

# Independent Auditors' Report

To

The President of India /

The Members of Union Bank of India

Mumbai

Report on Audit of the Standalone Financial Statements

## Opinion

1. We have audited the accompanying Standalone Financial Statements of Union Bank of India ('the Bank'), which comprise the Balance Sheet as at 31<sup>st</sup> March 2024, the Profit and Loss Account and the Cash Flows Statement for the year then ended, and notes to the Standalone financial statements including a summary of significant accounting policies and other explanatory information in which are included the returns for the year ended on that date of

- i) The Head Office, 20 branches and 1 Treasury Branch audited by us;
- ii) 2632 domestic branches audited by statutory branch auditors and
- iii) 2 overseas branches audited by local auditors.

The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India (the RBI). Also incorporated in the Balance Sheet, the Profit and Loss Account and the Statement of Cash Flows are the returns from 6355 domestic branches (including other accounting units) which have not been subjected to audit. These unaudited branches account for 27.78 % of advances, 42.53 % of deposits, 19.94% of interest income and 36.17% of interest expenses.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Banking Regulation Act, 1949, circulars and guidelines issued by the RBI, in the manner so required for bank and are in conformity with accounting principles generally accepted in India and:

- a. the Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of the state of affairs of the Bank as at 31<sup>st</sup> March, 2024;
- b. the Profit and Loss Account, read with the notes thereon shows a true balance of profit for the year ended on that date; and
- c. the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

## Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (the "ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the ICAI together with ethical requirements that are relevant to our audit of the Standalone financial statements, prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI, and provisions of section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by Reserve Bank of India ("RBI") from time to time and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

3. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

**Independent Auditors' Report****Sr. Key Audit Matter****How it was dealt with in our report****1 Income Recognition, Asset Classification (IRAC) and provisioning on Loans & Advances and Investments as per the regulatory requirements**

Loans & Advances and Investments are the largest class of assets forming 86.83% of the total assets as on March 31, 2024. Classification, income recognition and loss provisioning on the same are based on objective parameters as prescribed by the regulations (Reserve Bank of India's prudential norms and other guidelines). The management of the Bank relies heavily on its IT systems (including Core Banking Solution), exercise significant estimates and judgement, manual interventions, and uses services of experts (like independent valuers, Lawyers, legal experts and other professional) to determine asset classification, income recognition and provisioning for losses.

The Bank has system based identification of non-performing assets in accordance with IRAC Norms. Since the identification of Non-performing Advances and provisioning for Non-performing Advances requires considerable level of management estimation, application of various regulatory requirements and its significance to the overall audit, we have identified this as a key audit matter.

Our audit was focused on income recognition, asset classification and provisioning pertaining to advances due to the materiality of the balances and associated impairment provisions.

Our audit procedures included the assessment of controls over the approval, disbursements and monitoring of loans, and reviewing the logic and assumptions used in the CBS and other related IT systems for compliance of the IRAC and provisioning norms and its operating effectiveness.

This included evaluation and understanding of the following:

- Bank's internal control system in adhering to the Relevant RBI guidelines regarding income recognition, asset classification and provisioning pertaining to advances/ investments;
- System controls and manual controls over the timely recognition of non-performing assets (NPA/NPI);
- Operational existence and effectiveness of controls over provisioning calculation models from the IT systems;
- Overall Controls on the loan approval, disbursement and monitoring process in case of advances and controls over the purchase, sale and hold decisions making system in case of investments
- We tested sample of loans/investments (in cases of branches visited by us) to assess whether they had been identified as non performing on a timely manner, income recognized and provisioning made as per IRAC norms.
- We have also reviewed the reliability, effectiveness and accuracy of manual interventions, wherever it has come to our notice, on test check basis.
- We have relied on the reports/returns and work done by other Statutory Branch Auditors (SBA) in cases of branches not visited by us to get an overall comfort with respect to overall compliance in accordance with SA 600 - Using the Work of Another Auditor.
- We have reviewed the work done by other experts like Independent valuers, Lawyers, Legal Experts and other such professionals who have rendered services to the Bank
- Further we have also reviewed the Bank's system of monitoring potentially weak and sensitive accounts which show a sign of stress.

## Sr. Key Audit Matter

## How it was dealt with in our report

- On a test check basis, verified the accounts classified by the Bank as Special Mention Accounts ('SMA') in RBI's Central Repository of Information on Large Credits ('CRILC')
- We have also reviewed the reports and observations of the Bank's internal audit/inspection reports and observations of the concurrent auditors and report on audit of automation of IRAC by external expert.
- Verification of valuation, classification, provisioning and income recognition of investments by carrying out substantive test including arithmetic accuracy, data accuracy and control over the financial reporting system.

We have test checked and assessed the efficacy of the system based identification of NPA.

## 2 Information Technology (IT) and controls impacting financial reporting

Information technology (IT) systems used in financial reporting process. The Bank's operational and financial reporting processes are dependent on IT systems run through Core Banking Solutions (CBS) and other integrated software with automated processes and controls large volume of transactions. The process and controls are to ensure appropriate user access and management processes in use. The Bank has an in-house Department of Information & technology (DIT) run under the supervision of the top management and with the support of expert consulting agencies, for maintaining IT services. Accordingly, our audit was focused on key IT systems and controls due to the pervasive impact on the standalone financial statements and the same has been considered as Key Audit Matter in our audit.

We conducted an assessment and identified key IT applications, database and operating systems that are relevant to our audit and have identified CBS and Treasury System primarily as relevant for financial reporting. For the key IT systems pertaining to CBS and treasury operations used to prepare accounting and financial information, our areas of audit focus included Access Security (including controls over privileged access), application change controls, database management and network operations. In particular:

- We obtained an understanding of the Bank's IT control environment and key changes during the audit period that may be relevant to the audit.
- We tested the design, implementation and operating effectiveness of the Bank's General IT controls over the key IT systems that are critical to financial reporting including obtaining reports from independent experts. This included evaluation of Bank's controls to evaluate segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner.
- We also tested key automated and manual business cycle controls and logic for system generated reports relevant to the audit; including testing of compensating controls or performed alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the standalone financial statements, information other than the standalone Financial Statements and Auditors' Report thereon.

**Independent Auditors' Report**

Sr. Key Audit Matter	How it was dealt with in our report
<p><b>3 Recognition and measurement of Deferred tax</b></p> <p>The Bank has recognised a net deferred tax asset of ₹ 3,71,04,947 (in '000) as on March 31, 2024. Besides objective estimation, recognition and measurement of deferred tax asset is based on the judgment and numerous estimates regarding the availability and visibility of profits in the future. The recent decrease in the amount of deferred tax assets presumes availability and forecasting of profits over an extended period of time thus decreasing uncertainty and the inherent risk of inappropriate recognition of the said asset.</p>	<p>Our audit procedures included the risk assessment to gain an understanding of the applicable tax laws and relevant regulations applicable to the Bank. Based on our understanding, we performed both tests of related internal key controls and substantive audit procedures with the assistance of tax specialists. We performed the following audit procedures as part of our controls testing including, but not limited to:</p> <ul style="list-style-type: none"> <li>· Evaluation of the policies used for recognition and measurement of deferred tax assets in accordance with AS 22 Accounting for Taxes on Income;</li> <li>· Assessed the method, assumptions and other parameters used with reference to uniformity, management representations, consistency and continuity like budget and midterm projections prepared by the management including earning growth and applicable tax rates and tested the arithmetical accuracy</li> <li>· Assessed the probability of the availability and visibility of profits against which the bank will be able to use this deferred tax asset in the future.</li> </ul>
<p><b>4 Provisions, Contingent Liabilities and Claims</b></p> <p>Assessment of Provisions and Contingent Liability in respect of certain litigations on various claims filed by other parties not acknowledged as debt (Note No. 18 of Schedule 17 and Note No. 14 e of Schedule 18). There is high level of judgement required in estimating the level of provisioning. The Bank's assessment is supported by the facts of matter, their own judgement, past experience, and advice from legal and independent experts wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Bank's reported profit and state of affairs presented in Balance Sheet. Contingent Liability is a possible obligation, outcome of which is contingent upon occurrence or non-occurrence of one or more uncertain future events. In the judgement of the management, such claims and litigations including tax demands against the bank would not eventually lead to a liability. However, unexpected adverse outcomes may significantly impact the Bank's reported financial results which is uncertain/ unascertainable at this stage. Considering the uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law, this has been determined as a key Audit Matter.</p>	<p>We have obtained an understanding of Internal Controls relevant to the audit in order to design our audit procedures that are appropriate in the circumstances. We broadly reviewed the underlying assumptions and estimates used by the management for provisioning but as the extent of impact is dependent on future developments which are highly uncertain, we primarily relied on those assumptions and estimates, which are subject matter of periodic review by the Bank. We have relied upon the management note and legal opinions obtained by the bank regarding the claims and tax litigations and involved our internal team to review the nature of such litigations and claims, their current status, sustainability, examining recent orders and/or communication received from various tax authorities/ judicial forums and follow up actions thereon and likelihood of claims/litigations materializing into eventual liability upon final resolution, from the available records and developments to date.</p>

## Information Other than the Standalone Financial Statements and Auditors' Report thereon

4. The Bank's Board of Directors is responsible for the preparation of Other Information. The Other Information comprises the Directors' Report including annexures in Annual Report, but does not include the Standalone Financial Statements and our Auditors' Report thereon, which is expected to be made available to us after the date of this Auditors' Report.

Our opinion on the standalone financial statements does not cover the Other Information and Pillar 3 disclosures under the Basel III Disclosure and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

5. The Bank's Board of Directors is responsible with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI to the extent applicable, and provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the above mentioned Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant

to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Bank's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

6. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



## Independent Auditors' Report

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatements in the standalone financial statements that, individually or aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning of the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse

consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

7. We did not audit the financial statements / information of 2634 branches and offices including 02 foreign branches included in Standalone Financial Statements of the Bank whose financial statements/ information reflects total assets of ₹ 2,56,81,48,175.35 (in thousand) at March 31, 2024 and total revenue of ₹ 28,48,17,374.55 (in thousand) for the year ended on that date, as considered in the Standalone Financial Statements. These branches and offices cover 32.83% of advances, 55.99% of deposits, 49.76% of Non – performing assets as on 31<sup>st</sup> March 2024 and 24.58% of revenue for the year ended 31<sup>st</sup> March 2024. The financial statements/ information of these branches have been audited by the branch auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of the above matter.

8. The audited standalone financial statements of the bank for the year ended 31<sup>st</sup> March 2023, included in this statement, were audited by six joint auditors of the bank, five of whom were predecessors audit firms, and they had expressed an unmodified opinion on standalone financial statements vide their report dated May 06, 2023.

Our opinion is not modified in respect of the above matter.

### Report on Other Legal and Regulatory Requirements

9. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949;

Subject to the limitations of the audit indicated in paragraphs 5, 6 & 7 above and as required by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980, and subject also to the limitations of disclosure required therein, we report that:

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory;
- b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and

- c) The returns received from the offices and branches of the Bank have been found adequate for the purpose of our audit.
10. As required by letter No. DOS.ARG. No.6270/08.91.001/2019-20 dated March 17, 2020 on "Appointment of Statutory Central Auditors (SCAs) in Public Sector Banks - Reporting obligations for SCAs from FY 2019-20", read with subsequent communication dated May 19, 2020 issued by the RBI, we further report on the matters specified in paragraph 2 of the aforesaid letter as under:
- (a) In our opinion, the aforesaid Standalone Financial Statements comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.
- (b) There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the bank.
- (c) As the bank is not registered under the Companies Act, 2013 the disqualifications from being a director of the bank under sub-section (2) of Section 164 of the Companies Act, 2013 do not apply to the bank.
- (d) There are no qualifications, reservations or adverse remarks relating to the maintenance of accounts and other matters connected therewith.
- (e) Our audit report on the adequacy and operating effectiveness of the Bank's Internal Financial Controls

over financial reporting is given in Annexure A to this report expressing an unmodified opinion on the Bank's internal financial controls over financial reporting with reference to the Standalone Financial Statements as at 31<sup>st</sup> March 2024.

11. We further report that:
- a) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- b) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;
- c) the reports on the accounts of the branch offices audited by branch auditors of the Bank as per the provisions of Section 29 of the Banking Regulation Act, 1949 have been sent to us and have been properly dealt with by us in preparing this report; and
- d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.

**For N B S & Co.**  
Chartered Accountants  
FRN 110100W

**For Chhajer & Doshi**  
Chartered Accountants  
FRN 101794W

**For G S Mathur & Co**  
Chartered Accountants  
FRN 008744N

**CA Sharath Shetty**  
Partner  
Membership No. 132775  
UDIN: 24132775BKCYER6195

**CA Nitesh Jain**  
Partner  
Membership No. 136169  
UDIN: 24136169BKEKKY2518

**CA Rajiv Kumar Wadhawan**  
Partner  
Membership No. 091007  
UDIN: 24091007BKCFCS9770

**For P Chandrasekar LLP**  
Chartered Accountants  
FRN 000580S/S200066

**For V K Ladha & Associates**  
Chartered Accountants  
FRN 002301C

**CA P Chandrasekaran**  
Partner  
Membership No. 026037  
UDIN: 24026037BKARCN8331

**CA V. K. Ladha**  
Partner  
Membership No. 071501  
UDIN: 24071501BKFQHE9257

Place: Mumbai  
Date: 10-05-2024



## Independent Auditors' Report

### ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 10(e) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) Report on the Internal Financial Controls over Financial Reporting with reference to Standalone Financial Statements as required by the Reserve Bank of India (the "RBI") Letter No. DOS.ARG. No.6270/08.91.001/2019-20 dated March 17, 2020 (as amended) (the "RBI communication")

We have audited the internal financial controls with reference to Standalone Financial Statements of Union Bank of India ("the Bank") as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Bank for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Bank's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Banking Regulation Act, 1949 and the circulars and guidelines issued by the Reserve Bank of India.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI") and the Standards on Auditing (SAs) issued by the ICAI, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls system with reference to Standalone Financial Statements.

#### Meaning of Internal Financial Controls Over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be

detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditors referred to in the Other Matters paragraph below, the Bank has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over

financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal control over financial reporting established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## Other Matters

Our aforesaid report in so far as it relates to the operating effectiveness of internal financial controls over financial reporting of 2632 branches and offices is based on the corresponding reports of the respective branch auditors of those branches.

Our opinion is not modified in respect of the above matter.

**For N B S & Co.**  
Chartered Accountants  
FRN 110100W

**CA Sharath Shetty**  
Partner  
Membership No. 132775  
UDIN: 24132775BKCYER6195

**For P Chandrasekar LLP**  
Chartered Accountants  
FRN 000580S/S200066

**CA P Chandrasekaran**  
Partner  
Membership No. 026037  
UDIN: 24026037BKARCN8331

Place: Mumbai  
Date: 10-05-2024

**For Chhajer & Doshi**  
Chartered Accountants  
FRN 101794W

**CA Nitesh Jain**  
Partner  
Membership No. 136169  
UDIN: 24136169BKEKKY2518

**For V K Ladha & Associates**  
Chartered Accountants  
FRN 002301C

**CA V. K. Ladha**  
Partner  
Membership No. 071501  
UDIN: 24071501BKFQHE9257

**For G S Mathur & Co**  
Chartered Accountants  
FRN 008744N

**CA Rajiv Kumar Wadhawan**  
Partner  
Membership No. 091007  
UDIN: 24091007BKCFCS9770



# Standalone Balance Sheet

as on 31<sup>st</sup> March, 2024

(₹ in 000)

Particulars	Schedule Number	As on 31 <sup>st</sup> March, 2024	As on 31 <sup>st</sup> March, 2023
<b>CAPITAL AND LIABILITIES</b>			
Capital	1	7,63,36,056	6,83,47,475
Reserves and Surplus	2	89,33,53,596	71,49,94,658
Deposits	3	12,21,52,83,740	11,17,71,63,220
Borrowings	4	26,94,83,682	43,13,74,686
Other Liabilities and Provisions	5	46,51,19,095	41,56,44,474
<b>TOTAL</b>		<b>13,91,95,76,169</b>	<b>12,80,75,24,513</b>
<b>ASSETS</b>			
Cash and Balances with Reserve Bank of India	6	52,89,75,024	50,25,42,741
Balances with Banks and Money at Call and Short Notice	7	66,40,53,736	61,89,61,793
Investments	8	3,37,90,35,284	3,39,29,90,482
Advances	9	8,70,77,60,894	7,61,84,54,577
Fixed Assets	10	9,22,27,802	8,82,56,071
Other Assets	11	54,75,23,429	58,63,18,849
<b>TOTAL</b>		<b>13,91,95,76,169</b>	<b>12,80,75,24,513</b>
Contingent Liabilities	12	5,82,68,10,284	6,07,80,94,194
Bills for Collection		50,25,28,601	43,56,67,177
Significant Accounting Policies	17		
Notes to Accounts	18		

The Schedules referred to above form an integral part of the Standalone Balance Sheet

(Ajay Bansal)  
Dy. General Manager

(Avinash Prabhu)  
Chief Financial Officer

For and on behalf of The Board of Directors

(Pankaj Dwivedi)  
Executive Director

(Sanjay Rudra)  
Executive Director

(Ramasubramanian S)  
Executive Director

(Nitesh Ranjan)  
Executive Director

(Sameer Shukla)  
Director

(Prakash Baliarsingh)  
Director

(Suraj Srivastava)  
Director

(Laxman S Uppar)  
Director

(Jayadev Madugula)  
Director

(Priti Jay Rao)  
Director

(A. Manimekhalai)  
Managing Director & CEO

(Srinivasan Varadarajan)  
Chairman

As per our report of even Date

For M/s N B S & Co  
Chartered Accountants  
FRN 110100W

For Chhajed and Doshi  
Chartered Accountants  
FRN 101794W

For G S Mathur & Co  
Chartered Accountants  
FRN 08744N

CA Sharath Shetty  
Partner  
Membership No. 132775  
UDIN: 24132775BKCYER6195

CA Nitesh Jain  
Partner  
Membership No.136169  
UDIN: 24136169BKEKKY2518

CA Rajiv Kumar Wadhawan  
Partner  
Membership No. 091007  
UDIN: 24091007BKCFCS9770

For P Chandrasekar LLP  
Chartered Accountants  
FRN 000580S/S200066

For V K Ladha & Associates  
Chartered Accountants  
FRN 002301C

CA P Chandrasekaran  
Partner  
Membership No. 026037  
UDIN: 24026037BKARCN8331

CA Virendra Kumar Ladha  
Partner  
Membership No. 071501  
UDIN: 24071501BKFQHE9257

# Standalone Profit & Loss Account

for the year ended 31<sup>st</sup> March, 2024

(₹ in 000')

Particulars	Schedule Number	For the Year Ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023
<b>I. INCOME</b>			
Interest Earned	13	99,77,79,577	80,74,33,386
Other Income	14	16,08,01,941	14,63,31,530
<b>TOTAL</b>		<b>1,15,85,81,518</b>	<b>95,37,64,916</b>
<b>II. EXPENDITURE</b>			
Interest Expended	15	63,20,75,611	47,97,79,957
Operating Expenses	16	24,43,99,598	21,93,13,319
Provision and Contingencies		14,56,23,243	17,03,38,863
<b>TOTAL</b>		<b>1,02,20,98,452</b>	<b>86,94,32,139</b>
<b>III. Profit/ (Loss) for the period/year</b>		<b>13,64,83,066</b>	<b>8,43,32,777</b>
Transfer from Investment Fluctuation Reserve		-	58,32,008
ADD : PROFIT/(LOSS) BROUGHT FORWARD		58,32,008	-
<b>TOTAL</b>		<b>14,23,15,074</b>	<b>9,01,64,785</b>
<b>IV. APPROPRIATIONS</b>			
Transfer To Statutory Reserve		3,41,20,766	2,10,83,194
Transfer To Capital Reserve		16,32,611	9,45,461
Transfer To Investment Fluctuation Reserve		2,84,440	-
Transfer To Revenue and Other Reserves		6,47,57,402	3,40,30,807
Transfer To Special Reserve u/s Sec 36(1)(viii)		66,79,000	60,00,000
Investment Reserve Account		15,27,866	17,69,006
Proposed Dividend		2,74,80,980	2,05,04,309
Balance in Profit and Loss Account		58,32,008	58,32,008
<b>TOTAL</b>		<b>14,23,15,074</b>	<b>9,01,64,785</b>
EARNINGS PER SHARE (BASIC AND DILUTED) (FV ₹ 10)		18.95	12.34
Significant Accounting Policies	17		
Notes To Accounts	18		

The Schedules referred to above form an integral part of the Standalone Profit & Loss account

(Ajay Bansal)

Dy. General Manager

(Avinash Prabhu)

Chief Financial Officer

For and on behalf of the Board of Directors

(Pankaj Dwivedi)  
Executive Director

(Sanjay Rudra)  
Executive Director

(Ramasubramanian S)  
Executive Director

(Nitesh Ranjan)  
Executive Director

(Sameer Shukla)  
Director

(Prakash Baliarsingh)  
Director

(Suraj Srivastava)  
Director

(Laxman S Uppar)  
Director

(Jayadev Madugula)  
Director

(Priti Jay Rao)  
Director

(A. Manimekhalai)  
Managing Director & CEO

(Srinivasan Varadarajan)  
Chairman

As per our report of even Date

For M/s N B S & Co  
Chartered Accountants  
FRN 110100W

For Chhajer and Doshi  
Chartered Accountants  
FRN 101794W

For G S Mathur & Co  
Chartered Accountants  
FRN 08744N

CA Sharath Shetty  
Partner  
Membership No. 132775  
UDIN: 24132775BKCYER6195

CA Nitesh Jain  
Partner  
Membership No.136169  
UDIN: 24136169BKEKKY2518

CA Rajiv Kumar Wadhawan  
Partner  
Membership No. 091007  
UDIN: 24091007BKCFCS9770

