1,015,975	642,780	5,895
Provision held against (i)	(439,159)	(159,619)	(5,895)
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)	1,015,975	642,780	5,895

* includes SRs received on amalgamation of eLVB (Refer schedule 18 note [6])

32. Provision for Standard Assets and Derivatives

Particulars	31-Mar-22	31-Mar-21
General Loan Loss Provision on Standard Assets (including standard asset provisioning on asset classified as standard restructured)	1,995,449	2,376,041
General Provision on Credit Exposures on Derivatives	132,934	150,422

33. Business Ratios

Particulars	31-Mar-22	31-Mar-21
i Interest Income to working funds	5.09%	4.96%
ii Non-interest income to working funds	1.05%	1.50%
iii Cost of Deposits	4.61%	4.73%
iv Net Interest Margin	2.84%	2.77%
v Operating profits to working funds	0.28%	1.29%
vi Return on Assets	0.20%	0.46%
vii Business (deposits plus advances) per employee	161,618	157,342
viii Net Profit per employee	287	554

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

34. Exposure to Capital Market

Sr. No.	Particulars	31-Mar-22	31-Mar-21
(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	176,763	156,988
(ii)	Advances against shares, bonds, debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPS), convertible bonds, convertible debentures and units of equity oriented mutual funds	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	7,060	25,972
(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	542,660	651,947
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(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		726,483	834,907



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

35. Exposure to Real Estate Sector

Particulars	31-Mar-22	31-Mar-21
a) Direct Exposure	67,991,161	61,659,009
(i) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans eligible for inclusion in priority sector advances may be shown separately)	22,694,973	26,060,557
(ii) Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	45,296,188	35,598,452
(iii) Investments in Mortgage backed Securities (MBS) and other securitised exposures -	-	-
a. Residential,	-	-
b. Commercial Real Estate.	-	-
b) Indirect Exposure	20,742,890	18,404,004
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	20,742,890	18,404,004
Total Exposure to Real Estate Sector	88,734,051	80,063,013

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

36. Risk Category Wise Country Risk Exposure

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

Risk Category	Exposure (net) as at 31 March 2022	Provision held as at 31 March 2022	Exposure (net) as at 31 March 2021	Provision held as at 31 March 2021
Insignificant	52,681,836	32,004	42,189,710	17,779
Low	5,948,342	-	4,020,581	-
Moderately Low	76,325	-	379,899	-
Moderate	90,756	-	125,498	-
Moderately High	528,439	-	-	-
High	-	-	-	-
Very High	-	-	-	-
Total	59,325,698	32,004	46,715,688	17,779

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.

42. Maturity profile of assets and liabilities

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

* Borrowing from RBI is considered basis ALCO approval.

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

The classification of assets and liabilities under the different maturity buckets are compiled by management on the same estimates and assumptions as used by the Bank for compiling the returns submitted to the RBI.

37. 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.

In previous year, the Bank had breached the limits prescribed under Large Exposure Framework to a Global Systemically Important Bank (G-SIB) on a particular day. This was due to anticipated large inflow into its Nostro account and RBI was intimated in advance about it. The breach was rectified immediately on the next working day.

38. Unsecured Advances

Particulars	31-Mar-22	31-Mar-21
Total unsecured advances of the bank (Net)	188,638,716	137,495,075
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	299,650	209,860
Estimated value of such intangible securities	INR 1	INR 1

39. Penalties imposed by the RBI

During the financial year, RBI imposed penalty of INR 60,050/-, of which INR 50/- was on account of discrepancies detected during examination of soiled notes and INR 60,000/- was for ATMs which were cash-out for more than 10 hours. (Previous year: INR 7,000/- on account of discrepancies like mutilated / counterfeit notes observed in soiled note remittances, etc. on the Bank's currency chest transactions).

40. Deferred Taxes

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

Particulars	31-Mar-22	31-Mar-21
Deferred tax assets (A):	14,245,859	15,266,074
- Depreciation on fixed assets	263,005	273,351
- Provision on advances	7,423,119	8,498,811
- Disallowance u/s 43B of Income Tax Act 1961	83,243	81,322
- Provision for employee benefits	1,815,140	862,247
- Amortisation of fee income	45,050	22,172
- Carry forward Income tax losses	2,574,266	3,498,770
- Provision for country risk, outside SDR cases and contingent credit	101,807	98,297
- Others	1,940,229	1,931,104
Deferred tax liabilities (B):	(2,692)	(2,692)
- Accounting Standard 19 Straight lining	(2,692)	(2,692)
Net Deferred tax assets (A-B)	14,243,167	15,263,382

The Bank had elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Bank had re-measured its deferred tax assets basis the rate prescribed in the aforesaid section and recognized the effect of this change by revising the annual effective income tax rate. The rate of income tax is changed from 34.94% to 25.168%. The re-measurement of accumulated deferred tax asset had resulted in a one-time additional charge of INR 1,384,307 thousand during the previous year.

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.

41. Subordinated Debt

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



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												31-Mar-21
	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	24,522,145	28,152,615	24,388,623	31,995,030	36,279,337	35,789,346	60,543,799	75,743,030	189,012,499	6,670,119	1,913,905	515,010,448
Advances	3,160,247	2,154,912	4,616,569	17,940,829	27,603,402	28,783,139	56,675,333	34,779,579	96,450,656	46,215,485	51,347,740	369,727,891
Investments	89,812,201	3,492,658	2,541,642	2,193,925	4,462,361	2,607,873	6,631,449	9,181,662	20,227,373	28,827,699	39,751,053	209,729,896
Borrowings*	106,118	-	-	-	-	2,000,000	-	505,000	78,020,900	-	10,966,500	91,598,518
Foreign Currency Assets (**)	9,161,510	5,864,575	456,810	11,096,576	9,637,292	3,453,723	15,462,820	8,548,457	28,487,175	10,768,953	863,612	103,801,503
Foreign Currency Liabilities (**)	14,843,505	347,228	26,031	199,572	114,589	264,677	2,649,249	3,262,961	13,137,394	1,345,415	10,989,165	47,179,786

* Borrowing from RBI is considered basis ALCO approval.

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

The classification of assets and liabilities under the different maturity buckets are compiled by management on the same estimates and assumptions as used by the Bank for compiling the returns submitted to the RBI.

43. Segmental Reporting

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

Treasury undertakes trading in bonds and other investment, derivatives trading and foreign exchange operations on the proprietary account and for customers. Revenues under this section primarily comprise fees, gains / losses from trading and interest income from the investment portfolio.

