

INDEPENDENT AUDITORS' REPORT

To

The Board of Directors of Dhanlaxmi Bank Limited

Report on the Unaudited Interim Condensed Standalone Reformatted Financial Statements as of and for the half year ended September 30, 2024 and Audited Standalone Reformatted financial statements as of and for the financial year ended March 31, 2024

The standalone financial statements of Dhanlaxmi Bank Limited (the "Bank") for the half year ended September 30, 2024 has been reviewed by M/s Sagar & Associates, Chartered Accountants and M/s Abraham & Jose, Chartered Accountants (Present Joint Statutory Auditors) in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity" and the standalone financial statements of the Bank for the financial year ended March 31, 2024 has been audited by M/s Krishnamoorthy & Krishnamoorthy, Chartered Accountants and M/s Sagar & Associates, Chartered Accountants ("Previous Joint Statutory Auditors") pursuant to the requirements of Regulation 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") except for the disclosures relating to Pillar 3 disclosure as at March 31, 2024 including leverage ratio, liquidity coverage ratio and net stable funding ratio under Basel III Capital Regulations (which have not been audited by the Previous Joint Statutory Auditors).

a) The accompanying reformatted unaudited interim condensed standalone financial statements of the Bank, comprising the reformatted unaudited interim condensed standalone balance sheet as at September 30, 2024, the reformatted unaudited interim condensed standalone profit and loss account (including certain schedules attached to the balance sheet and profit and loss account) and reformatted standalone unaudited interim condensed cash flow statement for the half year ended September 30, 2024 (the "Unaudited Interim Condensed Reformatted Financial Statements") are derived from the unaudited interim standalone financial statements as at and for the half year ended September 30, 2024 (the Unaudited Interim Financial Statements") of the Bank reviewed by us and

b) The accompanying reformatted audited standalone financial statements of the Bank, comprising the reformatted audited standalone balance sheet as at March 31, 2024, the reformatted audited standalone profit and loss account and also the reformatted audited standalone cash flow statement for the year then ended, and reformatted notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (together comprising the "Reformatted Audited Standalone Financial Statements") are derived from the audited standalone financial statements as at and for the year ended March 31, 2024 (the "Audited Standalone Financial Statements") of the Bank audited by previous Joint Statutory Auditors as detailed in paragraph below. The Audited Standalone Financial Statements, and the Reformatted Audited Standalone Financial Statements, do not reflect the effects of

events that occurred subsequent to the date of our report on the Standalone Financial Statements except for the matters as mentioned under section "Basis of preparation" in Schedule 17 to the Reformatted Audited Standalone Financial Statements.

We expressed an unmodified audit opinion on the Audited Standalone Financial Statements, vide our report dated 22 May, 2024.

Since the financials which were earlier published were in different denominations of thousands and lakhs and for ensuring consistency, all financials are converted into crores to ensure uniformity. The aforesaid reformatting of financial statements is done as part of Rights Issue requirements.

Standalone Audited Reformatted Financial Statements and Standalone Unaudited Interim Condensed Reformatted Financial Statements are collectively referred to as "Standalone Reformatted Financial Statements".

Management's Responsibility for the Reformatted Standalone Financial Statements

The Management is responsible for the preparation of the Reformatted Standalone Financial Statements from the Audited Standalone Financial Statements and Unaudited Interim Condensed Reformatted Standalone Financial Statements from the Unaudited Interim Standalone Financial Statements, as described under section "Basis of preparation" in Schedule 17 to the Reformatted Audited Standalone Financial Statements. However, with respect to the Unaudited Interim Condensed Reformatted Standalone Financial Statements, Bank has to follow the classification and valuation of investments as per the RBI Master Direction No. RBI/DOR/2023-24/104 DOR.MRG.36/ 21.04.141/2023-24 dated September 12, 2023, on Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023, applicable from April 1, 2024.

Auditor's Responsibility

1. Our responsibility with respect to the Unaudited Interim Condensed Reformatted Standalone Financial Statements is to review them in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statements is free of material misstatement. A review is limited primarily to inquiries of the bank's personnel and analytical and other review procedures applied to financial data and thus provides less assurance than an audit.
2. Our responsibility is to express an opinion on the Reformatted Audited Standalone Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the Reformatted Standalone Financial Statements are derived from the Audited Standalone Financial Statements and Unaudited Interim Standalone Financial Statements, respectively, of the Bank as described under section “Basis of preparation” in Schedule 17 to the Reformatted Audited Standalone Financial Statements. However, with respect to the Unaudited Interim Condensed Reformatted Standalone Financial Statements, Bank has done the classification and valuation of investments as per the RBI Master Direction No. RBI/DOR/2023-24/104 DOR.MRG.36/ 21.04.141/2023-24 dated September 12, 2023 on Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023, applicable from April 1, 2024.

Restrictions on Use

This report is addressed to and is provided to enable the Bank to include this report in the Letter of Offer in connection with the proposed rights issue, to be filed by the Bank with Securities and Exchange Board of India, the stock exchanges where the equity shares of the Bank are listed, and any other regulatory or statutory authority and that these Reformatted Standalone Financial Statements may not be meaningful for any other purpose.

For Sagar and Associates
Chartered Accountants
FRN: 003510S

For Abraham & Jose
Chartered Accountants
FRN: 000010S

CA Manohar D
(Partner)
(Mem. No.: 029644)

CA Mukesh K.P.
(Partner)
(Mem. No.: 214773)

UDIN:
Place: Thrissur
Date:

UDIN:
Place: Thrissur
Date

Dhanlaxmi Bank Limited**Unaudited Interim Condensed Reformatted Balance Sheet as at September 30, 2024**

(Rs. in 'Crore)			
		As at	As at
	Schedule No	September 30, 2024	September 30, 2023
CAPITAL AND LIABILITIES			
Capital	1	253.01	253.01
Reserves and Surplus	2	802.66	770.38
Deposits	3	14631.47	13817.22
Borrowings	4	150.00	164.99
Other Liabilities and Provisions	5	312.32	287.69
TOTAL		16149.46	15293.29
ASSETS			
Cash and Balances with Reserve Bank of India	6	890.31	857.62
Balances with Banks and Money at call and short notice	7	351.36	56.07
Investments	8	3243.43	3544.41
Advances	9	10717.42	9885.30
Fixed Assets	10	273.64	271.03
Other Assets	11	673.30	678.86
TOTAL		16149.46	15293.29
Contingent Liabilities	12	735.50	681.07
Bills for collection		305.55	304.11

For and on behalf of Board of Directors

Kavitha TA
Chief Financial Officer

Venkatesh H
Company Secretary

Ajith Kumar K K
Managing Director & CEO
DIN: 08504660

In terms of our report attached
For Sagar & Associates
Chartered Accountants
Firm Registration No. 003510S

For Abraham & Jose
Chartered Accountants
Firm Registration No. 000010S

CA Manohar D, Partner
Membership No.029644

CA Mukesh K P, Partner
Membership No.214773

Place: Thrissur.
Date: December 19, 2024

Dhanlaxmi Bank Limited**Unaudited Interim Condensed Reformatted Profit & Loss Account for the half year ended September 30, 2024**

(Rs. in crore)

	Schedule No	Half Year ended September 30, 2024	Half Year ended September 30, 2023
INCOME			
Interest Earned	13	634.67	593.04
Other Income	14	83.91	75.79
Total		718.58	668.83
EXPENDITURE			
Interest expended	15	413.95	353.45
Operating Expenses	16	274.79	239.84
Provisions and Contingencies		12.03	24.08
Total		700.77	617.37
Profit/Loss			
Net Profit/(Loss) for the year		17.81	51.46
Profit/(Loss)brought forward		(761.23)	(788.80)
Total		(743.42)	(737.34)
Appropriations			
Transfer to Statutory Reserve		-	-
Transfer to Capital Reserve		-	-
Transfer to Special Reserve U/s.36(1)(viii) of Income Tax Act		-	-
Transfer to Investment Reserve Account		-	-
Transfer to Investment Fluctuation Reserve Account		-	-
Balance carried over to Balance Sheet		(743.42)	(737.34)
Total		(743.42)	(737.34)
Earnings Per Share (in Rupees)			
Basic EPS		0.70	2.03
Diluted EPS		0.70	2.03
Face value per Share		10.00	10.00
Selected explanatory notes (provided below)			

For and on behalf of Board of Directors**Kavitha TA**
Chief Financial Officer**Venkatesh H**
Company Secretary**Ajith Kumar K K**
Managing Director & CEO
DIN: 08504660In terms of our report attached
For Sagar & Associates
Chartered Accountants
Firm Registration No. 003510S**For Abraham & Jose**
Chartered Accountants
Firm Registration No. 000010S**CA Manohar D, Partner**
Membership No.029644**CA Mukesh K P, Partner**
Membership No.214773Place: Thrissur.
Date: December 19, 2024

Dhanlaxmi Bank Limited
Unaudited Interim Condensed Reformatted Cash Flow Statement for the half year ended
September 30, 2024

(Rs. in crs)

Particulars	Half Year ended	
	30.09.24	30.09.23
Cash flow from operating activities		
Net profit before income tax	24.56	56.71
Adjustments for :		
Depreciation on fixed assets net of reversal of revaluation reserve	12.50	11.72
Depreciation on Investments	-	(10.71)
Amortization of premia on investments	1.52	10.31
Amortization of Deferred Employee Benefits	-	7.15
Loan Loss provisions including write off	6.13	27.79
Provision against standard assets	2.50	2.47
Provision for NPA (Investments)	1.33	-
Provision for restructured assets	(3.61)	(11.54)
Provision for fraud	0.05	-
(Profit)/ Loss on sale of fixed assets	(0.18)	(0.13)
Provision for unhedged Forex Exposure	(0.11)	0.11
Adjustments for :		
(Increase)/ Decrease in Investments	704.22	192.35
(Increase)/ Decrease in Advances	(617.78)	(439.24)
Increase / (Decrease) in Borrowings	(149.04)	(327.39)
Increase/ (Decrease) in Deposits	341.17	465.57
(Increase) / Decrease in Other assets	(16.11)	1.56
Increase/ (Decrease) in Other liabilities and provisions	(32.90)	(41.84)
Direct taxes paid (net of refunds)	4.44	(5.06)
Net cash flow from/ (used in) operating activities	278.67	(60.18)
Cash flows from investing activities		
Purchase of fixed assets	(11.85)	(25.19)
Proceeds from sale of fixed assets	0.22	0.14
(Increase)/ Decrease in Held to Maturity Investments	-	152.29
Net cash flow from/ (used in) investing activities	(11.63)	127.24
Cash flows from financing activities		
Net cash generated from/ (used in) financing activities	-	-
Net increase/ (decrease) in cash and cash equivalents	267.04	67.06
Cash and cash equivalents at the beginning of the period	974.62	846.63
Cash and cash equivalents as at the end of the period	1,241.67	913.69

Note:

Components of Cash and Cash Equivalents as at:	30.09.24	30.09.23
Cash and Balance with Reserve Bank of India (RBI)	890.31	857.62
Balances with Banks and Money at Call and Short Notice	351.36	56.07
Total	1241.67	913.69

For and on behalf of Board of Directors

Kavitha TA
Chief Financial Officer

Venkatesh H
Company Secretary

Ajith Kumar K K
Managing Director & CEO
DIN: 08504660

In terms of our report attached
For Sagar & Associates
Chartered Accountants
Firm Registration No. 003510S

For Abraham & Jose
Chartered Accountants
Firm Registration No. 000010S

CA Manohar D, Partner
Membership No.029644

CA Mukesh K P, Partner
Membership No.214773

Place: Thrissur.
Date: December 19, 2024

DHANLAXMI BANK LIMITED**Schedules to the Unaudited Interim Condensed Reformatted Balance Sheet as at September 30, 2024**

(Rs. in crore)

	As at September 30, 2024	As at September 30, 2023
SCHEDULE 1 - CAPITAL		
Authorised Capital		
50,00,00,000 Equity Shares of Rs.10 each (Previous Year		
40,00,00,000 Equity Shares of Rs.10 each)	500.00	400.00
Issued,Subscribed and Paid up Capital		
253012084 Equity Shares of Rs.10 each (Previous Year		
253012084 Equity Shares of Rs.10 each)	253.01	253.01
	-	0.00
Total	253.01	253.01

DHANLAXMI BANK LIMITED

Schedules to the Unaudited Interim Condensed Reformatted Balance Sheet as at September 30, 2024

(Rs. in crore)

	As at September 30, 2024	As at September 30, 2023
SCHEDULE 2 - RESERVES AND SURPLUS		
I. STATUTORY RESERVES		
Opening Balance	144.84	130.38
Additions during the year	-	0.00
Total	144.84	130.38
II. CAPITAL RESERVES		
a) Revaluation Reserve		
Opening Balance	159.37	160.10
Deductions during the year	(0.37)	(0.37)
Sub total	159.00	159.73
b) Capital Reserve		
Opening Balance	73.48	73.27
Additions during the year	(0.64)	0.00
Sub total	72.84	73.27
Total (a+b)	231.84	233.00
III. SHARE PREMIUM ACCOUNT		
Opening Balance	1,005.45	1005.45
Additions during the year	-	0.00
Total	1,005.45	1005.45
IV. REVENUE AND OTHER RESERVES		
a) Revenue Reserve		
Opening Balance	92.50	80.97
Additions during the year	45.27	0.37
Deferred provision for fraud accounts	-	10.79
Sub total	137.77	92.13
b) Investment Fluctuation Reserve		
Opening Balance	27.85	25.04
Additions during the year	-	0.00
Sub total	27.85	25.04
c) Investment Reserve		
Opening Balance	28.51	15.74
Additions during the year	(28.51)	0.00
Sub total	-	15.74
d) Special Reserve U/s 36(1)(viii) of Income Tax Act , 1961		
Opening Balance	5.99	5.99
Additions during the year	-	0.00
Sub total	5.99	5.99
d) AFS Reserve		
Opening Balance	-	0.00
Additions during the year	(7.66)	0.00
Sub total	(7.66)	0.00
Total (a+b+c+d)	163.94	138.90
V. BALANCE IN PROFIT AND LOSS ACCOUNT	(743.42)	(737.34)
	-	0.00
Grand Total	802.66	770.38

DHANLAXMI BANK LIMITED		
Schedules to the Unaudited Interim Condensed Reformatted Balance Sheet as at September 30, 2024		
(Rs. in crore)		
	As at September 30, 2024	As at September 30, 2023
SCHEDULE 3 - DEPOSITS		
A	I. Demand Deposits	
	(i). From Banks	4.50
	(ii). From Others	775.69
		903.20
	II. Savings Bank Deposits	3,729.68
	III. Term Deposits	
	(i). From Banks	9.10
	(ii). From Others	9516.65
		9,998.59
	Total	14,631.47
B	I. Deposits of Branches in India	14,631.47
	II. Deposits of Branches outside India	0.00
	Total	14,631.47
SCHEDULE 4 - BORROWINGS		
I.	Borrowings in India	
	(i). Reserve Bank of India	0.00
	(ii). Other Banks	0.00
	(iii). Other Institutions and Agencies*	14.99
	(iv) Capital Instruments	0.00
	(a) Upper Tier II bonds	0.00
	(b) Lower Tier II bonds	150.00
	Total	150.00
II.	Borrowings Outside India	0.00
	Total	150.00
	*Secured borrowings under Triparty repo, market repurchase with financial institutions included above	14.99

DHANLAXMI BANK LIMITED**Schedules to the Unaudited Interim Condensed Reformatted Balance Sheet as at September 30, 2024**

(Rs. in crore)

	As at September 30, 2024	As at September 30, 2023
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS		
I. Bills Payable	21.65	19.95
II. Inter Office Adjustments (Net)	-	0.00
III. Interest accrued	26.61	26.98
IV. Others (including Provisions)*	264.06	240.76
*Includes prudential provision for standard assets of Rs. 41.66 crs.		
Total	312.32	287.69
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I. Cash on Hand (including foreign currency notes)	107.35	104.76
II. Balances with Reserve Bank of India	-	0.00
(a). In current accounts	702.96	657.86
(b). In other accounts	80.00	95.00
Total	890.31	857.62
SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
I. In India		
(i) Balances with Banks :		
(a). In current accounts	2.90	3.32
(b). In other deposit accounts	-	0.00
	2.90	3.32
(ii) Money at Call and Short Notice		
(a). With banks	100.00	0.00
(b). With other institutions	239.96	39.98
	339.96	39.98
Total	342.86	43.30
II. Outside India		
(i). In current account	8.50	12.77
(ii). In other deposit accounts	-	0.00
(iii). Money at Call and Short Notice	-	0.00
Total	8.50	12.77
Grand Total (I and II)	351.36	56.07

DHANLAXMI BANK LIMITED**Schedules to the Unaudited Interim Condensed Reformatted Balance Sheet as at September 30, 2024**

(Rs. in crore)

	As at September 30, 2024	As at September 30, 2023	
-			
SCHEDULE 8 - INVESTMENTS			
A	Investments in India in		
(i).	Government Securities	2,778.29	3065.62
(ii).	Other Approved securities	-	0.00
(iii).	Shares	15.30	19.37
(iv).	Debentures and Bonds	445.84	458.42
(v).	Subsidiaries and/or Joint Ventures	-	0.00
(vi).	Others @	4.00	1.00
	Total	3,243.43	3544.41
B	Investments outside India		
	Grand Total (A + B)	3,243.43	3544.41
C	(i) Gross Value of Investments		
(a)	In India	3,243.43	3681.68
(b)	Outside India	-	0.00
	Total	3,243.43	3681.68
	(ii) Depreciation/Provision for Investments		
(a)	In India	-	137.27
(b)	Outside India	-	0.00
	Total	-	137.27
	(iii) Net Value of Investments		
(a)	In India	3,243.43	3544.41
(b)	Outside India	-	0.00
	Total	3,243.43	3544.41
	@ Comprises of		
	<u>Particulars</u>		
	Security Receipts	-	1.00
	Certificate of Deposits	4.00	0.00
		4.00	1.00

DHANLAXMI BANK LIMITED

Schedules to the Unaudited Interim Condensed Reformatted Balance Sheet as at September 30, 2024

(Rs. in crore)

		As at September 30, 2024	As at September 30, 2023
SCHEDULE 9 - ADVANCES			
A	(i) Bills Purchased and discounted	88.05	51.48
	(ii) Cash Credits, Overdrafts and Loans repayable on Demand	1,518.66	1177.09
	(iii) Term Loans	9,110.71	8656.73
	Total	10,717.42	9885.30
B	(i) Secured by Tangible assets (Includes advances against book debts)	10,287.02	9566.10
	(ii) Covered by Bank/Govt Guarantee	-	0.00
	(iii) Unsecured	430.40	319.20
	Total	10,717.42	9885.30
C	I. ADVANCES IN INDIA		
	(i) Priority sectors	5,718.50	5003.90
	(ii) Public Sector	504.81	435.46
	(iii) Banks	-	0.00
	(iv) Others	4,494.11	4445.94
	Total	10,717.42	9885.30
	II. ADVANCES OUTSIDE INDIA		
	Grand Total (C I and C II)	10,717.42	9885.30
SCHEDULE 10 - FIXED ASSETS			
A	Premises		
	Gross Block		
	As at the beginning of the year	225.71	222.39
	Additions during the year due to revaluation of Premises	-	3.32
	Additions/Adjustments during the year	-	0.00
	Deductions during the year	-	0.00
	At the end of the year	225.71	225.71
	Depreciation		
	As at the beginning of the year	42.58	38.02
	Additions during the year due to revaluation of Premises	-	3.32
	Charge for the year	0.62	0.62
	Deductions during the year	-	0.00
	Depreciation to date	43.20	41.96
	Net Block	182.51	183.75
B	Other Fixed Assets (includes Furniture and Fixture and Computers)		
	Gross Block		
	As at the beginning of the year	311.38	274.33
	Additions/Adjustments during the year	7.97	25.30
	Deductions during the year	2.68	1.89
	At the end of the year	316.67	297.74
	Depreciation		
	As at the beginning of the year	228.00	207.84
	Charge for the year	11.89	11.10
	Deductions during the year	2.65	1.89
	Depreciation to date	237.24	217.05
	Net Block	79.43	80.69
C	Capital Work In progress	11.70	6.59
	Total (A+B+C)	273.64	271.03

DHANLAXMI BANK LIMITED**Schedules to the Unaudited Interim Condensed Reformatted Balance Sheet as at September 30, 2024**

(Rs. in crore)