For P Chandrasekar LLP  
Chartered Accountants  
FRN 000580S/S200066

For V K Ladha & Associates  
Chartered Accountants  
FRN 002301C

CA P Chandrasekaran  
Partner  
Membership No. 026037  
UDIN: 24026037BKARCN8331

CA Virendra Kumar Ladha  
Partner  
Membership No. 071501  
UDIN: 24071501BKFQHE9257



## Schedules Forming Part of the Standalone Balance Sheet

As on 31<sup>st</sup> March, 2024

(₹ in 000)

	As on 31 <sup>st</sup> March 2024	As on 31 <sup>st</sup> March 2023
<b>SCHEDULE 1 - CAPITAL :</b>		
<b>I. Authorised :</b>		
10,00,00,00,000 Equity Shares of ₹10 each (Previous Year 10,00,00,00,000 Equity Shares of ₹ 10 each)	10,00,00,000	10,00,00,000
<b>II. Issued, Subscribed, called up &amp; Paid up :</b>		
i. 570,66,60,850 Equity Shares of ₹ 10 each, held by Central Government (Previous Year 570,66,60,850 Equity Shares)	5,70,66,609	5,70,66,609
ii. 1,92,69,44,757 Equity Shares of ₹ 10 each, held by Public (Previous Year 112,80,86,616 Equity Shares)	1,92,69,447	1,12,80,866
Less: Calls unpaid	-	-
Add: Forfeited shares	-	-
<b>TOTAL</b>	<b>7,63,36,056</b>	<b>6,83,47,475</b>

(₹ in 000)

	As on 31 <sup>st</sup> March 2024		As on 31 <sup>st</sup> March 2023	
<b>SCHEDULE 2 - RESERVES &amp; SURPLUS :</b>				
<b>I. Statutory Reserve :</b>				
Opening Balance	16,73,72,095		14,62,88,901	
Addition during the period/year	3,41,20,766	20,14,92,861	2,10,83,194	16,73,72,095
<b>II. Capital Reserve :</b>				
<b>i) Revaluation Reserve :</b>				
Opening Balance	6,13,24,225		4,75,70,741	
Addition during the period/year	81,343		1,51,92,862	
Deduction during the period/year	49,61,394		14,39,378	
	<b>5,64,44,174</b>		<b>6,13,24,225</b>	
<b>ii) Capital Reserve</b>				
Opening Balance	5,98,70,300		5,89,24,839	
Addition during the period/year	16,32,611		9,45,461	
	<b>6,15,02,911</b>		<b>5,98,70,300</b>	
<b>iii) Amalgamation Adjustment Reserve</b>	1,30,95,979	13,10,43,064	1,30,95,979	13,42,90,504
<b>III. Share Premium :</b>				
Opening Balance	18,34,11,800		18,34,11,800	
Addition during the period/year	7,20,11,419		-	
Deduction during the period/year	2,91,432	25,51,31,787	-	18,34,11,800
<b>IV. Revenue and Other Reserves :</b>				
<b>i) Revenue Reserves :</b>				
Opening Balance	14,48,53,976		10,83,72,439	
Addition during the period/year	6,69,68,326		3,64,81,537	
Deduction during the period/year	-		-	
<b>Total</b>	<b>21,18,22,302</b>		<b>14,48,53,976</b>	

(₹ in 000)

	As on 31 <sup>st</sup> March 2024		As on 31 <sup>st</sup> March 2023	
ii) Special Reserve u/s Sec 36(1)(viii) of the Income Tax Act, 1961				
Opening Balance	6,62,98,789		6,02,98,789	
Addition during the period/year	66,79,000		60,00,000	
<b>Total</b>	<b>7,29,77,789</b>		<b>6,62,98,789</b>	
iii) Foreign Currency Translation Reserve				
Opening Balance	(24,21,580)		30,319	
Addition during the period/year	6,05,047		40,439	
Deduction during the period/year	2,99,054		24,92,338	
<b>Total</b>	<b>(21,15,587)</b>		<b>(24,21,580)</b>	
iv) Investment Fluctuation Reserve				
Opening Balance	1,35,29,575		1,93,61,583	
Addition during the period/year	2,84,440		-	
Deduction during the period/year	-		58,32,008	
	<b>1,38,14,015</b>		<b>1,35,29,575</b>	
v) Investment Reserve Account				
Opening Balance	17,69,006		-	
Addition during the period/year	15,27,866		17,69,006	
Deduction during the period/year	-		-	
	<b>32,96,872</b>		<b>17,69,006</b>	
<b>V. Special Reserve Profit on FX Swap</b>	<b>58,485</b>	<b>29,98,53,876</b>	<b>58,485</b>	<b>22,40,88,251</b>
<b>VI. Balance in Profit and Loss Account</b>		<b>58,32,008</b>		<b>58,32,008</b>
<b>TOTAL</b>		<b>89,33,53,596</b>		<b>71,49,94,658</b>

**Schedule 3 - Deposits :**

## A.

## I. Demand Deposits

i) From Banks	74,28,822		1,75,66,930	
ii) From Others	73,04,19,109	73,78,47,931	72,22,34,695	73,98,01,625
II. Savings Bank Deposits		3,36,34,89,147		3,20,07,52,745
III. Term Deposits				
i) From Banks	24,66,77,161		17,64,32,725	
ii) From Others	7,86,72,69,501	8,11,39,46,662	7,06,01,76,125	7,23,66,08,850
<b>TOTAL</b>		<b>12,21,52,83,740</b>		<b>11,17,71,63,220</b>

## B.

## i) Deposits of branches in India

## ii) Deposits of branches outside India

<b>TOTAL</b>		<b>12,21,52,83,740</b>		<b>11,17,71,63,220</b>
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**SCHEDULE 4 - BORROWINGS :**

## I) Borrowings in India

a. Reserve Bank of India	-		13,38,20,000	
b. Other Banks	1,45,500		-	
c. Other Institutions and Agencies	4,81,69,788		2,30,94,294	
d. Perpetual Bonds- Tier I	9,68,80,000		9,68,80,000	
e. Subordinated Bonds - Tier II	7,95,00,000	22,46,95,288	9,95,00,000	35,32,94,294
<b>II) Borrowings Outside India</b>		<b>4,47,88,394</b>		<b>7,80,80,392</b>
<b>TOTAL</b>		<b>26,94,83,682</b>		<b>43,13,74,686</b>
Secured Borrowings included in I and II above		-		13,90,42,858



**Schedules Forming Part of  
the Standalone Balance Sheet**

(₹ in 000)

	As on 31 <sup>st</sup> March 2024		As on 31 <sup>st</sup> March 2023	
<b>Schedule 5 - Other Liabilities And Provisions:</b>				
I. Bills Payable		2,60,52,539		2,64,97,502
II. Interest Accrued		5,25,15,587		5,97,92,681
III. Others* (Including Provisions)		38,65,50,969		32,93,54,291
<b>TOTAL</b>		<b>46,51,19,095</b>		<b>41,56,44,474</b>
*includes provision for Standard Assets ₹ 5,97,73,786 (Previous Year ₹ 5,57,95,524)				
<b>SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA:</b>				
I. Cash in hand (Including Foreign Currency Notes and Gold)		2,27,16,899		2,83,88,225
II. Balances with Reserve Bank of India				
a) in Current Account		50,62,58,125		47,41,54,516
b) in Other Accounts		-		-
<b>TOTAL</b>		<b>52,89,75,024</b>		<b>50,25,42,741</b>
<b>SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE:</b>				
I. In India				
i) Balances with Banks				
a) In Current Accounts	35,53,325		56,30,727	
b) In Other Deposit Accounts	37,97,553		5,77,33,962	
ii) Money at Call and short notice				
a) with Banks	-		5,00,000	
b) with Other Institutions	34,51,28,862		31,23,03,614	
<b>Total (i and ii)</b>		<b>35,24,79,740</b>		<b>37,61,68,303</b>
II. Outside India				
i) In Current Accounts	50,93,983		39,25,300	
ii) In other Deposit Accounts	30,64,80,013		23,88,68,190	
iii) Money at call & Short Notice	-		-	
<b>Total (i ,ii and iii)</b>		<b>31,15,73,996</b>		<b>24,27,93,490</b>
<b>Grand Total (I and II)</b>		<b>66,40,53,736</b>		<b>61,89,61,793</b>
<b>SCHEDULE 8 - INVESTMENTS :</b>				
I. Investments in India in				
i) Government Securities		2,73,25,02,480		2,60,25,15,576
ii) Other Approved Securities		-		-
iii) Shares		2,22,26,132		2,04,13,250
iv) Debentures and Bonds		56,24,84,247		63,15,34,188
v) Subsidiaries and joint ventures		38,88,095		38,88,095
vi) Others (Commercial Paper, Mutual Funds, Venture Capital, Security Receipt etc.)		2,73,38,680		10,55,57,112
<b>Total</b>		<b>3,34,84,39,634</b>		<b>3,36,39,08,221</b>

(₹ in 000)

	As on 31 <sup>st</sup> March 2024		As on 31 <sup>st</sup> March 2023	
<b>II. Investments outside India in</b>				
i) Govt. Securities (Including Local Authority)		1,91,46,683		1,72,90,809
ii) Subsidiaries and Joint Ventures abroad		1,14,42,157		1,14,55,962
iii) Other Investments (Bonds)		6,810		3,35,490
<b>Total</b>		<b>3,05,95,650</b>		<b>2,90,82,261</b>
<b>TOTAL (I and II)</b>		<b>3,37,90,35,284</b>		<b>3,39,29,90,482</b>
<b>III. i) Investments in India</b>				
Gross Value		3,43,56,28,809		3,44,22,02,551
Provision for Depreciation		8,71,89,175		7,82,94,330
<b>Net Value</b>		<b>3,34,84,39,634</b>		<b>3,36,39,08,221</b>
<b>ii) Investments outside India</b>				
Gross Value		3,07,64,527		2,93,43,600
Provision for Depreciation		1,68,877		2,61,339
<b>Net Value</b>		<b>3,05,95,650</b>		<b>2,90,82,261</b>
<b>TOTAL (III)</b>		<b>3,37,90,35,284</b>		<b>3,39,29,90,482</b>

(₹ in 000)

	As on 31 <sup>st</sup> March 2024		As on 31 <sup>st</sup> March 2023	
<b>SCHEDULE 9 - ADVANCES (NET)</b>				
<b>A.</b>				
i) Bills purchased and discounted		3,59,04,447		3,29,53,001
ii) Cash Credits, Overdrafts and Loans repayable on demand		4,33,95,85,805		3,48,54,48,344
iii) Term Loans		4,33,22,70,642		4,10,00,53,232
<b>TOTAL</b>		<b>8,70,77,60,894</b>		<b>7,61,84,54,577</b>
<b>B.</b>				
i) Secured by tangible assets*		7,21,91,31,031		6,23,77,30,877
ii) Covered by Bank/Government Guarantees		5,92,61,079		12,26,93,689
iii) Unsecured		1,42,93,68,784		1,25,80,30,011
<b>TOTAL</b>		<b>8,70,77,60,894</b>		<b>7,61,84,54,577</b>
*includes advances against book debt ₹ 95,93,76,884 (previous year ₹ 88,79,31,907)				
<b>C. Sectorial Classification of Advances</b>				
<b>C. I. Advances in India:</b>				
i) Priority Sector		3,19,08,13,692		2,85,85,94,969
ii) Public Sector		1,23,56,53,929		81,73,80,496
iii) Banks		8,66,18,664		6,33,569
iv) Others		3,90,54,46,869		3,71,91,49,598
<b>TOTAL</b>		<b>8,41,85,33,154</b>		<b>7,39,57,58,632</b>
<b>C. II. Advances Outside India:</b>				
i) Due From Banks		6,14,80,610		4,91,50,582
ii) Due from Others				
a) Bills Purchased and Discounted		4,31,509		3,86,506
b) Syndicated loans		-		-
c) Others		22,73,15,621		17,31,58,857
<b>TOTAL C.(I)+C(II)</b>		<b>28,92,27,740</b>		<b>22,26,95,945</b>
<b>TOTAL</b>		<b>8,70,77,60,894</b>		<b>7,61,84,54,577</b>



**Schedules Forming Part of  
the Standalone Balance Sheet**

(₹ in 000)

	As on 31 <sup>st</sup> March 2024		As on 31 <sup>st</sup> March 2023	
<b>SCHEDULE 10 - FIXED ASSETS :</b>				
<b>I. Premises</b>				
At cost as on 31 <sup>st</sup> March of the preceding year	9,58,10,991		8,08,71,144	
Additions during the year	13,61,467		2,16,56,329	
Deduction during the year	30,64,770		67,16,482	
	<b>9,41,07,688</b>		<b>9,58,10,991</b>	
Depreciation to date	<b>2,95,87,143</b>	<b>6,45,20,545</b>	<b>2,75,63,468</b>	<b>6,82,47,523</b>
<b>II. Other Fixed Assets (including Furniture and Fixtures)</b>				
<b>A. Capital Work-in-Progress</b>				
"At cost as on 31 <sup>st</sup> March of the preceding year"	2,05,438		3,60,997	
Additions during the year	3,10,576		1,08,106	
Deductions during the year	<b>1,68,980</b>	<b>3,47,034</b>	<b>2,63,665</b>	<b>2,05,438</b>
<b>B. Land</b>				
"At cost as on 31 <sup>st</sup> March of the preceding year"	36,34,968		24,98,636	
Additions during the year	-		12,33,904	
Deductions during the year	1,15,305		97,572	
	<b>35,19,663</b>		<b>36,34,968</b>	
Less: Amortisation till date	<b>11,56,731</b>	<b>23,62,932</b>	<b>7,02,457</b>	<b>29,32,511</b>
<b>C. Assets given on lease</b>				
"At cost as on 31 <sup>st</sup> March of the preceding year"	2,65,352		2,65,352	
Depreciation to date	<b>2,65,352</b>	<b>-</b>	<b>2,65,352</b>	<b>-</b>
<b>D. Others</b>				
"At cost as on 31 <sup>st</sup> March of the preceding year"	7,43,75,518		6,86,74,933	
Additions during the year	1,28,89,639		69,39,880	
Deductions during the year	20,72,977		12,39,295	
	<b>8,51,92,180</b>		<b>7,43,75,518</b>	
Depreciation to date	<b>6,24,37,938</b>	<b>2,27,54,242</b>	<b>5,93,53,695</b>	<b>1,50,21,823</b>
<b>E. Computer Software</b>				
"At cost as on 31 <sup>st</sup> March of the preceding year"	1,18,10,459		1,20,83,338	
Additions during the year	17,41,470		8,77,862	
Deduction during the Year	12,15,455		11,50,741	
	<b>1,23,36,474</b>		<b>1,18,10,459</b>	
Less: Amortisation till date	<b>1,00,93,425</b>	<b>22,43,049</b>	<b>99,61,683</b>	<b>18,48,776</b>
<b>Total (I and II)</b>		<b>9,22,27,802</b>		<b>8,82,56,071</b>

(₹ in 000)

	As on 31 <sup>st</sup> March 2024		As on 31 <sup>st</sup> March 2023	
<b>SCHEDULE 11 - OTHER ASSETS :</b>				
I. Inter-Office Adjustments (Net)		1,70,28,198		2,20,20,700
II. Interest Accrued		10,73,45,648		9,08,48,858
III. Tax Paid/ Tax deducted at source (Net of provision)		7,10,21,069		6,73,41,164
IV. Stationery and stamps		61,852		62,780
V. Non-Banking assets acquired in satisfaction of claims		1,334		1,334
VI. Others*		31,49,60,381		27,43,38,697
VII. Deferred Tax Assets (Net)		3,71,04,947		8,65,97,447
VIII. MAT Credit Entitlement		-		4,51,07,869
<b>TOTAL</b>		<b>54,75,23,429</b>		<b>58,63,18,849</b>
*Includes Deposit placed with NABARD/SIDBI/ NHB amounting to ₹ 8,74,69,761 (Previous Year ₹ 10,61,55,991)				
<b>SCHEDULE 12 - CONTINGENT LIABILITIES :</b>				
I. Claims against the bank not acknowledged as debts		2,06,75,020		3,02,01,462
II. Liability for partly paid Investments		-		-
III. Liability on account of outstanding Forward Exchange Contracts		3,71,46,30,000		4,13,13,28,582
IV. Guarantees given on behalf of Constituents				
a) In India	69,48,36,138		66,40,64,012	
b) Outside India	67,39,785	70,15,75,923	1,42,21,966	67,82,85,978
V. Acceptances, endorsements and other obligations		1,06,65,96,474		99,64,00,071
VI. Other items for which the bank is contingently liable				
i) Disputed Tax demands under appeals		28,74,07,271		20,98,89,819
ii) Capital Commitments		13,26,533		NA
iii) Amt. Transferred to DEA Fund Scheme 2014		3,45,99,063		3,19,88,282
<b>TOTAL</b>		<b>5,82,68,10,284</b>		<b>6,07,80,94,194</b>
<b>Bills for Collection</b>		<b>50,25,28,601</b>		<b>43,56,67,177</b>



## Schedules Forming Part of the Standalone Profit & Loss Account

for the year ended 31<sup>st</sup> March, 2024

(₹ in 000)

	For the Year Ended 31 <sup>st</sup> March 2024	For the Year Ended 31 <sup>st</sup> March 2023
<b>SCHEDULE 13 - INTEREST EARNED :</b>		
I. Interest/Discount on advances/bills	71,97,10,273	56,76,01,357
II. Income on Investments	22,46,74,253	21,35,50,354
III. Interest on balances with Reserve Bank of India & other Inter Bank Funds	4,85,48,649	2,11,68,449
IV. Others	48,46,402	51,13,226
<b>TOTAL</b>	<b>99,77,79,577</b>	<b>80,74,33,386</b>
<b>SCHEDULE 14 - OTHER INCOME :</b>		
I. Commission, Exchange and Brokerage	2,38,03,148	2,15,14,101
II. Profit on sale of investments (Net)	1,63,79,176	79,80,536
III. Profit on revaluation of Investments (Net)	29,23,962	28,51,483
IV. Profit / (Loss) on sale of land, buildings & other assets (Net)	21,653	(14,860)
V. Profit on exchange transactions (Net)	91,88,081	81,30,829
VI. Income earned by way of Dividends, etc from subsidiaries and/or joint ventures abroad/ in India	15,314	3,250
VII. Miscellaneous Income	10,84,70,607	10,58,66,191
<b>TOTAL</b>	<b>16,08,01,941</b>	<b>14,63,31,530</b>
<b>SCHEDULE 15 - INTEREST EXPENDED :</b>		
I. Interest on Deposits	58,50,43,934	44,34,00,344
II. Interest on Reserve Bank of India/Inter-Bank Borrowings	2,98,09,349	1,84,28,879
III. Others	1,72,22,328	1,79,50,734
<b>TOTAL</b>	<b>63,20,75,611</b>	<b>47,97,79,957</b>
<b>SCHEDULE 16 - OPERATING EXPENSES :</b>		
I. Payments to and provisions for employees	14,37,71,789	12,38,97,058
II. Rent, Taxes and Lighting	1,09,02,546	1,06,77,413
III. Printing and Stationery	12,56,808	11,38,303
IV. Advertisement and Publicity	14,21,651	11,70,445
V. Depreciation on Bank's property	89,09,763	73,71,511
VI. Directors' fees, allowances and expenses	20,219	14,278
VII. Auditors' fees and expenses(including branch auditors)	6,29,968	6,89,129
VIII. Law Charges	17,35,407	16,29,256
IX. Postage, Telegrams, Telephones, etc.	39,78,948	32,04,977
X. Repairs and maintenance	34,49,821	36,09,658
XI. Insurance	1,41,96,102	1,53,61,120
XII. Other expenditure	5,41,26,576	5,05,50,171
<b>TOTAL</b>	<b>24,43,99,598</b>	<b>21,93,13,319</b>

## Significant Accounting Policy For 2023-24 On Standalone Basis:

(For required disclosures under schedule 17 forming part of Balance Sheet)

### 1. Basis of Preparation

The financial statements have been prepared and presented under the historical cost convention, accrual basis of accounting, unless otherwise stated and following the Going Concern concept. The financial statements have been prepared in accordance with requirements prescribed under the Third Schedule of the Banking Regulation Act, 1949. The accounting and reporting policies of the Bank used in the preparation of these financial statements conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by Reserve Bank of India (RBI) from time to time and the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable and practices generally prevalent in the banking industry in India.

### 2. Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of Assets and Liabilities (including Contingent Liabilities) as of the date of the financial statements and the reported Income and Expenses during the reporting period. Management believes that the estimates wherever used in the preparation of the financial statements are prudent and reasonable. Difference between the actual results and estimates is recognized in the period in which the results are known / materialized.

### 3. Revenue Recognition

- 3.1. Income and Expenditure have been accounted for on accrual basis unless otherwise stated.
- 3.2. Income on Non-Performing Assets (NPAs) is recognized to the extent realized as per the prudential norms prescribed by the RBI. Income accounted for in the preceding year and remaining unrealized is derecognized in respect of assets classified as NPAs during the year.
- 3.3. Commission on Letter of Guarantee/Letter of Credit is accounted on accrual basis.
- 3.4. Exchange and brokerage earned, rent on Safe Deposit Lockers, income from Aadhaar cards, Minimum balance charges etc. are accounted for on realization basis.

3.5. Income (Other than interest) on investments in "Held to Maturity" (HTM) category acquired at discount to the face value is recognized as follows:

- 3.5.1. On interest bearing securities, it is recognized only at the time of sale/ redemption.
- 3.5.2. On Zero- coupon securities, it is accounted for over the balance tenor of the securities on a constant yield basis.
- 3.6. Dividend is accounted on an accrual basis where the right to receive the dividend is established.
- 3.7. Sale of NPAs accounted in terms of extant RBI guidelines.
- 3.8. Interest on Income-tax refunds is accounted for on receipt of Intimation order from the Income Tax Department.