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

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

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

Other Banking Operations represents income from third party product distribution.

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

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

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	Of Total, pertaining to eLVB
	Treasury and Markets	Funding Management Unit					
Segmental Revenue	10,036,199 <i>(9,178,574)</i>	31,666,548 <i>(27,038,452)</i>	31,757,446 <i>(16,911,520)</i>	12,806,588 <i>(6,639,781)</i>	1,234,835 <i>(712,982)</i>	87,501,616 <i>(60,481,309)</i>	14,329,361 <i>(4,952,791)</i>
Less: Intersegmental Revenue						35,478,918 <i>(16,535,028)</i>	- <i>(-)</i>
Unallocated Income						- <i>(-)</i>	- <i>(-)</i>
Total Revenue						52,022,698 <i>(43,946,281)</i>	14,329,360 <i>(4,952,791)</i>
Results	2,719,869 <i>(5,253,378)</i>	5,629,521 <i>(6,195,321)</i>	3,599,507 <i>(1,929,621)</i>	-8,708,245 <i>(5,603,049)</i>	1,138,077 <i>(697,378)</i>	4,378,729 <i>(8,472,649)</i>	-5,007,328 <i>(-1,729,963)</i>
Unallocated expenses						-1,683,315 <i>(-1,683,315)</i>	-1,683,315 <i>(-1,683,315)</i>
Profit / Loss before tax and extraordinary items						2,695,414 <i>(6,789,334)</i>	-6,690,643 <i>(-3,413,278)</i>
Tax						1,029,697 <i>(3,671,432)</i>	
Net Profit after Tax						1,665,717 <i>(3,117,902)</i>	

Details of Segmental Assets and Liabilities are given below -

	Treasury		Corporate / Wholesale Banking	Retail Banking	Other Banking Operations	Total	Of Total, pertaining to eLVB
	Treasury and Markets	Funding Management Unit					
Segment Assets	145,990,574 <i>(175,136,858)</i>	79,832,597 <i>(49,052,698)</i>	455,156,021 <i>(369,503,119)</i>	126,456,666 <i>(138,601,498)</i>	- <i>(-)</i>	807,435,858 <i>(732,294,173)</i>	91,010,940 <i>(169,867,335)</i>
Unallocated assets						36,180,236 <i>(40,132,181)</i>	33,051,256 <i>(32,389,638)</i>
Total Assets						843,616,094 <i>(772,426,354)</i>	124,062,196 <i>(202,256,973)</i>
Segment Liabilities	146,163,852 <i>(137,453,990)</i>	153,688,946 <i>(90,679,172)</i>	257,323,495 <i>(262,621,770)</i>	225,990,933 <i>(178,251,311)</i>	- <i>(-)</i>	783,167,226 <i>(669,006,243)</i>	175,368,509 <i>(190,471,162)</i>
Unallocated Liabilities						60,448,868 <i>(103,420,111)</i>	-51,306,313 <i>(11,785,811)</i>
Total Liabilities						843,616,094 <i>(772,426,354)</i>	124,062,196 <i>(202,256,973)</i>

(Figures in brackets and italics indicate Previous year numbers)

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



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44. Related Parties

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

Ultimate Parent

DBS Group Holdings Ltd.

Parent

DBS Bank Ltd., Singapore

Branches of Parent / Subsidiaries of Parent

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

Entity over which the Bank exercises control

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

Key Management Personnel

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

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

Items / Related Party	31-Mar-22	31-Mar-21
Deposits	3,862,041	5,341,755
	(9,906,647)	(9,099,623)
Placement of Deposits	22,952	45,359
	(205,485)	(230,719)
Borrowings	-	392,000
	(408,830)	(428,915)
Guarantees / Derivatives / Forward Contracts	8,600,469	4,031,593
	(17,287,073)	(6,020,875)
Other assets	-	-
Other liabilities	15,011	13,689
Interest paid	129,789	70,782
Interest received	117	179
Rendering of services*	1,125	2,625
Receiving of services	2,295	2,601

(Figures in brackets indicate maximum outstanding during the year)

* (excludes Goods and Service Tax)

Key Management Personnel (KMP)	31-Mar-22	31-Mar-21
Deposits	21,733	14,351
	(12,160)	(50,585)
Interest paid	852	1,939
Remuneration Paid to Key Management Personnel*	94,993	88,694

(Figures in brackets indicate maximum outstanding during the year)

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

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

Material related party transactions are given below:

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

Acceptance of Deposits:

Deposit placed by DBS Asia Hub 2 Private Limited INR 3,710,675 thousand (Previous year: INR 3,657,226 thousand).

Placement of Deposits:

Nostro deposit was placed with DBS Bank (Hongkong) Limited foreign currency equivalent of INR 22,952 thousand (Previous year: INR 32,187 thousand).

Guarantees / Derivatives / Forward Contracts:

FX deal entered into with DBS Asia Hub 2 Private Limited foreign currency equivalent of INR 1,124,271 thousand (Previous year: INR 2,136,816 thousand). Derivatives Deals of DBS Bank Hong Kong Limited foreign currency equivalent of INR 5,336,740 thousand (Previous year: Nil).

Other liabilities:

Other liabilities include accrued interest payable on term deposit payable to DBS Asia Hub 2 Private Limited amounting to INR 9,692 thousand (Previous year: INR 10,605 thousand). Other accounts payable to PT Bank DBS Indonesia foreign currency equivalent of INR 4,576 thousand (Previous year: INR 1,305 thousand).

Interest paid:

Interest paid on term deposits to DBS Asia Hub 2 Private Limited INR 64,488 thousand (Previous year: INR 46,205 thousand) and Interest on borrowing paid to Lakshmi Vilas Bank Gratuity Trust INR 38,566 thousand (Previous year : INR 456 thousand)

Interest received:

Interest on other deposit received from DBS Bank Ltd., Hongkong Branch INR 117 thousand (Previous year: INR 179 thousand).

Rendering of Services:

Guarantee commission income from DBS Bank (China) Limited foreign currency equivalent of INR 916 thousand (Previous year: INR 1,392 thousand) and Bank charges from DBS Asia Hub 2 Private Limited INR 118 thousand (Previous year: INR 151 thousand).