	As at September 30, 2024	As at September 30, 2023
SCHEDULE 11 - OTHER ASSETS		
I. Inter Office Adjustments (Net)	0.60	0.89
II. Interest Accrued	196.57	181.97
III. Tax paid in advance and Tax Deducted at Source (net of provisions)	62.04	57.75
IV. Deferred Tax Asset	55.68	65.12
V. Stationery and stamps	0.95	0.79
VI. Non Banking Assets acquired in satisfaction of claims	1.12	1.12
VII. Others*	356.34	371.22
Total	673.30	678.86
*Includes deposits placed with NABARD, SIDBI, NHB and Mudra amounting to Rs.209.66 crore		
SCHEDULE 12 - CONTINGENT LIABILITIES		
I. Claims against the bank not acknowledged as debts	38.73	38.47
II. Liabilities on account of outstanding forward exchange contracts	198.65	147.71
III. Guarantees given on behalf of constituents in India	362.00	379.56
IV. Acceptance endorsements and other obligations	3.01	7.75
V. Other items for which Bank is contingently liable	133.11	107.58
i) Amount transferred to DEAF	92.37	
ii) Disputed Tax Liability	21.49	
iii) Estimated amount of contracts remaining to be executed on capital account and not provided for	19.25	
Total	735.50	681.07

DHANLAXMI BANK LIMITED**Schedules to the Unaudited Interim Condensed Reformatted Profit & Loss Account for the half year ended
September 30, 2024**

(Rs. in crore)

	Half Year ended September 30, 2024	Half Year ended September 30, 2023
SCHEDULE 13 - INTEREST EARNED		
I. Interest/Discount on Advances/bills	503.02	470.97
II. Income on Investments	116.17	107.00
III. Interest on balance with Reserve Bank of India and other inter Bank funds	3.18	2.73
IV. Others	12.30	12.34
Total	634.67	593.04
SCHEDULE 14 - OTHER INCOME		
I. Commission, Exchange and Brokerage	3.71	3.56
II. Profit/(Loss) on sale of Investments (Net)	6.59	-4.02
III. Profit/ (Loss) on revaluation of Investments	-	10.71
IV. Profit/(Loss) on sale of land, building and other Assets (Net)	0.18	0.14
V. Profit/(Loss) on exchange transactions (Net)	0.39	0.72
VI. Income from Insurance	4.17	3.61
VII. Miscellaneous Income	68.87	61.07
Total	83.91	75.79
SCHEDULE 15 - INTEREST EXPENDED		
I. Interest on Deposits	403.88	340.82
II. Interest on Reserve Bank of India/Inter bank borrowings	1.82	4.36
III. Others	8.25	8.27
Total	413.95	353.45

DHANLAXMI BANK LIMITED			
Schedules to the Unaudited Interim Condensed Reformatted Profit & Loss Account for the half year ended September 30, 2024			
(Rs. in crore)			
	Half Year ended September 30, 2024	Half Year ended September 30, 2023	
SCHEDULE 16 - OPERATING EXPENSES			
I. Payments to and Provisions for Employees	160.22	141.60	
II. Rent, Taxes and Lighting	26.87	24.27	
III. Printing and Stationery	0.86	1.18	
IV. Advertisement and Publicity	0.46	0.46	
V. Depreciation to Bank's property	12.50	11.72	
VI. Directors Fees, Allowances and Expenses	0.59	0.68	
VII. Auditors' Fees and Expenses (including Branch Auditors)	0.72	0.63	
VIII. Law charges	1.03	1.17	
IX. Postages, Telegrams, Telephones etc	2.89	1.99	
X. Repairs and Maintenance	21.25	13.39	
XI. Insurance	11.42	10.51	
XII. Other Expenditure	35.98	32.24	
Total	274.79	239.84	

Signatories to Schedule 1 to 16

For and on behalf of Board of Directors

Kavitha TA
Chief Financial Officer

Venkatesh H
Company Secretary

Ajith Kumar K K
Managing Director & CEO
DIN: 08504660

In terms of our report attached

For Sagar & Associates
Chartered Accountants
Firm Registration No. 003510S

For Abraham & Jose
Chartered Accountants
Firm Registration No. 000010S

CA Manohar D, Partner
Membership No.029644

CA Mukesh K P, Partner
Membership No.214773

Place: Thrissur.
Date: December 19, 2024

Unaudited Interim Condensed Reformatted Segment Wise Results

(Rs. In Crore)

Particulars	Half year ended	
	30.09.24	30.09.23
1. Segment Revenue		
(a) Treasury	129.28	117.18
(b) Retail Banking	406.36	341.04
(c) Corporate/ Wholesale Banking	177.79	206.37
(d) Other Banking Operations	5.15	4.24
(e) Unallocated	-	-
Total Revenue	718.58	668.83
Less: Inter-Segment Revenue	-	-
Income from Operations	718.58	668.83
2. Segment Results (Net of Provisions)		
(a) Treasury	33.26	21.56
(b) Retail Banking	8.76	40.31
(c) Corporate/ Wholesale Banking	(17.33)	9.43
(d) Other Banking Operations	5.15	4.24
(e) Unallocated	-	-
Total	29.84	75.54
Less : (i) Interest	-	-
(ii) Other Un-allocable Expenditure net-off	5.28	18.82
(iii) Un-allocable income	-	-
Profit (+)/Loss (-) before tax	24.56	56.72
3. Segment Assets		
(a) Treasury	3745.55	3951.07
(b) Retail Banking	8244.72	6780.95
(c) Corporate/ Wholesale Banking	4046.17	4440.21
(d) Other Banking Operations	-	-
(e) Unallocated	113.03	121.07
Total	16149.47	15293.30
4. Segment Liabilities		
(a) Treasury	3363.27	3679.89
(b) Retail Banking	7868.83	6399.54
(c) Corporate/ Wholesale Banking	3861.69	4190.47
(d) Other Banking Operations	-	-
(e) Unallocated	-	-
Total	15093.79	14269.90
5. Capital Employed (Segment Assets- Segment Liabilities)		
(a) Treasury	382.28	271.18
(b) Retail Banking	375.89	381.41
(c) Corporate/ Wholesale Banking	184.48	249.74
(d) Other Banking Operations	-	-
(e) Unallocated	113.03	121.07
Total	1055.68	1023.40

For the above segment reporting, the reportable segments are identified as Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in Compliance with the revised RBI Guidelines.

For the purpose of the disclosure under Accounting Standard 17 - Segment Reporting, issued by the Institute of Chartered Accountants of India (ICAI), 'Digital Banking' has been identified as a sub segment under the existing 'Retail Banking' segment. Bank has not set up separate 'Digital Banking Unit' (DBU) as on 30th September 2024 as per RBI circular No. RBI/2022-23/19 DOR AUT.REC.12/22.01.001/2022-23 dated April 7 2022 and existing digital banking products are forming part of 'Retail Banking' segment only.

The business operations of the Bank are substantially concentrated in India and for the purpose of segment Reporting as per Accounting Standard -17, the bank is considered to operate only in domestic segment.

For and on behalf of Board of Directors

Kavitha TA
Chief Financial Officer

Venkatesh H
Company Secretary

Ajith Kumar K K
Managing Director & CEO
DIN: 08504660

In terms of our report attached

For Sagar & Associates
Chartered Accountants
Firm Registration No. 003510S

For Abraham & Jose
Chartered Accountants
Firm Registration No. 000010S

CA Manohar D, Partner
Membership No.029644

CA Mukesh K P, Partner
Membership No.214773

Place: Thrissur.

Date: December 19, 2024

Selected Explanatory Notes (provided below)

1. These Unaudited Interim Condensed Reformatted Financial Statements have been prepared solely in connection with raising of funds through Rights Issue (the "Issue") of equity shares of face value of, 10 each (the "Equity Shares") of the bank, in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (hereinafter referred to as "the SEBI ICDR Regulations")
2. Bank has consistently applied its significant accounting policies in the preparation of its interim condensed reformatted financial results during the quarter and half year ended September 30, 2024 as compared to those followed for the year ended March 31, 2024 except for the classification and valuation of investments which is as per the Master Direction No. RBI/DOR/2023-24/104 DOR.MRG.36/ 21.04.141/2023-24 on Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 issued by Reserve Bank of India dated September 12, 2023 applicable from April 1, 2024. Consequently, the Bank has recognized a net gain of Rs. 2.66 crore (net of tax) as on April 1, 2024 which has been credited to General Reserve. Further during the quarter/half year ended September 30, 2024 the Bank has also recognized gain of Rs. 2.64 crore/Rs.6.22 crore which is credited to AFS Reserve in compliance to the RBI Directions. Accordingly, up to that extent, the figures for the quarter/half year ended September 30, 2023 and financial year ended March 31, 2024 are not comparable with that of figures for the quarter/half year ended September 30, 2024.
3. The financial results have been arrived at after considering provision for standard assets (including requirements for exposures to entities with unhedged foreign currency exposures), provision for non-performing assets, provision for non-performing investments and other usual and necessary provisions
4. Other Income includes fees earned from services to customers, commission from non-fund-based banking activities, earnings from foreign exchange transactions, selling of third-party products, profit/loss on sale of investments (Net), profit/loss on revaluation of investments, recoveries from written off accounts, income from sale of PSL certificates etc.
5. Other expenses include insurance, Rent, Repair, Depreciation, manpower charges, ATM expenses, Card expenses etc.
6. Interest on Others include an amount of Rs.8.29 crore being interest on income tax refunds received from Income Tax Department relating to previous assessment years, giving effect to order of the Honorable HC of Kerala. An amount of Rs.6.75 crore adjusted in these Orders towards tax demands, are charged to tax expenses during the quarter. The net positive impact on profit on account of the refund is Rs.1.54 crore
7. Previous period's figures have been regrouped/ reclassified., wherever necessary to conform to current period's classification and also the amounts / ratios for the previous period / year have been regrouped / reclassified pursuant to the requirement of Master Direction on Financial Statements - Presentation and Disclosure issued by Reserve Bank of India dated August 30, 2021, as amended and wherever considered necessary.
8. Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss

Account	Rs. In crore
Particulars	Half Year Ended

	30.09.2024	30.09.2023
	Unaudited	Unaudited
Provision for NPA (incl BDW)	6.12	27.79
Provision for Standard Assets	2.50	2.47
Provision for Restructured Advances	(3.61)	(11.54)
Provision for NPI	1.33	0.00
Provision for Income Tax/ Wealth Tax	6.75	1.25
Provision for Deferred Tax	0.00	4.00
Provision for Fraud	0.05	0.00
Provision for Unhedged Forex Exposure	(0.11)	0.11
Other Provisions	(1.00)	0.00
Total	12.03	24.08

For and on behalf of Board of Directors

Kavitha TA
Chief Financial Officer

Venkatesh H
Company Secretary

Ajith Kumar K K
Managing Director & CEO
DIN: 08504660

In terms of our report attached

For Sagar & Associates
Chartered Accountants
Firm Registration No. 003510S

For Abraham & Jose
Chartered Accountants
Firm Registration No. 000010S

CA Manohar D, Partner
Membership No.029644

CA Mukesh K P, Partner
Membership No.214773

Place: Thrissur.

Date: December 19, 2024

Dhanlaxmi Bank Limited			
Reformatted Balance Sheet as at March 31, 2024			
(Rs. in crore)			
	Schedule No	As at March 31, 2024	As at March 31, 2023
CAPITAL AND LIABILITIES			
Capital	1	253.01	253.01
Reserves and Surplus	2	776.75	708.14
Deposits	3	14290.31	13351.65
Borrowings	4	299.04	492.38
Other Liabilities and Provisions	5	342.78	326.95
TOTAL		15961.89	15132.13
ASSETS			
Cash and Balances with Reserve Bank of India	6	760.03	836.34
Balances with Banks and Money at call and short notice	7	214.59	10.29
Investments	8	3942.40	3888.64
Advances	9	10102.16	9451.52
Fixed Assets	10	274.34	257.57
Other Assets	11	668.37	687.77
TOTAL		15961.89	15132.13
Contingent Liabilities	12	665.81	668.18
Bills for collection		308.34	300.26
Significant Accounting Policies	17		
Notes to financial Statements	18		
Schedules referred to above form an integral part of the Balance Sheet			

For and on behalf of Board of Directors

Kavitha TA
Chief Financial Officer

Venkatesh H
Company Secretary

Ajith Kumar K K
Managing Director & CEO
DIN: 08504660

In terms of our report attached

For Sagar & Associates
Chartered Accountants
Firm Registration No. 003510S

For Abraham & Jose
Chartered Accountants
Firm Registration No. 000010S

CA Manohar D, Partner
Membership No.029644

CA Mukesh K P, Partner
Membership No.214773

Place: Thrissur.

Date: December 19, 2024

Dhanlaxmi Bank Limited			
Reformatted Profit & Loss Account for the year ended March 31, 2024			
(Rs. in crore)			
	Schedule No	Year ended March 31, 2024	Year ended March 31, 2023
INCOME			
Interest Earned	13	1206.99	1071.23
Other Income	14	152.56	74.52
Total		1359.55	1145.75
EXPENDITURE			
Interest expended	15	748.54	595.48
Operating Expenses	16	541.75	427.07
Provisions and Contingencies		11.44	73.84
Total		1301.73	1096.39
Profit/Loss			
Net Profit/(Loss) for the year		57.82	49.36
Profit /(Loss)brought forward		(788.80)	(825.78)
Total		(730.98)	(776.42)
Appropriations			
Transfer to Statutory Reserve		14.46	12.38
Transfer to Capital Reserve		0.21	-
Transfer to Investment Reserve Account		12.77	-
Transfer to Investment Fluctuation Reserve Account		2.81	-
Balance carried over to Balance Sheet		(761.23)	(788.80)
Total		(730.98)	(776.42)
Earnings Per Share (in Rupees)			
Basic EPS		2.29	1.95
Diluted EPS		2.29	1.95
Face value per Share		10.00	10.00
Significant Accounting Policies	17		
Notes to financial Statements	18		
Schedules referred to above form an integral part of the Profit and Loss account			

For and on behalf of Board of Directors

Kavitha TA
Chief Financial Officer

Venkatesh H
Company Secretary

Ajith Kumar K K
Managing Director & CEO
DIN: 08504660

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CA Manohar D, Partner
Membership No.029644

CA Mukesh K P, Partner
Membership No.214773

Place: Thrissur.

Date: December 19, 2024

Dhanlaxmi Bank Limited
Reformatted Cash Flow Statement for the year ended March 31, 2024

(Rs. in crore)

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Cash flow from operating activities		
Net profit before income tax	70.48	31.61
Adjustments for :		
Depreciation on fixed assets net of reversal of revaluation reserve	25.08	21.11
Depreciation on Investments	(21.31)	40.08
Amortization of premia on investments	20.73	20.35
Amortization of Deferred Employee Benefits	8.58	2.86
Loan Loss provisions including write off	(10.79)	94.57
Provision against standard assets	3.78	4.84
Provision for NPA (Investments)	26.01	(3.50)
Provision for restructured assets	(19.93)	(6.17)
Provision for fraud	0.00	1.16
(Profit)/ Loss on sale of fixed assets	(0.25)	(0.77)
Provision for unhedged Forex Exposure	0.96	(0.04)
Adjustments for :		
(Increase)/ Decrease in Investments (excluding Held to Maturity Investments)	(231.48)	169.75
(Increase)/ Decrease in Advances	(609.12)	(1408.72)
Increase / (Decrease) in Borrowings	(193.34)	342.38
Increase/ (Decrease) in Deposits	938.65	948.76
(Increase) / Decrease in Other assets	5.21	(20.12)
Increase/ (Decrease) in Other liabilities and provisions	11.08	(21.88)
		0.00
Direct taxes paid (net of refunds)	(7.05)	0.13
Net cash flow from/ (used in) operating activities	17.29	216.40
Cash flows from investing activities		
Purchase of fixed assets	(41.91)	(35.19)
Proceeds from sale of fixed assets	0.32	0.85
(Increase)/ Decrease in Held to Maturity Investments	152.29	(71.27)
Net cash flow from/ (used in) investing activities	110.70	(105.61)
Cash flows from financing activities	0.00	0.00
Net increase/ (decrease) in cash and cash equivalents	127.99	110.79
Cash and cash equivalents at the beginning of the period	846.63	735.84
Cash and cash equivalents as at the end of the period	974.62	846.63

Note:

Components of Cash and Cash Equivalents as at:	31.03.2024	31.03.2023
Cash and Balance with Reserve Bank of India (RBI)	760.03	836.34
Balances with Banks and Money at Call and Short Notice	214.59	10.29
Total	974.62	846.63

For and on behalf of Board of Directors

Kavitha TA
Chief Financial Officer

Venkatesh H
Company Secretary

Ajith Kumar K K
Managing Director & CEO
DIN: 08504660

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For Sagar & Associates
Chartered Accountants
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For Abraham & Jose
Chartered Accountants
Firm Registration No. 000010S

CA Manohar D, Partner
Membership No.029644

CA Mukesh K P, Partner
Membership No.214773

Place: Thrissur.

Date: December 19, 2024

DHANLAXMI BANK LIMITED

Schedules to the Reformatted Financial Statements for the year ended March, 2024

(Rs. in crore)

	As at March 31, 2024	As at March 31, 2023
SCHEDULE 1 - CAPITAL		
Authorised Capital		
50,00,00,000 Equity Shares of Rs.10 each (Previous Year		
40,00,00,000 Equity Shares of Rs.10 each)	500.00	400.00
Issued,Subscribed and Paid up Capital		
253012084 Equity Shares of Rs.10 each (Previous Year		
253012084 Equity Shares of Rs.10 each)	253.01	253.01
Total	253.01	253.01

DHANLAXMI BANK LIMITED		
Schedules to the Reformatted Financial Statements for the year ended March, 2024		
	(Rs. in crore)	
	As at March 31, 2024	As at March 31, 2023
SCHEDULE 2 - RESERVES AND SURPLUS		
I. STATUTORY RESERVES		
Opening Balance	130.38	118.00
Additions during the year	14.46	12.38
Total	144.84	130.38
II. CAPITAL RESERVES		
a) Revaluation Reserve		
Opening Balance	160.10	138.07
Additions during the Year	-	22.58
Deductions during the year	(0.74)	(0.54)
Sub total	159.36	160.11
b) Capital Reserve		
Opening Balance	73.27	73.27
Additions during the year	0.21	-
Sub total	73.48	73.27
Total (a+b)	232.84	233.38
III. SHARE PREMIUM ACCOUNT		
Opening Balance	1,005.45	1,005.45
Additions during the year	-	-
Total	1,005.45	1,005.45
IV. REVENUE AND OTHER RESERVES		
a) Revenue Reserve		
Opening Balance	80.97	91.22
Transfer of depreciation on revaluation	0.74	0.54
Deferred provision for fraud accounts	10.79	(10.79)
Sub total	92.50	80.97
b) Investment Fluctuation Reserve		
Opening Balance	25.04	25.04
Additions during the year	2.81	-
Sub total	27.85	25.04
c) Investment Reserve		
Opening Balance	15.74	15.74
Additions during the year	12.77	-
Sub total	28.51	15.74
d) Special Reserve U/s 36(1)(viii) of Income Tax Act , 1961		
Opening Balance	5.99	5.99
Additions during the year	-	-
Sub total	5.99	5.99
Total (a+b+c+d)	154.85	127.74
V. BALANCE IN PROFIT AND LOSS ACCOUNT	(761.23)	(788.80)
Grand Total	776.75	708.14

DHANLAXMI BANK LIMITED		
Schedules to the Reformatted Financial Statements for the year ended March, 2024		
(Rs. in crore)		
	As at March 31, 2024	As at March 31, 2023
SCHEDULE 3 - DEPOSITS		
A	I. Demand Deposits	
	(i). From Banks	5.10
	(ii). From Others	843.28
		848.38
	II. Savings Bank Deposits	3,533.06
	III. Term Deposits	
	(i). From Banks	7.25
	(ii). From Others	9,901.62
		9,908.87
	Total	14,290.31
B	I. Deposits of Branches in India	14,290.31
	II. Deposits of Branches outside India	-
	Total	14,290.31
SCHEDULE 4 - BORROWINGS		
I.	Borrowings in India	
	(i). Reserve Bank of India	-
	(ii). Other Banks	-
	(iii). Other Institutions and Agencies*	149.04
	(iv) Capital Instruments	-
	(a) Upper Tier II bonds	-
	(b) Lower Tier II bonds	150.00
	Total	299.04
II.	Borrowings Outside India	-
		-
	Total	299.04
	*Secured borrowings under Triparty repo, market repurchase with financial institutions included above	149.04
		342.38

DHANLAXMI BANK LIMITED		
Schedules to the Reformatted Financial Statements for the year ended March, 2024		
	As at	As at
	March 31, 2024	March 31, 2023
(Rs. in crore)		
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS		
I. Bills Payable	17.30	27.04
II. Inter Office Adjustments (Net)	-	-
III. Interest accrued	26.35	27.87
IV. Others (including Provisions)*	299.13	272.04
*Includes prudential provision for standard assets of Rs. 43.07 crore		
Total	342.78	326.95
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I. Cash on Hand (including foreign currency notes)	106.06	105.10
II. Balances with Reserve Bank of India		
(a). In current accounts	653.97	641.24
(b). In other accounts	-	90.00
	760.03	836.34
Total	760.03	836.34
SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
I. In India		
(i) Balances with Banks :		
(a). In current accounts	2.55	2.76
(b). In other deposit accounts	-	-
	2.55	2.76
(ii) Money at Call and Short Notice		
(a). With banks	-	-
(b). With other institutions	200.00	-
	200.00	-
Total	202.55	2.76
II. Outside India		
(i). In current account	12.04	7.53
(ii). In other deposit accounts	-	-
(iii). Money at Call and Short Notice	-	-
Total	12.04	7.53
Grand Total (I and II)	214.59	10.29