### 4. Appropriation of Recovery:

Recoveries other than by way of OTS/NCLT shall be appropriated as under:

- 4.1. When there is no agreement between the debtor and creditor as to how monies paid by the debtor are required to be appropriated by the creditor, the order of appropriation is as under:

#### For Term Loans:

- Towards expenses & costs etc.
- Towards unrecovered interest reversed on the date of NPA.
- Interest held in dummy ledger (unapplied interest).
- Towards arrears of principal/EMI till the date of recovery.
- Towards running ledger balance.

#### For Running Accounts:

- Towards expenses & costs etc.
- Towards interest held in dummy ledger (unapplied interest) including unrecovered interest reversed at the time of NPA.
- Towards principal.



## Significant Accounting Policy For 2023-24 On Standalone Basis

4.2. In case borrower stipulates terms of appropriation differently than above and if such different terms of appropriation is accepted by Bank then appropriation of recoveries will be as per the sanction terms.

4.3. In case of OTS & all NCLT accounts, recovery either through resolution/liquidation:

Appropriation of recovery to be done as discussed here under or as per the sanction stipulations

- Towards principal.
- Towards interest held in dummy ledger (unapplied interest) including
- unrecovered interest reversed at the time of NPA.
- Towards expenses & costs etc.

4.4. In case of Non-Performing Investment recovery will be apportioned as mentioned below:

- a. Towards expenses & costs etc.
- b. Towards unrecovered interest reversed on the date of NPI.
- c. Interest held in dummy ledger (unapplied interest).
- d. Towards arrears of principal/EMI till the date of recovery.
- e. Towards running ledger balance

### 5. Cash Flow Statements:

Cash Flow statement of the Bank is prepared as per AS-3. Cash Flow statement is mainly classified as:

- 5.1. Cash flow from Operating Activities: This activity includes cash flow generated from Operational activities.
- 5.2. Cash Flow from Investing Activities: This activity includes cash flow generated from investments.
- 5.3. Cash Flow from Financials Activities: This activity includes the cash flow generated from financial instruments.

### 6. Investments

6.1. In conformity with the requirements of Form A of the Third Schedule to the Banking Regulations Act, 1949, Investments are classified as under:

- 6.1.1. Government Securities
- 6.1.2. Other Approved Securities

6.1.3. Shares

6.1.4. Debentures & Bonds

6.1.5. Investments in Subsidiaries & Joint Ventures and

6.1.6. Other Investments

The Investment portfolio of the Bank is further classified in accordance with the RBI guidelines contained in Master Circular DoR.MRG.42/21.04.141 /2021-22 dated August 25, 2021 (updated March 23,2022, March 31, 2022, April 08, 2022 and December 08, 2022) into three categories viz.,

- a) Held to Maturity (HTM)
- b) Available for Sale (AFS)
- c) Held for Trading (HFT)

6.2. As per RBI guidelines, the following principles have been adopted for the purpose of valuation

6.2.1. Securities held in "HTM" – at acquisition cost.

6.2.1.1. The excess of acquisition cost over the face value is amortized over the remaining period of maturity and in case of discount; it is not recognized as income.

6.2.1.2. Investments in Regional Rural Banks are valued at carrying cost.

6.2.1.3. Investments in Subsidiaries and Joint Ventures are valued at carrying cost.

6.2.1.4. Diminution, other than temporary, in the value of its investment in subsidiaries/joint ventures, which are included in HTM shall be provided for.

6.2.2. Securities held in "AFS" and "HFT" categories

6.2.2.1. Securities held in "AFS" and "HFT" categories are valued classification wise and scrip-wise and net depreciation, if any, in each classification is charged to Profit & Loss account while net appreciation, if any, is ignored.

6.2.2.2. Valuation of securities is arrived at as follows:

A	Govt. of India Securities (Central Govt. Securities)	As per Quotation put out by Govt. Financial Benchmarks Pvt Ltd (FBIL) India
B	State Development Securities, guaranteed by Central/ State Government, PSU Bonds	On appropriate yield to maturity basis as per FIMMDA Guidelines

C	Equity Shares	As per Market rates, if quoted, otherwise at break-up value, as per latest audited balance sheet (not more than 18 months old). In absence of both, at ₹ 1/- per company. The break-up value is computed excluding revaluation reserve.	securities from one category to another is accounted for as follows:
D	Preference Shares	As per Market rates, if quoted, or on appropriate yield to maturity basis not exceeding redemption value as per FIMMDA guidelines.	6.4.1. From AFS/HFT categories to HTM category, at lower of book value or market value as on the date of shifting. Depreciation, if any, is fully provided for.
E	Debentures/Bonds	As per Market rates, if quoted, otherwise on appropriate yield to maturity basis as per FIMMDA guidelines.	6.4.2. From HTM category to AFS/HFT category, 6.4.2.1. If the security is originally placed at discount in HTM category, at acquisition cost / book value. 6.4.2.2. If the security is originally placed at a premium, at amortized cost. The securities so shifted are revalued immediately and resultant depreciation is fully provided for.
F	Mutual Funds (MF)	As per stock exchange quotations, if quoted. In case of unquoted units, as per latest Repurchase price declared by concerned MF. In cases where latest repurchase price is not available, as per Net Asset Value (NAV)	6.4.3. From AFS to HFT category and vice versa, at book value. 6.5. The non-performing investments are identified and depreciation / provision is made as per the extant RBI guidelines. 6.6. Profit / Loss on sale of investments & net depreciation on investment in any category are taken to the profit & loss account (net appreciation is ignored). However, in case of profit on sale of investments in "HTM" category, an equivalent amount (net of taxes and net of transfer to Statutory Reserves) is appropriated to the Capital Reserve account.
G	Treasury Bills / Certificate of Deposits / Commercial Papers	At carrying cost	6.7. Commission, brokerage, broken period interest etc. on securities is debited / credited to Profit & Loss Account.
H	Venture Capital Funds (VCF)	At declared NAV or Breakup NAV as per audited Balance Sheet which is not more than 18 months old. If NAV / audited financial statements are not available for more than 18 months continuously, at ₹ 1/- per VCF	6.8. Brokerage and STT paid on purchase and sale of Equity is accounted to price of the deal. 6.9. The Amortization of premium on HTM Securities is computed using Straight-line Method. 6.10. The Bank is following weighted average Price (WAP) for accounting of investment portfolio.
I	Security Receipts	Valuation of the same will be done as per RBI Guidelines on classification, valuation and operation of Investment portfolio of commercial Banks (RBI/DOR/2021-22/81 DOR. MGR.42/21.04.141/2021-22) dated Aug 25, 2021 and as amended from time to time.	6.11. As per the extant RBI guidelines, the Bank follows 'Settlement Date' for accounting of investments transactions. 6.12. Income from the units of Mutual Fund, Venture Capital & Security Receipt shall be recognized on Cash Basis. 6.13. Derivative Contracts 6.13.1. The Interest Rate Swap which hedges interest bearing Asset or Liability are accounted for in the financial statements on accrual basis except the swap designated with an Asset or Liability that is carried at market value or lower of cost or market
		6.3. Interbank/RBI Repo and Interbank/ RBI Reverse Repo transactions are accounted for in accordance with extant RBI guidelines.	
		6.4. As per the extant RBI guidelines, the shifting of	



### *Schedules Forming Part of the Standalone Balance Sheet*

value. Gains or losses on the termination of swaps are recognized over the shorter of the remaining contractual life of the swap or the remaining life of the Asset / Liability.

6.13.2. Trading swap transactions are marked to market with changes recorded in the financial statements. (profit if any, is ignored)

6.13.3. In the case of option contracts, guidelines issued by Foreign Exchange Dealers Association of India (FEDAI) from time to time for recognition of income, premium and discount are being followed.

6.13.4. Arbitrage Income earned on forex swap transactions is accounted in Profit / Loss on Exchange Transactions category.

## 7. Advances

7.1. All advances are classified under four categories:

7.1.1. Standard,

7.1.2. Sub-standard,

7.1.3. Doubtful and

7.1.4. Loss assets.

Provisions required on such advances are made as per the extant prudential norms issued by the RBI in terms of RBI Master Circular/RBI/2023-2024/06 DOR.STR. REC.3/21.04.048/2023-24 dated April 01, 2023 as under:

7.2. Loans and Advances are classified as performing and non-performing, based on the guidelines issued by the RBI. Loan Assets become Non-Performing Assets (NPAs) where:

7.2.1. In respect of term loans, interest and/or instalment of principal remains overdue for a period of more than 90 days;

7.2.2. In respect of Overdraft or Cash Credit advances, the account remains "out of order", i.e.

7.2.2.1. the outstanding balance in the CC/OD account remains continuously in excess of the sanctioned limit/drawing power for 90 days.

7.2.2.2. The outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but there are no credits continuously for 90 days, or

7.2.2.3. the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but credits are not enough to cover the interest debited during the previous 90 days period.

7.2.3. In respect of bills purchased/discounted, the bill remains overdue for a period of more than 90 days;

7.2.4. In respect of agricultural advances for short duration crops, where the instalment of principal or interest remains overdue for two crop seasons.

7.2.5. In respect of agricultural advances for long duration crops, where the principal or interest remains overdue for one crop season.

7.2.6. A working capital borrower account will become NPA if such irregular drawings are permitted in the account for a continuous period of 90 days even though the unit may be working or the borrower's financial position is satisfactory.

7.2.7. An account where the regular/ ad hoc credit limits have not been reviewed/ renewed within 180 days from the due date/ date of ad hoc sanction will be treated as NPA.

7.2.8. The amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitization transaction undertaken in terms of the Reserve Bank of India (Securitization of Standard Assets) Directions, 2021

7.2.9. In respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment.

7.2.10. Accounts where there is erosion in the value of security/frauds committed by borrowers

7.2.10.1. In respect of accounts where there are potential threats for recovery on account of erosion in the value of security or non-availability of security and existence of other factors such as frauds committed by borrowers it will not be prudent that such accounts should go through various stages of asset classification. In cases of such serious credit impairment, the asset should be straightaway classified as doubtful or loss asset as appropriate.

7.2.10.2. Erosion in the value of security can be reckoned as significant when the realizable value of the security is less than 50 per cent of the value assessed by the bank or accepted by RBI at the time of last inspection, as the case may be. Such NPAs may be straightaway classified under doubtful category.

7.2.10.3. If the realizable value of the security, as assessed by the bank/ approved valuers/RBI is less than

10 per cent of the outstanding in the borrowal accounts, the existence of security should be ignored and the asset should be straightaway classified as loss asset

7.2.11. In respect of MSME accounts which will be restructured in terms of RBI Circular No DOR.No.BP.BC.34/21.04.048/2019-20 February 11, 2020 with reference to Circular No DBR.No.BP.BC.18/21.04.048/2018-19 dated 1<sup>st</sup> January, 2019 and kept in standard category, the Bank shall maintain a provision of 5% in addition to the provision already held. Reversal of said provision shall be made in accordance with the said circular.

7.2.12. In terms of RBI guidelines relating to 'Covid 19 Regulatory Package' on Asset Classification and Provisioning RBI has issued circular no.DOR.No.BP.BC/3/21.04.048/2020-21 & circular no. DOR.No.BP.BC/4/21.04.048/2020-21 dated 06<sup>th</sup> August, 2020, DoR.STR.REC.12/21.04.048/2021-22 & DoR.STR.REC.11/21.04.048/2021-22 dated May 05<sup>th</sup>, 2021 with reference to restructuring of Corporate & Retail Loan, Bank shall maintain necessary provision in this regard.

7.3. NPAs are classified into Sub-Standard, Doubtful and Loss Assets, based on the following criteria stipulated by RBI:

7.3.1. Sub-standard: A loan asset that has remained non-performing for a period less than or equal to 12 months,

7.3.2. Doubtful: A loan asset that has remained in the sub-standard category for a period exceeding 12 months,

7.3.3. Loss: A loan asset where loss has been identified but the amount has not been fully written off.

7.4. Provisions are made for NPAs as per the extant guidelines prescribed by the regulatory authorities, subject to minimum provisions as prescribed below:

Sub-Standard Assets:	i.	A general of 15% of the total outstanding
	ii.	Additional provision of 10% for exposures which are unsecured ab-initio;
	iii.	However, Unsecured Exposure, ab-initio, in respect of infrastructure loan accounts where certain safeguards such as escrow accounts are available - 20% (instead of 25% as stated above)

Doubtful-Secured Portion	i.	Up to one year - 25%
	ii.	One to three years - 40%
	iii.	More than three years - 100%
Doubtful Unsecured Portion		100%
Loss Asset		100%

7.5. Advances are stated net of specific loan loss provisions, Counter cyclical provisioning buffer and unrecovered interest held in Sundry /claims received from Credit Guarantee Trust Fund (CGTF) / Export Credit Guarantee Corporation (ECGC) relating to non-performing assets.

7.6. In respect of foreign offices, classification of loans and advances and provisions for NPAs are made as per the local regulations or as per the norms of RBI, whichever is more stringent.

7.7. For restructured/rescheduled assets, provisions are made in accordance with the guidelines issued by the RBI, which require that the difference between the fair value of the loan before and after restructuring is provided for, in addition to provision for NPAs.

7.8. In the case of loan accounts classified as NPAs, an account may be reclassified as a performing asset if it conforms to the guidelines prescribed by the regulators.

7.9. Amounts recovered against debts written off are recognized as revenue in the year of recovery.

7.10. The general provision on Standard Advances is held in "Other Liabilities and Provisions" reflected in schedule 5 of the Balance Sheet and is not considered for arriving at both net NPAs and net advances. Standard Assets provision to be made as per IRAC RBI/2022-2023/15 DOR.STR.REC.4/21.04.048/2022-23 dated April 01, 2022 and any subsequent circular issued from time to time.

7.11. Provision on Suspense accounts entries outstanding for more than six months are made at 100% except the claim receivable from Govt./Govt. Bodies like Interest Subsidy on crop loan/export advance, Pension receivable, SDS Interest claim from RBI, Rent Deposits, capital and prepaid expenditure, deposits with Govt & other agencies, Franking stamps, Festival advance to staff etc.



**Schedules Forming Part of  
the Standalone Balance Sheet**

## 8. Property, Plant and Equipment

8.1. Premises and Other Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, eligible borrowing costs and directly attributable costs of bringing the Asset to its working condition for the intended use less trade discounts and rebates. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future benefits from such assets or their functional capability. Land and Buildings, if revalued are stated at revalued amount. The appreciation on revaluation is credited to Revaluation Reserve and the depreciation provided thereon is deducted there from and shall be credited to Revenue Reserves in terms of revised AS-10 on "Property, Plant and Equipment".

8.2. Depreciation on Fixed Assets is provided for on the Straight-Line Method at the rates prescribed in Expenditure Policy of the Bank from time to time. The applicable rates of depreciation are as under:

S. No.	Capital Asset	Useful Life (Years)	Rate in percentage
1	Immovable Property-Land	Not stipulated; accordingly, no depreciation	NIL
2	Building with RCC frame structure (Both Residential & Non-residential)	60	1.67
3	Furniture	10	10.00
4	Fixtures	10	10.00
5	Air-conditioning plants (Package & water/air cooled ductable)	10	10.00
6	Split & Window Air conditioners	5	20.00
7	Electrical installation and equipments	5	20.00
8	Solar Power Equipment	15	6.67
9	Elevators & Lifts	15	6.67
10	Civil & Flooring work in leased Premises	5	20.00
11	Telephone Equipment	5	20.00
12	Motorcycles, Scooters & other mopeds	10	10.00

S. No.	Capital Asset	Useful Life (Years)	Rate in percentage
13	Motor Cars, Motor Lorries and Electrically operated vehicles including battery powered or fuel cell powered vehicles	8	12.50
14	Mobile Phones	3	33.33
15	Generators	15	6.67
16	Office Equipment/ Appliances,	5	20.00
17	Computers & computer software forming integral part of hardware	3	33.33
18	ATM & allied items	5	20.00
19	UPS & allied items	5	20.00
20	Servers & Networks	6	16.66
21	End user devices such as desktops, laptops, i-pads, tablets, printer & Scanner, digital watches etc.	3	33.33
22.	SDV lockers, Strong Room door, Cash Safe etc. (Along with Fixtures).	20	5.00
23.	Items provided to staff (Furniture/Electrical and etc.)	5	20.00

8.3. Depreciation on premises is provided on composite cost, wherever the value of Land and Buildings is not separately identifiable.

8.4. Depreciation on Leased assets and Leasehold improvements is recognized on a straight-line basis using rates determined with reference to the primary period of lease.

## 9. Impairment of Assets

Impairment losses (if any) on Fixed Assets (including revalued assets) are recognised in accordance with AS-28 on "Impairment of Assets" issued by the ICAI and charged off to Profit and Loss Account. The carrying costs of assets are reviewed at each Balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying cost of an asset exceeds its recoverable amount.

The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying cost of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

## 10. Counter Cyclical Provisioning Buffer

The Bank has a policy of creation and utilization of Counter Cyclical Provisioning Buffer separately for Advances and Investments. The quantum of provision to be created is assessed at the end of each financial year. The counter Cyclical Provisions are utilized only for contingencies under extra ordinary circumstances specified in the policy with prior permission of the RBI.

## 11. Transactions involving Foreign Exchange

Accounting for transactions involving foreign exchange is done in accordance with AS-11 on "The Effects of Changes in Foreign Exchange Rates", issued by the ICAI. In terms of AS-11, the foreign currency operations of the Bank are classified as a) Integral Operations and b) Non Integral Operations.

All overseas branches, offshore banking units, overseas subsidiaries are treated as non- integral operations and domestic operations in foreign exchange and representative offices are treated as integral operations.

### Accounting for Integral operations:

- 11.1. Monetary and Non- Monetary Assets and Liabilities are revalued at the exchange rates notified by FEDAI at the close of the year and resultant gain / loss is recognized in the Profit & Loss Account.
- 11.2. Income & Expenditure items are recognized at the exchange rates prevailing on the date of the transaction.
- 11.3. Forward exchange contracts are recorded at the exchange rate prevailing on the date of commitment. Outstanding forward exchange contracts are revalued at the exchange rates notified by FEDAI for specified maturities and at interpolated rates for

contracts of 'in-between' maturities. The resultant gains or losses are recognized in the Profit & Loss account.

- 11.4. Contingent liabilities on account of guarantees, acceptances, endorsements and other obligations are stated at the exchange rates notified by FEDAI at the close of the year.

## 12. Accounting for Non-Integral operations

### 12.1. Revenue Recognition

Income and Expenditure are recognized / accounted for as per the local laws of the respective countries.

### 12.2. Asset Classification and Loan Loss Provisioning

Asset classification and loan loss provisioning are made as per the local laws of the respective countries or as per RBI guidelines whichever is higher.

### 12.3. Fixed Assets and Depreciation

- 12.3.1. Fixed Assets are accounted for at historical cost.
- 12.3.2. Depreciation on Fixed Assets is provided as per the applicable laws of the respective countries.

- 12.4. Assets and Liabilities (monetary and non-monetary as well as Contingent Liabilities) are translated at the closing rates notified by FEDAI at the close of the year or Qtr.

- 12.5. Income & Expenditure are translated at the quarterly average closing rates notified by FEDAI at the end of respective quarters.

- 12.6. All resulting exchange differences are accumulated in 'Foreign Currency Translation Reserve'.

## 13. Employee Benefits:

### 13.1. Short Term Employment Benefits:

The undiscounted amounts of short-term employee benefits (e.g. medical benefits) payable wholly within twelve months of rendering the services are treated as short term and recognized during the period in which the employee rendered the service.

### 13.2. Long term Employee Benefits:

#### 13.2.1. Defined Contribution Plans:

The Bank operates a new pension scheme (NPS) for all officers/employees joining the Bank on or after 1<sup>st</sup> April, 2010, which is a defined contribution



## *Schedules Forming Part of the Standalone Balance Sheet*

plan, such new joinees not being entitled to become members of the existing Pension Scheme. As per the scheme, the covered employees contribute 10% of their basic pay plus dearness allowance to the scheme together with 14% of their basic pay plus dearness allowance as contribution from the Bank. Pending completion of registration procedures of the employees concerned, these contributions retained with the Bank. The Bank recognizes such annual contributions in the year to which they relate. Upon receipt of the Permanent Retirement Account Number (PRAN), the consolidated contribution amounts are transferred to the NPS trust.

### 13.2.2. Defined Benefit Plan:

Gratuity, Pension and Leave Encashment are defined benefits plans. These are provided for on the basis of an actuarial valuation as per Accounting Standard-15 "Employee Benefit" issued by the Institute of Chartered Accountants of India, made at the end of each financial year, based on the projected unit credit method. Actuarial gains/losses are immediately taken to the Profit & Loss account.

## 14. Segment Reporting

The Bank recognizes the Business segment as the Primary reporting segment and Geographical segment as the Secondary reporting segment, in accordance with the RBI guidelines and in the compliances with the Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India. Business segments are classified into

- 14.1. Treasury Operations,
- 14.2. Corporate and Wholesale Banking,
- 14.3. Retail Banking Operations and (w/w Digital Banking Segment)
- 14.4. Other Banking Operations.

## 15. Lease Transactions

Lease payments for Assets taken on operating lease recognized as an expense in the profit and loss account on a straight-line basis over the lease term.

## 16. Earnings per Share

The Bank reports the basic and diluted Earnings per Share in accordance with AS 20. Earnings per Share is calculated by dividing the net Profit or Loss (after tax) for

the year attributable to the Equity shareholders by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share reflect the potential dilution that could occur if contracts to issue Equity shares were exercised or converted during the year. Diluted earnings per Equity share is calculated by using the weighted average number of Equity shares and dilutive potential Equity shares outstanding as at the year-end.