Receiving of Services:

Reimbursement of expense to PT Bank DBS Indonesia INR 2,148 thousand (Previous year: INR 2,006 thousand)

Remuneration paid to Key Managerial Personnel:

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

45. 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-22	31-Mar-21
Not later than one year	498,419	772,495
Later than one year and not later than 5 years	808,951	1,303,578
Later than five years	-	53,333

The lease payments for the year ended 31 March 2022 charged to the Profit and Loss Account amount to INR 1,658,826 thousand (Previous year: INR 962,775 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.

46. Earnings Per Share

Particulars	31-Mar-22	31-Mar-21
Net profit after tax	1,665,717	3,117,902
Weighted average number of equity shares outstanding	6,704,516,574	5,572,823,010
Nominal Value per share in INR	10	10
Basic and diluted earnings per share in INR	0.25	0.56

47. Employee Benefits

Provident Fund: The Bank's contribution to the Employees' Provident Fund during the year was INR 287,243 thousand (Previous year: INR 209,101 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 2022 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 2022 based on actuarial valuation is Nil (Previous year: Nil).

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

Particulars	31-Mar-22		31-Mar-21	
	DBIL	eLVB	DBIL	eLVB
A Value of the Interest Rate Guarantee	69,476	2,410	48,448	1,125
B Accumulated Balance in the Provident Fund	4,207,121	1,211,027	3,769,229	1,351,324
C Present Value of the Obligation (A+B)	4,276,597	1,213,437	3,817,677	1,352,449
D Carrying Value of Plan Assets	4,500,185	1,227,081	3,838,150	1,362,030
E Asset / (Liability) recognised in the Balance Sheet (C - D)	-	-	-	-



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Table 2: Parameters of PF investment and obligations

Particulars	31-Mar-22		31-Mar-21	
	DBIL	eLVB	DBIL	eLVB
Discount rate for the term of the obligation	6.2% p.a	7.1% p.a	6.3% p.a	6.7% p.a
Average historical yield on the investment portfolio	8.3% p.a	8.2% p.a	8.7% p.a	8.2% p.a
Expected Investment Return	8.3% p.a	8.2% p.a	8.4% p.a	8.2% p.a
Guaranteed Rate of Return	8.1% p.a	8.1% p.a	8.5% p.a	8.5% p.a
Salary escalation rate for the term of the obligation	6.0% p.a	4.5% p.a	6.0% p.a	4.5% p.a

Compensated Absences: The Bank has charged INR 34,092 thousand to the Profit and Loss Account towards provision for compensated absences during the year ended 31 March 2022 (Previous year: INR 63,930 thousand).

Principal Actuarial Assumptions	31-Mar-22		31-Mar-21	
	DBIL	eLVB	DBIL	eLVB
Discount Rate (per annum)	6.20%	7.20%	5.80%	6.90%
Salary Escalation Rate (per annum)	6.00%	4.50%	6.00%	3.25%
Mortality	IALM 2012-14 (Ult.)	IALM 2012-14 (ultimate)	IALM 2012-14 (Ultimate)	IALM 2012-14 (ultimate)
Withdrawal rate (per annum)	15%	4%	15%	4%

Gratuity: The Bank has charged INR 294,386 thousand towards provision held in the Gratuity Fund for the year ended 31 March 2022 (Previous year: INR 41,965 thousand).

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

(I) Net Asset / (Liability) recognised in the Balance Sheet	31-Mar-22	31-Mar-21
Present Value of obligations as at year end	1,487,227	1,420,730
Fair Value of plan assets as at year end	1,178,084	1,355,973
Net Asset / (Liability) recognised in the Balance Sheet	(309,143)	(64,757)

(II) Changes in Defined Benefit Obligation during the year	31-Mar-22	31-Mar-21
Opening Defined Benefit Obligation (DBO)	1,420,730	326,560
Addition on amalgamation of eLVB (schedule 18 note [6])	-	997,412
Interest cost	91,478	39,747
Current Service Cost	137,690	79,463
Past Service Cost	(12,044)	-
Actuarial (Gain) / Losses	143,061	11,209
Benefits Paid	(293,688)	(33,661)
Closing Defined Benefit Obligation	1,487,227	1,420,730

(III) Changes in fair value of Plan Assets	31-Mar-22	31-Mar-21
Opening Fair Value of Plan Assets	1,355,973	287,615
Addition on amalgamation of eLVB (schedule 18 note [6])	-	768,565
Expected Return on Plan Assets	79,140	36,702
Actuarial Gain / (Losses)	(13,341)	51,752
Contributions by employer	50,000	245,000
Benefits Paid	(293,688)	(33,661)
Closing Fair Value of Plan Assets*	1,178,084	1,355,973
Estimated Employer Contributions for the next year	200,000	100,000
Actual Return on Plan Assets	65,799	88,454

*excludes fixed deposits of INR 34,250 thousand (Previous year – INR 39,500 thousand)

(IV) Amount recognised in the Profit and Loss Account	31-Mar-22	31-Mar-21
Current Service Cost	137,690	79,463
Interest on Defined Benefit Obligation (DBO)	91,478	39,747
Expected Return on Plan Assets	(79,140)	(36,702)
Net Actuarial Losses / (Gains) for the current year	156,402	(40,543)
Past Service Cost	(12,044)	41,965
Amount recognised in the Profit and Loss Account	294,386	-

(V) a. Asset Information (DBIL)	31-Mar-22	31-Mar-21
Insurer Managed Funds (non unit-linked)	0.02%	0.02%
Insurer Managed Funds (unit-linked)	99.98%	99.98%
Total	100.00%	100%

(V) b. Asset Information (eLVB)	31-Mar-22	31-Mar-21
PSU/ Bank/ NBFC debt securities	43%	41%
Central / State Government Debt securities	49%	28%
Bank Balances	4%	27%
Others (Liquid plan, Equity mutual fund, etc.)	4%	4%
Total	100%	100%

(VI) Experience adjustments	31-Mar-22	31-Mar-21	31-Mar-20
Present Value of DBO	1,487,227	1,420,730	326,560
Fair Value of Plan Assets	1,178,084	1,355,973	287,615
Funded Status [Surplus/ (Deficit)]	(309,143)	(64,757)	(38,945)
Experience adjustment on Plan Liabilities : (Gain) / Loss	73,630	23,112	10,386
Experience adjustment on Plan Asset : Gain	(9,496)	46,276	(8,923)

(VII) Principal Actuarial Assumptions	31-Mar-22		31-Mar-21	
	DBIL	eLVB	DBIL	eLVB
Discount Rate (per annum)	6.20%	7.10%	5.80%	6.70%
Expected rate of return on assets (per annum)	5.80%	6.70%	5.90%	6.20%
Salary Escalation Rate (per annum)	6.00%	4.50%	6.00%	3.25%
Attrition Rate	15.00%	4.00%	15.00%	4.00%
Expected average remaining working lives of employees	5 years	10 years	4.9 years	10 years
Mortality Rate	IALM 2012-14 (Ultimate).	IALM 2012-14 (Ultimate.)	IALM 2012-14 (Ultimate.)	IALM 2012-14 (Ultimate.)