DHANLAXMI BANK LIMITED		
Schedules to the Reformatted Financial Statements for the year ended March, 2024		
	(Rs. in crore)	
	As at March 31, 2024	As at March 31, 2023
SCHEDULE 8 - INVESTMENTS		
A	Investments in India in	
	(i). Government Securities	3,445.26
	(ii). Other Approved securities	-
	(iii). Shares	18.70
	(iv). Debentures and Bonds	452.61
	(v). Subsidiaries and/or Joint Ventures	-
	(vi). Others @	25.83
	Total	3,942.40
B	Investments outside India	
		-
	Grand Total (A + B)	3,942.40
C	(i) Gross Value of Investments	
	(a) In India	4,095.07
	(b) Outside India	-
	Total	4,095.07
	(ii) Depreciation/Provision for Investments	
	(a) In India	152.67
	(b) Outside India	-
	Total	152.67
	(iii) Net Value of Investments	
	(a) In India	3,942.40
	(b) Outside India	-
	Total	3,942.40
	@ Comprises of	
	<u>Particulars</u>	
	Security Receipts	1.33
	Certificate of Deposits	24.50
		25.83
		1.33

DHANLAXMI BANK LIMITED			
Schedules to the Reformatted Financial Statements for the year ended March, 2024			
		(Rs. in crore)	
		As at	
		March 31, 2024	
		As at	
		March 31, 2023	
SCHEDULE 9 - ADVANCES			
A	(i) Bills Purchased and discounted	99.97	41.91
	(ii) Cash Credits, Overdrafts and Loans repayable on Demand	1,135.93	1,203.34
	(iii) Term Loans	8,866.26	8,206.27
	Total	10,102.16	9,451.52
B	(i) Secured by Tangible assets (Includes advances against book debts)	9,707.26	9,119.17
	(ii) Covered by Bank/Govt Guarantee	-	-
	(iii) Unsecured	394.89	332.35
	Total	10,102.16	9,451.52
C	I. ADVANCES IN INDIA		
	(i) Priority sectors	5,287.69	4,804.51
	(ii) Public Sector	414.04	554.94
	(iii) Banks	-	-
	(iv) Others	4,400.43	4,092.08
	Total	10,102.16	9,451.52
	II ADVANCES OUTSIDE INDIA	-	-
	Grand Total (C I and C II)	10,102.16	9,451.52

DHANLAXMI BANK LIMITED		
Schedules to the Reformatted Financial Statements for the year ended March, 2024		
	As at	As at
	March 31, 2024	March 31, 2023
(Rs. in crore)		
SCHEDULE 10 - FIXED ASSETS		
A	Premises	
	Gross Block	
	As at the beginning of the year	225.71
	Additions during the year due to revaluation of Premises	-
	Additions/Adjustments during the year	0.12
	Deductions during the year	-
	At the end of the year	225.71
	Depreciation	
	As at the beginning of the year	41.34
	Additions during the year due to revaluation of Premises	-
	Charge for the year	1.24
	Deductions during the year	-
	Depreciation to date	42.58
	Net Block	183.13
B	Other Fixed Assets (includes Furniture and Fixture and Computers)	
	Gross Block	
	As at the beginning of the year	274.33
	Additions/Adjustments during the year	40.80
	Deductions during the year	3.75
	At the end of the year	311.38
	Depreciation	
	As at the beginning of the year	207.84
	Charge for the year	23.84
	Deductions during the year	3.68
	Depreciation to date	228.00
	Net Block	83.38
C	Capital Work In progress	7.82
	Total (A+B+C)	274.34
		257.57

DHANLAXMI BANK LIMITED		
Schedules to the Reformatted Financial Statements for the year ended March, 2024		
	(Rs. in crore)	
	As at	As at
	March 31, 2024	March 31, 2023
SCHEDULE 11 - OTHER ASSETS		
I. Inter Office Adjustments (Net)	0.58	0.59
II. Interest Accrued	203.70	183.79
III. Tax paid in advance and Tax Deducted at Source (net of provisions)	59.74	51.43
IV. Deferred Tax Asset	57.72	69.12
V. Stationery and stamps	0.67	0.54
VI. Non Banking Assets acquired in satisfaction of claims	1.12	1.12
VII. Others*	344.84	381.18
Total	668.37	687.77
*Includes deposits placed with NABARD, SIDBI, NHB and Mudra amounting to Rs.236.91 crore (Previous year Rs. 255.36 crores)		
SCHEDULE 12 - CONTINGENT LIABILITIES		
I. Claims against the bank not acknowledged as debts	38.77	38.48
II. Liabilities on account of outstanding forward exchange contracts	118.60	128.03
III. Guarantees given on behalf of constituents in India	382.14	390.38
IV. Acceptance endorsements and other obligations	5.39	4.98
V. Other items for which Bank is contingently liable	120.91	106.31
i) Amount transferred to DEAF	87.68	
ii) Disputed Tax Liability	20.48	
iii) Estimated amount of contracts remaining to be executed on capital account and not provided for	12.75	
Total	665.81	668.18

DHANLAXMI BANK LIMITED		
Schedules to the Reformatted Financial Statements for the year ended March 31, 2024		
	(Rs. in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
SCHEDULE 13 - INTEREST EARNED		
I. Interest/Discount on Advances/bills	962.45	825.42
II. Income on Investments	220.62	235.10
III. Interest on balance with Reserve Bank of India and other inter Bank funds	7.26	2.52
IV. Others	16.66	8.19
Total	1206.99	1071.23
SCHEDULE 14 - OTHER INCOME		
I. Commission, Exchange and Brokerage	6.97	6.39
II. Profit/(Loss) on sale of Investments (Net)	(2.29)	(2.35)
III. Profit/ (Loss) on revaluation of Investments	21.31	(40.08)
IV. Profit/(Loss) on sale of land, building and other Assets (Net)	0.25	0.77
V. Profit /(Loss) on exchange transactions (Net)	1.01	2.62
VI. Income from Insurance	12.24	15.42
VII. Miscellaneous Income*	113.07	91.75
Total	152.56	74.52
<i>*Includes</i>		
<i>Processing Charges</i>	18.73	17.88
<i>Amount written off since recovered</i>	30.18	13.94
<i>Income from ATM</i>	10.96	11.47
SCHEDULE 15 - INTEREST EXPENDED		
I. Interest on Deposits	725.90	568.16
II. Interest on Reserve Bank of India/Inter bank borrowings	6.09	10.83
III. Others	16.55	16.49
Total	748.54	595.48
SCHEDULE 16 - OPERATING EXPENSES		
I. Payments to and Provisions for Employees	331.19	247.25
II. Rent, Taxes and Lighting	49.71	46.84
III. Printing and Stationery	2.90	2.45
IV. Advertisement and Publicity	1.15	0.95
V. Depreciation to Bank's property	25.08	21.11
VI. Directors Fees, Allowances and Expenses	1.35	0.70
VII. Auditors' Fees and Expenses (including Branch Auditors)	1.32	1.12
VIII Law charges	2.17	2.85
IX Postages, Telegrams, Telephones etc	6.10	5.32
X. Repairs and Maintenance	29.54	23.48
XI. Insurance	21.62	19.35
XII. Other Expenditure	69.62	55.65
Total	541.75	427.07

DHANLAXMI BANK LIMITED

SCHEDULE 17- SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF REFORMATTED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1.1 Corporate Information and Background

Dhanlaxmi Bank Limited ('DBL' or the 'Bank') is a private sector Bank incorporated in the year 1927. Dhanlaxmi Bank Limited is a publicly held bank engaged in providing a wide range of banking and financial services. Dhanlaxmi Bank Limited is a banking company governed by the Banking Regulation Act, 1949 and the Companies Act, 2013. 58% of the branches of the Bank are in Kerala.

1.2 Basis of Preparation

The Standalone financial statements have been prepared in accordance with requirements prescribed under the Third Schedule (Form A and Form B) of the Banking Regulation Act, 1949. The accounting and reporting policies of the bank used in the preparation of these financial statements conform in all material aspects to Generally Accepted Accounting Principles in India ("Indian GAAP"), the circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time and the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, (as amended) and the relevant provisions of the Companies Act, 2013 ("the Act"), and current practices prevailing within the banking industry in India. The Bank follows the historical cost convention and accrual method of accounting in the preparation of the financial statements, except where otherwise stated. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.

1.3 Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles, requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to the accounting estimates is recognized prospectively in the current and future periods.

1.4 Significant Accounting Policies

I. Revenue Recognition

- Revenue is recognized to the extent it is probable that the economic benefits will flow to the Bank and revenue can be reliably measured under AS-9 "Revenue Recognition" as prescribed under section 133 of the Companies Act, 2013 and as specified by RBI guidelines.
- Interest/ discount/ other charges income from loans and advances, investments (including deposits placed with banks and other institutions) are recognized over the period of the loans and advances, Investments, Deposits etc. on accrual basis. However, interest accrued and other dues in the nature of non-interest income relating to Advances/ Investments, classified as Non-performing Advances/ Investments under RBI guidelines, are recognized only on realization.
- The recoveries made from NPAs are apportioned in the order of suspended outgoings, penal interest, normal interest and principal. But in the case of recoveries out of One Time Settlement, the apportionment is first made to principal amount and there after to charges and interest.

- Overdue Interest on Investments and Bills discounted are accounted on realization.
- Profit or Loss on sale of Investment is recognized in the Profit and Loss Account. However, an amount equal to the profit on sale of investments in the Held to Maturity (HTM) category is appropriated to Capital Reserve Account, net of applicable taxes.
- Profit or loss on revaluation of investments as well as provision for depreciation (or reversal of excess depreciation) is recognized in the Profit and Loss Account.
- Income (other than interest) on investments in the “Held to Maturity (HTM)” category acquired at a Discount to Face Value, is recognized as follows;
 - i) On interest bearing securities, it is recognized only at the time of sale/redemption.
 - ii) On Zero coupon securities, it is accounted for over the balance tenor of the security on a constant yield basis.
- Commission on ATM interchange fees are recognized as they accrue.
- Upfront fees on restructured accounts are apportioned over the restructured period.
- Profit earned from the sale of gold/silver bullion, if any, (i.e. the difference between the sale price and the purchase price) is included under “Other Income”.
- Dividend on investments in shares and units of mutual funds are accounted on accrual basis when the bank’s right to receive the dividend is established.
- Insurance claims, Commission from Distribution of Mutual Fund products and Commission from Depository services are accounted on receipt basis.
- Interest on income tax refund is recognized in the year of receipt of Assessment Orders.
- Locker Rent is accounted on receipt basis without spreading it over the remaining lease period.
- Commission income on issuance of Bank Guarantee/ Letter of Credit and Discount on Bill Discounted is collected upfront and is recognized over the period of the underlying liability.
- Commission on distribution of Insurance products is accounted on accrual basis.
- Processing fee/ upfront fee, handling charges or income of similar nature collected at the time of sanctioning or renewal of loan/ facility is recognized in the year of receipt without spreading it over the period of loan/ facility.
- Unpaid funded interest on term loans is accounted on realization as per the guidelines of RBI.
- All other amounts collected from customers as non-interest income or recovery of expenses towards provision of various services/ facilities are accounted/ recognized on receipt basis.
- In compromise settlement cases, sacrifice on settlement is accounted upfront.

II. Expenses recognition

A) Interest Expenses

All interest expenses relating to deposits accepted and borrowings are recognized on accrual basis. Interest on unclaimed matured deposits is provided for as per RBI directives.

B) Employee benefits

a) Provident Fund:

The contribution made by the bank to Dhanlaxmi Bank Ltd Employees Provident Fund, administered by the trustees is charged to Profit & Loss account. Provident Fund is a Defined Contribution Plan in which both the employee and the Bank contribute monthly at a pre-determined rate. Contribution to provident fund is recognized as expense as and when the services are rendered. The Bank has no liability for future provident fund benefits other than its annual contribution.

b) Pension Fund

The contribution towards Dhanlaxmi Bank Ltd Employees' Pension Fund, managed by trustees, is determined on actuarial basis on projected unit credit method as on the Balance Sheet date and is recognized in the accounts. The actuarial gain or loss arising during the year is recognized in the Profit and Loss Account.

c) New Pension Scheme (NPS)

Employees who had joined the services of the Bank with effect from April 01, 2010 are covered under Defined Contributory Pension Scheme (DCPS). In respect of such employees the bank contributes 14% of the Basic Pay plus Dearness Allowance and the expenditure thereof is charged to Profit and Loss account and the Bank has no further liability beyond the contribution to the fund on this account.

d) Gratuity:

The Bank makes annual contribution to Dhanlaxmi Bank Ltd Employees' Gratuity Trust Fund administered and managed by the trustees. The cost of providing such benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Profit and Loss Account in the year in which they occur.

e) Compensation for absence on Privilege/ Sick/ Casual Leave

The employees of the Bank are entitled to compensated absence on account of privilege/ sick/ casual leave as per the leave rules. The bank measures the long term expected cost of compensated absence as a result of the unused entitlement that has accumulated at the balance sheet date based on actuarial valuation and such costs are recognized in the accounts.

f) Other Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employee is recognized during the period when the employee renders the service.

g) Employee Stock Compensation Cost

Measurement of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments issued by Institute of Chartered Accountants of India (ICAI) and SEBI (Share Based Employee Benefits) Regulations, 2014. The Bank measures compensation cost relating to employee stock options using the intrinsic value method. Compensation cost is measured by the excess, if any, of the fair market price of the underlying stock (i.e., the last closing price on the stock exchange on the day preceding the date of grant of stock options) over the exercise price. If the exercise price of the Bank's stock option is the last closing price on the stock exchange on the day preceding the date of grant of stock options and accordingly there is no compensation cost under the intrinsic value method.

h) Compensation of Whole time Directors/ Chief Executive officers

As per the guidelines of RBI, the joining/sign-on bonus should be in the form of share-linked instruments only. Such bonus will neither be considered part of fixed pay nor part of variable pay. Subject to regulatory compliance, bank can allot shares at face value with a lock in period of 1 year from the date of grant as guaranteed bonus.

The variable pay can be in the form of share-linked instruments, or a mix of cash and share-linked instruments. Variable compensation is fixed based on organizational performance. Organization's performance is charted based on performance score card which takes into account various indicators such as business growth, Asset quality, Return on Assets, Reduction in Cost to Income Ratio, Return on Investment and Divergence in provisioning & asset classification.

Share-linked instruments should be fair valued on the date of grant by the bank using Black-Scholes model. The fair value thus arrived at should be recognized as an expense beginning with the accounting period for which approval has been granted.

C) Other Operating Expenses: Other operating expenses are generally accounted on accrual basis.

III Net profit

Net Profit is arrived at after provisions for contingencies, which include Provision for:

- i) Standard Assets, Restructured Advances and Non-Performing Advances and Investments;
- ii) Fraud and unhedged foreign currency exposure.
- iii) Taxation in accordance with statutory requirements.

IV Advances

A) Valuation/ Measurement

- a) Advances are classified into performing assets (Standard) and non-performing assets ('NPAs') as per the RBI guidelines and are stated net of specific provisions made towards NPAs, sacrifice provisions on restructured advances and unrealized interest on NPAs. Interest on Non-Performing advances is transferred to an unrealized interest account and not recognized in profit and loss account until received. Further, NPAs are classified into substandard, doubtful and loss assets based on the criteria stipulated by the RBI. Provisions for NPAs are made at the minimum required level as per the guidelines of the RBI on matters relating to prudential norms.
- b) Amounts recovered against debts written off are recognized in the profit and loss account and included under "Other Income".
- c) For restructured/rescheduled assets, provision is made in accordance with the guidelines issued by the RBI. In respect of loans and advances accounts subjected to restructuring, the account is upgraded to standard only after the specified period, subject to satisfactory performance of the account during the period.
- d) For entities with Un-hedged Foreign Currency Exposure (UFCE), provision is made in accordance with the guidelines issued by RBI, which requires to ascertain the amount of UFCE, estimate the extent of likely loss and estimate the riskiness of un-hedged position. The Provision is classified under Schedule 5 – Other Liabilities in the Balance Sheet.
- e) The Bank maintains general provision for standard assets including credit exposures computed as per the current marked-to-market values of foreign exchange derivative contracts, in accordance with the guidelines and at levels stipulated by RBI from time to time. The Provision is classified under Schedule 5 – Other Liabilities in the Balance Sheet.

- f) Loss on sale of assets to Asset Reconstruction Companies: - The RBI issued Master Direction- Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 on September 24, 2021. In accordance with these guidelines, when the stressed loan is transferred to ARC at a price below the Net Book Value (NBV) at the time of transfer, lenders shall debit the shortfall to the profit and loss account for the year in which the transfer has taken place. when the stressed loan is transferred to an ARC for a value higher than the NBV at the time of transfer, lenders shall reverse the excess provision on transfer to the profit and loss account in the year the amounts are received and only when the sum of cash received by way of initial consideration and / or redemption or transfer of Security Receipts (SR) / Pass Through Certificates (PTCs)/ other securities issued by ARCs is higher than the NBV of the loan at the time of transfer. Further, such reversal shall be limited to the extent to which cash received exceeds the NBV of the loan at the time of transfer.
- g) In respect of non-performing assets acquired from other banks/ FIs and NBFCs, collections in excess of the consideration paid at each asset level or portfolio level is treated as income in accordance with RBI guidelines and clarifications.

B) Recording/ Presentation

Provisions created against individual accounts as per RBI guidelines are not netted in the individual account. For presentation in financial statements, provision created for NPA is netted against gross amount of advance without adjusting the same at individual account level. Provision held against an individual account is adjusted against individual account's balance only at the time of write off of the account.

V Floating Provisions

The Bank has a policy for creation and utilization of floating provisions separately for advances, investments and general purposes. The quantum of floating provisions to be created is assessed at the end of the financial year. The floating provisions are utilized only for contingencies under extraordinary circumstances specified in the policy after obtaining the approval of Board of Directors of the Bank and with prior permission of Reserve Bank of India.

VI Country Risk

In addition to the provisions required to be held according to the asset classification status, provisions are held for individual country exposure (other than for home country). The countries are categorized into seven risk categories namely insignificant, low, moderate, high, very high, restricted and off-credit as per Export Credit Guarantee Corporation of India Limited ("ECGC") guidelines and provision is made on exposures exceeding 180 days on a graded scale ranging from 0.25% to 100%. For exposures with contractual maturity of less than 180 days, 25% of the normal provision requirement is held. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is maintained on such country exposure. The provision is reflected in Schedule -5 of the Balance Sheet under "Other liabilities and Provisions- Others".

VII Investments

i. Classification

- (a) In accordance with the RBI guidelines, investments are categorized in to "Held for Trading" (HFT), "Available for Sale" (AFS) and "Held to Maturity" (HTM) and are further classified under six groups;
- i. Government Securities,
 - ii. Other Approved Securities,
 - iii. Shares,

- iv. Debentures and Bonds,
- v. Subsidiaries/ Joint Ventures and
- vi. Other investments for the purposes of disclosure in the Balance Sheet.

(b) Investments which are Held for sale within 90 days from the date of purchase are classified as “Held for Trading” (HFT). As per RBI guidelines, HFT Securities which remain unsold for a period of 90 days are classified as AFS Securities on that date.

(c) Investments which the bank intends to hold till maturity are classified as “Held to Maturity”.

(d) Investments which are not classified in either of the above two categories are classified as “Available for Sale”.

ii. Valuation

The valuation of investments is made in accordance with the RBI Guidelines:

- i) Held for Trading/ Available for Sale (HFT/AFS): - Investments classified under the AFS and HFT categories are marked-to-market. The market/fair value of quoted investments included in the ‘AFS’ and ‘HFT’ categories is measured with respect to the Market Price of the Scrip as available from the trades/ quotes on the stock exchanges, SGL account transactions, pricelist of RBI or prices declared by Financial Benchmark India Pvt Limited (FBIL) jointly with Fixed Income Money Market and Derivative Associations of India (‘FIMMDA’), periodically. Net depreciation, if any, within each category of investment classification is recognized in Profit and Loss Account. The net appreciation, if any, under each category of Investment is ignored. Except in cases where provision for diminution other than temporary is created, the Book value of individual securities is not changed consequent to the periodic valuation of Investments.
- ii) Held to Maturity (HTM); - These are carried at their acquisition cost. Any premium on acquisition of debt instruments is amortized over the remaining maturity of the security. Any diminution, other than temporary, in the value of such securities is provided for each investment individually.
- iii) Treasury Bills, Commercial Papers and Certificate of Deposits being discounted instruments are valued at carrying cost.
- iv) Units of Mutual Funds are valued at the latest repurchase price/net asset value declared by Mutual Fund.
- v) Market value of investments where current quotations are not available, is determined as per the norms prescribed by the RBI as under:
 - in case of unquoted bonds, debentures and preference shares where interest/dividend is received regularly (i.e., not overdue beyond 90 days), the market price is derived based on the Yield to Maturity (YTM) for Government Securities as published by FIMMDA/ FBIL and suitably marked up for credit risk applicable to the credit rating of the instrument. The matrix for credit risk mark-up for each category and credit ratings along with residual maturity issued by FIMMDA are adopted for this purpose;
 - in case of bonds and debentures (including Pass Through Certificates or PTCs) where interest is not received regularly (i.e., overdue beyond 90 days), the valuation is in accordance with prudential norms for provisioning as prescribed by RBI;
 - equity shares, for which current quotations are not available or where the shares are not quoted on the stock exchanges, are valued at breakup value (without considering revaluation reserves, if any) which is ascertained from the company's latest Balance Sheet. In case the latest Balance Sheet is not available, the shares are valued at Rs.1/- per company.
 - Investment in security receipts is valued as per the Net Asset Value (NAV) obtained from the

issuing Reconstruction Company / Securitization Company.