## 17. Taxation:

This comprises of provision for Income tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) as determined in accordance with AS-22 on "Accounting for taxes on Income" issued by the ICAI. Provision for Tax is made for both current and deferred taxes. Current tax is provided on the taxable income using applicable tax rate. Deferred Tax Assets and Deferred Tax Liabilities arising on account of timing differences and which are capable of reversal in subsequent periods are recognized using the tax rates and the tax laws that have been enacted or substantively enacted till the date of the Balance Sheet. Deferred Tax Assets are not recognized unless there is 'reasonable certainty' that sufficient future taxable income will be available against which such Deferred Tax Assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, Deferred Tax Assets are recognized only if there is "virtual certainty".

## 18. Provisions, Contingent Liabilities and Contingent Assets

In terms of AS 29-Provisions, Contingent Liabilities and Contingent Assets issued by the ICAI, the Bank recognizes provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may not be realized.

## 19. Share Issue Expenses:

Share Issue expenses are charged to the Share Premium account in terms of Section 52 of the Companies Act, 2013.

## SCHEDULE 18 – NOTES TO ACCOUNTS (STANDALONE): DISCLOSURES IN TERMS OF THE RESERVE BANK OF INDIA GUIDELINES

### 1. REGULATORY CAPITAL

The Bank is subjected to Basel III capital adequacy guidelines stipulated by RBI with effect from April 1, 2013. The guidelines provide a transition schedule for Basel III implementation till Oct. 1, 2021. As per RBI Guidelines, Basel III has been completely implemented from Oct. 1, 2021. As per guidelines, the Tier I capital is made up of Common Equity Tier I (CET I) and Additional Tier I Capital (AT 1).

Basel III guidelines require the Bank to maintain minimum capital to Risk Weighted Assets ratio (CRAR) of 11.50% with minimum CET I of 8.00% and minimum Tier I CRAR of 9.50% (both inclusive of Capital Conservation Buffer of 2.50%) as at March 31, 2024.

During the year, the Bank has issued Equity capital of ₹ 8,000 crore. Further, the Bank has repaid ₹ 2,000 crore of Basel III compliant Tier-II Bonds during the year.

#### a) Composition of Regulatory Capital:

		(₹ in Crore)	
Sr. No	Particulars	31.03.2024	31.03.2023
i.	Common Equity Tier 1 capital (CET 1) (net of deductions, if any)	90,693.16	71,491.90
ii.	Additional Tier 1 capital	8,928.65	8,985.99
iii.	Tier 1 capital (i + ii)	99,621.81	80,477.89
iv.	Tier 2 capital	13,066.90	12,300.56
v.	Total capital (Tier 1+Tier 2)	1,12,688.71	92,778.45
vi.	Total Risk Weighted Assets (RWAs)	6,64,188.12	5,78,454.82
vii.	CET 1 Ratio (CET 1 as a percentage of RWAs)	13.65	12.36
viii.	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	15.00	13.91
ix.	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	1.97	2.13
x.	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	16.97	16.04
xi.	Leverage Ratio	6.56	5.73
xii.	Percentage of the shareholding of		
	a) Government of India	74.76	83.49
	b) State Government	--	--
	c) Sponsor Bank	--	--
xiii.	Amount of paid-up equity capital raised during the year	8,000.00	--
xiv.	Amount of non-equity Tier 1 capital raised during the year, of which:		
	a) Basel III compliant Perpetual Non-Cumulative Preference Shares	--	--
	b) Basel III compliant Perpetual Debt Instruments	--	1,983.00
xv.	Amount of Tier 2 capital raised during the year, of which		
	a) Perpetual Cumulative Preference Shares	--	--
	b) Redeemable Non-Cumulative Preference Shares	--	--
	c) Basel III compliant Redeemable Non-convertible Tier 2 Bonds	--	2,200.00

#### b) Draw down from Reserves:

During the year 2023-24, the Bank has not drawn any amount from the reserves.

**Schedule 18 – Notes To Accounts****2. Asset Liability Management****a) Maturity pattern of certain items of assets and liabilities****Current Year 2023-24**

(₹ in crore)

	Day 1	2-7 DAYS	8-14 DAYS	15-30 DAYS	31 days-2 months	>2-3 months	>3-6 months	>6 months -1 year	>1-3 years	>3-5 years	> 5 years	TOTAL
Deposits	19,410.10	33,208.26	22,143.36	25,751.19	42,907.50	51,874.76	1,03,759.29	2,16,081.39	1,45,106.60	78,448.20	4,82,837.71	12,21,528.37
Advances	13,285.99	14,564.07	8,913.90	30,508.21	5,135.11	32,215.53	61,063.28	1,15,928.51	3,74,856.25	90,661.97	1,23,643.26	8,70,776.09
Investments	79,848.28	12,924.06	1,247.76	2,707.86	6,481.38	24,894.11	7,995.66	12,778.18	39,693.86	33,590.35	1,15,742.03	3,37,903.53
Borrowings	448.60	670.18	41.18	12.95	936.64	60.47	1148.71	209.15	6,509.99	15.07	16,895.43	26,948.37
Foreign currency assets	3,475.74	3,916.55	425.06	2,638.65	1,989.97	8,240.88	21,408.96	11,856.16	17,711.70	6,975.90	2,492.31	81,131.87
Foreign currency liabilities	805.73	3,088.91	160.77	555.08	2,440.51	3,365.04	8,360.78	8,613.80	10,801.49	3,503.01	3,027.12	44,722.23

**Previous Year 2022-23**

(₹ in crore)

	Day 1	2-7 DAYS	8-14 DAYS	15-30 DAYS	31 days-2 months	>2-3 months	>3-6 months	>6 months - 1 year	>1-3 years	>3-5 years	> 5 years	TOTAL
Deposits	16,719.54	24,897.19	17,582.29	15,386.37	27,291.25	46,680.66	82,771.68	1,63,434.74	1,61,274.09	80,204.10	4,81,474.41	11,17,716.32
Advances	19,713.45	31,128.05	23,916.23	49,224.70	18,235.92	31,896.75	50,852.13	54,002.81	3,36,508.35	47,328.90	99,038.17	7,61,845.46
Investments	87,469.35	10,712.95	888.30	2,993.82	5,506.13	17,324.42	5,710.88	8,220.90	68,822.45	17,556.16	1,14,093.69	3,39,299.05
Borrowings	963.24	8,333.29	4,085.78	1,996.21	572.85	254.44	2,123.29	3,610.00	2,310.97	1,996.06	16,891.33	43,137.47
Foreign Currency assets	5,317.26	5,843.41	1,016.52	10,915.50	3,748.05	3,259.63	13,035.32	5,403.49	11,913.15	9,366.84	187.01	70,006.19
Foreign Currency liabilities	4,984.28	1,553.01	998.49	2,717.99	2,947.61	4,647.05	3,478.54	3,586.05	8,792.19	6,039.50	315.07	40,059.79

**b) Liquidity Coverage Ratio (LCR)**

LCR aims 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 days' time horizon under a significantly severe liquidity stress scenario specified by RBI.

LCR is the ratio of HQLA to Net Cash Outflow.

$$\text{LCR} = \frac{\text{High Quality Liquid Assets (HQLA)}}{\text{Net Cash Outflows over 30 days}}$$

Minimum requirement of LCR as stipulated by RBI is 100% for the calendar year 2019 onwards. LCR is applicable to Bank's domestic operations as well as overseas operations.

**High Quality Liquid Assets (HQLA):**

Liquid assets comprise of high quality assets that can be readily sold or used as collateral to obtain funds in a range of stress scenarios. They should be unencumbered i.e. without legal, regulatory or operational impediments. Assets are considered to be high quality liquid assets if they can be easily and immediately converted into cash at little or no loss of value. HQLA is categorized into two: a) Level 1 Assets, and b) Level 2 Assets. Level 2 Assets are further sub divided into Level 2A Assets & Level 2B Assets based on Liquidity & Price Volatility.

Level 1 assets are stock of HQLA without any haircut. Level 1 Assets mainly comprise Cash including excess Cash Reserve Ratio (CRR), Excess SLR (Statutory Liquidity Ratio), Marginal Standing Facility (2% of Net Demand and Time Liability w.e.f. 01<sup>st</sup> January 2022) & FALLCR (16.00% of Net Demand and Time Liability).

A haircut of 15% is applied on current market value of Level 2A asset. Level 2A assets mainly comprise of securities with 20% risk weight. A 50% haircut is applied on current market value of Level 2B asset. Level 2B assets should not be more than 15% of the total stock of HQLA. Level 2B assets mainly comprise Securities with risk weights higher than 20% but not higher than 50%.

### Net Cash Outflows

The total net cash outflows are defined as the total expected cash outflows minus total expected cash inflows. In order to determine cash outflows, the Bank, in terms of RBI guidelines, segregates its deposits into various customer segments, viz Retail (which include deposits from Natural Persons), Small Business Customers (those with total aggregated funding up to ₹ 7.5 crore) and deposits from Non Financial Customers (NFC) and Other Legal Entity Customers (OLE). Total expected cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by the rates at which they are expected to flow in, up to an aggregate cap of 75% of total expected cash outflows.

### Brief about LCR of the Bank

The entities covered are Union Bank of India and Union Bank of India UK Ltd. The Bank during the three months ended 31<sup>st</sup> March 2024 maintained average HQLA of ₹ 2,75,225 crores. Level 1 assets are the main drivers of HQLA for the bank. They contribute to 98% of the total stock of HQLA. Based on daily averages for the quarter ended 31<sup>st</sup> March 2024, Facility to avail Liquidity for Liquidity Coverage Ratio constitutes the highest portion to HQLA i.e. around 68% of the total HQLA. Level 2 assets which are lower in quality as compared to Level 1 assets, constitute 2% of the total stock of HQLA against maximum permissible level of 40%.

Bank's exposure is mainly in Indian Rupee. Unsecured wholesale funding constitutes major portion of total funding sources. Retail deposits and deposits from small business customers contributed around 21% and 4% of the total weighted cash outflows, respectively. Deposits from non-financial corporates contributed around 37% of the total weighted cash outflows. The other contingent funding obligations primarily include bank guarantees (BGs) and letters of credit (LCs) issued on behalf of the Bank's clients. Inflows by various counterparties contribute around 77% of the total weighted cash inflows.

Bank has calculated LCR for all working days over the March 2024 quarter. The average of the daily observation of 67 data points is calculated. The average LCR for the quarter ended 31<sup>st</sup> March 2024 is 131.90% as against 125.82% for the quarter ended 31<sup>st</sup> December 2023 and is well above the present minimum requirement prescribed by RBI of 100%.

Movement of Average LCR during Financial Year 2023-24

Quarter	June 2023	September 2023	December 2023	March 2024	FY 2023-24
LCR Ratio	166.16	144.61	125.82	131.90	141.10

### Schedule 18 – Notes To Accounts

#### Quantitative Disclosure (Quarter wise)

(₹ in crore)

	March 2023 Quarter			June 2023 Quarter			September 2023 quarter			December 2023 quarter			March 2024 quarter		
	Total Unweighted Value (Average)	Weighted Value (Average)	Total	Total Unweighted Value (Average)	Weighted Value (Average)	Total	Total Unweighted Value (Average)	Weighted Value (Average)	Total	Total Unweighted Value (Average)	Weighted Value (Average)	Total	Total Unweighted Value (Average)	Weighted Value (Average)	Total
<b>High Quality Liquid Assets (HQLA)</b>															
1 Total High Quality Liquid Assets (HQLA)	2,72,365.27	2,70,381.26	2,92,680.09	2,94,242.32	2,88,879.67	2,87,634.13	2,64,088.95	2,62,795.24	2,76,525.16	2,75,225.07					
<b>Cash Outflows</b>															
2 Retail deposits and deposits from small business customers, of which:	6,46,869.46	49,883.30	6,62,146.89	51,109.13	6,82,546.99	59,585.70	6,94,437.90	60,463.02	6,88,810.91	59,623.04					
(i) Stable deposits	2,96,072.85	14,803.64	3,02,111.09	15,105.55	1,73,380.00	8,669.00	1,79,615.38	8,980.77	1,85,160.97	9,258.05					
(ii) Less stable deposits	3,50,796.61	35,079.66	3,60,035.80	36,003.58	5,09,166.98	50,916.70	5,14,822.51	51,482.25	5,03,649.94	50,364.99					
3 Unsecured wholesale funding, of which:	2,43,570.32	1,20,721.42	2,57,219.97	1,29,230.98	2,67,292.28	1,41,546.86	2,65,279.20	1,40,831.90	2,82,702.34	1,48,709.89					
(i) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-	-	-					
(ii) Non-operational deposits (all counterparties)	2,43,570.32	1,20,721.42	2,57,219.97	1,29,230.98	2,67,292.28	1,41,546.86	2,65,279.20	1,40,831.90	2,82,702.34	1,48,709.89					
(iii) Unsecured debt	-	-	-	-	-	-	-	-	-	-					
4 Secured wholesale funding	3,663.14	-	1,100.63	-	2,181.40	-	15,112.03	-	8,195.96	-					
5 Additional requirements, of which	1,31,809.13	15,033.14	2,25,425.09	25,209.30	2,09,354.01	23,907.76	2,37,887.92	29,020.08	2,31,221.16	26,709.58					
(i) Outflows related to derivative exposures and other collateral requirements	79.02	79.02	81.41	81.41	87.85	87.85	87.17	87.17	88.38	88.38					
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-	-	-					
(iii) Credit and liquidity facilities	1,31,730.11	14,954.11	2,25,343.67	25,127.89	2,09,266.16	23,819.91	2,37,800.75	28,932.91	2,31,132.79	26,621.20					
6 Other contractual funding obligations	3,609.33	3,609.33	3,625.73	3,625.73	3,946.79	3,946.79	4,312.17	4,312.17	4,227.18	4,227.18					
7 Other contingent funding obligations	91,305.09	2,739.15	85,271.13	2,558.13	91,046.68	2,731.40	93,554.62	2,806.64	92,549.25	2,776.48					
<b>8 TOTAL CASH OUTFLOWS</b>	<b>11,20,826.48</b>	<b>1,91,986.34</b>	<b>12,34,789.43</b>	<b>2,11,733.28</b>	<b>12,56,368.14</b>	<b>2,31,718.51</b>	<b>13,10,585.06</b>	<b>2,37,435.03</b>	<b>13,07,706.80</b>	<b>2,42,046.16</b>					
<b>Cash Inflows</b>															
9 Secured lending (e.g. reverse repos)	4,103.18	-	7,378.82	-	5,696.84	-	1,201.26	-	3,346.50	-					
10 Inflows from fully performing exposures	32,328.30	23,567.09	38,014.25	27,228.69	33,896.68	25,717.67	31,420.00	21,483.30	39,303.74	25,766.50					
11 Other cash inflows	6,917.47	6,917.47	8,359.31	8,359.31	7,098.81	7,098.81	7,083.97	7,083.97	7,618.29	7,618.29					
<b>12 TOTAL CASH INFLOWS</b>	<b>43,348.96</b>	<b>30,484.56</b>	<b>53,752.38</b>	<b>35,588.00</b>	<b>46,692.32</b>	<b>32,816.48</b>	<b>39,705.24</b>	<b>28,567.28</b>	<b>50,268.53</b>	<b>33,384.80</b>					
<b>13 TOTAL HQLA</b>	<b>2,70,381.26</b>	<b>1,61,501.78</b>	<b>1,76,145.28</b>	<b>1,76,145.28</b>	<b>1,98,902.03</b>	<b>1,44.61%</b>	<b>125.82%</b>	<b>131.90%</b>							
<b>14 TOTAL NET CASH OUTFLOWS</b>															
<b>15 LIQUIDITY COVERAGE RATIO (%)</b>															

c) **Net Stable Funding ratio (NSFR)**

i) **Qualitative Disclosure:**

The objective of the Net Stable Funding Ratio (NSFR) is to promote the resilience of bank's liquidity risk profiles and to incentivize a more resilient banking sector over a longer time horizon. The NSFR will require banks to maintain a stable funding profile in the form of Capital & liabilities in relation to the composition of their assets and off-balance sheet activities.

NSFR is defined as the amount of available stable funding relative to the amount of required stable funding.

$$\text{NSFR} = \frac{\text{Available Stable Funding (ASF)}}{\text{Required Stable Funding (RSF)}}$$

RBI issued the regulations on the implementation of the Net Stable Funding Ratio in May 2018 with minimum requirement of equal to at least 100%. The implementation is effective from 1<sup>st</sup> October 2021. NSFR is applicable to Bank's domestic operations as well as overseas operations and computed at standalone and consolidated level.

Available Stable Funding (ASF) is defined as the portion of capital and liabilities expected to be reliable which is determined by various factor weights according to the nature and maturity of liabilities with liabilities having maturity of 1 year or more receiving 100 weight.

Required Stable Funding (RSF) is defined as the portion of on balance sheet and off-balance sheet exposures which requires to be funded on an ongoing basis. The amount of such stable funding required is a function of the liquidity characteristics and residual maturities of the various assets held.

**Brief about NSFR of the Bank**

The entities covered are Union Bank of India and Union Bank of India UK Ltd. The main drivers of the Available Stable Funding (ASF) are the capital base, retail deposit base, and funding from non-financial companies and long-term funding from institutional clients. The capital base formed around 11%, retail deposits (including deposits from small sized business customers) formed 68% and wholesale funding formed 20% of the total Available Stable Funding, after applying the relevant weights.

The Required Stable Funding primarily comprised lending to corporates, retail clients and financial institutions which constituted 88% of the total RSF after applying the relevant weights. The stock of High-Quality Liquid Assets which majorly includes cash and reserve balances with the RBI, government debt issuances attracted no or low amount of stable funding due to their high quality and liquid characteristic. Accordingly, the HQLA constituted only 2% of the Required Stable Funding after applying the relevant weights. Other assets and Contingent funding obligations, such as committed credit facilities, guarantees and letters of credit constituted 10% of the Required Stable Funding.

Bank has maintained comfortable stable funding buffers with Available Stable Funding at consolidated level of ₹10,06,187 Crores against ₹ 7,77,574 Crores of Required Stable Funding, resulting in a consolidated NSFR of 129.40% as on 31<sup>st</sup> March 2024.



## Schedule 18 – Notes To Accounts

## ii) Quantitative Disclosure:

## NSFR Disclosure Consolidated March, 2024

(₹ in crore)

Sr. No.	Details	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
	<b>ASF Item</b>					
1	Capital: (2+3)	91996.45	0.00	0.00	18,613.20	1,10,609.65
2	Regulatory capital	91996.45	0.00	0.00	975.20	92971.65
3	Other capital instruments	0.00	0.00	0.00	17638.00	17638.00
4	<b>Retail deposits and deposits from small business customers: (5+6)</b>	<b>341501.15</b>	<b>142921.67</b>	<b>263747.55</b>	<b>2592.61</b>	<b>688497.49</b>
5	Stable deposits	44165.68	35474.14	171391.45	1948.16	240427.87
6	Less stable deposits	297335.47	107447.53	92356.10	644.45	448069.63
7	<b>Wholesale funding: (8+9)</b>	<b>64140.06</b>	<b>187731.33</b>	<b>213924.89</b>	<b>8095.20</b>	<b>201296.88</b>
8	Operational deposits	0.00	0.00	0.00	0.00	0.00
9	Other wholesale funding	64140.06	187731.33	213924.89	8095.20	201296.88
10	<b>Other liabilities: (11+12)</b>	<b>52122.10</b>	<b>3318.73</b>	<b>209.15</b>	<b>5782.49</b>	<b>5782.49</b>
11	NSFR derivative liabilities	299.96	0.00	0.00	0.00	0.00
12	<b>All other liabilities and equity not included in the above categories</b>	<b>51822.14</b>	<b>3318.73</b>	<b>209.15</b>	<b>5782.49</b>	<b>5782.49</b>
13	<b>Total ASF (1+4+7+10)</b>					<b>1006186.51</b>
	<b>RSF Item</b>					
14	<b>Total NSFR high-quality liquid assets (HQLA)</b>					<b>13698.71</b>
15	Deposits held at other financial institutions for operational purposes	31.70	0.00	0.00	0.00	15.85
16	<b>Performing loans and securities: (17+18+19+21+23)</b>	<b>1051.84</b>	<b>206640.59</b>	<b>70297.20</b>	<b>720266.39</b>	<b>685413.95</b>
17	Performing loans to financial institutions secured by Level 1 HQLA	0.00	0.00	0.00	0.00	0.00
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0.00	103910.33	12430.86	48440.81	65065.86
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0.00	100942.14	55664.22	536577.45	516020.79
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	47632.78	7032.60	138815.57	117562.81
21	Performing residential mortgages, of which:	0.00	318.84	111.31	68149.95	44512.54
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	318.84	111.31	68149.95	44512.54
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	1051.84	1469.28	2090.82	67098.19	59814.75
24	<b>Other assets: (sum of rows 25 to 29)</b>	<b>56161.74</b>	<b>16118.93</b>	<b>0.00</b>	<b>2048.80</b>	<b>67566.63</b>
25	<b>Physical traded commodities, including gold</b>	<b>0.00</b>				<b>0.00</b>
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		3627.67	0.00	0.00	3083.52
27	NSFR derivative assets		0.00	0.00	0.00	0.00
28	NSFR derivative liabilities before deduction of variation margin posted		53.87	0.00	0.00	53.87
29	All other assets not included in the above categories	56161.74	12437.38	0.00	2048.80	64429.24
30	<b>Off-balance sheet items</b>		<b>254595.66</b>	<b>52.00</b>	<b>0.00</b>	<b>10878.67</b>
31	<b>Total RSF (14+15+16+24+30)</b>					<b>777573.81</b>
32	<b>Net Stable Funding Ratio (%)</b>					<b>129.40%</b>