Pension Fund: This retirement benefit is applicable to eligible employees of eLVB. The Bank has charged INR 3,121,332 thousand towards provision held in the Pension Fund for the year ended 31 March 2022 (Previous year: INR 488,635 thousand).

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

(I) Net Asset / (Liability) recognised in the Balance Sheet	31-Mar-22	31-Mar-21
Present Value of obligations as at year	7,306,707	5,383,815
Fair Value of plan assets as at year	1,847,889	3,046,329
Net Asset / (Liability) recognised in the Balance Sheet	(5,458,818)	(2,337,486)

(II) Changes in Defined Benefit Obligation during the year	31-Mar-22	31-Mar-21
Opening Defined Benefit Obligation (DBO)	5,383,815	-
Addition on amalgamation of eLVB (schedule 18 note [6])	-	5,114,785
Interest cost	303,325	115,424
Current Service Cost	136,661	43,137
Past Service Cost	-	-
Actuarial (Gain) / Losses	2,906,961	417,381
Benefits Paid	(1,424,055)	(306,912)
Closing Defined Benefit Obligation	7,306,707	5,383,815

(III) Changes in fair value of Plan Assets	31-Mar-22	31-Mar-21
Opening Fair Value of Plan Assets	3,046,329	-
Addition on amalgamation of eLVB (schedule 18 note [6])	-	2,335,103
Expected Return on Plan Assets	153,848	68,452
Actuarial Gain / (Losses)	71,767	18,855
Contributions by employer	-	930,831
Benefits Paid	(1,424,055)	(306,912)
Closing Fair Value of Plan Assets	1,847,889	3,046,329
Estimated Employer Contributions for the next year	2,000,000	2,000,000
Actual Return on Plan Assets	225,615	87,307

(IV) Amount recognised in the Profit and Loss Account	31-Mar-22	31-Mar-21
Current Service Cost	136,661	43,137
Interest on Defined Benefit Obligation (DBO)	303,325	115,424
Expected Return on Plan Assets	(153,848)	(68,452)
Net Actuarial Losses / (Gains) for the current year	2,835,194	398,526
Past Service Cost	-	-
Amount recognised in the Profit and Loss Account	3,121,332	488,635



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(V) Asset Information	31-Mar-22	31-Mar-21
PSU / Bank / NBFC debt securities	15%	42%
Central / State Government debt securities	11%	5%
Return of Capital LIC annuities	17%	10%
Funds with LIC (insurer)	55%	7%
Bank Balances	1%	34%
Others (Liquid plan, Equity mutual fund, etc.)	1%	2%
Total	100%	100%

(VI) Experience adjustments	31-Mar-22	31-Mar-21
Present Value of DBO	7,306,707	5,383,815
Fair Value of Plan Assets	1,847,889	3,046,329
Funded Status [Surplus/ (Deficit)]	(5,458,818)	(2,337,486)
Experience adjustment on Plan Liabilities: (Gain) / Loss	596,010	527,566
Experience adjustment on Plan Asset: Gain	71,994	16,934

(VII) Principal Actuarial Assumptions	31-Mar-22	31-Mar-21
Discount Rate (per annum)	Pensioners - 7.3% Active employees - 7.2%	Pensioners - 6.95% Active Employees - 6.78%
Expected rate of return on assets (per annum)	6.78%	6.77%
Salary Escalation Rate (per annum)	4.50%	3.25%
Withdrawal Rate	4.00%	4.00%
Mortality Rate	100% of IALM 2012-14 (Ult.) pre retirement 105% of Indian Individual Annuities Mortality 2012-15 post retirement	100% of IALM 2012-14 (Ult.) Pre-retirement, 100% of Annuitants - LIC 1996-98 (Ult.) Post retirement

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

The employee cost for the year ended 31 March 2022 under schedule 16 (i) includes INR 1,264,851 thousand towards pension, gratuity and compensated absences recognised due to revised estimates.

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.

48. Employee Share Based Payments

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

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

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

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

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

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

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

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

A reconciliation of employee share based payment movements in number of shares during the year ended 31 March 2021 is shown below:

Category	Year	Opening balance	Granted	Vested	Lapsed	Closing balance
Restricted Share Plan	2017	29,816	-	29,224	592	-
	2018	42,105	-	18,037	-	24,068
	2019	150,545	-	46,406	4,300	99,839
	2020*	124,142	16,176	-	3,150	137,168
	2021	-	124,264	-	-	124,264
Chairman's Recognition Award	2017	12,898	-	11,748	1,150	-
	2018	18,835	-	8,328	1,807	8,700

*Shares granted represent shares that were granted based on regulatory approvals in 2020-2021.

The weighted average fair value of shares awarded as shown above were in the range of SGD 17.92 - SGD 29. 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 2022 was INR 172,803 thousand (Previous year: INR 139,598 thousand).

Liability on account of share based payment as at 31 March 2022 is INR 38,177 thousand (Previous year: INR 15,425 thousand).