- Non-Performing Investments are identified and valued based on RBI guidelines.

iii. Repurchase (REPO) and Reverse Repurchase (Reverse REPO) transactions

The securities sold and purchased under Repo/ Reverse Repo (including transactions conducted under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) with RBI) are accounted as Collateralized lending and borrowing transactions. However, securities are transferred as in the case of normal outright sale/ purchase transactions and such movement of securities is reflected using the Repo/Reverse Repo Accounts and Contra entries. The above entries are reversed on the date of maturity. Costs and revenues are accounted as interest expenditure/income, as the case may be. Balance in Repo Account is classified under Schedule 4 (Borrowings).

All type of reverse repos with the Reserve Bank including those under Liquidity Adjustment Facility shall be presented under sub-item (ii) 'In Other Accounts' of item (II) 'Balances with Reserve Bank of India' under Schedule 6 'Cash and balances with Reserve Bank of India'. Reverse repos with banks and other institutions having original tenors up to and inclusive of 14 days shall be classified under item (ii) 'Money at call and short notice' under Schedule 7 'Balances with banks and money at call and short notice'. Reverse Repo of original tenors more than 14 days shall be classified under Schedule 9 – Advances.

iv. Short Sales

The Bank undertakes short sale transactions in Central Government dated securities in accordance with RBI guidelines. The short position is reflected as the amount received on sale and is classified under 'Other Liabilities'. The short position is marked to market and resultant mark-to-market gain/losses are accounted for as per the relevant RBI guidelines for valuation of investments.

v. Non-Performing Investments

In respect of securities included in any of the three categories of investments where interest / principal is in arrears, for more than 90 days, income is not recognized and appropriate provision for the depreciation in the value of the investments is made, as per prudential norms applicable to non-performing advances. Debentures / Bonds in the nature of advances are subjected to usual prudential norms applicable to advances.

vi. Transfer Between Categories

Classification of investments under Held to Maturity (HTM), Held for Trading (HFT) and Available for Sale (AFS) is done at the time of purchase and subsequent shifting amongst categories is done in conformity with the regulatory guidelines. Transfer between categories is done at the lower of the acquisition cost/ book value/ market value on the date of the transfer and the depreciation, if any, on such transfer is fully provided for. Transfer of securities from/ to Held to Maturity category is done as per guidelines issued by RBI from time to time.

vii. Acquisition Cost

In determining the acquisition cost of the Investment:

- Transaction costs including brokerage and commission pertaining to acquisition of Investments are charged to the Profit and Loss Account.
- Broken period interest is charged to the Profit and Loss Account.

- Cost of investments is computed based on the weighted average cost method.

viii. Disposal of Investments

- Held for Trading and Available for Sale – Profit or loss on sale/ redemption is recognized in the Profit and Loss account.
- Held to Maturity - Profit or Loss on Sale/ Redemption of Investments is recognized in the Profit and Loss account. In case of Profits, the same is appropriated to Capital Reserve, after adjustments for tax and transfer to statutory reserve.

VIII Fixed Assets (Land, Premises, Property, Plant & Equipment and intangibles) and depreciation/ amortization

- An item of fixed asset that qualify for recognition as an asset are initially recognized and measured at cost.
- After initial recognition, the Bank chooses ‘Cost Model’ or ‘Revaluation Model’ for subsequent measurement as its accounting policy and applies that policy to entire class of fixed assets.
- Property, Plant and Equipment (other than land and premises) following ‘Cost Model’ are carried at Cost less any accumulated depreciation/amortization and any accumulated impairment losses.
- ‘Revaluation Model’ is followed for land and premises and are carried at Revalued Amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation/amortization and any accumulated impairment losses.
- Revaluations are done with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value.
- An increase in the carrying amount of an asset arising on revaluation is credited to “Revaluation Reserve”. However, the increase is recognized in the statement of profit and loss to the extent that it reverses a decrease in the revaluation of same asset previously recognized in the profit and loss account. A decrease in the carrying amount of an item of an asset arising on revaluation is charged to the statement of profit and loss. However, the decrease is debited directly to owners’ interest under the heading “Revaluation Surplus” to the extent of any credit balance existing in the Revaluation Reserve in respect of that asset.
- Revaluation Surplus in respect of an asset is transferred to “Revenue Reserves” when the asset is retired or disposed off. The difference between the depreciation based on the revalued carrying amount and the depreciation based on original cost is also transferred to “Revenue Reserves” from “Revaluation Reserve”. However, such transfers from “Revaluation Reserve” to “Revenue Reserve” are not made through the statement of profit or loss.
- Cost of an item of PPE includes a)purchase price, including freight, duties and taxes and incidental expenses, after deducting trade discounts and rebates,; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management viz. cost of employee benefits (as defined in AS-15 ‘ Employee Benefits’) arising directly from the construction or acquisition of the item of property, plant and equipment, cost of site preparation, initial delivery and handling costs, installation and assembly costs, professional fees, cost of testing whether the asset is functioning properly; (c) Taxes like GST paid on fixed assets wherever eligible are availed as ITC as per GST rules. (d) the initial estimate of the cost of dismantling, removing the item and restoring the site on which it is located, referred to as ‘decommissioning, restoration and similar liabilities’
- Subsequent expenditure incurred on assets put to use is capitalized only when it increases the

future economic benefit/ functional capability from/ of such assets.

- Depreciation on fixed assets is charged based on the estimated useful life of the asset on straight-line basis in compliance with the Schedule II of the Companies Act, 2013. Depreciable amount of an asset is allocated on a systematic basis over the useful life of the asset.
- Residual value and useful life of the asset is reviewed at least at each financial year end, and if expectations differ from previous estimates, such changes are accounted for as a change in accounting estimate in accordance with “AS-5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies”.
- Method of depreciation used is assessed and reviewed at each financial year end and if there is a significant change in the pattern of consumption of the future economic benefits embodied in the asset, the method of depreciation is changed to reflect the changed pattern and such a change is accounted for and disclosed as a change in Accounting Estimate in accordance with “AS-5” Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies”.
- Impairment of an item of property, plant and equipment is determined by applying the Accounting Standard 28. Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in the statement of profit and loss when the compensation becomes receivable.
- Amount expended towards acquisition of Software is capitalized where it is reasonably estimated that the software has an enduring useful life. Software is amortized over an estimated useful life of 5 years on straight-line basis.
- Grant related to Specific Fixed Assets – Grant received from the Government/ other agencies related to depreciable assets are treated as deferred income which is recognized in the profit and loss statement on a systematic and rational basis over the useful life of the asset.
- Capital Work in progress includes cost of fixed assets that are not ready for their intended use and includes advance paid to vendors to acquire the fixed assets.
- The fixed assets are depreciated at straight-line method based on useful life of the assets stated as under:

S.N	Description of Fixed Assets	Useful life for Depreciation
1	Computer Software	3 to 5 Years
2	Server	6 years
3	Computer Hardware- desktops, laptops etc.	3 years
4	Electrical installations and equipment	10 years
5	Furniture and Fittings	10 years
6	Premises (Buildings)	60 years
7	Motor Vehicles	8 years

IX Non-Banking Assets

Non-Banking Assets acquired in settlement of debts/dues are accounted at the lower of their cost or net realizable value.

X Cash and Cash Equivalents

Cash and Cash Equivalents include cash in hand, balances with RBI and Balances with other banks/institutions and money at call and short notice (including effects of changes in exchange rates on cash and cash equivalents in foreign currency).

XI Transactions involving foreign exchange

- i) Foreign Currency transactions are recorded on initial recognition in the reporting currency by applying the foreign currency amount, the exchange rate between the reporting currency and the foreign currency on the date of the transaction.
- ii) Foreign Currency Monetary items at balance sheet date are reported using the Foreign Exchange Dealers Association of India (FEDAI) closing (spot/forward) rates.
- iii) Foreign Currency Non-Monetary items, which are carried at historical cost, are reported using the exchange rate on the date of the transaction.
- iv) Contingent Liabilities denominated in foreign currency are revalued using the exchange rate notified by FEDAI at the balance sheet date.
- v) Outstanding foreign exchange spot and forward contracts held for trading at balance sheet date are revalued at the exchange rate notified by FEDAI for specified maturities and the resulting profit or loss is recognized in the statement of profit and loss.
- vi) Foreign Exchange forward contracts which are not intended for trading and are outstanding on the Balance sheet date, are revalued at the closing spot rate. The premium or discount arising at the inception of such contracts is amortized as expense or income over the life of the contract.
- vii) Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognized as income or as expense in the period in which they arise.
- viii) Gains/Losses on account of changes in exchange rates of open position in currency futures trades are settled with the exchange clearing house on daily basis and such gains/losses are recognized in the statement of profit and loss.

XII Derivative Transactions

The Bank recognizes all derivative contracts at fair value, on the date on which the derivative contracts are entered into and are measured at fair value as at the Balance sheet or reporting dates. Derivatives are classified as assets when the fair value is positive (Positive marked-to-market) or as liabilities when the fair value is negative (negative marked-to-market). Changes in the fair value of derivatives other than those designated as hedges are recognized in the Profit and Loss Account.

XIII Segment Information

The disclosure relating to segment information is in accordance with the guidelines issued by RBI. The disclosure relating to segment information is in accordance with Accounting Standard 17 - "Segment Reporting" and as per RBI Master Direction on Financial Statements-Presentation and Disclosures dated August 30, 2021. As per the Master Direction, the reportable segments are identified as 'Treasury', 'Corporate / Wholesale Banking', 'Retail Banking' and 'Other banking operations.

- Treasury' includes the entire investment portfolio of the Bank.
- Retail Banking include exposures which fulfil the four criteria of orientation, product, granularity, and low value of individual exposures for retail exposures laid down in Master

Directions on Basel III: Capital Regulations. Individual housing loans also form part of Retail Banking segment. Further, 'Digital Banking' has been identified as a sub-segment of the existing 'Retail Banking' segment as per Reserve Bank of India (RBI) guidelines.

- Corporate / Wholesale Banking include all advances to trusts, partnership firms, companies, and statutory bodies, which are not included under 'Retail Banking'.
- Other Banking Business includes all other banking operations not covered under 'Treasury, 'Wholesale Banking' and 'Retail Banking' segments. It also includes all other residual operations such as para banking transactions / activities.

XIV Earnings per Share

The Bank reports basic and diluted earnings per share in accordance with AS 20, Earnings per Share, as prescribed under Section 133 of the Companies Act, 2013. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding for the year. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the year end.

XV Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease. Lease payments for assets taken on operating lease are recognized as an expense in the Profit and Loss Account as per the lease terms.

XVI Impairment of Assets

The carrying values of assets at each balance sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Profit and Loss Account, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a reduction in revaluation to the extent a revaluation reserve is available for that asset. When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Profit and Loss Account, to the extent the amount was previously charged to the Profit and Loss Account. In case of revalued assets such reversal is not recognized.

XVII Taxes on income

The income tax expense comprises current tax and deferred tax. Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences, being the difference 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 asset is recognized, when reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are measured using tax rates under tax laws that have been enacted as on reporting date. Changes in deferred tax assets/ liabilities on account of changes in enacted tax rates are given effect to in the profit and loss account in the period of the change. Deferred tax asset is reviewed at each balance sheet date for their realisability.

XVIII Provisions, Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Bank creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. No provision is recognized, and a disclosure of contingent liability is made when there is:

- i. 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
- ii. a present obligation arising from a past event which is not recognized because:
 - 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. The Bank does not expect the outcome of these contingencies to have a materially adverse effect on its financial results.

Provisions are determined based on management estimate required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. If a favourable Judgement/ Order is already there in respect of disputed items of taxation, no provisions or disclosures would be made in the books, in respect of such matters. Bank do not create provision for the cases pending at first appellate authority and where there are no adverse judgements decided on such disputed matters by the High Court/Supreme Court/ Income Tax Appellate Tribunal/ or other such Appellate Authorities.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

XIX Share Issue Expenses

Share issue expenses are adjusted from Share Premium Account in terms of Section 52 of the Companies Act, 2013

XX Corporate Social Responsibility

Expenditure towards corporate social responsibility, in accordance with Companies Act, 2013 are recognized in the Profit and Loss Account.

XXI Cash Flow

Cash flow statement has been prepared under the indirect method.

XXI Priority Sector Lending Certificates (PSLC)

The fee paid for purchase of the PSLC would be treated as an 'Expense' and the fee received for the sale of PSLCs would be treated as 'Miscellaneous Income'.

SCHEDULE 18 - NOTES TO ACCOUNTS FORMING PART OF REFORMATTED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1. DISCLOSURE REQUIREMENTS AS PER RBI'S MASTER DIRECTION ON FINANCIAL STATEMENTS – PRESENTATION AND DISCLOSURES

Amount in notes forming part of the financial statements for the year ended March 31, 2024 are denominated in Rupees Crore to conform to extant RBI guidelines except, where stated otherwise.

1. CAPITAL

1.1 Capital Infusion

a) During the year ended March, 31, 2024 there was no infusion of capital.

Paid -up Capital

(₹. in Crore)

Particulars	March 31,2024	March 31,2023
Opening Balance	253.01	253.01
Addition during the year	-	-
Closing Balance	253.01	253.01

Share Premium

(₹. in Crore)

Particulars	March 31,2024	March 31,2023
Opening Balance	1005.45	1005.45
Addition during the year	-	-
Closing Balance	1005.45	1005.45

Tier II Capital

During the year ended March 31, 2024, the Bank has lower Tier II Bonds (ISIN-INE680A09022) of Rs.150.00 crore.

(₹.in Crore)

Particulars	March 31,2024	March 31,2023
Opening Balance as on April 1 st	150.00	150.00
Redemption of Bonds	-	-
Closing Balance as on March 31 st	150.00	150.00

1.2 Regulatory Capital

The Bank is subject to the Basel-III Capital Regulations stipulated by Reserve Bank of India (RBI) effective from April 1, 2013. Transition to the Basel-III Capital Regulations was in a phased manner. Bank has to comply with the regulatory limits and minima as prescribed under Basel III capital regulations, on an ongoing basis.

As per the Reserve Bank of India (RBI) guidelines, the total regulatory capital consists of sum of the following;

- 1) Tier-1 Capital (Going Concern Capital*)

- a. Common Equity Tier-1(CET-1)
 - b. Additional Tier-1
- 2) Tier-2 Capital (Gone Concern Capital**)

* From Regulatory perspective, Going Concern Capital is the Capital, which can absorb losses without triggering bankruptcy of the Bank.

** From Regulatory perspective, Gone Concern Capital is the Capital, which will absorb losses only in a situation of liquidation of the Bank.

The Minimum Capital Requirement under Basel-III is as follows:

Sl. No	Regulatory Capital	As a % to Risk Weighted Assets (RWAs)
(i)	Minimum Common Equity Tier-1 (CET-1)	5.50
(ii)	Capital Conservation Buffer (CCB)	2.50
(iii)	Minimum Common Equity Tier-1 (CET-1) + Capital Conservation Buffer (CCB) [(i)+(ii)]	8.0
(iv)	Additional Tier 1 Capital	1.50
(v)	Minimum Tier- 1 Capital [(i) +(iv)]	7.00
(vi)	Tier 2 Capital	2.00
(vii)	Minimum Total Capital Ratio [(v)+(vi)]	9.00
(viii)	Minimum Total Capital Ratio + Capital Conservation Buffer (CCB) [(vii)+(ii)]	11.50

Basel-III guidelines require the Bank to maintain a minimum capital to risk weighted assets ratio (CRAR) of 9% with minimum CET-1 CRAR of 5.5%, Minimum Tier-1 CRAR of 7% and Capital Conservation Buffer (CCB) of 2.5%.

a) Composition of Regulatory Capital

The following table sets forth, for the period indicated, computation of capital adequacy as per Basel-III framework:
(₹. in Crore)

Sr. No.	Items	March 31, 2024	March 31, 2023
(i)	Common Equity Tier 1 capital (CET 1) (net of deductions, if any)	847.61	756.83
(ii)	Additional Tier 1 capital	-	-
(iii)	Tier 1 capital (i + ii)	847.61	756.83
(iv)	Tier 2 capital	100.51	127.01
(v)	Total capital (Tier 1+Tier 2)	948.12	883.85
(vi)	Total Risk Weighted Assets (RWAs)	7462.44	7173.79
(vii)	CET 1 Ratio (CET 1 as a percentage of RWAs)	11.36%	10.55%
(viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	11.36%	10.55%
(ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	1.35%	1.77%
(x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	12.71%	12.32%
(xi)	Leverage Ratio	5.14%	4.87%
(xii)	Percentage of the shareholding of a) Government of India	-	-
(xiii)	Amount of paid-up equity capital raised during the year	-	-
(xiv)	Amount of non-equity Tier 1 capital raised during the year, of which: a) Basel III compliant Perpetual Non-Cumulative Preference Shares (PNCPS)	-	-

	b) Basel III compliant Perpetual Debt Instruments (PD)		
(xv)	Amount of Tier 2 capital raised during the year, of which a) Basel III compliant Debt Capital Instrument b) Basel III compliant Preference Share Capital Instruments		-

The Bank had been computing Net worth considering application Software as an intangible asset up to the quarter ended September 30, 2023. However, the Bank has changed its approach with respect to the treatment of application software for the computation of net worth. Consequently, the Bank has not deducted application Software from Net worth from the quarter ended Dec 31, 2023 onwards. Comparative figures for net worth are also restated accordingly. The consequential positive impact on Capital to Risk Weighted Assets Ratio for the year ended March 31, 2024 is 41 basis points.

1.3 Reserves and Surplus

Statutory Reserve

During the year ended March 31, 2024, the Bank had appropriated Rs. 14.46 Crore (previous year: Rs. 12.38 Crore) out of profits for the year ended March 31, 2024 to the Statutory Reserve in terms of sections 17 of the Banking Regulation Act, 1949 and RBI guidelines.

Capital Reserve

It is the reserve created from Capital profit. Profit on sale of investments in the Held to Maturity category is credited to the Profit and Loss Account and thereafter appropriated to capital reserve (net of taxes and the amount required to be transferred to Statutory Reserves). Amount transferred to Capital Reserve during the year was Rs.0.21Crores (Previous year Nil)

Investment Reserve (IRA)

When provisions created on account of depreciation in the 'AFS' or 'HFT' categories are found to be in excess of the required amount in any year, the excess shall be credited to the Profit & Loss Account and an equivalent amount (net of taxes, if any and net of transfer to Statutory Reserves as applicable to such excess provision) shall be appropriated to an IRA. During the year, transfer to Investment Reserve Account is Rs 12.77 Crores (Previous year Nil).

Investment Fluctuation Reserve (IFR)

Investment fluctuation reserve (IFR) is to be created with an amount not less than lower of net profit on sale of investments during the year or net profit for the year less mandatory appropriations until the amount of IFR is at least 2 percent of the HFT and AFS portfolio, on a continuing basis. During the year, Bank has transferred Rs 2.81 Crores amount (Previous year Nil) to Investment Fluctuation Reserve Account with a view to building up of adequate reserves to protect against increase in yields in future.

Draw down from reserves

The draw down from the reserves for the year ended March 31, 2024 are as follows:

The Bank has not undertaken any drawdown from reserves during the years ended March 31, 2024 and March 31, 2023, except:

1. Nil (Previous year Rs. 10.79 Crore) is drawn from revenue reserves being the remaining unprovided amount of one fraud account as permitted by the RBI DBR No.BP.BC.92/21.04.048/2015-16 dated April 18, 2016.

2. An amount of Rs. 0.74 crore (previous year Rs. 0.54 crore) draw down from revaluation reserves was made and credited to revenue reserves, being depreciation on the revalued assets.

Credit to Reserve

3. Bank credited back Rs. 10.79 Crore (Previous year Nil) drawn down from revenue and other reserves relating to unamortized amount of one fraud account as permitted by the RBI DBR No.BP.BC.92/21.04.048/2015-16 dated April 18, 2016.