(₹ in crore)

## NSFR Disclosure Template-Consolidated March,2023

Sr. No.	Details	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
<b>ASF Item</b>						
1	Capital: (2+3)	73472.52	0.00	2000.00	18565.48	92038.00
2	Regulatory capital	73472.52	0.00	0.00	927.48	74400.00
3	Other capital instruments	0.00	0.00	2000.00	17638.00	17638.00
4	Retail deposits and deposits from small business customers: (5+6)	326162.46	113777.94	260622.47	2539.51	646702.81
5	Stable deposits	40994.80	29833.11	202307.84	1869.82	261348.79
6	Less stable deposits	285167.66	83944.83	58314.64	669.69	385354.02
7	Wholesale funding: (8+9)	74748.93	154529.84	173378.83	14931.52	200097.63
8	Operational deposits	0.00	0.00	0.00	0.00	0.00
9	Other wholesale funding	74748.93	154529.84	173378.83	14931.52	200097.63
10	Other liabilities: (11+12)	47026.01	18329.10	1610.00	3560.37	3560.37
11	NSFR derivative liabilities	32.74	0.00	0.00	0.00	0.00
12	All other liabilities and equity not included in the above categories	46993.27	18329.10	1610.00	3560.37	3560.37
13	<b>Total ASF (1+4+7+10)</b>					<b>942399.71</b>
<b>RSF Item</b>						
14	<b>Total NSFR high-quality liquid assets (HQLA)</b>					<b>15865.86</b>
15	Deposits held at other financial institutions for operational purposes	53.84	0.00	0.00	0.00	26.49
16	Performing loans and securities: (17+18+19+21+23)	1330.58	154093.90	61825.48	635915.07	576113.75
17	Performing loans to financial institutions secured by Level 1 HQLA	0.00	0.00	0.00	0.00	0.00
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0.00	81215.04	15206.23	19712.90	34141.10
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0.00	67617.10	39686.95	506522.55	458900.37
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	0.00	0.00	0.00	0.00
21	Performing residential mortgages, of which:	0.00	62.09	186.77	80496.34	52447.05
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	62.09	186.77	80496.34	52447.05
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	1330.58	5199.67	6745.54	29183.29	30625.23
24	Other assets: (sum of rows 25 to 29)	65903.32	14408.88	0.00	1261.18	75473.33
25	Physical traded commodities, including gold	0.00				0.00
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		3040.96	0.00	0.00	2584.82
27	NSFR derivative assets		0.00	0.00	0.00	0.00
28	NSFR derivative liabilities before deduction of variation margin posted		80.96	0.00	0.00	80.96
29	All other assets not included in the above categories	65903.32	11286.96	0.00	1261.18	72807.56
30	Off-balance sheet items		221871.20	0.00	0.00	9191.06
31	<b>Total RSF (14+15+16+24+30)</b>					<b>676671.20</b>
32	<b>Net Stable Funding Ratio (%)</b>					<b>139.27%</b>

### Schedule 18 – Notes To Accounts

#### 3. Investments

##### a) Composition of investment portfolio As at 31.03.2024

(₹ in Crore)

	Investments in India					Investments outside India				Total Investments		
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures		Others	Total Investments outside India
<b>Held to Maturity</b>												
Gross	2,29,580.78	-	-	44,183.32	393.81	335.18	2,74,493.09	-	1,148.71	0.40	1,149.11	2,75,642.20
Less: Provision for non-performing investments (NPI)	-	-	-	(218.45)	(5.00)	-	(223.45)	-	(4.50)	-	(4.50)	(227.95)
Net	2,29,580.78	-	-	43,964.87	388.81	335.18	2,74,269.64	-	1,144.22	0.40	1,144.62	2,75,414.26
<b>Available for Sale</b>												
Gross	43,684.76	-	4,997.56	15,141.69	-	4,843.90	68,667.91	1,914.67	-	12.67	1,927.34	70,595.25
Less: Provision for depreciation & NPI	(122.17)	-	(2,774.95)	(3,153.13)	-	(2,445.21)	(8,495.47)	-	-	(12.39)	(12.39)	(8,507.86)
Net	43,562.59	-	2,222.61	11,988.56	-	2,398.69	60,172.44	1,914.67	-	0.28	1,914.95	62,087.39
<b>Held for Trading</b>												
Gross	106.88	-	-	295.00	-	-	401.88	-	-	-	-	401.88
Less: Provision for depreciation & NPI	-	-	-	-	-	-	0.00	-	-	-	-	-
Net	106.88	-	-	295.00	-	-	401.88	-	-	-	-	401.88
<b>Total Investments</b>												
Less: Provision for NPI	2,73,372.42	-	4,997.56	59,620.01	393.81	5,179.08	3,43,562.88	1,914.67	1,148.71	13.07	3,076.45	3,46,639.33
Less: Provision for depreciation & NPI	(122.17)	-	(2,774.95)	(3,153.13)	(5.00)	(2,445.21)	(8,495.47)	-	(4.50)	(12.39)	(12.39)	(8,507.86)
Net	2,73,250.25	0.00	2,222.61	56,248.42	388.81	2,733.87	3,34,843.96	1,914.67	1,144.22	0.68	3,059.57	3,37,903.53

\*Contingent Provision of ₹ 19.54 crores on account of RBI Circular RBI/2023-24/190 DOR:STR.REC.58/21.04.048/2023-24 dated 19.12.2023 is included in Provision Amount of ₹ 8495.47 Crores

Note: 1. Provision provided in Subsidiaries and/or Joint Venture (in India & outside India) is on account of Standard MTM and not NPI.

2. Provision for Non-performing investments includes only Held to Maturity Category.

3. Provision for depreciation and NPI includes Available for sale and Held for Trading Category.

As at 31.03.2023

	(₹ in Crore)											
	Investments in India					Investments outside India					Total	
	Government Securities	Other Approved Securities	Shares	Debtures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	
Held to Maturity												
Gross	2,22,125.35	-	-	52,161.68	393.80	3,998.21	2,78,679.04	-	1,148.71	0.40	1,149.11	2,79,828.15
Less: Provision for non-performing investments (NPI)	-	-	-	(200.00)	(5.00)	-	(205.00)	-	(3.11)	-	(3.11)	(208.11)
Net	2,22,125.35	-	-	51,961.68	388.80	3,998.21	2,78,474.04	-	1,145.60	0.40	1,146.00	2,79,620.04
Available for Sale												
Gross	37,798.39	-	5,007.44	13,388.83	-	8,994.58	65,189.24	1,739.88	-	45.37	1,785.25	66,974.49
Less: Provision for depreciation & NPI	-	-	(2,966.26)	(2,221.01)	-	(2,437.08)	(7,624.35)	(10.80)	-	(12.21)	(23.01)	(7,647.36)
Net	37,798.39	-	2,041.18	11,167.82	-	6,557.50	57,564.89	1,729.08	-	33.16	1,762.24	59,327.13
Held for Trading												
Gross	327.82	-	0.15	24.00	-	-	351.97	-	-	-	-	351.97
Less: Provision for depreciation & NPI	-	-	-	(0.08)	-	-	-	-	-	-	-	(0.08)
Net	327.82	-	0.15	23.92	-	-	351.89	-	-	-	-	351.89
Total Investments	2,60,251.56	-	5,007.59	65,574.51	393.80	12,992.79	3,44,220.25	1,739.88	1,148.71	45.77	2,934.36	3,47,154.61
Less: Provision for NPI	-	-	-	(200.00)	(5.00)	-	(205.00)	-	(3.11)	-	(3.11)	(208.11)
Less: Provision for depreciation & NPI	-	-	(2,966.26)	(2,221.09)	-	(2,437.08)	(7,624.43)	(10.80)	-	(12.21)	(23.01)	(7,647.44)
Net	2,60,251.56	0.00	2,041.33	63,153.42	388.80	10,555.71	3,36,390.82	1,729.08	1,145.60	33.56	2,908.24	3,39,299.06

- Note: 1. Provision provided in Subsidiaries and/or Joint Venture (in India & outside India) is on account of Standard MTM and not NPI.  
2. Provision for Non-performing investments includes only Held to Maturity Category.  
3. Provision for depreciation and NPI includes Available for sale and Held for Trading Category.

**Schedule 18 – Notes To Accounts****b) Movements of Provisions for Depreciation and Investment Fluctuation Reserve**

Particulars	(₹ in crore)	
	2023-24	2022-23
i) Movement of provisions held towards depreciation on investments		
a) Opening Balance	7,855.57	6,180.78
b) Add: Provisions made during the year	1,935.92	2,119.77
c) Less: Write off / Write back of excess provisions during the year	1,055.69	444.98
<b>d) Closing Balance</b>	<b>8,735.80</b>	<b>7,855.57</b>
ii) Movement of Investment Fluctuation Reserve		
a) Opening Balance	1,352.96	1,936.16
b) Add: Amount transferred during the year	28.44	--
c) Less: Drawdown	--	583.20
<b>d) Closing Balance</b>	<b>1,381.40</b>	<b>1,352.96</b>
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/ Current category	2.00	2.00
iv) Movement of Investment Reserve		
a) Opening Balance	176.90	--
b) Add: Amount transferred during the year	152.79	176.90
c) Less: Drawdown	--	--
<b>d) Closing Balance</b>	<b>329.69</b>	<b>176.90</b>

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

The Bank has not made sales and transfers to/from HTM category during the financial year 2023 - 24 exceeding 5 per cent of the book value of investments held in HTM category at the beginning of the year. The 5 per cent threshold to above will exclude:

- i. The one-time transfer of securities to/from HTM category with the approval of Board of Directors permitted to be undertaken by banks at the beginning of the accounting year. The Bank has shifted securities from Held to Maturity (HTM) category to Available for Sale (AFS) category amounting to ₹ 8,208.12 crore (Face Value) during the year ended 31<sup>st</sup> March, 2024 and resulted shifting loss of ₹ 1.51 crore which has been fully accounted for.
- ii. Direct sale from HTM for bringing down SLR holding in HTM category consequent to a downward revision in SLR requirements by RBI.
- iii. Sale to Reserve Bank of India under liquidity management operations of RBI like Open Market Operations (OMO) and the Government securities acquisition programme (GSAP).
- iv. Repurchase of Government Securities by Government of India from banks under buyback / switch operations.
- v. Repurchase of State Development Loans by respective state governments under buyback / switch operations.
- vi. Additional shifting of securities explicitly permitted by the Reserve Bank of India.

**d) Non-SLR investment portfolio**
**i) Non-performing non-SLR investments**

(₹ in crore)

Sr. No.	Particulars	2023-24	2022-23
a)	Opening Balance	5,925.60	4,431.69
b)	Additions during the year since 1 <sup>st</sup> April	906.97	1,910.06
c)	Reductions during the above period	959.04	416.15
d)	Closing balance	5,873.53	5,925.60
e)	Total provisions held	5,597.16	5,737.00

**ii) Issuer composition of non-SLR investments**

The issuer composition of investments in securities, other than Government and other approved securities is given below:

(₹ in crore)

S. no.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
a)	PSUs	3,146.01	4,193.09	926.13	1,418.66	--	--	2,661.74	3,080.52	0.58	0.58
b)	FIs	2,032.00	4,046.13	611.80	1,765.47	--	--	--	--	--	--
c)	Banks	1,641.16	2,816.78	1,016.68	2,177.16	--	--	5.00	5.00	--	--
d)	Private Corporates	15,070.88	24,269.13	12,946.07	20,609.27	18.45	20.00	426.91	448.37	125.70	126.16
e)	Subsidiaries/ Joint Ventures	1,542.52	1,542.52	1,542.52	1,542.52	--	--	--	--	--	--
f)	Others	49,834.33	50,035.42	46,438.30	46,481.31	--	--	--	--	--	--
g)	Provision held towards depreciation	(8,613.63)	(7,855.57)	--	--	--	--	-0.69	--	-13.08	--
	<b>TOTAL</b>	<b>64,653.27</b>	<b>79,047.49</b>	<b>63,481.50</b>	<b>73,994.39</b>	<b>18.45</b>	<b>20.00</b>	<b>3,092.96</b>	<b>3,533.89</b>	<b>113.20</b>	<b>126.74</b>

**e) Repo Transactions (in face value terms)**

The following tables set forth for the periods indicated, the details of securities sold and purchased under repo and reverse repo transactions respectively including transactions under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF).

(₹ in crore)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31.03.2024
i) Securities sold under Repo				
a) Government securities	0.00	24,370.64	4,530.91	0.00
b) Corporate debt securities				
c) Any other securities	0.00	10.33	0.17	0.00
ii) Securities purchased under Reverse Repo				
a) Government securities	0.00	17,048.62	3,303.65	9,277.25
b) Corporate debt securities				
c) Any other securities				

**Schedule 18 – Notes To Accounts****f) Details of Government Security Lending (GSL) transactions (in market value terms):**

(₹ in crore)

As at 31.03.2024	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on 31.03.2024
Securities lent through GSL transactions	0.00	0.00	0.00	0.00
Securities borrowed through GSL transactions	0.00	0.00	0.00	0.00
Securities placed as collateral under GSL transactions	0.00	0.00	0.00	0.00
Securities received as collateral under GSL Transactions	0.00	0.00	0.00	0.00

(₹ in crore)

As at 31.03.2023	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on 31.03.2023
Securities lent through GSL transactions	0.00	0.00	0.00	0.00
Securities borrowed through GSL transactions	0.00	0.00	0.00	0.00
Securities placed as collateral under GSL transactions	0.00	0.00	0.00	0.00
Securities received as collateral under GSL Transactions	0.00	0.00	0.00	0.00

- g) Profit of ₹ 290.89 Crore (previous year ₹ 193.77 crore) on sale of “Held to Maturity” category securities have been taken to profit and loss account initially.
- h) In respect of “Held to Maturity” category, as stated in significant accounting policy No 4 (ii) (a), the excess of acquisition cost over face value of the securities amortized during the year amounted to ₹ 684.19 crore (previous year ₹ 723.50 Crore).
- i) Total investments made in shares, convertible debentures and units of equity linked mutual funds / venture capital funds and also advances against shares aggregate to ₹ 2288.50 crore (previous year ₹ 2,353.41 crore).

**4. Asset Quality****a) Classification of advances and provisions held**

FY 2023-24	Standard	Non-Performing			Total	
	Total Standard Advances	Sub-standard	Doubtful	Loss		Total Non-Performing Advances
<b>Gross Standard Advances and NPAs</b>						
Opening Balance	748918.02	7118.16	34950.72	18918.41	60987.29	809905.31
Add: Additions during the year					11876.65	
Less: Reductions during the year*					29766.01	
Closing balance	861786.17	7900.43	24833.99	10363.31	43097.73	904883.90
*Reductions in Gross NPAs due to:					29766.01	
i. Upgradation					4212.51	
ii) Recoveries (excluding recoveries from upgraded accounts)					7289.49	
iii) Technical/ Prudential Write-offs					15457.95	

FY 2023-24	Standard	Non-Performing			Total	
	Total Standard Advances	Sub-standard	Doubtful	Loss		Total Non-Performing Advances
iv) Write-offs other than those under (iii) above					2806.06	
<b>Provisions (excluding Floating Provisions)</b>						
Opening balance of provisions held	5579.56	1892.61	27035.25	18701.32	47629.18	53208.74
Add: Fresh provisions made during the year	700.73				6387.29	7088.02
Less: Excess provision reversed/ Write-off loans	302.91				20227.50	20530.41
Closing balance of provisions held	5977.38	2181.45	21392.83	10214.69	33788.97	39766.35
<b>Amount kept in Sundry Deposits-ECGC Claim received/Recovery in suit filed accounts/sacrifice in restructured NPA accounts</b>					318.84	318.84
<b>Net NPAs</b>						
Opening Balance		5199.52	7727.92	0.00	12927.44	12927.44
Add: Fresh additions during the year					5489.36	5489.36
Less: Reductions during the year					9426.88	9426.88
Closing Balance		5702.09	3287.83	0.00	8989.92	8989.92
<b>Floating Provisions</b>						
Opening Balance						Nil
Add: Additional provisions made during the year						Nil
Less: Amount drawn down during the year						Nil
Closing balance of floating provisions						Nil
<b>Technical write-offs and the recoveries made thereon</b>						
Opening Balance of Technical/Prudential written off accounts						72791.95
Add: Technical/Prudential write-off during the year						15457.96
Less: Recoveries made from previously Technical/Prudential written-off accounts during the year						8412.69
<b>Closing Balance</b>						<b>79837.22</b>

**Schedule 18 – Notes To Accounts**

FY 2022-23	Standard		Non-Performing			Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
(₹ in crore)						
<b>Gross Standard Advances and movements</b>						
Opening Balance	6,36,820.81	11,040.55	49,449.47	19,097.04	79,587.07	7,16,407.87
Add: Additions during the year					12,518.60	12,518.60
Less: Reductions during the year*					31,118.38	31,118.38
Closing balance	7,48,918.02	7,118.16	34,950.72	18,918.41	60,987.29	8,09,905.31
*Reductions in Gross NPAs due to:					31,118.38	31,118.38
ii. Upgradation					4,666.03	4,666.03
v) Recoveries (excluding recoveries from upgraded accounts)					7,277.35	7,277.35
vi) Technical/ Prudential Write-offs					16,805.74	16,805.74
vii) Write-offs other than those under (iii) above					2,369.26	2,369.26
<b>Provisions (excluding Floating Provisions)</b>						
Opening balance of provisions held	6,566.77	2,377.63	33,650.81	18,628.10	54,656.53	61,223.30
Add: Fresh provisions made during the year					12,478.97	12,478.97
Less: Excess provision reversed/ Write-off loans	987.21				19,506.32	20,493.53
Closing balance of provisions held	5,579.56	1,892.61	27,035.25	18,701.32	47,629.18	53,208.74
Amount kept in Sundry Deposits-ECGC Claim received/Recovery in suit filed accounts/sacrifice in restructured NPA accounts					430.68	430.68
<b>Net NPAs</b>						
Opening Balance		8,659.30	15,524.13	119.87	24,303.30	24,303.30
Add: Fresh additions during the year					12,048.29	
Less: Reductions during the year					23,424.15	
Closing Balance		5,199.52	7,727.92	0.00	12,927.44	12,927.44
<b>Floating Provisions</b>						
Opening Balance						Nil
Add: Additional provisions made during the year						Nil
Less: Amount drawn down during the year						Nil
Closing balance of floating provisions						Nil
<b>Technical write-offs and the recoveries made thereon</b>						
Opening Balance of Technical/Prudential written off accounts						68,680.43
Add: Technical/Prudential write-off during the year						16,805.73

FY 2022-23	Standard		Non-Performing			Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Less: Recoveries made from previously Technical/Prudential written-off accounts during the year						12,693.64
Closing Balance						72,792.52

Ratios (in per cent)	2023-24	2022-23
Gross NPA to Gross Advances	4.76	7.53
Net NPA to Net Advances	1.03	1.70
Provision coverage ratio	92.69	90.34

## b) Sector-wise Advances and Gross NPAs

(₹ in crore)

Sr. No.	Sector	2023-24			2022-23		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to total Advances in that sector
i)	<b>Priority Sector</b>						
a)	Agriculture and allied activities	1,73,138.68	15,031.40	8.68	1,43,493.24	13,691.94	9.54
b)	Advances to industries sector eligible as priority sector lending	41,374.13	3,781.99	9.14	39,428.37	5,576.86	14.14
c)	Services	94,445.45	7,720.82	8.17	85,855.21	10,104.78	11.77
d)	Personal loans	30,772.63	1,684.84	5.48	38,088.39	2,808.90	7.37
	Sub-total (i)	3,39,730.89	28,219.05	8.31	3,06,865.21	32,182.48	10.49
ii)	<b>Non Priority Sector</b>						
a)	Agriculture and allied activities	10,694.41	613.43	5.74	7,736.63	1,117.94	14.45
b)	Industry	1,22,499.97	5,988.25	4.89	1,08,328.10	10,001.65	9.23
c)	Services	2,46,442.97	2,179.82	0.88	1,89,560.91	9,178.30	4.84
d)	Personal loans	1,85,515.66	6,097.18	3.29	1,97,414.46	8,506.92	4.31
	Sub-total (ii)	5,65,153.01	14,878.68	2.63	5,03,040.10	28,804.81	5.73
	<b>Total (i+ii)</b>	<b>9,04,883.90</b>	<b>43,097.73</b>	<b>4.76</b>	<b>8,09,905.31</b>	<b>60,987.29</b>	<b>7.53</b>

**Schedule 18 – Notes To Accounts**

Details of industry wherein Sub-sector advances is more than 10% of the total advances of industry sector:

(₹ in crore)

Sr. No.	Sector	2023-24		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to total Advances in that sector
I	Basic Metals and Metal Products	24,194.02	867.80	3.59
II	Infra	98,816.34	3,752.19	3.80
III	Food Manufacturing and Processing	29,705.32	1,936.86	6.52

(₹ in crore)

Sr. No.	Sector	2022-23		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to total Advances in that sector
I	Basic Metals and Metal Products	25,124.64	1,689.75	6.73
II	Infra	94,202.45	7,569.17	8.04

**c) OVERSEAS ASSETS, NPAs AND REVENUE**

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Total Assets	42,411.89	31,540.79
Total NPAs	2,329.15	2,357.98
Total Revenue	2,137.03	1,096.75

**d) Particulars of resolution plan and restructuring under RBI circular DBR.No..BP.BC.45/21.04.048/2018-19 dated June 7, 2019:**

(₹ in crore)

Particulars	No. of accounts	Investment value	Provision Held
Debt converted into Equity Based on RBI June 2019 Circular	Nil	Nil	Nil

**e) Divergence in asset classification & provisioning**

Based on the conditions mentioned in RBI Master Direction on Financial Statements - Presentation and Disclosures circular No. RBI/DOR/2021-22/83 DOR.ACC.REC.No.45/21.04.018/2021-22 August 30, 2021 (updated from time to time), no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory process for the year ended March 31, 2023.