49. Complaints

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

(A) Customer Complaints

Sr. No.	Particulars	31-Mar-22	31-Mar-21
1.	No. of complaints pending at the beginning of the year	70	22
2.	No. of complaints added on amalgamation of eLVB (schedule 18 note [5])	-	49
3.	No. of complaints received during the year	7,564	7,173
4.	No. of complaints disposed during the year	7,572	7,174
4.1	Of which, number of complaints rejected by the Bank	2,761	2,294
5.	No. of complaints pending at the end of the year	62	70
6.	Maintainable complaints received by the Bank from Offices of Banking Ombudsman (OBOs)	403	339
6.1	of 6, number of complaints resolved in favour of the Bank by Banking Ombudsman (BO)	396	331
6.2	of 6, number of complaints resolved through conciliation / mediation / advisories issued by BOs	4	4
6.3	of 6, number of complaints resolved after passing of awards by BOs against the Bank	-	-
7.	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	Addition on amalgamation of eLVB	No. of complaints received during the year	% increase / (decrease) in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 6, no. of complaints pending beyond 30 days
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2021-22						
ATM/Debit Cards	50	-	5,633	-0.69%	46	-
Internet/ Mobile/ Electronic Banking	3	-	492	2.07%	1	1
Loans and advances	2	-	223	14.36%	6	1
Account opening / difficulty in operation of accounts	3	-	111	-64.76%	1	-
Mis-selling/ Para-banking	2	-	44	10.00%	1	-
Others	10	-	1,061	131.15%	7	3
Total	70	-	7,564	92.14%	62	5



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2020-21						
ATM/Debit Cards	11	44	5,672	-37%	50	-
Internet/ Mobile/ Electronic Banking	5	-	482	16%	3	-
Account opening/ difficulty in operation of accounts	1	-	315	53%	3	-
Loans and advances	-	-	195	175%	2	1
Levy of charges without prior notice / excessive charges/ foreclosure charges	3	1	50	163%	5	1
Others	2	4	459	15%	7	3
Total	22	49	7,173	-30%	70	5

50. Impairment of Assets

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

51. Contingent Liabilities

a) *Claims against bank not acknowledged as debt (also refer Schedule 18 note [66])*

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

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

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

c) *Guarantees given on behalf of constituents*

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

d) *Acceptances, endorsements and other obligations*

These include documentary credits issued by the Bank on behalf of its customers and bills drawn by the Bank's customers that are accepted or endorsed by the Bank

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

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

52. 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.

Sr. No.	Particulars	31-Mar-22		31-Mar-21	
		Principal	Interest	Principal	Interest
1.	The Principal amount and the interest due thereon remaining unpaid to any supplier.	12,226	220	6,695	-
2.	The amount of interest paid by the buyer in terms of Section 16, along with the amount of the payment made to the supplier beyond the due date.	-	-	-	-

Sr. No.	Particulars	31-Mar-22		31-Mar-21	
		Principal	Interest	Principal	Interest
3.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the period) but without adding the interest specified under MSMED Act, 2006	-	-	-	-
4.	The amount of interest accrued and remaining unpaid	-	449	-	71
5.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowed as a deductible expenditure under Section 23	-	-	-	-

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

53. Movement in provisions

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

Particulars	31-Mar-22	31-Mar-21
Opening balance at the beginning of the year	5,215,442	72,444
Add : Addition on Amalgamation of eLVB (schedule 18 note [6])*	-	5,142,998
Add : Provision made during the year	750,000	-
Less : Utilisation, write back of excess provisions during the year	-	-
Closing balance at the end of the year	5,965,442	5,215,442

*including floating provision addition on amalgamation of eLVB

Note: Provision represents potential claims/demand.

54. Unhedged Foreign Currency Exposure (UFCE)

The RBI has issued various guidelines advising banks to closely monitor the unhedged foreign currency exposures of their borrowing clients. However, the extent of unhedged foreign currency exposures of the entities continues to be significant and this can increase the probability of default in times of high currency volatility.

The RBI had, therefore, introduced incremental provisioning and capital requirements for bank exposures to entities with unhedged foreign currency exposures.

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

This guideline indicates the definition of "unhedged foreign currency exposure" (as per the RBI) and how to estimate the extent of likely loss. Likely loss is defined as "The loss to the entity in case of movement in USD-INR exchange rate may be calculated using the annualised volatilities (currently pegged at 12.47% of notional by the RBI guidelines). Once the loss figure is calculated, it may be compared with the annual Earnings before Interest and Depreciation (EBID) of the corporate as per the latest quarterly results certified by the respective statutory auditors. This loss may be computed as a percentage of EBID.

Higher this percentage, higher will be the susceptibility of the entity to adverse exchange rate movements. Therefore, as a prudential measure, all exposures to such entities (whether in foreign currency or in INR) would attract incremental capital and provisioning requirements (i.e., over and above the present requirements) as prescribed by the RBI.

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

In terms of the RBI Circular DBOD.No.BP.BC. 85 /21.06.200/2013-14 dated 15 January 2014, the details of incremental provisioning and capital held by the Bank are as below:

Particulars	31-Mar-22	31-Mar-21
Incremental provision on account of UFCE	385,143	446,931
Incremental risk weighted assets on account of UFCE	16,730,417	15,421,361

55. Intra-Group Exposures

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



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Particulars	31-Mar-22	31-Mar-21
Total amount of intra-group exposures*	6,079,645	5,101,804
Total amount of top-20 intra-group exposures	6,079,645	5,101,804
Percentage of intra-group exposures to total exposure of the bank on borrowers /customers	0.77%	0.67%
Details of breach of limits on intra-group exposures and regulatory action thereon, if any.	Nil	Nil

Particulars	31-Mar-22	31-Mar-21
Opening balance of amounts transferred to DEAF	739,273	5,352
Add: Addition on amalgamation of eLVB (schedule 18 note [6])	-	694,848
Add : Amounts transferred to DEAF during the year	107,536	40,477
Less : Amounts reimbursed by DEAF towards claims during the year	1,381	1,404
Closing balance of amounts transferred to DEAF	845,428	739,273

58. Liquidity Coverage Ratio

*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 Frameworks

56. Transfers to Depositor Education and Awareness Fund (DEAF)

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

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)