2 ASSET LIABILITY MANAGEMENT

a) Maturity pattern of Assets and Liabilities

Disclosure format of maturity pattern has been revised by RBI vide circular DBR.BP.BC.No. 86/ 21.04.098/2015-16 dated March 23, 2016. In compiling the information of maturity pattern, estimates and assumptions have been made by the management and have been relied upon by the auditors.

i) Maturity Pattern of certain assets and liabilities as at March 31, 2024: (₹. in Crore)

Particulars	Day 1	2 to 7 Days	8 to 14 Days	15 to 30 Days	31 days up to 2 months	Over 2 months up to 3 months	Over 3 months and upto 6 months	Over 6 months and up to 1 year	Over 1 year and upto 3 years	Over 3 year and upto 5 years	Over 5 years	Total
Deposits	67.35	235.05	460.00	438.18	693.65	621.85	2491.92	3390.50	5647.64	180.12	64.06	14290.31
Advances (Net)	268.81	112.40	86.19	556.11	530.82	697.40	1581.04	1744.81	1819.12	734.93	1970.51	10102.16
Investments (Gross)	1.33	0.00	0.00	0.00	24.50	2.50	275.55	157.27	2113.27	929.54	591.11	4095.07
Borrowings	0.00	149.04	0.00	0.00	0.00	0.00	0.00	150.00	0.00	0.00	0.00	299.04
Foreign currency Assets	35.60	4.73	1.98	0.64	6.57	24.75	11.20	58.64	8.47	0	0	152.58
Foreign currency Liabilities	25.54	4.71	1.88	2.51	8.22	9.73	4.90	33.12	12.87	26.83	-	130.30

ii) Maturity Pattern of certain assets and liabilities as at March 31, 2023: (₹. in Crore)

Particulars	Day 1	2 to 7 Days	8 to 14 Days	15 to 30 Days	31 days upto 2 months	Over 2 Months upto 3 months	Over 3 months and upto 6 Months	Over 6 Months and upto 1 year	Over 1 year and upto 3 year	Over 3 year and upto 5 years	Over 5 years	Total
Deposits	56.08	226.62	342.85	665.80	651.97	415.56	1460.92	2849.57	6347.01	263.56	71.71	13351.65
Advances (Net)	223.47	43.28	89.78	386.45	492.60	557.83	1,264.09	1,777.64	1,788.63	1,153.31	1,674.43	9,451.52

4	Secured wholesale funding	-	-		-				
5	Additional requirements, of which	492.66	102.80	521.52	91.00	540.34	102.88	632.87	134.63
i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-				
ii)	Outflows related to loss of funding on debt products	-	-	-	-				
iii)	Credit and liquidity facilities	492.66	102.80	521.52	91.00	540.34	102.88	632.87	134.63
6	Other contractual funding obligations	0.00	0.00	0.00	0.00	540.34	102.88	83.84	83.84
7	Other contingent funding obligations	393.68	11.81	381.48	11.44	392.90	11.79	393.57	11.81
8	Total Cash Outflows		1793.12		2120.04		2214.10		2627.52
Cash Inflows									
9	Secured lending (e.g. reverse repos)	3.62	3.62	77.08	77.08	77.01	77.01	136.65	136.65
10	Inflows from fully performing exposures	418.11	209.05	496.64	248.32	733.12	366.56	540.38	270.19
11	Other cash inflows	-	-	-	-	-	-	-	-
12	Total Cash Inflows	421.72	212.67	573.72	325.40	810.13	443.57	677.04	406.85
			Total adj Value		Total adj Value		Total adj Value		Total adj Value
13	Total HQLA		3176		3286.23		3378.17		3639.47
14	Total Net Cash Outflows		1580.45		1794.64		1770.53		2220.68
15	Liquidity Coverage Ratio (%)		200.96%		183.11%		190.80%		163.89%

6	Other contractual funding obligations	413.43	74.19	545.02	117.50	546.44	105.99	489.54	103.71
7	Other contingent funding obligations	289.20	8.68	329.64	9.89	342.60	10.28	393.33	11.80
8	Total Cash Outflows		1029.00		1362.72		1500.03		1292.94
Cash Inflows									
9	Secured lending (e.g. reverse repos)	12.82	12.82	14.78	14.78	9.04	22.52	20.12	17.35
10	Inflows from fully performing exposures	-	-	-	-	-	-	-	-
11	Other cash inflows	-	-	-	-	-	-	-	-
12	Total Cash Inflows	12.82	12.82	14.78	14.78-	9.04	22.52	20.12	17.35
			Total adj Value		Total adj Value		Total adj Value		Total adj Value
13	Total HQLA		3602.64		3580.01		3565.71		3539.41
14	Total Net Cash Outflows		1016.18		1347.94		1477.51		1275.60
15	Liquidity Coverage Ratio (%)		354.53%		265.59%		241.33%		277.47%

ii) Qualitative Disclosure

The Bank measures and monitors the LCR in line with the Reserve Bank of India's circular dated June 09, 2014 on "Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards" as amended for "Prudential Guidelines on Capital Adequacy and Liquidity Standards" dated March 31, 2015. The LCR guidelines aim to ensure that a bank maintains an adequate level of unencumbered High Quality Liquid Assets (HQLAs) that can be converted into cash to meet its liquidity needs for a 30-calendar day time horizon under a significantly severe liquidity stress scenario. At a minimum, the stock of liquid assets should enable the bank to survive until day 30 of the stress scenario, by which time it is assumed that appropriate corrective actions can be taken. Banks are required to maintain High Quality Liquid Assets of a minimum of 100% of its Net Cash Outflows. The adequacy in the LCR maintenance is an outcome of a conscious strategy of the Bank towards complying with LCR mandate ahead of the stipulated timelines. The maintenance of LCR, both on end of period and on an average basis, has been on account of multiple factors viz, increases in excess SLR, existing eligibility in corporate bond investments, increase in retail deposits and increase in non-callable deposits. Unweighted values are calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows) except where otherwise mentioned in the circular and LCR template. Weighted values are calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows). Board of Directors of the Bank has empowered ALCO (Senior Management Executive Committee) to monitor and strategize the Balance Sheet profile of the Bank.

The Bank has been maintaining HQLA primarily in the form of SLR investments over and above mandatory requirement; Certificate of Deposits issued by Banks with rating A1+ and above apart from regulatory dispensation allowed in the form of borrowing limit available through Marginal Standing Facility (MSF) and Facility to Avail

Liquidity for Liquidity Coverage Ratio (FALLCR). Average LCR for the Quarter ended March 31, 2024 is 163.89% (Quarter ended March 31, 2023: 277.47%), which is comfortably above RBI prescribed minimum requirement of 100%.

b) Net Stable Funding Ratio (NSFR)

i) Quantitative Disclosure

The following table sets out the unweighted and weighted value of the NSFR components of the Dhanlaxmi Bank at March 31, 2024 (i.e., quarter-end observation). (₹ in Crore)

Net Stable Funding Ratio- March 31, 2024						
(₹ in Crore)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Items						
1	Capital: (2+3)	882.01	-	-	36.51	918.52
2	Regulatory capital	882.01	-	-	-	882.01
3	Other capital instruments	-	-	-	36.51	36.51
4	Retail deposits and deposits from small business customers: (5+6)	4149.44	2686.86	2069.08	2037.73	9977.10
5	Stable deposits	962.52	622.42	458.39	522.78	2437.80
6	Less stable deposits	3186.92	2064.44	1610.69	1514.95	7539.29
7	Wholesale funding: (8+9)	232.00	1712.92	1156.19	209.58	1485.42
8	Operational deposits					
9	Other wholesale funding	232.00	1712.92	1156.19	209.58	1485.42
10	Other liabilities: (11+12)	789.57	-	-	-	-
11	NSFR derivative liabilities					
12	All other liabilities and equity not included in the above categories	789.57	-	-	-	-
13	Total ASF (1+4+7+10)					12381.04
RSF Items						
14	Total NSFR high-quality liquid assets (HQLA)					198.56
15	Deposits held at other financial institutions for operational purposes	14.59	-	-	-	7.30
16	Performing loans and securities: (17+18+19+20+21+23)	-	3518.85	1958.28	3718.44	5592.44
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	303.27	439.73	-	265.36
19	Performing loans to nonfinancial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs of which	-	3215.43	1517.91	2473.39	4436.60
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	162.24	105.46

21	Performing residential mortgages, of which:	-	0.15	0.64	961.06	649.09
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		0.15	0.64	891.34	579.37
23	Securities that are not in default and do not qualify as HQLA, including exchange traded equities				283.99	241.39
24	Other assets: (sum of rows 25 to 29)		2.69	13.64	2229.21	2246.33
25	Physical traded commodities, including gold					
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
27	NSFR derivative assets					
28	NSFR derivative liabilities before deduction of variation margin posted					
29	All other assets not included in the above categories		2.69	13.64	2229.21	2246.33
30	Off-balance sheet items				1058.52	45.18
31	Total RSF (14+15+16+24+30)	774.62	3987.09	2066.48	10192.22	8089.80
32	Net Stable Funding Ratio (%)					153.05%

Bank has complied with the regulatory requirements w.r.t NSFR.

The NSFR calculation at December 31,2023 (i.e., quarter end observation) is shown below: -

(₹ in Crore)

Net Stable Funding Ratio -December 31, 2023						
(₹ in Crore)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Items						
1	Capital: (2+3)	839.67	0	0	150.00	989.67
2	Regulatory capital	839.67			30.00	869.67
3	Other capital instruments				120.00	120.00
4	Retail deposits and deposits from small business customers: (5+6)	4082.52	2191.84	2523.10	2103.76	9927.69
5	Stable deposits	869.98	532.66	458.49	470.79	2215.32
6	Less stable deposits	3212.54	1659.18	2064.61	1632.97	7712.37
7	Wholesale funding: (8+9)	370.52	1111.67	1787.15	161.67	1562.99
8	Operational deposits					
9	Other wholesale funding	370.52	1111.67	1787.15	161.67	1562.99
10	Other liabilities: (11+12)	520.08	0	0	0	0
11	NSFR derivative liabilities					
12	All other liabilities and equity not included in the above categories	520.08			0	0
13	Total ASF (1+4+7+10)					12480.36
RSF Items						

Net Stable Funding Ratio -December 31, 2023						
(₹ in Crore)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
14	Total NSFR high-quality liquid assets (HQLA)					192.49
15	Deposits held at other financial institutions for operational purposes	264.18	-	-	-	132.09
16	Performing loans and securities: (17+18+19+21+23)		3806.48	1447.72	3658.34	5412.94
17	Performing loans to financial institutions secured by Level 1 HQLA					
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		306.81	323.99		208.02
19	Performing loans to nonfinancial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:		3499.67	1123.73	2525.22	4420.02
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk				190.61	123.90
21	Performing residential mortgages, of which:				891.23	579.30
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk				891.23	579.30
23	Securities that are not in default and do not qualify as HQLA, including exchange traded equities				241.89	205.61
24	Other assets: (sum of rows 25 to 29)				2335.87	2335.87
25	Physical traded commodities, including gold					
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
27	NSFR derivative assets					
28	NSFR derivative liabilities before deduction of variation margin posted					
29	All other assets not included in the above categories				2335.87	2335.87
30	Off-balance sheet items				1001.08	42.05
31	Total RSF(14+15+16+24+30)	1038.68	3972.48	1678.17	10154.12	8115.43
32	Net Stable Funding Ratio (%)					153.79%

ii) Qualitative Disclosure

The Net Stable Funding Ratio (NSFR) is one of Basel Committee's key reforms to promote a more resilient banking sector. The NSFR will require banks to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities. A sustainable funding structure is intended to reduce the likelihood that disruptions to a bank's regular sources of funding will erode its liquidity position in a way that would increase the risk of its failure and potentially lead to broader systemic stress. The NSFR limits overreliance on short-term wholesale funding, encourages better assessment of funding risk across all on- and off-balance sheet items, and promotes funding stability.

The Bank is required to maintain the NSFR on an ongoing basis on a standalone Bank level and on a Group level. The minimum NSFR requirement set out in the RBI guideline for the standalone Bank and for Group effective October 1, 2021 is 100%. The Bank has complied with the regulatory requirements with respect to NSFR as of 31 March 2024.

NSFR Calculation Methodology	RBI prescribed minimum NSFR	Bank's NSFR for the Quarter ended March 31, 2024
NSFR= (Available amount of Stable funding) / (Required amount of Stable funding)	100%	153.05%

Bank has complied with regulatory requirements with respect to NSFR

3 INVESTMENTS

a) Composition of Investment Portfolio

i) As on 31.03.2024

Particulars	Investments in India						Total investments in India
	Govt. Securities	Other approved securities	Shares	Debentures and Bonds	Subsidiaries and / or joint ventures	Others	
Held to Maturity (HTM)							
Gross	2549.84	0.00	0.00	0.00	0.00	0.00	2549.84
Less: Provision for NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	2549.84	0.00	0.00	0.00	0.00	0.00	2549.84
Available for Sale (AFS)							
Gross	905.83	0.00	36.44	520.74	0.00	82.21	1545.23
Less: Provision for depreciation and NPI	10.41	0.00	17.74	68.14	0.00	56.38	152.67
Net	895.42	0.00	18.70	452.61	0.00	25.83	1392.56
Held for Trading (HFT)							
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Investments	3455.68	0.00	36.44	520.74	0.00	82.21	4095.07
Less: Provision for NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	10.41	0.00	17.74	68.14	0.00	56.38	152.67
Net	3445.27	0.00	18.70	452.60	0.00	25.83	3942.40

Bank has no investment outside India.

ii) As on 31.03.2023

Particulars	Investments in India						Total investments in India
	Govt. Securities	Other approved securities	Shares	Debentures and Bonds	Subsidiaries and / or joint ventures	Others	
Held to Maturity (HTM)							
Gross	2651.00	0.00	0.00	0.00	0.00	0.00	2651.00
Less: Provision for NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	2651.00	0.00	0.00	0.00	0.00	0.00	2651.00
Available for Sale (AFS)							
Gross	688.13	0.00	37.11	602.68	0.00	57.71	1385.63
Less: Provision for depreciation and NPI	22.61	0.00	17.12	51.87	0.00	56.38	147.98
Net	665.52	0.00	19.98	550.82	0.00	1.33	1237.64
Held for Trading (HFT)							
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Investments	3339.13	0.00	37.11	602.68	0.00	57.71	4036.62
Less: Provision for NPI	0.00	0.00	0.00	0.00	0.00	-	-
Less: Provision for depreciation and NPI	22.61	0.00	17.12	51.87	0.00	56.38	147.98
Net	3316.52	0.00	19.98	550.82	0.00	1.33	3888.64

Bank has no investment outside India

b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(₹. In crore)

Particulars	31 st March 2024	31 st March 2023
1) Movement of Provisions held towards depreciation on Investments		
a) Opening Balance	58.02	17.95
b) Add: Provisions made during the year	-	40.07
c) Less: Write Off/ write back of excess provisions during the year.	21.31	-
d) Closing balance	36.71	58.02
2) Movement of provisions for Non-performing Investments (NPIs)		
a) Opening Balance	89.96	93.46
b) Add: Provisions made during the year	26.01	-
c) Less: Write off / (Write back) of excess provision during the year	-	(3.50)
d) Closing balance	115.97	89.96
3) Movement of Investment Fluctuation Reserve		
a) Opening balance	25.04	25.04
b) Add: Amount Transferred during the year	2.81	-
c) Closing Balance	27.85	25.04
4) Closing balance in IFR as a percentage of closing balance of Investments* in AFS and HFT/Current category	2.00%	2.02%

*The carrying value less net depreciation (ignoring net appreciation) i.e., the net amount reflected in Balance Sheet

c) i) Sale and Transfers to / from HTM Category FY 2023-24

	Particulars	Classification	Book Value
1	Shifting from AFS to HTM	G SEC & SDL	74.92
2	Shifting from HTM to AFS	G SEC & SDL	-
3	Sale from HTM	G SEC	71.27
4	Sale from HTM	SDL	-
	Total sale in regular market attracting 5% cap (3+4)		71.27
	Sale in terms of % to 31/03/2023 position		0.03

During the year ended March 31, 2024, the aggregate book value of investments sold from Held to Maturity (HTM) category was within the prescribed limit of 5% (2.69% - Total Rs.71.27 Crores) of the book value of investments held in HTM category at the beginning of the year (₹.2,651 Crores). The market value of investments held in HTM category as on 31st March 2024 was Rs.2,482.53 Crores against the book value of Rs.2,549.84 Crores. The Bank has not provided for excess of book value over market value i.e., Rs.67.31 Crores.

ii) Sale and Transfers to/ from HTM Category during FY 2022-23

During the year ended March 31, 2023, there was no sales and transfer of securities from HTM Category. Hence no disclosure is required.

In accordance with Reserve Bank of India (RBI) guidelines, sale from, and transfer to/from Held to Maturity (HTM) category excludes;

- One-time transfer of securities to /from HTM category permitted to be undertaken by banks at the beginning of the accounting year with the approval of the Board of Directors;
- Direct sales from HTM for bringing down SLR holdings in HTM category consequent to a downward revision in SLR requirements by RBI.
- Sale to the Reserve Bank of India (RBI) under liquidity management Operations of RBI like Open Market Operation (OMO) and the Government Securities Acquisition Program. (GSAP)
- Repurchase of Government securities by Government of India from Banks under buyback/ switch operations
- Repurchase of State Development loans by respective State Governments under buyback/ switch operations.
- Additional shifting of securities explicitly permitted by the Reserve Bank of India

d) Non SLR Investment Portfolio

i) Non-Performing Non SLR Investments

Particulars	March 31, 2024	March 31, 2023
Opening Balance	89.96	93.46
Additions during the year	26.01	0.00
Reductions during the year	0.00	3.50
Closing balance	115.96	89.96
Total provision held	115.96	89.96

a. Issuer-wise composition of Non SLR investments March 31, 2024

Sl. 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	270.50	259.80	-	-	0.10
(ii)	Financial Institutions	154.97	154.97	-	-	-
(iii)	Banks	71.97	71.97	5.00	5.00	5.00
(iv)	Private Corporates	84.25	82.71	52.68	51.87	83.39
(v)	Subsidiaries/Joint Ventures	-	-	-	-	-
(vi)	Others (Security Receipts & PTC)	57.71	57.71	57.71	2.10	57.71
		0.00	0.00	0.00	0.00	0.00
(vii)	Less: Provision held towards Depreciation & NPI		0.00	0.00	0.00	0.00
		142.26	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00
	Total	497.16	627.17	115.39	58.97	146.19

Note: As per RBI/2018-2019/24 FMRD.DIRD.01/14.03.038/2018-19 dt. July 24, 2018 only Market repo & Market reverse repo Transactions have been taken into Account; Repo/Reverse repo Transactions conducted under Liquidity Adjustment Facility (LAF) with RBI have not been counted

ii) Outstanding Repo / Reverse Repo Transactions with Reserve Bank of India (RBI) under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF)

Particulars	March 31, 2024	March 31, 2023
Repo under Liquidity Adjustment Facility (LAF) / Marginal Standing Facility (MSF)	0.00	0.00
Reverse Repo under Liquidity Adjustment Facility (LAF) / Marginal Standing Facility (MSF)	0.00	0.00

f) Investments kept as margin (in face value terms)

Particulars	March 31, 2024	March 31, 2023
Collateralized Borrowing and Lending Obligation (CBLO)	150.17	150.17
Clearing of Securities	40.70	35.70
Forex forward segment – Default Fund with Clearing Corporation of India Limited	3.00	3.00
National Securities Clearing Corporation of India Ltd.	0.00	0.00
MCX-SX Clearing Corporation Ltd.	0.00	0.00
Real Time Gross Settlement System (RTGS)	250.00	250.00
Total	443.87	438.87

g) Triparty Repo (TREPS) Transactions

Triparty Repo (TREPS) is a repo contract where a third entity (apart from the borrower and lender), called a Triparty Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction.