**f) Disclosure of transfer of loan exposure:**

i) The Bank has not transferred any loans not in default during FY 2023-24.

ii) Details of loans not in default acquired through assignment are given below:

(₹ in crore)

Particulars	2023-24	2022-23
Aggregate Amount of Loans acquired	244.34	2,772.99
Weighted average residual maturity (in months)	126.34	74.59
Weighted average holding period by originator (in months)	11.26	12.47
Retention of beneficial economic interest by the originator	10%	10.00%
Tangible Security Coverage	272.14%	72.13%

The loans acquired are not rated as these are to Non-corporate Borrowers.

iii) The Bank has not acquired any non-performing assets during FY 2023-24.

iv) The Bank has not transferred any loans not in default or SMA category during FY 2023-24

v) Details of non-performing loans transferred are given below:

(Amount in ₹ crore)

FY 2023-24 Particulars	To ARCs	To permitted transferees	To other transferees (please specify)
	No. of accounts	17	1
Aggregate principal outstanding of loans transferred	2,098.81	37.24	-
Weighted average residual tenor of the loans transferred (months)	12.80	1	-
Net book value of loans transferred (at the time of transfer)	8.16	0.00	-
Aggregate consideration	805.21	23.00	-
Additional consideration realized in respect of accounts transferred in earlier years	45.09	Nil	Nil
SMA	Nil	Nil	Nil
Details of loans acquired during the year			
Aggregate principal outstanding of loans acquired	Nil	Nil	Nil
Aggregate consideration paid	Nil	Nil	Nil
Weighted average residual tenor of the loans acquired	Nil	Nil	Nil

**Schedule 18 – Notes To Accounts**

The quantum of excess provisions reversed to the profit and loss account on account of sale of stressed loans is ₹ 172.76 Crore in 5 accounts.

(Amount in ₹ crore)

FY 2022-23	To ARCs	To permitted transferees	To other transferees (please specify)
<b>Particulars</b>			
No. of accounts	10		
Aggregate principal outstanding of loans transferred	3,248.82		
Weighted average residual tenor of the loans transferred (months)	119.42	Nil	Nil
Net book value of loans transferred (at the time of transfer)	Nil		
Aggregate consideration	1,472.76		
Additional consideration realized in respect of accounts transferred in earlier years	45.09		

- vi) Distribution of the SRs held across the various categories of Recovery Ratings assigned to such SRs by the credit rating agencies as on 31<sup>st</sup> March, 2024 are as under:

(Amount in ₹ crore)

Recovery Rating Band	Book Value	
	As on 31.03.2024	As on 31.03.2023
RR1+	104.51	222.25
RR1	576.56	384.06
RR2	239.19	186.16
RR3	93.49	53.27
RR4	4.01	181.07
RR5	247.23	391.09
RR6	--	--
Unrated	974.15	815.86
<b>Total</b>	<b>2,239.14</b>	<b>2,233.76</b>

As per RBI Guidelines post 8 years rating is not applicable.

During the FY ending 31<sup>st</sup> March 2024, four new SRs have been added in the portfolio and 100% provision has been made on the book value of the Security Receipts.

- g) **Fraud Accounts**

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Number of frauds reported	3168*	366
Amount involved in fraud	2,321.61	5,504.38
Amount of Provision made for such frauds	2,126.93	5,418.30
Amount of Unamortized Provision debited from "other reserve" as at the end of Year	0.00	0.00

\* Out of 3168 Cases, 3046 Cases of ₹ 28.92 Cr. pertain to Shared Credentials by the customers' wherein the customers have **shared sensitive information** like OTP, CVV, password etc. either over phone or by clicking on link provided online or through Whatsapp, E-mail, and Text Message etc. As per RBI advisory, dated 13<sup>th</sup> January 2023, all the cases pertaining to "Shared Credentials by customers" are to be reported in FMR even if there is Zero Liability of Banks. Therefore, amount of these cases has been taken as NIL for the provision.

- h) Details of resolution plan implemented under Resolution framework for Covid 19 related stress as per RBI circular dtd. 6<sup>th</sup> August 2020 and 5<sup>th</sup> May, 2021 are as below:

(₹ in crore)

Type of borrower	(A) Exposure to accounts classified as standard consequent to implementation of resolution plan- position as at 30.09.2023	(B) of (A) aggregate debt that slipped into NPA during the half-year	(C) Of (A), Amount written off during the half year	(D) Of (A) amount paid by the borrower during the half year#	(E) Exposure to accounts classified as standard consequent to implementation of resolution plan- position as at 31.03.2024
Personal Loans	5,168.53	162.46	-	453.08	4,552.99
Corporate persons*	2,487.47	0.00	-	708.41	1,779.06
Of which, MSMEs	184.05	0.00	-	50.27	133.78
Others	147.89	15.75	-	15.73	116.41
<b>Total</b>	<b>7,803.89</b>	<b>178.21</b>	<b>-</b>	<b>1,177.22</b>	<b>6,448.46</b>

\* Includes Investment exposure

# Includes net change in exposure in the existing accounts, accounts closed and accounts which are out of restructuring during the period

- i) In terms of RBI Circular No. DBR.BP.BC.18/21.04.048/2018-19 dated 1<sup>st</sup> January, 2019, DOR.No. BP.BC.34/21.04.048/2019-20 dated 11<sup>th</sup> February, 2020, DOR.No.BP.BC/4/21.04.048/2020-21 dated 6<sup>th</sup> August, 2020 and DOR.STR.REC.12/21.04.048/2021-22 dated 5<sup>th</sup> May, 2021 on "Restructuring of Advances – Micro, Small & Medium Enterprises (MSME) Sector (One Time Restructuring)", the Bank has restructured the MSME borrower accounts as under:

No of borrower restructured	₹ in Crore
1,01,642	3,704.38

- j) In terms of RBI circular no. DOR.STR.REC.11/21.04.048/2021-22 dated 05.05.2021 under Resolution Framework 2.0 for Individuals & Small Business, the details are as under:

Sector	Position as of 31.03.2024	
	No. of borrowers	Amount ₹ in Crore
Personal & Small Business	28,057	4,128.02
Agri/Allied	2,658	198.82
<b>Total</b>	<b>30,715</b>	<b>4,326.84</b>

**Schedule 18 – Notes To Accounts**

- k) In terms of RBI Circular DBR.No.BP.BC.45/21.04.048/2018-19 dated 7<sup>th</sup> June, 2019 on Prudential Framework for Resolution of Stressed Assets, the bank is holding provision as on 31<sup>st</sup> March, 2024 in 11 accounts as detailed below:

(₹ in crore)

Amount of loans impacted by RBI circular	Amount of loans to be classified as NPA	Amount of loans as on 31.03.2024 out of (B) classified as NPA	Provisions required for loans covered under RBI circular out of (A)	Provision held on 31.03.2024
(A)	(B)	(C)	(D)	(E)
1,842.52	1,435.75	1,435.75	525.09	525.09

- l) As per RBI circular No. DBR No. BP. 15199/21.04.048/2016-17 and DBR No. BP. 1906/21.04.048/2016-17 dated June 23, 2017 and August 28, 2017 respectively, for the accounts covered under the provisions of the Insolvency and Bankruptcy Code (IBC), the Bank has made a total provision of ₹ 10112.72 Crore covering 100% of the total outstanding as on 31<sup>st</sup> March, 2024. (Including Technically written Off accounts of ₹ 10,112.72 crore).

**5. EXPOSURES****a) Exposure to Real Estate Sector**

(₹ in crore)

Sr. No.	Category	31.03.2024	31.03.2023
i)	<b>Direct exposure</b>	1,05,212.15	99,387.40
a)	Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; -Out of the above, individual housing loans eligible for inclusion in Priority Sector Advances. Exposures include non-fund based limits.	91,105.00 24,431.00	84,322.00 32,831.00
b)	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.	14,107.15	15,065.40
c)	Investments in Mortgage-Backed Securities (MBS) and other securitized exposures -		
	i. Residential,	Nil	Nil
	ii. Commercial Real Estate.	Nil	Nil
ii)	Indirect Exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	39,321.31	46,693.51
	<b>Total Exposure to Real Estate Sector</b>	<b>1,44,533.46</b>	<b>1,46,080.91</b>

## b) Exposure to Capital Market

		(₹ in crore)	
Sr. No.	Category	31.03.2024	31.03.2023
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.	1,189.35	1,208.79
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	1.86	1.35
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	292.53	299.20
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	2,090.01	1,198.71
v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	1,279.99	1,058.30
vi)	Loans sanctioned to corporate against the security of shares /bonds/ debentures or other securities or on clean basis for meeting promoter contribution to the equity of new companies in anticipation of raising resources	--	--
vii)	Bridge loans to companies against expected equity flows /issues.	--	--
viii)	Underwriting commitments taken up by the Banks in respect of primary issue of shares or convertible bonds or convertible debentures and units of equity oriented mutual funds	--	--
ix)	Financing to stockbrokers for margin trading	--	--
x)	All exposures to Venture Capital Funds (both registered and unregistered) will be deemed to be on par with equity and hence will reckon for compliance with the capital market exposure.	1,099.15	1,144.62
<b>Total exposure to Capital Market</b>		<b>5,952.89</b>	<b>4,910.97</b>

The exposure to Capital Market of ₹ 5952.89 crores is within the limit of ₹ 25439.73 crore (i.e. 40% of Bank's Net worth of ₹ 63,599.33 crores as on March 31, 2023).

The direct exposure to Capital Market of ₹ 2288.51 crores is within the limit of ₹ 12,719.87 Crores (i.e. 20% of the Bank's net worth of ₹ 63,599.33 crores as on March 31, 2023).

For restructuring of dues in respect of listed companies, lenders may be ab initio compensated for their loss / sacrifice (diminution in fair value of account in net present value terms) by way of issuance of equities of the company upfront, subject to the extant regulations and statutory requirements.

- If such acquisition of equity shares results in exceeding the extant regulatory Capital Market Exposure (CME) limit, details of the same is as under: Not Applicable.
- Details of conversion of debt into equity as part of a strategic debt restructuring which are exempt from CME limits are as under:

No. of accounts	Amount in Crores (Book Value as on 31.03.2024)
16	2081.10

**Schedule 18 – Notes To Accounts****c) Risk Category -wise Country Exposure**

(₹ in crore)

Risk Category	Net Exposure 31.03.2024	Provision held 31.03.2024	Net Exposure 31.03.2023	Provision held 31.03.2023
Insignificant	33,279.81	Nil	31,603.27	Nil
Low	10,850.77	Nil	22,760.29	Nil
Moderately Low	655.20	Nil	513.30	Nil
Moderate	5.97	Nil	227.78	Nil
Moderately High	475.95	Nil	670.21	Nil
High	7.64	Nil	101.17	Nil
Very High	45.21	Nil	0.00	Nil
<b>Total</b>	<b>45,320.55</b>	<b>Nil</b>	<b>55,876.02</b>	<b>Nil</b>

As per Country Risk Policy 2023-24, Bank has used ECGC country risk classification for the Trade Exposure and other than Trade exposure in India both for branches in India and for overseas branches.

Bank will make provision for country risk exposure only in respect of a country where the net funded exposure is 1% or more of its total assets.

**d) Unsecured advances**

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Total unsecured advances of the bank	1,42,936.88	1,25,803.00
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority etc. have been taken	Nil	Nil
Estimated value of such intangible collateral securities	Nil	Nil

Advances backed by Annuity under Build Operate Transfer (BOT) model in respect of Road / Highway / Projects and toll collection rights have been considered secured as per RBI Circular No. OD.BP.BC.No. 83/08.12.014/2012-13 dated 18<sup>th</sup> March 2013.

**e) Factoring exposure**

(₹ in crore)

Particulars	As on 31.03.2024	As on 31.03.2023
TReDS Exposure in terms of DBR.No.FSD.BC.32/24.01.007/2015-16 dated 30 <sup>th</sup> July 2015 (Para 8).	1,018.86	523.83

**f) Intra Group Exposure**

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Total amount of Intra group exposure	624.98	539.98
Total amount of Top 20 Intra group exposure	624.98	539.98
Percentage of Intra group exposure to total exposure of the Bank on borrowers/customers	0.05	0.05
Details of breach of limits on Intra group exposure and regulatory action thereon, if any	Nil	NIL

### g) Un-Hedged Foreign Currency Exposures

In terms of guidelines issued by Reserve Bank of India with regard to UFCE, Bank has approved Credit Risk Management policy. While framing the policy, bank has taken into consideration the exchange risks arising out of volatility in the forex market and accordingly has made suitable provisions to reduce the risks. Bank has also taken into consideration credit risks arising out of unhedged foreign currency exposure and accordingly Bank has put in place risk mitigation measures by incorporating additional loan pricing framework. Total provision made for exposures to entities with UFCE for the year ended March 2024 is ₹ 19.30 crores.

## 6. CONCENTRATION OF DEPOSITS, ADVANCES, EXPOSURES AND NPAs:

### a) Concentration of Deposits:

Particulars	(₹ in crore)	
	31.03.2024	31.03.2023
Total Deposits of twenty largest depositors	84,511.79	89,178.87
Percentage of Deposits of twenty largest depositors to Total Deposits of the Bank.	7.05 %	7.98%

### b) Concentration of Advances:

Particulars	(₹ in crore)	
	31.03.2024	31.03.2023
Total Advances of twenty largest borrowers/customers	1,37,764.66	1,35,946.15
Percentage of Advances of twenty largest borrowers to Total Advances of the Bank	11.59%	12.92%

### c) Concentration of Exposures:

Particulars	(₹ in crore)	
	31.03.2024	31.03.2023
Total Exposures of twenty largest borrowers/customers	1,39,678.91	1,38,811.94
Percentage of Exposures of twenty largest borrowers/customers to Total Exposures of the Bank on borrowers / customers	11.07%	12.20%

### d) Concentration of NPAs:

Particulars	(₹ in crore)	
	31.03.2024	31.03.2023
Total Exposures to top twenty NPA accounts	6,079.06	10,510.60
Percentage of Exposures to the twenty largest NPA Exposures to total Gross NPAs	13.38%	17.23%

**Schedule 18 – Notes To Accounts****e) DISCLOSURES IN TERMS OF THE RESERVE BANK OF INDIA LARGE EXPOSURE FRAMEWORK GUIDELINES.****Details of Single Borrower Limit (SBL), Group Borrower Limit (GBL) exceeded by the Bank.**

(₹ in crore)

Sr. No	Name of the Borrower	Exposure Ceiling ( ₹ )	Total Exposure ( ₹ )	Exposure as % of Capital Fund	Position as on 31.03.24	Position as % of Capital Fund
1.	Single Borrower	Nil	Nil	Nil	Nil	Nil
2.	Group Borrower	Nil	Nil	Nil	Nil	Nil

➤ As per RBI LEF guidelines dated 3<sup>rd</sup> June 2019, exposure limit for single and group borrower are defined as 20% and 25% respectively of Tier-1 capital fund of banks. In exceptional cases, Board of the banks may allow an additional 5 percent exposure (of the banks available Tier-1 capital Fund) to single borrower.

➤ As on 31.03.2024, No Single/Group borrower has/have not exceeded the prescribed limit.

**7. DERIVATIVES****a) Forward Rate Agreement/Interest Rate Swap**

(₹ in crore)

Sr. No.	Particulars	31.03.2024	31.03.2023
i)	The notional principal of swap agreements	46,078.83	42,093.16
ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	141.77	136.65
iii)	Collateral required by the Bank upon entering into swaps	Nil	Nil
iv)	Concentration of credit risk arising from the Swaps	Banking Industry	Banking Industry
v)	The fair value of the swap book	4.51	4.65

Note:

- I. Interest rate swaps in Indian Rupees were undertaken for hedging Reciprocal Loan Arrangements.
- II. The Bank has entered into Floating to Fixed or Fixed to Floating Interest Rate Swap transactions for trading during the year.
- III. All underlying for hedge transactions are on accrual basis.

## b) Exchange Traded Interest Rate Derivatives

(₹ in crore)

Sr. No	Particulars	31.03.2024		31.03.2023	
		Buy	Sell	Buy	Sell
i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument-wise)				
	Interest Rate Future				
a)	726GS2032	198.14	26.12	1,180.76	1,180.74
b)	726GS2033	1,960.40	1,888.96	--	--
c)	718GS2033	878.70	682.50	--	--
d)	610GS2031			1,215.04	1,215.04
e)	654GS2032			1,074.28	1,074.28
ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 <sup>st</sup> March 2024 (instrument-wise)				
a)	726GS2032		-	0.02	
iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)				
			-	Nil	
iv)	Mark-to-market value of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument wise)				
			-	Nil	

## c) Disclosures on Risk Exposures in Derivatives

### i) Qualitative disclosure:

a) The Bank deals in two groups of derivative transactions within the framework of RBI guidelines.

i) Over the Counter Derivatives

ii) Exchange Traded Derivatives

The Bank deals in Forward Rate Agreement, Interest Rate Swaps, Cross Currency Swap and Currency Options in Over the Counter Derivatives group.

In Exchange Traded Derivatives Group, the Bank trades in Currency Futures and Interest Rate Futures. The Bank is Trading & clearing member with three Exchanges viz. National Stock Exchange (NSE), Bombay Stock Exchange (BSE) & Metropolitan Stock Exchange (MSEIL), on their Currency Derivative segment, as permitted by Reserve Bank of India. The Bank carries out proprietary trading in currency futures on these exchanges. The Bank has set up the necessary infrastructure for Front, Mid and Back office operations. Daily Mark to Market (MTM) and Margin obligations are settled with the exchanges as per guidelines issued by the Regulators.

The Bank trades in Interest Rate Futures on National Stock Exchange. The bank has necessary infrastructure for Front, Mid and Back office operations in place. Daily Mark to Market (MTM) and Margin obligations are settled with the exchanges as per guidelines issued by the Regulators.

The Bank undertakes derivative transactions for proprietary trading/market making, hedging own balance sheet and for offering to customers, who use them for hedging their risks within the prevalent regulations. Proprietary trading/market making positions are taken in Rupee Interest Rate Swap, Currency Futures and Interest Rate Futures. While derivative instruments present immense opportunity for making a quantum leap in non-interest income and also for hedging market risk, it exposes the Bank to various risks. The Bank has adopted the following mechanism for managing different risks arising out of derivative transactions.



### Schedule 18 – Notes To Accounts

- a) In terms of the structure, operations in the Treasury Branch are segregated into following three functional areas, which are provided with trained officers with necessary systems support and their responsibilities are clearly defined.
- I) Front Office (Dealing Room) - Ensures Compliance with trade origination requirements as per Bank's policy and RBI guidelines.
  - II) Mid-Office - Risk Management, Accounting Policies and Management
  - III) Back Office - Settlement, Reconciliation, Accounting.

Mid Office monitors transactions in the trading book and excesses, if any, are reported to Risk management Department for necessary action. Mid Office also measures the financial risk for transactions in the trading book on a daily basis, by way of Mark to Market. Daily Mark to Market position is reported to Risk Management Department, for onward reporting of the risk profile to the Directors' Committee on the Assets and Liability Management.

In case of corporate clients transactions are concluded only after the inherent credit exposures are quantified and approved in terms of approval process laid down in the Treasury Policy for customer appropriateness and suitability. The necessary documents like ISDA agreements are duly executed. The bank has adopted Current Exposure Method for monitoring credit exposures.

- b) Treasury Policy of the Bank lays down the types of financial derivative instruments, scope of usages, and approval process as also the limits like the open position limits, deal size limits, stop loss limits and counterparty exposure limit for trading in approved instruments.

Various Risk Limits are set up and actual exposures are monitored vis-à-vis the limits.

These limits are set up taking into account market volatility, business strategy and management experience. Risk limits are in place for risk parameters viz. PV01, stop loss, counterparty credit exposure. Actual positions are measured against these limits periodically and breaches if any are reported promptly. The Bank ensures that the Gross PV01 position arising out of all non option derivative contracts is within the 0.25% of net worth of the Bank.

- c) The Bank also uses financial derivative transactions for hedging its own Balance Sheet Exposures. Treasury Policy of the Bank spells out approval process for hedging the exposures. The hedge transactions are monitored on a regular basis. The notional profit or loss calculated on Mark to Market basis, PV01 and VaR on these deals are reported to the Assets Liability Committee (ALCO) every month. Hedge effectiveness is the degree to which changes in the fair value or cash flows of the hedged items that are attributed to a hedged risk are offset by changes in the fair value or cash flows of the hedging instruments. This exercise is carried out periodically to ensure hedge effectiveness.

- d) The hedged/un-hedged transactions are recorded separately. The hedged transactions are accounted for on accrual basis. All trading contracts are mark-to-market and resultant gross gain or loss is recorded in income statement.

In case of Option contracts, guidelines issued by FEDAI from time to time for recognition of income, premium, and discount are being followed.

To mitigate the credit risk, the Bank has policy in place to sanction limits to the counterparty Banks and Counterparty clients. The Bank adopts Current Exposure method for monitoring counterparty exposure periodically. While sanctioning derivative limit, the competent authority may stipulate condition of obtaining collaterals/margin as deemed appropriate. The derivative limit is reviewed periodically along with other credit limits.

The customer related derivative transactions are covered with counterparty banks, on back-to-back basis for identical amount and tenure and the bank does not carry any market risk.