Particulars	30-Jun-2021		30-Sep-2021		31-Dec-2021		31-Mar-2022	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1. Total High Quality Liquid Assets (HQLA) (A)		172,174,380		180,867,980		164,261,897		158,484,478
Cash Outflows								
2. Retail deposits and deposits from small business customers, of which:	224,189,288	18,543,062	222,999,253	18,425,895	218,572,582	18,080,452	218,566,081	18,168,200
(i) Stable deposits	77,517,320	3,875,866	77,480,589	3,874,029	75,557,225	3,778,334	73,768,147	3,688,407
(ii) Less stable deposits	146,671,968	14,667,196	145,518,664	14,551,866	143,015,357	14,302,118	144,797,934	14,479,793
3. Unsecured wholesale funding, of which:	212,685,553	101,914,082	222,501,865	101,330,435	223,068,991	102,854,848	229,987,613	108,698,419
(i) Operational deposits (all counterparties)	4,486,100	1,092,099	33,910,349	8,264,125	37,314,143	9,095,054	34,766,388	8,470,026
(ii) Non-operational deposits (all counterparties)	208,199,453	100,821,983	188,591,516	93,066,310	185,754,848	93,759,794	195,221,225	100,228,393
(iii) Unsecured debt	-	-	-	-	-	-	-	-
4. Secured wholesale funding								
5. Additional requirements, of which	80,679,152	25,439,409	75,429,872	24,813,386	77,639,885	23,812,877	82,786,955	24,906,430
(i) Outflows related to derivative exposures and other collateral	15,387,118	15,387,118	15,437,059	15,437,059	14,346,745	14,337,194	15,592,781	15,592,781
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	59,789,716	10,052,291	54,236,158	9,376,327	57,171,626	9,475,683	60,503,119	9,313,649
6. Other contractual funding obligations	5,502,318	5,502,318	5,756,655	5,756,655	6,121,514	6,310,191	6,691,055	6,691,055
7. Other contingent funding obligations	244,088,526	10,308,682	260,219,989	11,025,872	288,875,857	12,435,706	314,325,528	13,653,680
8. Total Cash Outflows (B)		161,707,553		161,352,243		163,494,074		172,117,784
Cash Inflows								
9. Secured lending (e.g. reverse repos)	13,492,442	-	25,671,748	-	37,209,149	-	44,990,039	-
10. Inflows from fully performing exposures	71,570,355	49,640,397	69,776,279	44,758,636	76,125,185	47,643,998	89,496,865	57,860,844
11. Other cash inflows	6,392,039	5,924,632	5,308,538	4,805,173	6,192,625	4,391,820	11,965,713	5,764,164
12. Total Cash Inflows (C)		55,565,029		49,563,809		52,035,818		63,625,008
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13. TOTAL HQLA		172,174,380		180,867,980		164,261,897		158,484,478
14. Total Net Cash Outflows (D = B-C)		106,142,527		111,788,436		111,458,258		108,492,779
15. Liquidity Coverage Ratio (%) (A)/(D)		162.21%		161.79%		147.38%		146.08%

Particulars	30-Jun-2020		30-Sep-2020		31-Dec-2020		31-Mar-2021	
	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)		120,957,177		113,960,382		161,853,395		169,465,103
Cash Outflows								
2. Retail deposits and deposits from small business customers, of which:	58,927,035	5,527,675	62,030,663	5,842,758	130,822,201	11,296,285	226,851,553	18,840,734
(i) Stable deposits	7,300,553	365,027	7,206,134	360,306	35,718,683	1,785,934	76,888,409	3,844,420
(ii) Less stable deposits	51,626,482	5,162,648	54,824,529	5,482,452	95,103,518	9,510,351	149,963,144	14,996,314
3. Unsecured wholesale funding, of which:	194,359,425	94,406,046	176,152,978	86,048,798	193,272,311	94,385,040	181,933,067	90,792,615
(i) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii) Non-operational deposits (all counterparties)	194,359,425	94,406,046	176,152,978	86,048,798	193,272,311	94,385,040	181,933,067	90,792,615



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Particulars	30-Jun-2020		30-Sep-2020		31-Dec-2020		31-Mar-2021	
	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)
(iii) Unsecured debt	-	-	-	-	-	-	-	-
4. Secured wholesale funding	-	-	-	-	-	-	-	-
5. Additional requirements, of which	59,012,325	20,522,848	60,168,298	20,200,332	67,521,779	22,373,264	76,522,457	28,220,673
(i) Outflows related to derivative exposures and other collateral	16,334,959	16,334,959	15,844,823	15,844,823	15,260,616	15,260,616	17,381,795	17,381,795
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	42,677,366	4,187,889	44,323,475	4,355,509	52,261,163	7,112,648	59,140,662	10,838,878
6. Other contractual funding obligations	582,754	530,659	3,797,484	3,797,484	5,286,665	5,286,665	6,786,766	6,786,766
7. Other contingent funding obligations	222,911,777	9,681,920	232,184,970	10,060,528	244,743,533	10,509,264	252,089,938	10,697,633
8. Total Cash Outflows (B)		130,669,148		125,949,900		143,850,518		155,338,421
Cash Inflows								
9. Secured lending (e.g. reverse repos)	9,033,099	-	4,127,901	-	10,222,427	-	18,793,064	-
10. Inflows from fully performing exposures	45,671,303	28,646,311	48,598,328	31,227,321	52,724,670	33,865,506	85,059,060	62,539,006
11. Other cash inflows	10,269,165	7,021,959	10,792,701	5,226,713	10,930,301	5,244,307	11,306,838	7,262,001
12. Total Cash Inflows (C)		35,668,270		36,454,034		39,109,813		69,801,007
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13. TOTAL HQLA		120,957,177		113,960,382		161,853,395		169,465,103
14. Total Net Cash Outflows (D = B-C)		95,000,878		89,495,866		104,740,705		85,537,414
15. Liquidity Coverage Ratio (%) (A)/(D)		127.32%		127.34%		154.53%		198.12%

Qualitative disclosure around LCR

The main LCR drivers for the Bank are as under:

	31-Mar-22			31-Mar-21		
	Average	Maximum	Minimum	Average	Maximum	Minimum
HQLA	169,042,121	197,439,560	124,465,006	141,462,203	233,360,851	100,968,522
Total Cash Inflows	55,100,730	88,049,500	35,095,481	45,207,900	93,195,475	25,807,417
Total Cash Outflows	164,629,662	182,994,231	149,814,742	138,862,955	172,614,294	118,280,717
Total Net Cash Outflows#	109,528,932	128,677,214	75,954,374	93,655,054	127,356,207	59,480,994

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

The main LCR drivers for the Bank are as under (observed over 4 quarter end data):

The Bank's HQLA primarily consist of excess SLR maintained in the form of Government Securities /T-Bills, Facility to Avail Liquidity for Liquidity Coverage Ratio ('FALLCR') (as permissible by the RBI), MSF (as permissible by the RBI), Corporate Bonds which classify as Level 2 Assets.

LCR is monitored on daily basis. The Bank maintains a healthy liquidity position by keeping a stable balance sheet structure that is supported by a diversified funding base. DBIL Balance Sheet is adequately funded through wholesale and retail term deposits. Further, the bank is consistently maintaining a robust funding profile by increasing its current account and savings account deposits and a line of credit from the regulator.

The average LCR for the quarter ended March 31, 2022 was at 146.08% and above the present prescribed minimum RBI requirement of 100%. The average HQLA for the quarter ended March 31, 2022 was ₹ 158,484,478 thousands. The average total Cash Outflows and Cash Inflows were ₹ 172,117,784 thousands and ₹ 63,625,008 thousands respectively.