Particulars	March 31, 2024	March 31, 2023
Outstanding TREPS Borrowing	64.44	64.96
Outstanding TREPS Lending	0.00	0.00
Amortized Book Value of securities given as collateral to CCIL	64.84	64.49

h) Details of Book Value of Investments in Security Receipts

Particulars	March 31, 2024	March 31, 2023
Backed by NPAs sold by the bank as underlying	62.15	57.71
Backed by NPAs sold by the other Banks / Financial institutions / NBFC as underlying	0.00	0.00
Total	62.15	57.71

4.ASSET QUALITY

a i) Classification of Advances and provisions held as on March 31, 2024

(₹. in crore)

Particulars	Standard	Non-Performing			Total Non-Performing Advances	Total
	Total Standard advances	Sub standard	Doubtful	Loss		
Gross Standard Advances and NPAs						
Opening Balance	9342.58	46.05	228.08	237.02	511.15	9853.73
Add: Additions during the year					152.24	152.24
Less: reductions during the year					242.18	242.18
Closing Balance	9975.69	104.61	185.30	131.30	421.21	10396.91
Reductions in Gross NPA due to						
i)Up gradation					65.55	65.55
ii) Recoveries (excluding recoveries from upgraded accounts)					86.10	86.10
iii)Technical/ Prudential write off loans					52.10	52.10
iv) Write off other than those under (iii) above.					38.43	38.43
Provisions (Excluding Floating Provisions)						
Opening balance of Provisions held@	58.95	8.52	152.21	236.08	399.79	458.74
Add: Fresh Provisions made during the year					87.85	87.85
Less: Excess provision reversed/ Write-off loans					195.27	195.27
Closing Balance of provisions held@		21.97	137.25	130.18	292.37	
@ Counter Cyclical Provision of Rs 2.97Crores is factored in Total NPAs/Total columns under opening /closing balance only.						
Net NPAs						
Opening Balance#		37.50	75.34	0.00	109.20	109.20
Add: Fresh additions during the year					124.33	124.33
Less: reductions during the year					107.06	107.06
Closing Balance#		82.51	47.60	0.00	126.47	126.47
# General provision of ₹ 3.64 Crore (Counter Cyclical Provision of Rs 2.97 Crores and floating provision of Rs 0.67 crores) is factored in Total NPAs/Total columns under opening /closing balance only.						
Floating Provisions						
Opening Balance						0.67
Add: Additional provisions made during the year						0.00
Less: Amount draw down during the year						0.00
Closing Balance						0.67

Technical Write off and the recoveries made thereon:		
Opening Balance		651.20
Add: Technical/Prudential write offs during the year		52.10
Less: Recoveries made from previously technical/ prudential written off accounts during the year		41.83
Closing Balance		661.47

ii) Classification of Advances and provisions held as on March 31, 2023

(₹. in crore)

Particulars	Standard	Non-Performing				Total
	Total Standard advances	Sub standard	Doubtful	Loss	Total Non-Performing Advances	
Gross standard Advances and NPAs						
Opening Balance	7910.04	47.51	413.38	2.64	533.54	8443.58
Add: Additions during the year					100.11	100.11
Less: reductions during the year					122.50	122.50
Closing Balance	9342.58	46.05	228.08	237.02	511.15	9853.73
Reductions in Gross NPA due to						
i)Up gradation					33.69	33.69
ii) Recoveries (excluding recoveries from upgraded accounts)					84.08	84.08
iii)Technical/ Prudential write off loans					0.00	0.00
iv) Write off other than those under (iii) above.					4.73	4.73
Provisions (Excluding Floating Provisions)						
Opening balance of Provisions held@	60.24	6.90	217.81	71.48	299.17	359.41
Add: Fresh Provisions made during the year					152.33	152.33
Less: Excess provision reversed/ Write-off loans					51.71	51.71
Closing Balance of provisions held@	58.95	8.52	152.21	236.08	399.79	458.74
@ Counter Cyclical Provision of Rs.2.97Crores is factored in Total NPAs/Total columns under opening /closing balance only.						
Net NPAs						
Opening Balance#		33.01	201.70	1.09	232.16	
Add: Fresh additions during the year					71.27	
Less: reductions during the year					194.23	
Closing Balance#		37.50	75.34	0.00	109.20	109.20
# General provision of ₹ 3.64 Crore (Counter Cyclical Provision of Rs 2.97Crores and floating provision of Rs.0.67 crores) is factored in Total NPAs/Total columns under opening /closing balance only.						

Floating Provisions		
Opening Balance		0.67
Add: Additional provisions made during the year		0.00
Less: Amount draw down during the year		0.00
Closing Balance		0.67
Technical Write off and the recoveries made thereon: -		
Opening Balance		665.46
Add: Technical/Prudential write offs during the year		0.00
Less: Recoveries made from previously technical/ prudential written off accounts during the year		14.26
Closing Balance		651.20

Ratios (in Percentage)	31 st March 2024	31 st March 2023
Gross NPA to Gross Advances	4.05%	5.19%
Net NPA to Net Advances	1.25%	1.16%
Provision Coverage Ratio	88.32%	90.61%

b) Sector-wise advances and Gross NPAs

(₹ in crores)

Sl. No.	Sector	March 31, 2024			March 31, 2023		
		Out-standing Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector	Out-standing Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
A	Priority Sector						
1	Agriculture and allied activities	3085.39	16.47	0.53	2547.34	24.29	0.95
2	Advances to industries sector eligible as priority sector lending	608.83	84.06	13.81	649.36	35.86	5.52
3	Services	964.58	134.08	13.90	1082.18	137.85	12.74
4	Personal loans (Other than above)	804.83	35.01	4.35	673.13	31.59	4.69
	Sub-total (A)	5463.63	269.62	4.93	4952.02	229.59	4.64
B	Non-Priority Sector						
1	Agriculture and allied activities	0.00	0.00	0.00	0.00	0.00	0.00
2	Industry	1173.71	6.80	0.58	582.92	30.15	5.17
3	Services	3394.63	86.35	2.54	2764.01	214.17	7.75
4	Personal loans (Other than above)	364.94	58.44	16.01	1554.78	37.24	2.40
	Sub-total (B)	4933.27	151.59	3.07	4901.71	281.56	5.74

Total (A+B)	10396.90	421.21	4.05	9853.73	511.15	5.19
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The Bank has compiled the data for the purpose of this disclosure from its internal MIS system and has been furnished by the management, which has been relied upon by the auditors. The above priority sector advance figure is excluding the investment in RIDF with NABARD and other regulators.

c) Overseas assets, NPAs and revenue

NIL

d) Particulars of Resolution Plan and Restructuring

i) Particulars of Resolution Plan

During the FY 2023-24, the Bank has restructured advances under the following schemes:

- Prudential Framework for Resolution of Stressed Assets issued by RBI vide circular DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019
- Education Loans under IBA circular No. CIR/RB-ELS/1713 dt.26.12.2016.
- There were no accounts subjected to restructuring during the year which included an acquisition of shares due to conversion of debt to equity during a restructuring process on account of June 7, 2019 RBI circular.

ii) Details of borrowers subjected to restructuring under various schemes, as on March 31, 2024.

(₹. in Crore)

		Agriculture and allied activities	Corporates (excluding MSME)	Micro, Small and Medium Enterprises	Retail (excluding agriculture and MSME)	Total
Standard	Number of borrowers	-	-	2	44	46
	Gross Amount	-	-	3.70	1.60	5.30
	Provision held*	-	-	0.03	0.16	0.19
Sub-standard	Number of borrowers	-	-	1	6	7
	Gross Amount	-	-	9.36	0.57	9.93
	Provision held	-	-	2.58	0.13	2.70
Doubtful	Number of borrowers	-	-	3	8	11
	Gross Amount	-	-	22.51	2.33	24.84
	Provision held	-	-	13.90	1.59	15.49
Loss	Number of borrowers	1	-	5	69	75
	Gross Amount	0.02	-	6.08	2.26	8.36
	Provision held	0.02	-	6.08	2.26	8.36
Total	Number of borrowers	1	-	11	127	139
	Gross Amount	0.02	-	41.66	6.76	48.44
	Provision held	0.02	-	22.59	4.13	26.74

i) *Inclusive of diminution in fair value.

Note: Excluding the accounts restructured under One-time Restructuring Scheme for MSME accounts and RFCS 1.0 (I&S), RFCS 2.0(I&S) and RFCS 2.0 (MSME).

Details of borrowers subjected to restructuring under various schemes, as on March 31, 2023.

(₹ in Crore)

		Agriculture and allied activities	Corporates (excluding MSME)	Micro, Small and Medium Enterprises	Retail (excluding agriculture and MSME)	Total
Standard	Number of borrowers	Nil	Nil	3	41	44
	Gross Amount		-	38.23	2.97	41.20
	Provision held*	-	-	1.79	0.22	2.01
Sub-standard	Number of borrowers	Nil	Nil	2	6	8
	Gross Amount	-	-	2.08	0.49	2.57
	Provision held	-	-	0.32	0.11	0.43
Doubtful	Number of borrowers	Nil	Nil	4	9	13
	Gross Amount	-	-	17.24	2.31	19.55
	Provision held	-	-	7.60	1.00	8.60
Loss	Number of borrowers	2	Nil	6	86	94
	Gross Amount	0.04	-	6.20	2.76	9.00
	Provision held	0.04	-	6.20	2.76	9.00
Total	Number of borrowers	2	Nil	15	142	159
	Gross Amount	0.04	-	63.75	8.53	72.32
	Provision held	0.04	-	15.91	4.09	20.04

*Inclusive of diminution in fair value

Note: Excluding the accounts restructured under One-time Restructuring Scheme for MSME accounts and RFCS 1.0 (I&S), RFCS 2.0(I&S) and RFCS 2.0 (MSME).

iii) Details of Micro, Small and Medium Enterprises (MSME) Sector accounts restructured under the One Time Restructuring Scheme for MSME accounts as on 31.03.2024

Details of MSME accounts restructured as per RBI Circular DBR.No.BP.BC.18/21.04.048/2018-19 dated January 1, 2019, RBI/2019-20/160.DOR.No.BP.BC.34/21.04.048/2019-20 dt. February 11,2020 and RBI/2020-21/17DOR.No.BP BC/4/21.04.048/2020-21 dt. August 06,2020, RBI/2021-22/32 DOR.STR.REC. 12/21.04.048/2021-22 dated May 05, 2021 and RBI/2021-22/47 DOR.STR.REC.12/21.04.048/2021-22 dated June 4, 2021 are as given below:

No. of borrowers restructured	Amount (₹ in Crore) *
34	86.21

*Excludes other facilities to the borrowers which have not been restructured but considered as part of residual debt.

e) Disclosure of Divergence in the Asset Classification and Provisioning

The divergence observed by RBI for the financial years 2022-23 and 2021-22 in respect of the Bank's asset classification and provisioning under the extant prudential norms on income recognition, asset classification and provisioning are below the regulatory requirement for disclosure and hence the disclosure as required under RBI Master Direction on 'Financial Statements-Presentation and Disclosures' on 'Divergence in the asset classification and provisioning', is not required to be made.

f) Disclosure of transfer of loan exposures

During the year 2023-2024 and previous year 2022-2023: -

- (i) The Bank has not transferred any Non-Performing Assets (NPAs).
- (ii) The Bank has not transferred any special mention accounts (SMA) & Loan not in default.
- (iii) The bank has not transferred any loans in default acquired through assignment.
- (iv) The Bank has not acquired any loans from SCBs, RRBs, Co-operative Banks, AIFIs, SFBs and NBFCs including Housing Finance Companies (HFCs) or ARCs.

g) Fraud Accounts

RBI vide DoS. CO. FMG. No. S332/23.04.001/2022-23 dtd.13th January, 2023 has advised all member Banks to report all the Digital Payment related Financial Fraud incidents to RBI through FMR, which includes the instances where either the credentials have been compromised by customers themselves, or no loss has been caused to the Bank. In compliance of the above, Bank has started reporting all cyber fraud incidents to RBI through FMR, from 1st January 2023 onwards.

Out of the total 421 numbers of fraud incidents reported to RBI during the year 2023-2024, 415 numbers are cyber frauds, amounting to Rs 1.61 Crores, where frauds had happened due to the compromise of confidential customer credentials by customers themselves/customer negligence and in these cases, there is no loss to the Bank. During the FY 2023-2024, material Fraud cases of 6 numbers amounting to Rs 4.11 crores occurred and reported, out of which in one account, full amount of Rs 0.20 crores was recovered.

	March 31, 2024	March 31, 2023
No. of frauds reported during the year	421	61
Amount involved in fraud (₹. in Cr)	5.72	161.03
Amount involved in fraud net of recoveries which requires provision (₹. in Cr)	3.91	155.68
Amount of Provision made for such Frauds (₹. in Cr)	3.91	144.89
Amount of unamortized provision debited from “other reserves” as at the end of the year (₹. in Cr) (See note below)	Nil	10.79

h) Disclosure under Resolution framework for COVID-19- related Stress: -

- 1) Details of resolution plan implemented under Resolution framework for Covid -19 related stress as per RBI Circular dated August 6, 2020 (Resolution framework 1.0) and as per RBI circular dated May 5, 2021 (Resolution Framework 2.0) “Covid-19 related Stress of Individuals and small business” are given below:-

₹. In Crore

	(A)	(B)	(C)	(D)	(E)
Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of previous half year (A) 30.09.2023	Of (A), aggregate debt that slipped into NPA during the half year ended Mar 2024	Of (A) amount written off during the half year	Of (A) amount paid by the borrowers during the half year ended Mar 2024	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of year 31.03.24*
Personal Loans	18.58	0.74	0.00	2.77	15.93
Others	27.64	1.12	0.00	6.70	19.62
Corporate Persons (all are MSME loans)	11.16	0.00	0.00	3.03	7.78
Total under RFCS	57.38	1.86	0.00	12.50	43.33

*Excludes other facilities to the borrowers which have not been restructured but considered as part of residual debt.

ii) Number of borrower accounts where modifications were sanctioned and implemented in terms of Clause 22 of Circular No. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dt. May 5, 2021, 'Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses' are as follows;

No. of Accounts	Nil
Aggregate Exposure as on March 31, 2024 (₹. In Crore)	Nil

5. EXPOSURES

The Bank has lending to sectors, which are sensitive to asset price fluctuations. Such sectors include capital market and real estate.

a. Exposure to Real Estate Sector

The exposure, representing the higher of funded and non-funded limits sanctioned or outstanding to real estate sector, is given in the table below:

Category	March 31, 2024	March 31, 2023
a) Direct exposure		
(i) Residential Mortgages –		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (A)	1139.55	963.49
Of Which individual Housing loan eligible for inclusion in Priority Sector Advances	654.56	572.03
(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; (B)	301.86	261.45
(iii) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –		
a. Residential,	Nil	Nil
b. Commercial Real Estate.	Nil	Nil
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs) (C)	288.09	399.00
Total Exposure to Real Estate Sector (A+B+C)	1729.50	1623.94

b) Exposure to Capital Market

The exposure, representing the higher of funded and non-funded limits sanctioned or outstanding to capital market sector, is given in the table below:

Particulars	March 31, 2024	March 31, 2023
(i) Direct investment 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;	36.44	64.57

Particulars	March 31, 2024	March 31, 2023
(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;	NIL	NIL
(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;	NIL	NIL
(iv) Advances for any other purposes to the extent secured by the 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;	NIL	NIL
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	NIL	NIL
(vi) Loans sanctioned to corporate 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;	NIL	NIL
(vii) Bridge loans to companies against expected equity flows/issues;	NIL	NIL
(viii) Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	NIL	NIL
(ix) Financing to stockbrokers for margin trading;	NIL	NIL
(x) All exposures to Venture Capital Funds (both registered and unregistered)	NIL	NIL
Total Exposure to Capital Market	36.44	64.57

Capital market exposure is reported in line with Para 2.3 of RBI's Master Circular on Exposure Norms dated July 1, 2015 (DBR.No. Dir. BC. 12/13.03.00/2015-16).

c) Risk Category wise Country exposure
Crore)

(₹. In

Risk Category	Exposure (net) as at	Provision held as at	Exposure (net) as at	Provision held as at
	March 31, 2024	March 31, 2024	March 31, 2023	March 31, 2023
Insignificant	Nil	Nil	4.67	Nil
Low	0.19	Nil	4.71	Nil
Moderately Low	0.19	Nil	Nil	Nil
Moderate	Nil	Nil	Nil	Nil
Moderately High	Nil	Nil	Nil	Nil
High	Nil	Nil	Nil	Nil
Very High	Nil	Nil	Nil	Nil
Total	0.38	Nil	9.38	Nil

As the Bank's exposure for the year in respect of risk Category-wise Country Exposure (Foreign Exchange Transactions) is less than 1% of total assets of the Bank, no provision is considered necessary.

d) Unsecured Advances

Following are the details of unsecured advances for which intangible securities have been taken.

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Total Unsecured advances of the Bank	502.94	355.41
Of which, amount of advances outstanding against charge over intangible securities such as rights, Licenses, authority etc.	Nil	Nil
The estimated value of such intangible security as in (i) above	Nil	Nil

e) Factoring Exposures

Bank has no factoring Exposures

f) Intra-Group Exposures

Bank does not have any group entities.

g) Unhedged Foreign Currency Exposure

The Bank has a policy on managing credit risk arising out of foreign currency exposure of its borrowers. In line with the policy, assessment of unhedged foreign currency exposure is a part of assessment of borrowers and is undertaken while proposing limits or at the review stage. The Bank has fixed a maximum limit on unhedged position on borrowers, while sanctioning limits for all clients. The unhedged portion of foreign

currency credit exposure of large corporate/SMEs are monitored and reviewed on a monthly basis. Any sanction of fresh loans/ adhoc loans/ renewal of loans to new/ existing borrowers is done after obtaining/ sharing necessary information. The Bank also maintains incremental provision towards the unhedged foreign currency exposure of its borrowers in line with the extant RBI guidelines. The Bank has maintained a provision of Rs.0.96 (previous year – Rs. 0.12 crore) and no additional capital on account of unhedged foreign currency exposure of its borrowers as at March 31, 2024.

6. Concentration of Deposits, Advances, Exposures and NPAs

The Bank has compiled the data for the purpose of this disclosure from its internal MIS system and has been furnished by the management, which has been relied upon by the auditors.

a). Concentration of Deposits

Particulars	March 31, 2024	March 31, 2023
Total Deposits of twenty largest depositors (₹. In crore)	3179.70	3027.15
Percentage of Deposits of twenty largest depositors to total Deposits of the Bank	22.25%	22.67%

b) Concentration of Advances

Particulars	March 31, 2024	March 31, 2023
Total Advances to twenty largest borrowers (₹. In crore)	1,556.67	1759.99
Percentage of Advances to twenty largest borrowers to Total Advances of the Bank	14.97%	17.86%

Note: Advance is computed as per the definition of Credit Exposure in RBI Master Circular on Exposure Norms DBR. No. Dir.BC.12/13.03.00/2015-16 dated July 1, 2015.

c) Concentration of Exposures

Particulars	March 31, 2024	March 31, 2023
Total Exposure to twenty largest borrowers/customers (₹. In crore)	1691.32	1824.43
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the bank on borrowers /customers	14.36%	17.63%

Note: Exposure is computed as per the definition of Credit and Investment Exposure in RBI Master Circular on Exposure Norms DBR. No. Dir.BC.12/13.03.00/2015-16 dated July 1, 2015.

d) Concentration of NPAs

Particulars	March 31, 2024	March 31, 2023
Total Exposure to top twenty NPA accounts (₹ in Crore)	251.83	302.45
Percentage of exposures to the twenty largest NPA exposures to total Gross NPAs.	59.79%	59.17%

7. DERIVATIVES

a. Forward Rate Agreement (FRA) / Interest Rate Swaps (IRS)

The Bank has not entered into Forward Rate Agreement (FRA) and Interest Rate Swap (IRS) during FY 2023-24. The bank had NIL outstanding FRA and IRS position at the end of March 2024.

b Exchange traded Interest Rate Derivatives

Sl. No.	Particulars	March 31, 2024	March 31, 2023
(i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument-wise)	NIL	NIL
(ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31st March (instrument-wise)	NIL	NIL
(iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument- wise)	NIL	NIL
(iv)	Mark-to-market value of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument- wise)	NIL	NIL

c) Disclosures on risk exposure in Derivatives

Qualitative disclosure

Structure and Organization for Management of risk in derivatives trading: Operations in the Treasury are segregated into three functional areas, namely Front office, Mid office and Back-office, equipped with necessary infrastructure and trained officers, whose responsibilities are well defined. The Bank enters into plain vanilla forward forex contracts only to backup / cover customer transactions as also for proprietary trading purpose. The Bank also enter in to foreign exchange swaps with other banks for hedging own balance sheet items like FCNR/ EEFC etc. The Treasury Management Policy of the Bank clearly lays down the scope of usages, approval process as also the limits like the open position limits, deal size limits and stop loss limits for trading.

The Mid Office is handled by Risk Management Department. Daily report is generated by Risk Management Department for appraisal of the risk profile to the senior management for Asset and Liability management.

1. Scope and nature of risk measurement, risk reporting and risk monitoring systems:

Outstanding forward contracts are monitored by Risk Management Department against the limits (Counterparty, Stop Loss, Open Position, VaR, Aggregate Gap) fixed by the Board and approved by RBI (wherever applicable) and exceeding, if any, are reported to the appropriate authority / Board for ratification.

2. Policies for hedging and / or mitigating and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants

The Bank's policy lays down that the transactions with the corporate clients are to be undertaken only after the inherent credit exposures are quantified and approved for customer appropriateness and suitability and necessary documents like ISDA agreements etc. are duly executed. The Bank adopts Current Exposure Method for monitoring the credit exposures. While sanctioning the limits, the competent authority stipulates condition of obtaining collaterals / margin as deemed appropriate. The derivative limits are reviewed periodically along with other credit limits.