## ii) Quantitative disclosure:

(₹ in crore)

Quantitative Disclosures					
S No	Particular	31-03-2024		31-03-2023	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
<b>(a)</b>	<b>Derivatives (Notional Principal Amount)</b>				
	(i) For Hedging	6,778.84	2,644.94	3,994.00	3,165.00
	(ii) For Trading	3,79,564.88	43,433.90	4,13,578.41	38,928.18
<b>(b)</b>	<b>Marked to Market Position</b>				
	(i) Asset (+)	641.93	141.77	1,430.12	135.51
	(ii) Liability (-)	-626.56	-136.92	-1,326.16	-130.46
<b>(c)</b>	<b>Credit Exposure (*)</b>	<b>9,043.48</b>	<b>561.54</b>	<b>10,364.27</b>	<b>493.24</b>
<b>(d)</b>	<b>Likely impact of one percentage change in interest rate (100*PV01) (₹ in Lacs)</b>				
	(i) On Hedging Derivatives	-28,793.60	5,779.79	-20,888.16	3,686.11
	(ii) On Trading Derivatives	-252.49	182.26	-16.62	47.77
<b>(e)</b>	<b>Maximum and Minimum of 100*PV01 observed during the year (₹ in Lacs)</b>				
	<b>I. Maximum</b>				
	(i) On Hedging	-16,940.51	5,302.80	-10,744.86	4,652.40
	(ii) On Trading	813.39	5,039.38	1,023.14	2,548.55
	<b>II. Minimum</b>				
	(i) On Hedging	-41,015.29	2,171.13	-23,138.00	3,686.11
	(ii) On Trading	-420.25	12.28	-25.97	14.82

\*Note:

- Credit Exposure of Interest Rate Derivatives also includes the exposure on Hedging deals.
- Credit Exposure of Currency Derivatives also includes the exposure on Hedging deals

## d) CREDIT DEFAULT SWAPS:

The Bank has not entered into any Credit Default Swap transactions during the FY 2023-24.

8. **Disclosures relating to securitization:** As on March 31,2024, Bank does not have any special purpose Vehicle (SPVs) sponsored for securitization Transactions.

9. **Off – Balance Sheet SPVs sponsored by the Bank:** Nil

**Schedule 18 – Notes To Accounts****10. TRANSFERS TO DEPOSITOR EDUCATION AND AWARENESS FUND (DEAF)**

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Opening balance amounts transferred to DEAF	3,198.83	2,877.09
Add: Amounts transferred to DEAF during the Year	604.24	387.59
Less: Amount reimbursed by DEAF towards claims	343.16	65.85
Closing balance of Amount transferred to DEAF	3,459.91	3,198.83

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

**11. DISCLOSURE OF COMPLAINTS:**

Summary information on complaints received by the bank from customers and from the Offices of Ombudsman (OBOs)

Sr. No.	Particulars	2023-24	2022-23
	<b>Complaints received by the Bank from its customers</b>		
1.	Number of complaints pending at beginning of the year (Including BO Complaints)	527	1,395
2.	Number of complaints received during the year (Including BO Complaints)	3,20,495	2,52,086
3.	Number of complaints disposed during the year (Including BO Complaints)	3,14,691	2,52,954
3.1	Of which, number of complaints rejected by the bank	964	610
4.	Number of complaints pending at the end of the year (Including BO Complaints)	6,331	527
	<b>Maintainable complaints received by the bank from OBOs</b>		
5.	Number of maintainable complaints received by the bank from OBOs	6,373	6,167
5.1	Of 5, number of complaints resolved in favour of the bank by BOs	2,276	2,241
5.2	Of 5, Number of complaints resolved through conciliation/ mediation/ advisories issued by BOs	4,097	3,924
5.3	Of 5, number of complaints resolved after passing of Awards by BOs against the bank.	0	2
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

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. However, the above data collated from CMS site also includes those complaints settled by agreement per Clause 11 as well as Rejected Complaints as per Clause 13 of Ombudsman Scheme 2006 which is under correspondence.

**Top five grounds of complaints received by the Bank from customers (Including BO Complaints)**

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
<b>Current Year (2023-24)</b>					
	01.04.2023	2023-24	31.03.2024	31.03.2024	
ATM/Debit Cards	98	2,11,184	3.80%	1,744	299
Internet/Mobile/Electronic Banking	50	46,013	96.37%	1,160	196
Levy of Charges Without prior Notice/Excessive Charges/Foreclosure Charges	1	7,312	89.43%	189	41
Cheques/Drafts/Bills	8	4,342	467.58%	147	40
Credit Cards	0	1,966	3.91%	567	219
Others	370	49,678	165.89%	2,524	502
<b>Total</b>	<b>527</b>	<b>3,20,495</b>	<b>27.14%</b>	<b>6,331</b>	<b>1,297</b>
<b>Previous Year (2022-23)</b>					
	01.04.2022	2022-23	31.03.2023	31.03.2023	
ATM/Debit Cards	324	2,03,453	-4.91%	98	0
Internet/Mobile/Electronic Banking	213	23,432	-62.25%	50	0
Levy of Charges Without prior Notice/Excessive Charges/Foreclosure Charges	47	3,860	-62.72%	1	0
Cheques/Drafts/Bills	11	765	-77.56%	8	0
Credit Cards	32	1,892	-40.76%	0	0
Others	768	18,684	-46.97%	370	2
<b>Total</b>	<b>1395</b>	<b>2,52,086</b>	<b>-23.19%</b>	<b>527</b>	<b>2</b>

**12. DISCLOSURE OF PENALTIES IMPOSED BY RBI AND OTHER REGULATOR:**

(₹ in Crore)

Name of Regulator	Year ended 31 <sup>st</sup> March 2024		Year ended 31 <sup>st</sup> March 2023	
	No. of Cases	Amount	No. of Cases	Amount
Banking Regulation Act, 1949	1	1.00	0	0.00
Other Regulators	0	0	0	0.00

**Schedule 18 – Notes To Accounts****Corrective Steps taken to avoid recurrence of lapses by the bank as under**

1. While sanctioning any government projects bank will ensure that the fund provided are for creation of specific long-term assets which are not a part of budgetary plan of the government.
2. Bank will also ensure that the revenue stream is coming from the underlying assets funded and will assess the viability and bankability of the project based on the independent cashflow received from the underlying project assets funded.

**13. Key Management Personnel – Remuneration paid**

(₹ in crore)

Particulars	31.03.2024	31.03.2023
CEO and Managing Director	0.40	0.49
Executive Directors	1.31	1.28
<b>Total</b>	<b>1.71</b>	<b>1.77</b>

**14. Other Disclosures****a) BUSINESS RATIOS**

(₹ in crore)

Sr. No.	Particulars	31.03.2024	31.03.2023
i)	Interest Income as a percentage to Working Funds	7.51	6.60
ii)	Non-interest income as a percentage to Working Funds	1.21	1.20
iii)	Cost of Deposit	5.22	4.37
iv)	Net Interest Margin	2.99	2.90
v)	Operating Profit as a percentage to Working Funds	2.12	2.08
vi)	Return on Assets	1.03	0.69
vii)	Average Business (Deposits plus advances) per employee (₹ in crore)	25.37	23.14
vi)	Net Profit per employee (₹ in crore)	0.18	0.11

**b) BANCASSURANCE BUSINESS:**

The breakup of income derived from bancassurance business is given here below:

(₹ in crore)

Sr. No.	Nature of Income	31.03.2024	31.03.2023
1.	Life Insurance Policies	278.40	233.39
2.	Non-Life Insurance Policies	29.75	50.76
3.	Health Insurance	54.49	49.13

### c) Marketing and distribution

Details of fees / remuneration received in respect of the marketing and distribution function (excluding bancassurance business):

		(₹ in crore)	
Sr. No.	Nature of Income	31.03.2024	31.03.2023
1.	Distributing Mutual Fund Business	20.80	19.76

### d) Priority Sector Lending Certificate

Other income of the Bank inter alia includes commission income of ₹ 581.88 Crore from sale of Priority Sector Lending Certificate under PSLC-SFMF category and an expenditure of ₹ 29.87 crore through purchase of priority sector lending certificate under PSLC-Agriculture category. Traded value of PSLC certificate are given below:

		(₹ in crore)
Category		Traded Value
PSLC-Agriculture		9,270
PSLC-Small & Marginal Farmer		30,000
<b>TOTAL</b>		<b>39,270</b>

### e) Provision & Contingencies

		(₹ in crore)	
<b>Break up of Provision &amp; Contingencies. debited to Profit &amp; Loss Account:</b>		31.03.2024	31.03.2023
Provision / (Reversal) for NPI on Investment		(354.75)	1,915.18
Provision towards NPA		6,387.29	12,478.98
Provision/(Reversal) towards Standard Assets		700.73	(992.73)
Net Provision made towards Income Tax (IT)/ Deferred tax assets (DTA)		7,782.08	3,704.45
Other Provision and Contingencies:			
-	Shifting Loss	0.00	--
-	Restructured Advances	(3.94)	(96.98)
-	Others	50.91	24.98
<b>TOTAL</b>		<b>14,562.32</b>	<b>17,033.88</b>

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

The RBI vide DBR.BP.BC.No. 76/21.07.001/2015-16 dated 11<sup>th</sup> February 2016, has prescribed the roadmap for implementation of Indian Accounting Standards (Ind-AS) in the Banks and the Banks needs to disclose the strategy for Ind-AS implementation, including the progress made in this regard. The Bank, accordingly, has appointed a Consultant to assist in implementation of the Ind-AS. Further, the Bank has procured the required software and onboarded the vendor for software implementation of Indian Accounting Standards (Ind-AS). The Bank has also constituted a Steering Committee to oversee the progress made and the Audit Committee of the Board is being apprised of the same from time to time. Further, in terms of DO.DBR.BP.No.2535/21.07.001/2017-18 dated 13<sup>th</sup> September 2017, the Bank had been submitting Proforma Ind AS financial statements to the RBI on quarterly basis till 31<sup>st</sup> March 2021. Thereafter, in term of RBI's (Department of Regulation) mail dated 8<sup>th</sup> August 2021, bank has been advised to submit Proforma Ind AS financial statements on half yearly basis. Last proforma financials for the half year ended 30<sup>th</sup> September 2023 was submitted to RBI vide letter dated 30<sup>th</sup> November 2023.

**Schedule 18 – Notes To Accounts****g) Payment of DICGC Insurance Premium**

(₹ in crore)

Sr No.	Particulars	31.03.2024	31.03.2023
i)	Payment of DICGC Insurance Premium (Inclusive of GST)	1550.26	1,448.90
ii)	Arrears in payment of DICGC premium (Inclusive of GST)	--	--

**h) Disclosure on amortization of expenditure on account of enhancement in family pension of employees of banks: Nil****i) Disclosure on Letters of Comfort (LOCs) issued by the Banks:**

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Letter of Comfort outstanding at beginning of the year	0.00	0.00
Add : Issued during the year	0.00	0.00
Less: Expired during the year	0.00	0.00
Outstanding at the end of the year	0.00	0.00

In terms of RBI/2017-18/139 A.P. (DIR Series) Circular No. 20 dated March 13, 2018, issuance of Letter of Undertaking (LoUs) and Letters of Comfort (LoCs) for Trade Credits for imports into India has been discontinued.

**j) Portfolio-level information on the use of funds raised from green deposits:**

(₹ in crore)

Particulars	Current Financial Year	Previous Financial Year	Cumulative
Total green deposits raised (A)	Nil	Nil	Nil
Use of green deposit funds			
(1) Renewable Energy			
(2) Energy Efficiency			
(3) Clean Transportation			
(4) Climate Change Adaptation			
(5) Sustainable Water and Waste Management			
(6) Pollution Prevention and Control			
(7) Green Buildings			
(8) Sustainable Management of Living Natural Resources and Land Use			
(9) Terrestrial and Aquatic Biodiversity Conservation			
(10) Total Green Deposit funds allocated (B = Sum of 1 to 9)	Nil	Nil	Nil
(11) Amount of Green Deposit funds not allocated (C = A - B)			

## 15. DISCLOSURES AS PER ACCOUNTING STANDARDS ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

### a. REVENUE RECOGNITION (AS 9)

Income and Expenditure have been accounted for on accrual basis except certain items of income are recognized on realization basis as per Accounting Policy no.3.4 of Schedule 17 of Significant Accounting Policies which however, is not considered to be material.

### b. EMPLOYEE BENEFITS (AS 15 - REVISED)

#### i) Short Term Employment Benefits:

The undiscounted amounts of short-term employee benefits (e.g. medical benefits) payable wholly within twelve months of rendering the service are treated as short term and recognized during the period in which the employee rendered the service.

#### ii) Long Term Employee Benefits:

##### a) Defined Contribution Plans:

The Bank operates a new pension scheme (NPS) for all officers/employees joining the Bank on or after 1<sup>st</sup> April,2010, which is a defined contribution plan, such new joinees not being entitled to become members of the existing Pension Scheme. As per the scheme, the covered employees contribute 10% of their basic pay plus dearness allowance to the scheme together with 14% contribution from the Bank. Pending completion of registration procedures of the employees concerned, these contributions retained with the Bank. The Bank recognizes such annual contributions in the year to which they relate. Upon receipt of the Permanent Retirement Account Number (PRAN), the consolidated contribution amounts are transferred to the NPS trust.

The Bank has Defined Contribution Pension Scheme (DCPS) applicable to all categories of officers and employees joining the Bank on or after April 1, 2010. The scheme is managed by National Pension Scheme (NPS) Trust under the aegis of the Pension Fund Regulatory and Development Authority. National Securities Depository Limited has been appointed as the Central Record Keeping Agency for the NPS. During F.Y. 2023-2024, the Bank has contributed ₹ 644.84 crores (Previous Year ₹ 525.36 crore) to NPS.

##### b) Defined Benefit Plan:

Gratuity, Pension and Leave Encashment are defined benefit plans. These are provided for on the basis of an actuarial valuation as per Accounting Standard-15 "Employee Benefit" issued by the Institute of Chartered Accountants of India, made at the end of each financial year, based on the projected unit credit method. Actuarial gains/losses are immediately taken to the Profit & Loss account.

##### Defined Benefit Plans – Employee's Pension plan and Gratuity plan:

The Bank has accounted for employee benefits as per Accounting Standards issued by the Institute of Chartered Accountants of India, as per actuarial valuation report for the year ended March 31, 2024.

**Schedule 18 – Notes To Accounts**

(₹ in crore)

S. no.	Particulars	31.03.2024		31.03.2023	
		Gratuity	Pension	Gratuity	Pension
i)					
	<b>Table showing change in Defined Benefit Obligation:</b>				
	Liability at the beginning of the year	3,225.86	29,170.59	3,197.81	28,650.99
	Interest Cost	241.62	2,196.55	233.76	2,120.17
	Current Service Cost	176.23	171.59	163	184.38
	Past Service Cost (Vested Benefit Amortized)	NIL	NIL	NIL	NIL
	Past Service Cost (Vested Benefit)	NIL	NIL	NIL	NIL
	Liability Transfer in	NIL	NIL	NIL	NIL
	Liability Transfer out	NIL	NIL	NIL	NIL
	(Benefit paid)	(317.32)	(2,426.52)	(334.38)	(2,120.73)
	Actuarial (Gain)/loss on obligation –due to change				
	In the financial assumption	95.91	(1,890.74)	(63.88)	(278.47)
	in demographic assumption	NIL	NIL	NIL	NIL
	Actuarial (Gain) / Loss on obligations	179.70	4,334.44	29.55	614.25
	<b>Liability at the end of the year</b>	<b>3,602.00</b>	<b>31,555.91</b>	<b>3,225.86</b>	<b>29,170.59</b>
ii)					
	<b>Table of Fair value of Plan Assets:</b>				
	Fair value of Plan Assets at the beginning of the year	3,262.35	28,754.24	3,367.60	27,043.50
	Expected return on Plan Assets	244.35	2,165.19	246.17	2,001.22
	Contributions	238.96	2,223.33	NIL	1,780.29
	Transfer from Other Company	NIL	NIL	0.29	NIL
	Transfer to Other Company	NIL	NIL	NIL	NIL
	(Benefit paid)	(317.32)	(2,426.52)	(334.38)	(2,120.73)
	Actuarial (Gain)/loss on Plan Assets	29.34	423.97	(17.33)	49.96
	Fair Value of Plan Assets at the end of the year	3,457.68	31,140.21	3,262.35	28,754.24
	Actuarial (Gain)/loss on obligation for the period	275.61	2,443.70	(34.33)	335.78
	Actuarial (Gain)/loss on Plan Assets	(29.34)	(423.97)	17.33	(49.96)
	<b>Total Actuarial (Gain)/loss to be recognized</b>	<b>246.27</b>	<b>2,019.73</b>	<b>(17.00)</b>	<b>285.82</b>
iii)	<b>Recognition of Transitional Liability:</b>				
	Transitional Liability at start	NIL	NIL	NIL	NIL
	Transitional Liability recognized during the year	NIL	NIL	NIL	NIL
	<b>Transitional Liability at end</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
iv)	<b>Actual return on Plan Assets :</b>				
	Expected Return on Plan Assets	244.35	2,165.19	246.17	2,001.22
	Actuarial Gain/(Loss) on Plan Assets	29.34	423.97	(17.33)	49.96
	<b>Actual return on Plan Assets</b>	<b>273.69</b>	<b>2,589.16</b>	<b>228.84</b>	<b>2,051.18</b>

S. no.	Particulars	31.03.2024		31.03.2023	
		Gratuity	Pension	Gratuity	Pension
v)	<b>Expenses recognized in the Income Statement:</b>				
	Current Service Cost	176.23	171.59	163.00	184.38
	Interest Cost	(2.73)	31.36	(12.41)	118.95
	Expected Return on Plan Assets	NIL	NIL	NIL	NIL
	Past Service Cost (Vested Benefit Amortized) recognized	NIL	NIL	NIL	NIL
	Past Service Cost (Vested Benefit) recognized(1/5 of enhanced family pension)	NIL	NIL	NIL	1,521.62
	Recognition of Transition Liability	NIL	NIL	NIL	NIL
	Actuarial (Gain) or Loss	246.27	2,019.73	(17.00)	285.82
	<b>Expenses Recognized in P &amp; L</b>	<b>419.77</b>	<b>2,222.68</b>	<b>133.59</b>	<b>2,110.77</b>
vi)	<b>Balance Sheet Reconciliation:</b>				
	Opening Net Liability (Last year net amount recognized in the balance sheet)	(36.49)	416.35	(169.79)	85.87
	Expenses as above	419.77	2,222.68	133.59	2,110.77
	Transfer from other Company (Net)	NIL	NIL	(0.29)	NIL
	Transfer to other Company (Net) (Employer Contribution)	(238.96)	(2,223.23)	NIL	(1,780.29)
	Net (Asset)/Liability Amount recognized in Balance Sheet	144.32	415.70	(36.49)	416.35
vii)	<b>Other Details:</b>				
	Service of thirty three years will qualify for the full pension of 50%. In the case of an employee who has put in the less than thirty-three years of service, pension will be payable on proportionate basis for the no of years of qualifying service. Gratuity is payable at the rate of 15 days salary for each year of service subject to maximum of ₹ 20,00,000 or as per the Bank scheme.				
	Actuarial gain / loss is accounted for in the year of occurrence.				
	Salary escalation and attrition rate are considered as advised by the entity, they appear to be in line with the industry practice considering promotion and demand and supply of the employees.				
	No. of Members	75,866	19,218	75,618	21,138
	Salary Per Month	584.18	185.19	513.88	180.41
	<b>Contribution for next year</b>	<b>371.87</b>	<b>600.03</b>	<b>139.74</b>	<b>587.94</b>
viii)	<b>Category of assets:</b>				
	Government of India Assets	27.56	479.80	61.47	565.13
	Corporate Bonds/FDR	297.23	2,773.66	25.75	720.80
	Special Deposits Scheme	NIL	NIL	-	-
	State Govt.	393.93	3,521.70	82.81	1,379.39
	Property	NIL	NIL	NIL	NIL
	Other	190.78	1330.78	64.13	454.17
	Insurer Managed Funds	2,548.18*	23,034.27*	3,028.18	25,634.75
	Mutual Fund	NIL	NIL	NIL	NIL
	<b>Total</b>	<b>3,457.68</b>	<b>31,140.21</b>	<b>3,262.34</b>	<b>28,754.24</b>

\*Note: Return received on investments in LIC is 8.11% & for other insurance companies it is expected as 7.50% while arriving Pension and Gratuity liability at the Fair Value of Plan Assets for the FY 2023-24 as against the 7.50% considered for arriving Pension & Gratuity liability for the FY 2022-23.

**Schedule 18 – Notes To Accounts**

(₹ in crore)

<b>Surplus/Deficit in the Plan:</b>		<b>Gratuity Plan</b>			
<b>Amount recognized in the Balance-Sheet</b>	<b>31.03.24</b>	<b>31.03.23</b>	<b>31.03.22</b>	<b>31.03.21</b>	<b>31.03.20*</b>
Liability at the end of the year	3,602.00	3,225.86	3,197.81	3,355.82	1,291.94
Fair value of Plan Assets at the end of the year	3,457.68	3,262.35	3,367.60	2,746.43	1,219.01
Difference	(144.32)	36.49	169.79	(609.39)	(72.93)
Unrecognized Past Service Cost	NIL	Nil	Nil	Nil	Nil
Unrecognized Transition Liability	NIL	Nil	Nil	Nil	Nil
Amount Recognized in the Balance Sheet	(144.32)	36.49	169.79	(609.39)	(72.93)

\* Amount mentioned for Union Bank (Standalone) only.

(₹ in crore)

<b>Amount recognized in the Balance-Sheet</b>		<b>Gratuity Plan</b>			
<b>Experience Adjustment</b>	<b>31.03.24</b>	<b>31.03.23</b>	<b>31.03.22</b>	<b>31.03.21</b>	<b>31.03.20*</b>
On plan liability (Gain) / Loss	179.70	29.55	30.86	752.31	25.87
On plan Assets (Loss) / Gain	29.34	(17.33)	53.31	34.41	7.20

\* Amount mentioned for Union Bank (Standalone) only.