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

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

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

Particulars	31-Mar-22			31-Mar-21		
	Amount spent	Amount unpaid / provision	Total	Amount spent	Amount unpaid / provision	Total
(i) Construction / acquisition of any asset	-	-	-	-	-	-
(ii) On purpose other than (i) above	57,966	3,400	61,366	57,885	-	57,885

As required under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, surplus of INR 3,400 thousand, arising out of CSR activities during the year ended 31 March 2022 has been transferred to unspent CSR Account.

59. Sector-wise Advances

Sector	31-Mar-22			31-Mar-21		
	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 and allied activities	31,771,514	1,399,610	4.41%	34,505,988	1,575,437	4.57%
2 Advances to industries sector eligible as priority sector lending	77,965,856	2,317,115	2.97%	61,206,201	2,931,741	4.79%
Of which - Basic Metal and Metal products	4,078,525	18,590	0.46%	7,168,909	46,168	0.64%
Of which - Chemicals and Chemical Products	14,180,401	108,600	0.77%	9,900,182	211,257	2.13%
Of which - Other Industries	24,362,492	577,846	2.37%	11,446,201	1,006,990	8.80%
Of which - Textiles	6,467,973	878,841	13.59%	8,175,910	617,723	7.56%



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Sector	31-Mar-22			31-Mar-21		
	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
3 Services	50,206,734	371,717	0.74%	54,263,075	4,890,352	9.01%
Of which - Bank	15,753,575	-	0.00%	10,521,318	-	0.00%
Of which - Computer Software	639,593	-	0.00%	6,524,155	7,028	0.11%
Of which - Non-banking financial institutions/companies	13,089,382	48,754	0.37%	10,234,368	48,369	0.47%
Of which - Retail Trade	1,687,429	23,349	1.38%	9,352,305	3,862,275	41.30%
Of which - Trading Activity	5,012,207	-	0.00%	4,592,031	-	0.00%
Of which - Wholesale Trade	10,999,038	44,916	0.41%	7,414,245	70,554	0.95%
4 Personal loans	1,549,784	39,495	2.55%	2,488,035	177,685	7.14%
Of which - Home Loan	801,633	35,020	4.37%	1,058,917	118,304	11.17%
Of which - Other Retail Loans	-	-	-	1,316,012	27,291	2.07%
Of which - Vehicle/Auto Loans	685,386	-	0.00%	-	-	-
Sub-total (A)	161,493,888	4,127,937	2.56%	152,463,299	9,575,215	6.28%
B Non Priority Sector						
1. Agriculture and allied activities	629,372	567,282	90.13%	3,834,182	3,736,584	97.45%
2. Industry	147,131,074	24,287,539	16.51%	118,952,135	25,095,389	21.10%
Of which - Construction	15,132,482	887,515	5.86%	18,114,263	939,852	5.19%
Of which - Infrastructure	51,303,676	6,975,458	13.60%	36,114,172	7,389,847	20.46%
Of which - Other Industries	19,878,563	8,876,466	44.65%	16,084,206	7,871,721	48.94%
3 Services	136,136,847	15,499,928	11.39%	100,945,403	13,110,708	12.99%
Of which - Non-banking financial institutions/companies	54,601,434	1,610,496	2.95%	40,046,345	668,652	1.67%
Of which - Retail Trade	17,786,271	3,438,099	19.33%	6,774,089	-	0.00%
Of which - Other Services	37,779,145	5,958,922	15.77%	30,912,547	7,396,942	23.93%
4. Personal loans*	31,847,214	855,319	2.69%	36,409,676	1,813,659	4.98%
Of which - Housing loans	13,773,820	99,019	0.72%	13,039,692	359,800	2.76%
Of which - Consumer Durables	93,602	1,792	1.91%	3,989,884	11,446	0.29%
Of which - Retail Loan - Other Retail Loans	12,810,071	721,586	5.63%	12,059,927	963,170	7.99%
Of which - Loan Against Property	3,067,539	29,421	0.96%	3,329,316	444,342	13.35%
Sub-total (B)	315,744,507	41,210,068	13.05%	260,141,396	43,756,340	16.82%
Total (A+B)	477,238,395	45,338,005	9.50%	412,604,695	53,331,555	12.93%

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

** Represent gross advances

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

Particulars	31-Mar-22	31-Mar-21
PSLC purchased during the year		
(i) PSLC – Agriculture	-	-
(ii) PSLC – SF/MF	-	-
(iii) PSLC – Micro Enterprises	-	-
(iv) PSLC – General	-	-
Total	-	-
PSLC sold during the year		
(i) PSLC – Agriculture	-	-
(ii) PSLC – SF/MF	11,000,000	2,500,000
(iii) PSLC – Micro Enterprises	-	10,000,000
(iv) PSLC – General	-	-
Total	11,000,000	12,500,000

61. Divergence in the asset classification and provisioning

In terms of the RBI circular no. DOR.ACC.REC.No.45/21.04.018/2021-22 dated 30 August 2021, banks are required to disclose the divergences in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to the financial statements, wherever either (a) the additional provisioning requirements assessed by RBI exceed 10% of the reported net profits before provisions and contingencies or (b) the additional gross NPAs identified by RBI exceed 15% of the published incremental gross NPAs for the reference period, or both. 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 2021 and for the year ended 31 March 2020.

Further for eLVB, for the period prior to amalgamation into DBIL, adequate disclosures for the divergences were made in the financial statements of eLVB for the period ended 26 November 2020.

62. Provision pertaining to fraud accounts

The disclosure on provision pertaining to fraud accounts in accordance with the RBI

circular DBR.No.BP.BC.92/21.04.048/2015-16 dated 18 April 2016 is as under

Particulars	31-Mar-22	31-Mar-21
No. of frauds reported during the year	132	161
Amount involved in fraud	1,316,280	2,648,634
Amount involved in fraud net of recoveries / write-offs as at the end of the year	1,306,163	2,544,757
Provisions held as at the end of the year	1,306,163	2,544,757
Amount of unamortised provision debited from "other reserves" as at the end of the year	-	-

63. Implementation of 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 in March 2019 until further notice.

In preparedness towards achieving the same and in accordance with RBI guidelines, the Bank had prepared and submitted proforma financials as per IndAS for the half-year ended 30 September 2021 to RBI.