3. Accounting policy for recording the hedge and non-hedge transactions, recognition of Income premiums and discounts, valuation of outstanding contracts, provisioning, collateral and credit risk mitigation.

Valuation of outstanding forward contracts are done as per FEDAI guidelines in force. Marked to market profit & loss are taken to Profit & Loss account. MTM profit & loss calculated as per Current Exposure method are taken into account while sanctioning forward contract limits to customers and collaterals / cash margins are prescribed for credit and market risks. The Bank undertakes foreign exchange forward contracts for its customers and hedges them with other banks. The credit exposure on account of forward contracts is also considered while arriving at the total exposure of each customer / borrower and counter party banker. The Bank also deals with other banks in proprietary trading duly adhering to risk limits permitted by RBI, set in the policy and is monitored by mid office. The Marked to Market values are monitored on daily basis for foreign exchange forward contracts. The credit equivalent is computed under current exposure method. The operations are conducted in terms of the policy guidelines issued by Reserve Bank of India from time to time and as approved by the Board of the Bank.

ii) Quantitative Disclosure

Sl. No	Particulars	March 31, 2024		March 31, 2023	
		Currency Derivatives	Interest rate derivatives	Currency Derivatives	Interest rate derivatives
(i)	Derivatives (Notional Principal Amount)				
	a) For hedging	Nil	Nil	Nil	Nil
	b) For trading	Nil	Nil	Nil	Nil
(ii)	Marked to Market Positions [1]				
	a) Asset (+)	4.28	Nil	3.46	Nil
	b) Liability (-)	Nil	Nil	Nil	Nil
(iii)	Credit Exposure [2]	Nil	Nil	Nil	Nil
(iv)	Likely impact of one percentage change in interest rate (100*PV01)	Nil	Nil	Nil	Nil
	a) on hedging derivatives	Nil	Nil	Nil	Nil
	b) on trading derivatives	Nil	Nil	Nil	Nil
(v)	Maximum and Minimum of 100*PV01 observed during the year				
	a) on hedging	Nil	Nil	Nil	Nil
	b) on trading	Nil	Nil	Nil	Nil

d) Credit Default Swaps

The bank has not undertaken any transactions in Credit Default Swaps (CDS) during the year March 31, 2024 and March 31, 2023.

e) OIS (Overnight Index Swap) position

The Bank has not entered into OIS (Overnight Index Swap) during FY 2023-24. The bank had NIL outstanding OIS position at the end of March 2024 and March 2023.

f) Un-hedged / uncovered foreign currency exposure of the Bank

The Bank's foreign currency exposures as at March 31, 2024 that are not hedged/ covered by either derivative instruments or otherwise are within the Net Overnight Open Position limit (NOOP) and the Aggregate Gap limit, as approved by the Board. NOOP limit is Rs. 10.00 Crore and actual position as on March 31, 2024 was Rs. 1.30 Crore. AGL limit is USD 89 Mio and actual position as on March 31, 2024 was USD 20.61 Million.

g) Currency Futures

The Bank does not deal in exchange traded currency futures during the current and previous Financial Years.

8. Securitization Transactions

Sl. No	Particulars	March 31, 2024	March 31, 2023
i	No of SPEs holding assets for securitization transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	Nil	Nil
ii	Total amount of securitized assets as per books of the SPEs	Nil	Nil
iii	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	Nil	Nil
iv	a) Off-balance sheet exposures <ul style="list-style-type: none"> • First loss • Others b) On-balance sheet exposures <ul style="list-style-type: none"> • First loss • Others 	Nil	Nil
	Amount of exposures to securitisation transactions other than MRR	Nil	Nil
	a) Off-balance sheet exposures <ul style="list-style-type: none"> • First loss • Others b) On-balance sheet exposures <ul style="list-style-type: none"> • First loss • Others 		
	b) On-balance sheet exposures <ul style="list-style-type: none"> i) Exposure to own securitisations <ul style="list-style-type: none"> • First loss • Others ii) Exposure to third party securitisations <ul style="list-style-type: none"> • First loss • Others 	Nil	Nil
v.	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	Nil	Nil
vi.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Nil	Nil

vii.	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. (a) Amount paid (b) Repayment received (c) Outstanding amount	Nil	Nil
viii.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.	Nil	Nil
	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e., RMBS, Vehicle Loans, etc.	Nil	Nil
	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	Nil	Nil

9 Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

Name of the SPV sponsored	
Domestic	Overseas
Nil	Nil

10 Transfers to Depositor Education and Awareness Fund (DEA Fund)

In accordance with the guidelines issued by RBI, the Bank transfers the amount to the credit of any account which has not been operated upon for a period of 10 years or any deposit or any amount remaining unclaimed for more than 10 years to the DEA Fund. Details of amount transferred to DEA Fund are set out below:

(₹ in Crore)

Particulars	March 31, 2024	March 31, 2023
Opening balance of amounts transferred to DEA Fund	79.20	67.51
Add: Amounts transferred to DEA Fund during the year	10.94	12.66
Less: Amounts reimbursed by DEA Fund towards claims	2.46	0.97
Closing balance of amounts transferred to DEA Fund	87.68	79.20

11 Disclosure of Complaints

a) Summary information on complaints received by the bank from customers and from the office of Banking Ombudsman

S. N	Particulars	March 31, 2024	March 31, 2023
	Complaints received by the bank from its customers		
1	Number of complaints pending at beginning of the year	75	113
2	Number of complaints received during the year	6032	6101
3	Number of complaints disposed during the year	6013	6139
3.1	Of which, number of complaints rejected by the bank	217	34
4	Number of complaints pending at the end of the year	94	75
	Maintainable complaints received by the bank from Office of Ombudsman		
5	Number of maintainable complaints received by the bank from Office of Ombudsman	25	32

5.1	Of 5, number of complaints resolved in favor of the bank by Office of Ombudsman	12	16
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	13	16
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	0	0
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA
Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme.			

b) Top five grounds of complaints received by the bank from customers

Grounds of complaints, (i.e., complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Financial Year 2023-24					
ATM/Debit Cards	27	2372	-20	20	0
Internet/Mobile/Electronic Banking	35	2632	6	47	0
Account opening/ difficulty in operation of accounts	5	527	42	4	0
Credit Cards	1	150	-3	4	0
Loans and Advances	1	29	26	2	0
Others	6	322	225	17	0
Total	75	6032		94	0
Financial Year 2022-23					
ATM/Debit Cards	76	2972	-58	27	0
Internet/Mobile/Electronic Banking	33	2483	-60	35	0
Account opening/ difficulty in operation of accounts	1	370	-12	5	0
Credit Cards	2	154	18	1	0
Loans and Advances	1	23	-50	1	0
Others	0	99	-52	6	0
Total	113	6101		75	0

12) Penalties Levied by the Reserve Bank of India (Amount in Rs)

During the year 2023-24, Reserve Bank of India levied penalty on the Bank as detailed below

Particulars	Banking Regulation Act 1949	Payment and Settlement Systems Act, 2007	Government Securities Act, 2006 (for bouncing of SGL)
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Nature of the breach	<ol style="list-style-type: none"> 1. Deficiency in soiled note remittance to RBI. 2. Delay in conducting weekly concurrent audit at one of the currency chests. 3. Violation of ‘Loans and Advances – Statutory and other Restrictions’, ‘Reserve Bank of India Know Your Customer (KYC) Directions, 2016’, and ‘Reserve Bank of India (Interest Rate on Deposits) Directions 2016’ 	Nil	Nil
Number of instances of default	<ol style="list-style-type: none"> 1. 15 2. 1 3. 4 	Nil	Nil
Quantum of penalty imposed	<ol style="list-style-type: none"> 1. Rs 4,850 2. Rs 5,000 3. Rs 1,20,47,000 	Nil	Nil

During the year 2022-23, Reserve Bank of India levied penalty on the Bank as detailed below

1) Soiled Notes Remittance. Details are given below

Particulars	Banking Regulation Act 1949	Payment and Settlement Systems Act, 2007	Government Securities Act, 2006 (for bouncing of SGL)
Nature of the breach	Scheme of penalties for bank branches including currency chests for deficiency in rendering customer service to the members of public – deficiency in soiled notes remittance to RBI	Nil	Nil
Number of instances of default	5	Nil	Nil
Quantum of Penalty imposed.	Rs 2,300	Nil	Nil

Penalties levied by Reserve Bank of India – In the case of default in reverse repo transactions

Particulars	FY 2023-24
Number of instances of default	Nil
Quantum of Penalty paid to RBI	Nil

13) Disclosures on Remuneration

a. Qualitative Disclosures

a	Information relating to the composition and mandate of the Nomination and Remuneration Committee.	<p><u>Composition</u></p> <ol style="list-style-type: none">1. Dr. Nirmala Padmanabhan, Chairperson2. Shri. G. Rajagopalan Nair3. Shri. Sreesankar Radhakrishnan <p>Terms of Reference</p> <ol style="list-style-type: none">1. Recommending to the Board for its consideration and approval on the size and composition of the Board taking into account the available and needed diversity and balance in terms of experience, knowledge, skills and judgment of the Directors;2. Reviewing, from time to time, possible candidates for current and potential Board vacancies, including Directors who are to retire and are eligible for re- appointment or re-election and other persons who may be recommended by the Chairman or the MD&CEO or other Directors, shareholders or others;3. Recommending to the Board, candidates for election (including reelection) or appointment (including reappointment) to the Board;4. Carrying out evaluation of every Director's performance;5. Deciding on the matter of whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;6. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal; formulation of the criteria for determining qualifications, positive attributes and Independence of a Director;7. Devising a policy on diversity of Board of Directors;8. Recommending to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees; <p>[The committee shall ensure the following while formulating the policy on the aforesaid matters:</p> <ol style="list-style-type: none">a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, key managerial personnel and senior management of the quality required to run the Bank successfully;b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;c) Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Bank and its goals.] <ol style="list-style-type: none">9. Formulating and determining the Bank's policies on remuneration packages payable to the Directors and key managerial personnel
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		<p>including performance / achievement bonus, perquisites, retiral, sitting fees.</p> <ol style="list-style-type: none"> 10. Considering grant of Stock Options to employees. 11. Reviewing the composition of the existing Committees of the Board. 12. Formulation of criteria for performance evaluation of independent directors and the Board; 13. Validation of “fit and proper” status of all Directors on the Board of the Bank in terms of the guidelines issued by the RBI or other regulatory authorities; 14. Developing and recommending to the Board the Corporate Governance guidelines applicable to the Bank for incorporating best practices from time to time <p>Periodicity of Meetings At least once in a year; however, the Committee should meet as and when new Directors are proposed to be appointed and when existing Directors are proposed to be re- appointed</p>
b	<p>Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.</p>	<p>In compliance with standards of corporate governance as well as regulatory reforms put forth by Reserve Bank of India, Bank has in place ‘Compensation Policy of Whole time Directors (WTD), Chief Executive Officers, Material Risk Takers (MRTs) and Control Function Staff.</p> <p>For employees who do not fall under the purview of above, we also have a ‘Compensation Policy’ clearly defining the compensation design in line with banking industry benchmarks, under two streams of employment viz. IBA and CTC.</p>
c	<p>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.</p>	<p>Based on the Financial Stability Board (FSB) principles for sound compensation practices which also formed a part of regulatory reforms circulated by RBI vide DOR. Appt. BC. No.23/ 29.67.001/2019-20 dated 04.11.2019, effective alignment of compensation with prudent risk taking while ensuring that compensation covers all types of risks including difficult to measure risks is already envisaged in ‘Compensation Policy of WTDs, Chief Executive Officers, MRTs and Control Function Staff’.</p> <p>The Policy also touches upon the sensitivity of payout schedule to the time horizon of risks.</p> <p>In order to analyze the long-term consequences viz-a-viz risk appetite, our policy objective is to align regulatory guidelines with prevailing trends / practices in the industry to achieve a balanced scenario wherein</p> <ol style="list-style-type: none"> 1. compensation is adjusted for all types of risks 2. compensation outcomes are symmetric with risk outcomes 3. compensation payouts are sensitive to the time horizon of risks and 4. mix of cash, equity and other forms of compensation are consistent with risk alignment. <p>Regarding the employees who are not covered under ‘Compensation Policy of WTDs, Chief Executive Officers, MRTs and Control Function Staff’, the payout falls under either IBA or CTC pattern.</p>

		<p>The former is periodically revised by bi-partite settlements/ joint notes while the latter is linked to bank's performance and the individual's performance, complying with the statutory guidelines and the yardsticks approved by competent authorities.</p>
<p>d</p>	<p>Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.</p>	<p>Compensation structure for the personnel covered under 'Compensation Policy of WTDs, Chief Executive Officers, MRTs and Control Function Staff' is a mix of fixed pay and variable pay with the latter proportionate to the responsibility/ seniority.</p> <p>Bank will device scoring model with specific parameters in tandem with the rules and authorities handled by the respective positions. The Board will review and finalize the score for each senior management position based on the audited figures of the previous financial year.</p> <p>For employees coming under IBA pattern, the compensation shall be revised once in five years as decided by the bi-partite settlements/ joint notes, subject to granting of bank's mandate.</p> <p>Under CTC pattern the increments shall be linked to bank's performance as well as the employees' performance based on year-on-year yardsticks fixed at the sole discretion of the competent authority.</p>
<p>e</p>	<p>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.</p>	<p>Norms for grant of share linked instruments shall be in conformity with the provisions of Securities & Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. Share linked instruments shall be fair valued on the date of grant by the bank using Black-Scholes Model.</p> <p><u>Deferral of Variable Pay</u></p> <p>In adherence to FSB implementation standards, a minimum of 60% of total Variable Pay shall be under deferral arrangement with further guidelines on cash component as follows:</p> <ol style="list-style-type: none"> 1) If cash component is part of Variable Pay, at least 50% of the cash bonus shall be under deferral arrangement. 2) If cash component of Variable Pay is under Rs. 0.25Crore, deferral payment for cash portion would not be necessary. <p><u>Period of Deferral Arrangement</u></p> <p>Deferral Period shall be fixed as three years applicable to both cash and non-cash components of the Variable Pay.</p> <p>In order to ensure a proper assessment of risks before the application of <i>ex-post</i> adjustments, following guidelines shall be ensured for vesting.</p> <ol style="list-style-type: none"> 1) Deferred portion of Variable Pay shall be spread out on a pro-rata basis, i.e., not more than 33.33% of the total deferred Variable Pay shall vest at the end of first year. Further, not more than 33.33% of total deferred Variable Pay shall vest at the end of second year. 2) The first such vesting shall not be before one year from the commencement of the deferral period. <p><u>Retention Period</u></p>

		There shall be a Retention Period (Lock-in period) of one year for Share-linked instruments forming part of Variable Pay, during which they cannot be sold or accessed.
f	Description of the different forms of variable remuneration (i.e., cash and types of share-linked instruments) that the bank utilizes and the rationale for using these different forms.	<p>Variable pay shall consist of cash/ non-cash compensation by way of share linked instruments assessed on the basis of adequately measured performance of individual/ business unit.</p> <p><u>Limits on Variable Pay:</u></p> <p>1) Total Variable Pay, inclusive of cash and non-cash components for all positions other than Whole Time Directors and MD & CEO shall be 100% of the Fixed Pay (i.e., 50% of total remuneration).</p> <p>2) For WTDs and MD & CEO, total Variable Pay shall not be less than 100% (i.e., 50% of total remuneration) and shall be limited to a maximum of 300% of the Fixed Pay.</p> <p>3) If Variable Pay is up to 200% of Fixed Pay, a minimum of 50% of such variable pay shall be in the form of non-cash instruments.</p> <p>4) If Variable Pay is over and above 200% of Fixed Pay, a minimum of 67% of such variable pay shall be in the form of non-cash instruments.</p> <p>5) If grant of share-linked instruments is barred by statute or regulation, Variable Pay would be capped at 150% of the Fixed Pay with a lower base of 50%.</p>

b. Quantitative Disclosures

(₹. in Crore)

Quantitative Disclosures	March 31,2024			March 31, 2023		
Number of meetings held by the Nomination and Remuneration Committee during the financial year and remuneration paid to its members.	10 Sitting fee – Rs 0.126			8 Sitting fee – Rs 0.075		
(i) Number of employees having received a variable remuneration award during the financial year.	1					
(ii) Number and total amount of sign-on/joining bonus made during the financial year.	Nil			Nil*		
(iii) Details of severance pay, in addition to accrued benefits, if any.	Nil					
(i) Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms.	1.56#			1.20		
(ii) Total amount of deferred remuneration paid out in the financial year.	0.24 **			NIL		
Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.		Fixed Pay	Variable Pay		Fixed Pay	Variable Pay
	MD & CEO	0.60	0.60	MD & CEO	0.60	0.60*
	MRTs	1.35	Nil	MRTs	2.75	Nil
(i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments.	Nil			Nil*		
(ii) Total amount of reductions during the financial year due to ex post explicit adjustments.						
(iii) Total amount of reductions during the financial year due to ex post implicit adjustments.						

Number of MRTs identified.	4 (1 MD & CEO, 2. Head- Business Development, 3. Chief Credit Officer 4. Head – Treasury)	11 MD & CEO, 1 General Manager & 9 Deputy General Manager (excluding Banking Ombudsman)
Number of cases where malus has been exercised. (ii) Number of cases where claw back has been exercised.	Nil	Nil
(iii) Number of cases where both malus and claw back have been exercised.	Nil	Nil
The mean pays for the bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean pay. 1) The mean pay for the Bank as a whole (excluding sub staff) *** 2) The deviation of the pay of each of its WTDs from the mean pay • MD & CEO	0.010 0.590	0.009 0.591

*As per the terms of appointment approved by Board of Directors, the Managing Director & CEO is eligible for Variable Pay with cash and non-cash components aggregating to Rs.0.60 Crore in a year upon satisfying specific parameters as per audited figures of the relevant financial year. The actual amount of variable pay can be quantified based on audited figures for FY 2023-24 only.

** Variable Pay of Rs 24 Lakhs for FY 2021-22 paid to MD & CEO in the Financial Year 2023-24.

FY 2021 – 22 Rs 0.36 Crs
FY 2022 – 23 Rs 0.60 Crs
FY 2023 – 24 Rs 0.60 Crs

*** Mean pay is computed on annual fixed pay that includes basic salary, other allowance, and other performance linked incentive/exgratia paid to the employees along with the value of perquisites

c. Remuneration to Non-Executive Directors

The non-executive directors are paid remuneration by way of sitting fees for attending the meetings of the Board and Committee. Sitting Fees were paid at the rate of Rs. 25000 for Board Meeting and Rs. 15000 for meetings of the Board Committees till 31/01/2023. The Board at its meeting held on 31.01.2023 has revised the sitting fees of Board and Board Committees to Rs 40,000/- and Rs 30,000/-respectively

Details of sitting fees paid are given below:

(₹.in Crore)

Particulars	March 31, 2024	March 31, 2023
Sitting Fees paid to Non-Executive Directors	1.188	0.675

14. Other Disclosures

a. BUSINESS RATIOS

S N	Particulars	March 31, 2024	March 31, 2023
(i)	Interest Income as a percentage to Working Funds (%) *	7.49	7.13
(ii)	Non-interest income as a percentage to Working Funds (%) *	0.95	0.50
(iii)	Cost of Deposits (%)	5.30	4.48
(iv)	Net Interest margin (%)	3.22	3.60
(v)	Operating Profit as a percentage to Working Funds (%) *	0.43	0.82
(vi)	Return on Assets (%) *	0.36	0.34
(vii)	Business (Deposits plus net advances) per employee – Rs in Crore #	14.64	13.13
(viii)	Profit/(Loss) per employee - Rs in Crore #	0.03	0.03

* Working funds represents the average of total assets as reported in Return Form X to RBI under Section 27 of the Banking Regulation Act, 1949 during the 12 months of the financial year.

For the purpose of computation of business per employee (deposits plus advances), interbank deposits have been excluded.

b. Bancassurance Business

Details of income earned from bancassurance business:

(₹ in Crore)

S. N.	Nature of Income	March 31, 2024	March 31, 2023
1	For selling non-life insurance policies	0.88	1.12
2	For selling Life insurance policies	11.36	14.29
	Total	12.24	15.41

c. Marketing and Distribution

Bank is not undertaking marketing and distribution function except bancassurance business.

d. Priority Sector Lending Certificate (PSLC)

The Bank purchases PSLC for meeting Priority Sector targets. The fee paid for purchase of PSLC is treated as expense.

- There was no sale of PSLC by bank during year ended March 31, 2024 and March 31, 2023
- There was purchase of PSLC of Rs.860 Cr. by the bank during year ended March 31, 2024 and there was purchase of PSLC of Rs.75 Cr. during March 31, 2023.

e. Provisions and Contingencies

The breakup of Provisions and Contingencies for the year ended March 31, 2024 and March 31, 2023 are given below:

Rs. In Crore		
Particulars	March 31, 2024	March 31, 2023
Provision for NPI	26.01	(3.50)
Provision for Standard Assets	3.78	4.84
Provision against Fraud	Nil	1.16
Provision for NPA (including Bad Debts written off)	(10.79)	94.57
Provision for Restructured Advances	(19.93)	(6.17)
Provision for Unhedged Forex Exposure	0.96	(0.04)
Provision for Income tax	1.26	1.24
Provision for Deferred Tax	11.40	(18.99)
Other Provisions (Net)*	(1.24)	0.73
Total	11.44	73.84

*Other provision is shown net of current year provision made against other assets and reversal of provisions made during earlier years.

f. Implementation of IFRS converged Indian Accounting Standards (Ind AS)

As per the Road Map of Ministry of Corporate Affairs (MCA) in the Press Release Dated January 18, 2016, Banks shall comply with the Ind AS for the financial statements for the accounting periods beginning from April 01, 2018 onwards with the comparatives for the period ending March 31, 2018. RBI had issued necessary instructions to Banks to take steps to assess the impact of transition to Ind AS, adopt strategies for the effective implementation of Ind AS including disclosure of the strategies adopted and the process made in the Annual Report.

Complying with the RBI direction to achieve the MCA Roadmap of Ind AS implementation, Bank had constituted Steering Committee headed by Managing Director & CEO, comprising members from cross functional areas to oversee the progress of Ind AS implementation. The Bank has also constituted sub-committee comprising members of junior/middle level management for Ind AS implementation and adopted three phased approaches for meeting the deadline.

As advised by RBI, Bank has been furnishing Proforma Ind AS financial statements to the RBI on half-yearly basis with the corresponding comparative financial statements as per the current framework.

RBI, vide circular DBR.BP.BC.No.29/21.07.001/2018-19 dated March 22, 2019, has deferred the implementation of Ind AS until further notice considering the pending legislative amendments required for Ind AS implementation as also the level of preparedness of many banks.

g) Payment of DICGC Insurance premium

(₹ in crore)

Sl. N	Particulars	March 31, 2024	March 31, 2023
i)	Payment of DICGC insurance Premium (including GST)	19.29	17.83
ii)	Arrears in payment of DICGC Premium	0	0

h) Disclosure of facilities granted to Directors and their relatives: Nil

i) Amortization of expenditure on account of enhancement in family pension of employees of banks

Reserve Bank of India vide letter dated October 4, 2021 has permitted all member banks of Indian Banks' Association covered under the 11th Bipartite Settlement to amortize the additional liability on account of revision in family pension over a period not exceeding five years, beginning with the Financial Year ended March 31, 2022. The Bank has recognized the entire additional liability estimated at Rs. 14.29 Crores and opted to amortize the same over a period of five years beginning with the financial year ended March 31, 2022. However, the Bank had amortized an amount of Rs.8.57 Crore during the financial year ended March 31, 2024 in respect of the said additional liability. With this, the entire amount of family pension stands amortized

15. Disclosure as per accounting standards (AS)

a) Net Profit or Loss for the Period, Prior Period items and changes in Accounting Policies (AS 5)

Other operating expenses include correction of excess Input Tax Credit reversal of FY 2017-18, amounting to Rs.1.25 Crores.

b) Employee Benefits (AS 15)

The summarized position of various defined benefits recognized in the profit and loss account and balance sheet along with the funded status are as under:

i) Defined Benefit Pension Plan and Gratuity

a. Expenses recognized in Profit and Loss Account

(₹ in Crore)

Particulars	Pension		Gratuity	
	2023-24	2022-23	2023-24	2022-23
Changes in the present value of the defined benefit obligations				
Present value of obligation at the beginning of the year	173.19	169.16	82.05	73.08
Interest cost	10.57	9.73	6.02	5.61
Current Service Cost	9.12	9.24	4.08	4.91
Benefits paid	(53.13)	(1.19)	(5.15)	3.21
Net actuarial (gain)/loss on obligation	31.31	28.66	(6.13)	(4.77)
Past service cost	Nil	Nil	Nil	Nil
Settlements	Nil	(42.41)	Nil	Nil
Present value of the defined benefit obligation at the end of the year.	171.07	173.19	80.87	82.05

Change in the fair value of plan assets:				
Fair value of plan assets at the beginning of the year	139.24*	147.62	72.55*	56.94
Expected return on plan assets	9.97	10.43	5.43	4.92
Contributions by employer	37.20	26.39	3.54	16.14
Benefit paid	(53.13)	(1.19)	(5.15)	3.21
Settlements	Nil	(42.41)	Nil	Nil
Actuarial gain/(loss)	(0.50)	(0)	(0.93)	(2.71)
Fair value of plan assets at the end of the year	132.77	140.84	75.45	78.50
Total Actuarial Gain/(Loss) to be recognized immediately	**	(28.66)	**	2.05
Expenses recognized in Profit and Loss Account				
Current Service Cost	9.12	9.24	4.08	4.91
Interest cost on benefit obligation	10.57	9.73	6.02	5.61
Expected return on plan assets	(9.97)	(10.43)	(5.43)	(4.92)
Net actuarial (gain)/loss recognized in the year	31.82	28.66	(5.20)	(2.05)
Past Service Cost PSL- amortization	Nil	Nil	Nil	Nil
Expenses recognized in the Profit and Loss account	41.54	37.21	(0.53)	3.55
The amount recognized in the Balance Sheet				
Present Value of obligation at the end of the year (i)	171.07	173.19	80.87	82.05
Fair value of plan assets at the end of the year (ii)	132.77	140.84	75.45	78.50
Difference (ii)-(i)	(38.30)	(32.35)	(5.41)	(3.54)
Unrecognized past service liability	Nil	Nil	Nil	Nil
Net asset/(liability) recognized in the Balance Sheet	(38.30)	(32.35)	(5.41)	(3.54)

*Note: In the valuation of Gratuity and Pension, the closing balance of Plan Assets as on 31.03.2023 was different from the respective Trust Balance Sheets' closing balance of Plan Assets. This was identified during the year and the impact is adjusted in the current year Profit & Loss Account.

b. Details of the Plan Asset

The details of the plan assets (at cost) are as follows:

(₹. In crores)

Particulars	Pension		Gratuity	
	2023-24	2022-23	2023-24	2022-23
Central Government securities	16.90	16.85	-	-
State Government securities	-	-	-	-
Investment in Private Sector Undertakings	-	1.50	-	-
Others	115.87	121.04	75.45	72.62
Total	132.77	139.39	75.45	72.62

c. Actuarial Assumptions

Principal assumptions used for actuarial valuation are:

Method used	Pension including family pension (wherever applicable)		Gratuity	
	Project Unit Credit Method		Project Unit Credit Method	
	2023-24	2022-23	2023-24	2022-23
Discount rate	7.21%	7.58%	7.23%	7.58%
Expected rate of return on assets	7.58%	7.75%	7.58%	7.00%
Future salary increases	2.50%	2.50%	4.50%	5.00%
Increase in price inflation	Nil	3.50		

d. Pension Plan

Particulars	March 31,2024	March 31,2023	March 31,2022	March 31,2021	March 31,2020	March 31,2019
Defined Benefit Obligations	171.07	173.19	169.16	156.88	147.18	143.48
Plan Assets	132.77	140.84	147.62	124.02	114.73	144.73
Surplus/(Deficit)	38.30	32.35	21.54	32.86	32.45	-1.25

e. Gratuity Plan

Particulars	March 31,2024	March 31,2023	March 31,2022	March 31,2021	March 31,2020	March 31,2019
Defined Benefit Obligations	80.87	82.05	73.08	69.83	62.11	52.80
Plan Assets	75.45	78.50	56.94	60.15	62.29	46.03
Surplus/(Deficit)	5.42	3.55	16.14	9.68	-0.18	6.77

ii) Leave encashment benefit

a) Expenses recognized in Profit and Loss Account

(₹.in crores)

Particulars	Leave		Sick Leave	
	2023-24	2022-23	2023-24	2022-23
Changes in the present value of the defined benefit obligations				
Present value of obligation at the beginning of the year	43.42	39.00	3.93	3.83
Interest cost	2.79	3.06	0.29	0.32
Current Service Cost	3.33	2.81	0.39	0.70
Benefits paid	(13.15)	(4.38)	Nil	Nil
Net actuarial (gain)/loss on obligation	12.29	2.93	(0.11)	(0.92)
Past service cost	Nil	Nil	Nil	Nil
Settlements	Nil	Nil	Nil	Nil
Present value of the defined benefit obligation at the end of the year.	48.69	43.42	4.50	3.93
Change in the fair value of plan assets:				
Fair value of plan assets at the beginning of the year	Nil	Nil	Nil	Nil
Expected return on plan assets	Nil	Nil	Nil	Nil

Contributions by employer	13.15	4.38	Nil	Nil
Benefit paid	(13.15)	(4.38)	Nil	Nil
Settlements	Nil	Nil	Nil	Nil
Actuarial gain/(loss)	Nil	Nil	Nil	Nil
Fair value of plan assets at the end of the year	Nil	Nil	Nil	Nil
Total Actuarial Gain/(Loss) to be recognized immediately		(2.93)		0.92
Expenses recognized in Profit and Loss Account				
Current Service Cost	3.33	2.81	0.39	0.70
Interest cost on benefit obligation	2.79	3.60	0.29	0.32
Expected return on plan assets	Nil	Nil	Nil	Nil
Net actuarial (gain)/loss recognized in the year	12.29	2.93	(0.11)	(0.92)
Past Service Cost PSL- amortization	Nil	Nil	Nil	Nil
Excess provision held in books*	Nil	Nil	Nil	Nil
Expenses recognized in the Profit and Loss account	18.42	8.80	0.57	0.10
The amount recognized in the Balance Sheet				
Present Value of obligation at the end of the year (i)	48.69	43.42	4.50	3.93
Fair value of plan assets at the end of the year (ii)	Nil	Nil	Nil	Nil
Difference (ii)-(i)	(48.69)	(43.42)	(4.50)	(3.93)
Unrecognized past service liability	Nil	Nil	Nil	Nil
Net asset/(liability) recognized in the Balance Sheet	(48.69)	(43.42)	(4.50)	(3.93)

b) Details of the Plan Asset

Leave encashment benefits of employees are provided on an actuarial basis and is unfunded

c) Actuarial Assumptions

Principal assumptions used for actuarial valuation are:

Method used	Leave		Sick Leave	
	Projected Unit Credit Method		Projected Unit Credit Method	
	2023-24	2022-23	2023-24	2022-23
Discount rate	7.22%	7.58%	7.22%	7.58%
Expected rate of return on assets	NA	NA	NA	NA
Future salary increases	4.50%	5.00%	4.50%	5.00%

The above info except otherwise stated is as certified by the actuary and relied upon by the auditors

c) Segment Reporting (AS 17)

The Bank has recognized Business segments as primary reporting segment and Geographical segments as secondary segment in line with RBI guidelines on compliance with Accounting Standard 17.

I. Primary Segments: Business segments.

- (a) Treasury Operations
- (b) Corporate / Wholesale Banking
- (c) Retail banking

(d) Other banking business operations

II. Secondary Segments: Geographical segments.

Since the Bank is having domestic operations only, no reporting does arise under this segment.

SEGMENT REPORTING

Business Segments	Treasury		Retail Banking		Corporate / Wholesale Banking		Other Banking Operations		Unallocated		Total	
	Mar 31,2024	Mar 31,2023	Mar 31,2024	Mar 31,2023	March 31,2024	March 31,2023	Mar 31,2024	Mar 31,2023	Mar 31,2024	Mar 31,2023	Mar 31,2024	Mar 31,2023
Revenue	248.24	197.95	724.30	561.86	373.22	369.03	13.78	16.91	Nil	Nil	1359.55	1145.75
Results	33.64	18.80	35.32	73.61	(13.48)	13.88	13.78	16.91	Nil	Nil	69.26	123.20
Unallocated Expenses	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Operating Profit	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	69.26	123.20
Total provisions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(1.22)	91.59
Tax Expenses	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	12.66	(17.75)
Extra ordinary items	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Profit After Tax	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	57.82	49.36
Other Information	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Segment Assets	4331.81	4261.44	7375.68	6223.26	4139.83	4526.89	Nil	Nil	Nil	Nil	15847.32	15011.59
Unallocated Assets	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	114.57	120.54	114.57	120.54
Total Assets	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	15961.89	15132.13
Segment Liabilities	4123.10	4023.77	6923.17	5874.22	3885.85	4272.99	Nil	Nil	Nil	Nil	14932.12	14170.98
Unallocated Liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1029.77	961.15
Total Liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	15961.89	15132.13

d) Related Party Disclosures (AS 18)

(₹ in Crore)

Key Management Personnel	Nature of Transaction	March 31, 2024	March 31, 2023
Sri. Shivan J K, MD & CEO*	Remuneration including perquisites	0.60	0.60

Mr Shivan J K, MD & CEO is eligible for Variable pay with cash and non-cash components up to a maximum of Rs 0.60 Crore based on audited figures for FY 2023-24. Suitable provision made for the same.

e) Operating Leases (AS 19)

Operating Leases primarily comprise office premises, staff residences, which are renewable at the option of the Bank. Lease Payments recognized in the Profit and Loss Account are given below: (₹ .in Crore)

Particulars	March 31, 2024	March 31, 2023
Operating Lease Payments	31.30	28.77

The Bank has certain non-cancellable outsourcing contracts for branches on rent. The future minimum lease liabilities for such non-cancellable operating leases are given below: (₹ .in Crore)

Particulars	March 31, 2024	March 31, 2023
Not later than one year	27.56	27.43
Later than one year and not later than five years	77.91	64.20
Later than five years	29.77	15.51
Total	136.24	107.14

The above information is as certified by the Management and relied upon by the auditors.

f) Earnings per Share (AS 20)

Particulars	March 31, 2024	March 31, 2023
Net Profit/ (Loss) after tax (₹ in Crore)	57.82	49.36
Weighted average number of equity shares for Basic EPS	253012084	253012084
Weighted average number of equity shares for Diluted EPS	253012084	253012084
Earnings per share (Basic) in Rs	2.29	1.95
Earnings per share (Diluted) in Rs	2.29	1.95

g) Accounting for Taxes on Income (AS 22)

Bank has recognized the provision for Income Tax by exercising the option permitted under Section 115BAA of the Income Tax Act, 1961. The existing Deferred Tax Asset (DTA) recognized on 31st March 2023 amounting to Rs.69.12 crore has been reviewed and re measured and the DTA has been recognized as on 31st March 2024 at Rs.57.72crore. The components of Deferred Tax Assets and Liabilities are shown below:

(₹ .in Crore)

Particulars	March 31, 2024	March 31, 2023
Deferred Tax Asset		
Provision for Loans/Investment/Others	25.26	27.89
Depreciation on Fixed Assets	5.29	6.26
Carry forward loss/Depreciation	28.68	38.64
Total (A)	59.23	72.79
Deferred Tax Liability		
Special Reserve u/s 36(1)(viii)	1.51	1.51
Enhancement of Family Pension	0.00	2.16
Total (B)	1.51	3.67
Net Deferred Tax Asset (A-B)	57.72	69.12

h) Intangible Assets (AS 26)

Intangible assets include computer software which are carried at cost of acquisition less accumulated amortization and amortized on a Straight-Line Method (SLM) basis over the estimated useful lives of 3 to 5 years on a pro rata basis.

i) Impairment of Assets (AS 28)

In the opinion of the Bank's management, there is no indication of the impairment to the assets during the year to which the Accounting Standard 28 "Impairment of Assets" applies.

16 ADDITIONAL DISCLOSURES

a) Additional Disclosure of Material items

Miscellaneous

Income exceeding 1% of Total Income ₹. In Crore

Particulars	2023-24	2022-23
Processing Charges	18.73	17.88
Recovery from Technical written off accounts	30.18	13.94
Income from ATM	10.96	11.47

Other Expenditure exceeding 1% of total expenses Nil (Previous Year Nil)

Other

liabilities and Provision- Others exceeding 1% of total assets Nil (Previous Year Nil)

Other Assets

₹. In Crore

Particulars	2023-24	2022-23
Priority Sector Shortfall Deposits	236.91	255.36

b) Details of single Borrower limit, Group Borrower Limit

The bank had taken single borrower exposure and Group exposure within the prudential limit prescribed by RBI

c) Disclosure of Letter of Comforts (Locs) issued by the Bank

During the year the Bank has not issued Letter of Comforts since. RBI vide Circular No.RBI/2017-18/139 A.P (DIR Series) Circular No.20 dated March 13, 2018 has discontinued issuance of Letters of Undertaking (LoUs) and Letters of Comforts (LoCs).

d) Description of Contingent Liabilities & Capital Commitments

j) Contingent Liabilities

Sr.No	Particulars*	Brief Description
1	Claims against the Bank not acknowledged as debts	The Bank is a party to various legal proceedings in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, results of operations or cash flows
2	Liability on account of forward exchange and derivative contracts	The Bank enters into foreign exchange contracts and currency swaps with interbank participants and 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 one currency against another, based on predetermined rates. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows. The notional amounts of financial instruments of such foreign exchange contracts and derivatives provide a basis for comparison with instruments

Sr.No	Particulars*	Brief Description
		recognized on the balance sheet but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Bank's exposure to credit or price risks. The derivative instruments become favorable (assets) or unfavorable (liabilities) as a result of fluctuations in market rates or prices relative to their terms. Hence the aggregate fair values of derivative financial assets and liabilities can fluctuate significantly.
3	Guarantees given on behalf of constituents, acceptances, endorsements and other obligations	As a part of its commercial banking activities the Bank issued documentary credit and guarantees on behalf of its customers. Documentary credits such as letters of credit enhance the credit standing of the customers of the Bank. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfill its financial or performance obligations.
4	Other items for which the Bank is contingently liable	- Disputed Tax - Amount deposited with RBI under Depositor Education Awareness Fund - Estimated amount of contracts remaining to be executed on capital account and not provided for

*Refer Schedule 12 for amounts relating to Contingent Liability

ii) Capital commitments

(₹. In Crore)

March 31, 2024	March 31, 2023
12.75	5.38

e) Dues to Micro, Small and Medium Enterprises

There have been no reported cases of delayed payments of the principal amount or interest due thereon to Micro, Small and Medium Enterprises.

f) Provision for Long Term Contracts

The Bank has a process whereby periodically all long-term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Bank has reviewed and recorded adequate provision as required under any law / accounting standards for material foreseeable losses on such long-term contracts (including derivative contracts), if any, in the books of account and disclosed the same under the relevant notes in the financial statements.

g) Provision for Tax

Bank has made the provision for taxes for the financial year ended 31st March 2024 and 31st March 2023 as given below:

(₹. in Crore)

Particulars	March 31, 2024	March 31, 2023
Income Tax	1.26	1.24
Deferred Tax	11.40	(18.99)

h) Investor Education and Protection Fund

There was no pending amount to be transferred to the Investor Education and Protection Fund by the Bank in the FY 2023-24.

i) Inter-Bank Participation Certificates with Risk Sharing

There was no purchase or sale of Inter Bank Participation Certificate with risk sharing by bank during year ended March 31, 2024 and March 31, 2023.

k) Fixed Assets

i) Software Capitalized under Fixed Assets

The Bank has capitalized software under Fixed Asset amounting to Rs.9.31 Crore and Rs21.45 Crore during the financial year ended March 31, 2023 and March 31, 2024 respectively, as given below:

(₹. in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
At cost at March 31st of the preceding year	108.45	99.24
Additions during the year	21.45	9.31
Deductions during the year	0.00	0.10
Depreciation to date	95.31	83.92
Net Block	34.59	24.53

ii) Revaluation Reserve

There has been no revaluation of assets during the year ended March 31, 2024. An appreciation of Rs.22.58 Crore in the value of land and building consequent upon revaluation by approved valuer was credited to Revaluation Reserve during the year ended March 31, 2023.

l) Corporate Social Responsibility (CSR)

Due to losses incurred by the bank from FY 2013 to 2018, in compliance with the provision outlined in Section 198, these losses were offset against profits in subsequent years. Consequently, no profits were available under Section 198 of the Companies Act, for Corporate Social Responsibility purposes. Therefore, the Bank did not undertake any projects under Corporate Social Responsibility for the financial year 2023-24.

17. Comparative Figures

Previous year figures have been re-grouped/ re-classified wherever considered necessary to conform to current year's classification.

18. Disclosure as to Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014

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(s), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend

or invest in party identified by or on behalf of the Bank (“Ultimate Beneficiaries”). The Bank has not received any fund from any party(s) (Funding Party) with the understanding that the Bank shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Bank (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Signatories to Schedule 1 to 18

For and on behalf of Board of Directors

Kavitha TA
Chief Financial Officer

Venkatesh H
Company Secretary

Ajith Kumar K K
Managing Director & CEO
DIN: 08504660

In terms of our report attached

For Sagar & Associates
Chartered Accountants
Registration No. 003510S

For Abraham & Jose
Chartered Accountants Firm
Firm Registration No. 000010S

CA Manohar D, Partner
Membership No.029644

CA Mukesh K P, Partner
Membership No.214773

Place: Thrissur.

Date: December 19, 2024