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

64. 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



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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 of 2019. These guidelines were tabled and approved by the Bank's Nomination and Remuneration Committee in FY 2020-21.

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 second to fourth year (33%, 33% and 34% respectively). Such longer deferral period is considered conservative compared to others in the industry. In addition, cash bonus, unvested and /or vested shares is subject to malus / claw back during the seven-year period from the date of grant if certain events are triggered.

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

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

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

Remuneration - Quantitative disclosures (The quantitative disclosures cover

Whole Time Directors / Chief Executive Officer/ Material Risk Takers)

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

Five meetings of Nomination and Remuneration Committee ("NRC") were held during the year ended 31 March 2022 (Previous year: Three 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.

9 employees (Previous year: 8) received variable remuneration award during the year.

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

Nil during the year ended 31 March 2022 (Previous year: One). Information on amount is not provided since there was only one employee.

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 22. (Previous year: Nil)

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

Deferred Cash – INR 29,743 thousand (Previous year: INR 13,118 thousand)
Shares, outstanding RSPs as at 31 March 2022 – 133,718 units (Previous year: 117,320 units)

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

An amount of INR 57,286 thousand (Previous year: INR 29,882 thousand) during the year ended 31 March 2022

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

Particulars	31-Mar-22	31-Mar-21
Fixed remuneration	253,642	207,193
Variable remuneration	267,732	188,578
- Deferred remuneration	97,670	62,042
- non-deferred remuneration	170,062	126,536

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 22. (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 22. (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 22. (Previous year: Nil)

l. Number of Material Risk Takers (MRT)

The Bank has identified 9 MRTs (Previous year: 8 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 – 37 times (Previous year: 36.1 times)

Whole Time Director & Chief Financial Officer – 13.3 times (Previous year: 12.9 times)

65. Disclosure on remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of sitting fees for attending meetings of the Board and its committees. An amount of INR 8,525 thousand was paid as sitting fees to the Non-Executive Directors during the year (Previous year: INR 7,900 thousand).

In addition to the above sitting fees, a fixed remuneration of INR 2,000 thousand was paid to the Independent Directors for FY 2021-22 in accordance with the Corporate Governance guidelines issued by RBI in April 2021.

66. During financial year 2017-18, eLVB had adjusted deposit against loan aggregating to Rs 79,379 lakhs, extended to two parties against deposits of another group company towards recovery of irregular dues. Disputing the said adjustment, the depositor has filed a suit against eLVB in May 2018, before the Honourable High Court of Delhi and the same is being defended appropriately. The matter still remains sub-judice. The Reserve Bank of India ("RBI") vide letter dated 21st November 2019, had advised eLVB to maintain provisions, on a prudential basis, to cover potential losses for the 'Claim against the Bank not acknowledged as debt' in respect of the above-mentioned matter. Accordingly, the Bank continues to maintain a provision of Rs 20,000 lakhs created by eLVB. As per legal opinions received by Bank, the adjustment of deposits against loans is lawful and tenable. Impact, if any, on the final outcome of the case will be recorded in financial statement as and when the matter is decided by the court. Further to the above, there was a Show Cause Notice from Securities and Exchange Board of India (SEBI) received by the Bank and charges filed against the bank by Economic Offence Wing (EOW) in relation to the above matter which the Bank has



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suitably responded and no material liability is expected on this matter.

67. Payment of DICGC Insurance Premium

Particulars	31-Mar-22	31-Mar-21
Payment of DICGC Insurance Premium	677,327	426,038
Arrears in payment of DICGC premium	-	-

68. Movement in provision for credit cards reward points

Particulars	31-Mar-22
Opening provision for reward points	-
Provision for reward points made during the year	89
Utilisation/write-back of provision for reward points	-
Closing provision for reward points	89

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

69. Investor Education and Protection Fund

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

70. Disclosure required as per Ministry of Corporate Affairs notification dated 24 March 2021

During the year ended 31 March 2022, 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

71. Other Disclosures

- The Bank has transferred an amount of INR 73,093 thousand from Investment Reserve account (Previous year: INR 248,712 thousand).
- The Bank has transferred an amount of INR 416,429 thousand to Statutory Reserve account (Previous year: INR 779,476 thousand).

- The Bank has transferred an amount of INR 198,852 thousand from Investment Fluctuation Reserve (Previous year: INR 2,026,187 thousand to Investment Fluctuation Reserve) to Profit and Loss Appropriation Account since the balance available in IFR was in excess of 2 percent of the Bank's HFT and AFS portfolio.
- The Bank has transferred an amount of INR 18,955 thousand to Capital Reserve (Previous year: Nil).
- The Bank did not issue any Letters of Comfort (LoC) during the year ended 31 March 2022. (Previous year: Nil)
- The Bank has not financed any margin trading activities nor securitised any assets during the current year. (Previous year: Nil)
- The Bank did not deal in any Credit default swaps during the year ended 31 March 2022 (Previous year: Nil).
- The Bank has earned an amount of INR 299,227 thousand in respect of Bancassurance business undertaken during the year ended 31 March 2022 (Previous year: INR 175,860 thousand).
- The Bank has received an amount of INR 592,742 thousand as fees/remuneration in respect of the marketing and distribution function (excluding bancassurance business) during the year ended 31 March 2022 (Previous Year: INR 350,650 thousand)
- The net book value of the fixed assets includes computer software of INR 557,844 thousand as at 31 March 2022 (Previous year: INR 577,415 thousand).
- Receivables acquired under factoring (gross) as on 31 March 2022 amounts to INR 32,926,279 thousand (Previous year: INR 21,316,254 thousand).
- Previous year numbers have regrouped or reclassified in order to conform to the current year presentation.

As per our report of even date attached.

For Mukund M. Chitale & Co

Chartered Accountants
Firm Registration No.: 106655W

Abhay Kamat
Partner
Membership No: 039585

For Price Waterhouse LLP

Chartered Accountants
Firm Registration No.: 301112E/E300264

Sharad Vasant
Partner
Membership No: 101119

For DBS Bank India Limited

Surojit Shome
Managing Director & Chief Executive Officer
DIN: 00002635

Vikram Sud
Director
DIN: 01853732
Mumbai,
31 May 2022

Rajesh Prabhu
Whole Time Director & Chief Financial Officer
DIN: 01758961

Ketan Kulkarni
Company Secretary

Mumbai, 31 May 2022

Mumbai, 31 May 2022