(₹ in crore)

<b>Surplus/Deficit in the Plan:</b>		<b>Pension Plan</b>			
<b>Amount recognized in the Balance-Sheet</b>	<b>31.03.24</b>	<b>31.03.23</b>	<b>31.03.22</b>	<b>31.03.21</b>	<b>31.03.20*</b>
Liability at the end of the year	31,555.91	29,170.59	28,650.99	26,011.41	12,746.69
Fair value of Plan Assets at the end of the year	31,140.21	28,754.24	27,043.50	26,720.88	12,607.16
Difference	(415.70)	(416.35)	(1,607.49)	709.47	(139.53)
Unrecognized Past Service Cost	NIL	Nil	1,521.62	Nil	Nil
Unrecognized Transition Liability	NIL	Nil	Nil	Nil	Nil
Amount Recognized in the Balance Sheet	(415.70)	(416.35)	(85.87)	709.47	(139.53)

\* Amount mentioned for Union Bank (Standalone) only.

(₹ in crore)

<b>Amount recognized in the Balance-Sheet</b>		<b>Pension Plan</b>			
<b>Experience Adjustment</b>	<b>31.03.24</b>	<b>31.03.23</b>	<b>31.03.22</b>	<b>31.03.21</b>	<b>31.03.20*</b>
On plan liability (Gain) / Loss	4,334.44	614.25	2,452.27	1,456.27	938.90
On plan Assets (Loss) / Gain	423.97	49.96	266.31	81.65	75.23

\* Amount mentioned for Union Bank (Standalone) only.

(₹ in Crore)

Principal actuarial assumption used (%)	2023-24		2022-23	
	Gratuity	Pension	Gratuity	Pension
Discount Rate Prev.	7.49	7.53	7.31	7.40
Rate of return on Plan Assets Prev.	7.49	7.53	7.31	7.40
Salary Escalation Prev.	5.00	5.00	5.00	5.00
Attrition Rate Prev.	2.00	2.00	2.00	2.00
Discount Rate Current	7.21	7.24	7.49	7.53
Rate of Return on Plan Assets Current	7.21	7.24	7.49	7.53
Salary Escalation Current	5.00	5.00	5.00	5.00
Attrition Rate Current	2.00	2.00	2.00	2.00

iii) **Other Long-Term Employee Benefits:**

Details of Provisions made for various Long-Term Employees Benefits during the year are as follows:

(₹ in crore)

Sr. No.	Other Long Term Benefits	31.03.2024	31.03.2023
1.	Leave Travel Concession	(5.43)	3.66
2.	Leave Encashment	350.14	149.30

Bank is having provision of ₹ 273.70 Crore towards Sick Leave on prudential basis though there is no payout.

iv) **Unamortized Family pension & Gratuity Liabilities:**

(₹ in crore)

Particulars	31.03.2024	31.03.2023
<b>Pension</b>	NIL	
a) Balance brought forward	NIL	1,521.62
b) Gross Liability	NIL	NIL
c) Charged to Profit & Loss account	NIL	1,521.62
d) Balance Carried forward		NIL
<b>Gratuity</b>	NIL	
a) Charged to Profit & Loss account	NIL	NIL
b) Carried forward	NIL	NIL

The additional liability on account on enhancement in family pension for employees covered under XI Bi-partite settlement and Joint note dated 11<sup>th</sup> November 2020 is arrived at ₹ 1902.02 Crores as per Actuarial valuation. Further, in terms of RBI circular RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 4, 2021, Banks are permitted to amortize the said liability over a period of not exceeding 5 years beginning with FY ending 31.03.2022. Bank has charged an amount of ₹ 380.40 crore to the profit/loss account for year ended March 31, 2022 and the balance unamortized expense of ₹ 1521.62 crores has been fully charged in the profit or loss account for the year ended 31.03.2023.

**Schedule 18 – Notes To Accounts****v) SEGMENT REPORTING (AS-17) (₹ in Crore)**

Business Segment	Standalone	
	Year Ended	
	(Audited)	(Audited)
	31.03.2024	31.03.2023
<b>Segment Revenue</b>		
Treasury Operations	31,656.46	26,442.90
Retail Banking Operations	39,288.06	31,078.66
(a) Digital Banking Operations	985.02	566.49
(b) Other Retail Banking Operations	38,303.04	30,512.17
Corporate /Wholesale Banking	42,224.34	35,941.71
Other Banking Operations	2,601.53	1,979.37
Unallocated	1,062.13	496.71
<b>Total Segment Revenue</b>	<b>1,16,832.52</b>	<b>95,939.35</b>
Less Inter-segment Revenue	(974.37)	(562.86)
<b>Income from operations</b>	<b>1,15,858.15</b>	<b>95,376.49</b>
		-
<b>Segment Results</b>		
Treasury Operations	4,240.79	2,426.80
Retail Banking Operations	6,409.37	5,059.25
(a) Digital Banking Operations	686.88	(45.05)
(b) Other Retail Banking Operations	5,722.49	5,104.30
Corporate Banking	8,324.19	3,091.44
Other Banking Operations	1,393.91	1,063.52
Unallocated	1,062.13	496.71
<b>Total Profit/(Loss) Before Tax</b>	<b>21,430.39</b>	<b>12,137.72</b>
Provision for Tax	7,782.08	3,704.45
<b>Net Profit/(Loss) after Tax</b>	<b>13,648.31</b>	<b>8,433.27</b>
		-
<b>Segment Assets</b>		
Treasury Operations	4,72,537.71	4,64,788.70
Retail Banking Operations	4,14,535.30	3,59,680.33
(a) Digital Banking Operations	7,182.14	1,737.64
(b) Other Retail Banking Operations	4,07,353.16	3,57,942.69
Corporate/Wholesale Banking	4,73,324.30	4,26,011.76
Other Banking Operations	-	-
Unallocated	31,560.31	30,271.66
<b>Total</b>	<b>13,91,957.62</b>	<b>12,80,752.45</b>
		-
<b>Segment Liabilities</b>		
Treasury Operations	4,62,058.16	4,56,704.84
Retail Banking Operations	3,75,409.89	3,28,812.17
(a) Digital Banking Operations	6,699.23	1,640.02

Business Segment	Standalone	
	Year Ended	
	(Audited)	(Audited)
	<b>31.03.2024</b>	<b>31.03.2023</b>
(b) Other Retail Banking Operations	3,68,710.66	3,27,172.15
Corporate/Wholesale Banking	4,28,285.50	3,88,190.19
Other Banking Operations	-	-
Unallocated	29,235.10	28,711.04
<b>Total</b>	<b>12,94,988.65</b>	<b>12,02,418.24</b>
		-
<b>Capital Employed</b>		-
Treasury Operations	10,479.55	8,083.86
Retail Banking Operations	39,125.41	30,868.16
(a) Digital Banking Operations	482.91	97.62
(b) Other Retail Banking Operations	38,642.50	30,770.54
Corporate/Wholesale Banking	45,038.80	37,821.57
Other Banking Operations	-	-
Unallocated	2,325.21	1,560.62
<b>Total</b>	<b>96,968.97</b>	<b>78,334.21</b>

## Notes:

- The Bank operates in four segments viz., Treasury, Retail, Corporate / Wholesale and Other Banking Operations. These segments have been identified in line with AS-17 on segment reporting issued by the Institute of Chartered Accountants of India (ICAI) after considering the nature and risk profile of the products and services, the target customer profiles, the organizational structure and the internal reporting system of the bank. The bank has disclosed the business segment as primary segment. The revenue and other parameters of foreign branch for the period are within the threshold limits stipulated as per AS-17 and hence the bank has only one reportable segment. The Bank has disclosed 'Digital Banking' as a sub-segment of the Retail Banking segment as required by RBI guidelines.
  - Segment wise income, expenditure, Capital employed which are not directly allocable have been allocated to the reportable segments based on assumptions as considered appropriate by the management.
  - Figure of previous period have been regrouped/reclassified wherever necessary.
- vi) In terms of RBI circular no. RBI/DOR/2021-22/83 DOR.ACC.REC.No.45/21.04.018/2021-22 dated August 30, 2021 (Updated from time to time), the following disclosures are required:
- In case of Other Liabilities and Provisions, any item under the head "Others (including provisions)" exceeds one per cent of the total assets,
  - In case of Other Assets, any item under the head "Others" exceeds one per cent of the total assets,
  - In case of Other Income, any item under the head "Miscellaneous Income" exceeds one per cent of the total income,
  - In case of Operating Expenses, any item under the head "Other expenditure" exceeds one per cent of the total income,

**Schedule 18 – Notes To Accounts**

Schedule	Item under the Sub Head	₹ in Crore	% of Total Income/ Assets as applicable
Schedule 5 - Other liabilities and provisions (IV- Others (including provision))	-	-	-
Schedule 11 – Other assets (VI- others)	-	-	-
Schedule 14 - Other Income (VII Miscellaneous Income)	Processing Charges for Advances	1,501.62	1.30
	Recovery in Write-Off	3,987.40	3.44
Schedule 16 – Operating Expenses (XII Other expenditure)	-	-	-

**RELATED PARTY DISCLOSURES (AS-18)****i. List of Related Parties****a) Subsidiaries**

- Union Asset Management Co. Pvt. Ltd.
- Union Trustee Company Pvt. Ltd.
- Union Bank of India (UK) Ltd.
- Andhra Bank Financial Services Ltd.
- UBI Services Ltd.

**b) Joint Venture**

- Star Union Dai-Ichi Life Insurance Co. Ltd.
- ASREC (India) Ltd.
- India International Bank (Malaysia) Berhad

**c) Associate**

- Chaitanya Godavari Grameena Bank

**d) Key Management Personnel**

(₹ in Crore)

Name	Designation	Remuneration paid for the Year ended 31 <sup>st</sup> March 2024
Ms. A. Manimekhalai	Managing Director & CEO	0.40
Shri Nitesh Ranjan	Executive Director	0.41
Shri Rajneesh Karnatak#	Executive Director	0.03
Shri Nidhu Saxena##	Executive Director	0.34
Shri Ramasubramanian S	Executive Director	0.37
Shri Sanjay Rudra*	Executive Director	0.16
Shri Pankaj Dwivedi^	Executive Director	0.004

# till 28.04.2023

## till 27.03.2024

\* from 09.10.2023

^ from 27.03.2024

### Parties with whom transactions were entered into during the year

No disclosure is required in respect of related parties, which are “State controlled Enterprises” as per paragraph 9 of Accounting Standard (AS) 18. Further, in terms of paragraph 6 of AS 18, transactions in the nature of Banker – Customer relationship have not been disclosed including those with Key Management Personnel and relatives of Key Management Personnel.

As per the RBI Master Direction, KMPs are construed to be the Whole Time Directors of the Bank.

### “Leases” – Premises taken on Operating Lease (AS 19):

The Bank has no non-cancellable operating lease during the FY 2023-24. Hence, additional disclosure under AS-19 is not applicable. However, the amount of lease payment recognized in the profit & loss account for operating lease is ₹ 818.04 crore (PY ₹ 801.99 crore).

### EARNING PER SHARE (AS-20)

Basic earnings per equity share are computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. The diluted earnings per equity share is computed using the weighted average number of equity shares and weighted average number of diluted potential equity shares outstanding during the year.

The computation of earnings per share is given below:

Particulars	31.03.2024	31.03.2023
Number of Equity shares at the beginning of the year	6,83,47,47,466	6,83,47,47,466
Number of Equity shares issued during the year	79,88,58,141	Nil
Number of Equity shares outstanding at the end of the year	7,63,36,05,607	6,83,47,47,466
Weighted Average Number of Equity Shares used in computing Basic Earnings per share	7,20,31,48,214	6,83,47,47,466
Weighted Average Number of Shares used in computing diluted Earnings per share	7,20,31,48,214	6,83,47,47,466
Net Profit/(Loss) ₹ in Crore	13,648.31	8,433.28
Basic Earnings per share (₹)	18.95	12.34
Diluted Earnings per share (₹)	18.95	12.34
Nominal Value per share (₹)	10	10.00

### PROVISION FOR TAXES:

#### Deferred Tax (AS-22)

Sr. No.	Particulars	31.03.2024	31.03.2023
			(₹ in crore)
	<b>Deferred Tax Assets</b>		
1	Employee Benefits (Leave Encashment)	472.83	534.18
2	Depreciation on Fixed Assets	305.14	395.89
3	Provision for non-performing Assets	5,584.95	11,405.67
4	Foreign Currency Translation Reserve	(68.54)	(84.48)
5	Other Provisions	203.82	0.00
	<b>Total</b>	<b>6,498.20</b>	<b>12,251.26</b>
	<b>Deferred Tax Liabilities</b>		
1	Accrued interest on securities	951.02	1,274.79
2	Special Reserves u/s 36(i)(viii)	1,836.70	2,316.74
	<b>Total</b>	<b>2,787.72</b>	<b>3,591.53</b>
	<b>Net Deferred Tax Asset</b>	<b>3,710.48</b>	<b>8,659.73</b>
	<b>Net Deferred Tax Liability</b>		

**Schedule 18 – Notes To Accounts****Direct Tax**

Particulars	(₹ in crore)	
	31.03.2024	31.03.2023
Provision for Income Tax (Including Deferred tax)	7,782.08	3,704.45

**CORPORATE TAXATION:**

Provision for tax is made for both current and deferred taxes. Current tax is provided on the taxable income using applicable tax rates and tax laws. Deferred Tax Assets and Deferred Tax Liabilities arising on account of timing differences and which are capable of reversal in subsequent periods are recognized using the tax rates and the tax laws that have been enacted or substantively enacted till the date of the Balance Sheet.

Deferred Tax Assets are recognized only if there is virtual certainty of realization of such assets in future. Deferred Tax Assets/ Liabilities are reviewed at each Balance Sheet date based on developments during the year.

**INVESTMENT IN JOINT VENTURES (AS – 27)**

Investments include ₹ 286.88 Crores (Previous year ₹ 286.88 Crores) representing Bank's interest in Star Union Dai-ichi Life Insurance Co., ASREC(India) Limited, and India International Bank (Malaysia) BHD.

**REVALUATION OF PROPERTY**

Land and Building have been last revalued as on 31.12.2022 at Fair Market Value as determined by approved valuer. As per AS-10 (revised), the depreciation on revalued portion is recouped from revaluation reserve resulting in decrease in revaluation reserve by ₹ 221.09 crore for the year ended 2023-24.

**IMPAIRMENT OF ASSET (AS-28)**

Management has assessed at balance sheet date i.e. as on 31<sup>st</sup> March 2024 that whether there is any indication that any of the fixed asset to be impaired and no such asset is identified/found where condition of impairment is attached as specified in AS-28.

**CONTINGENT LIABILITIES (AS – 29)**

Contingent liabilities referred to in Schedule-12 at S. No.(I) & (VI) (i) are dependent upon the outcome of court/arbitration/out of court settlement, the amount being called up, terms of contractual obligations, devolvement and raising of demand by parties concerned, disposal of appeals respectively.

During the current year, there is no material prior period item (as per AS 5) and no discontinued operations (as per AS 24).

**CLIMATE CONTROL:**

Union Bank of India has a policy in place in name of "Sustainable Development and Business Responsibility Policy" which is reviewed every year and last reviewed by the Board on 02.03.2023. Through this policy, the Bank is committed to make effort to protect and restore the environment. Bank has taken various initiatives like Electricity Conservations, avoid usage of plastic bottles for packaged drinking water etc. To manage Environmental, Social and Governance (ESG) and climate risk, the Bank's Board has put in place "ESG Risk Framework and Climate Risk Policy". The Bank has formed ESG Steering Committee to formulate and implement ESG strategy and transition in the Bank.

## COMPLIANCE TO THE PROVISION OF MSME DEVELOPMENT ACT, 2006

There are no reported cases of delayed payments of principal or interest due there own to micro, small and medium enterprises. Further, based on recent developments, bank is in the process of updating its record.

## BALANCING OF BOOKS, RECONCILIATION OF INTER BRANCH / BANK TRANSACTIONS

Suspense Accounts, Sundry Deposits etc., and Inter Office Accounts between branches, controlling offices, Head Office and any other establishments are being reconciled on an ongoing basis and Management is of the opinion that, there is no material effect on the profit and loss account of the current year.

The figures of the previous year have been regrouped/rearranged wherever considered necessary.

Signatories to Schedules 1 to 18

**(Ajay Bansal)**

Dy. General Manager

For and on behalf of The Board of Directors

**(Pankaj Dwivedi)**

Executive Director

**(Sameer Shukla)**

Director

**(Suraj Srivastava)**

Director

**(A. Manimekhalai)**

Managing Director & CEO

**(Avinash Prabhu)**

Chief Financial Officer

**(Ramasubramanian S)**

Executive Director

**(Prakash Baliarsingh)**

Director

**(Jayadev Madugula)**

Director

**(Srinivasan Varadarajan)**

Chairman

**(Nitesh Ranjan)**

Executive Director

**(Priti Jay Rao)**

Director

As per our report of even Date

**For M/s N B S & Co**

Chartered Accountants

FRN 110100W

**CA Sharath Shetty**

Partner

Membership No. 132775

UDIN: 24132775BKCYER6195

**For P Chandrasekar LLP**

Chartered Accountants

FRN 000580S/S200066

**CA P Chandrasekaran**

Partner

Membership No. 026037

UDIN: 24026037BKARCN8331

Place: Mumbai

Date: May 10, 2024

**For Chhajed and Doshi**

Chartered Accountants

FRN 101794W

**CA Nitesh Jain**

Partner

Membership No.136169

UDIN: 24136169BKEKKY2518

**For V K Ladha & Associates**

Chartered Accountants

FRN 002301C

**CA Virendra Kumar Ladha**

Partner

Membership No. 071501

UDIN: 24071501BKFQHE9257

**For G S Mathur & Co**

Chartered Accountants

FRN 08744N

**CA Rajiv Kumar Wadhawan**

Partner

Membership No. 091007

UDIN: 24091007BKCFCS9770



# Standalone Cash Flow Statement

for the year ended 31<sup>st</sup> March, 2024

S. No.	Particulars	For the Year Ended 31 <sup>st</sup> March, 2024	(₹ in Lakh) For the Year Ended 31 <sup>st</sup> March, 2023
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	Net Profit Before Tax	21,43,039	12,13,772
	Adjustments for:		
	Depreciation on Fixed Assets	89,098	73,715
	Provision for Investments	87,887	1,67,478
	Provision for Non Performing Assets (Net)	6,38,729	12,47,897
	Provision for Standard Asset	71,019	(1,16,241)
	Provision for other items (Net)	3,753	9,770
	(Profit)/Loss on Sale or Disposal of Fixed Assets	(217)	149
	Interest on Borrowings : Capital Instruments	1,64,704	1,58,601
	Dividend received from Investments	(2,541)	(6,968)
	Transfer to/from reserves	(2,98,441)	(67,520)
	<b>Sub Total</b>	<b>28,97,030</b>	<b>26,80,653</b>
	Adjustments for:		
	Increase / (Decrease) in Deposits	1,03,81,205	85,32,369
	Increase / (Decrease) in Other Liabilities and Provisions	6,25,016	10,48,458
	(Increase) / Decrease in Investments	51,665	7,63,829
	(Increase) / Decrease in Advances	(1,15,31,792)	(1,13,31,977)
	(Increase) / Decrease in Other Assets	(88,254)	(7,67,147)
	Direct taxes paid (Net of Refund)	(3,02,000)	(3,27,752)
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>20,32,870</b>	<b>5,98,433</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Purchase of Fixed Assets	(1,61,342)	(3,05,524)
	Proceeds from Sale/Adjustment of Fixed asset	32,744	68,230
	(Increase)/Decrease in Investment in Subsidiary	-	(10,473)
	Dividend received from Investment	2,541	6,968
	<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>(1,26,057)</b>	<b>(2,40,799)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
	Proceeds from issue of Equity Share Capital Including Share Premium (Net)	7,97,085	-
	Proceeds from issue of Capital Instruments	-	98,300
	Repayments of Capital Instruments	(2,00,000)	(10,000)
	(Decrease)/Increase Borrowings other than Capital Instruments	(14,18,910)	(8,92,463)
	Interest Paid on Borrowings : Capital Instruments	(1,64,704)	(1,58,601)
	Dividend paid during the year	(2,05,042)	(1,29,861)
	<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>(11,91,571)</b>	<b>(10,92,624)</b>

S. No.	Particulars	(₹ in Lakh)	
		For the Year Ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023
	Net Increase (Decrease) in Cash & Cash Equivalent ( A )+( B )+( C )	7,15,242	(7,34,990)
	Cash and Cash Equivalents as at the beginning of the year	1,12,15,045	1,19,50,036
	Net cash and cash equivalents at the end of the year	1,19,30,287	1,12,15,045
	<b>Components of Cash and Cash equivalents</b>		
<b>D</b>	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		
	Cash and Balances with RBI (including FC notes)	50,25,427	46,11,259
	Balances with Banks and Money at call	61,89,618	73,38,777
	Net cash and cash equivalents at the beginning of the year	1,12,15,045	1,19,50,036
<b>E</b>	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		
	Cash and Balance with RBI (including FC notes)	52,89,750	50,25,427
	Balances with Banks and Money at call	66,40,537	61,89,618
	Net cash and cash equivalents at the end of the year	1,19,30,287	1,12,15,045

The above Cash Flow Statement has been prepared under the Indirect method as set out in the Accounting standard -3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.

Previous Year's figures have been regrouped/recasted wherever considered necessary to correspond with the year ended classification/ presentation.

(Ajay Bansal)

Dy. General Manager

For and on behalf of The Board of Directors

(Pankaj Dwivedi)  
Executive Director

(Sanjay Rudra)  
Executive Director

(Avinash Prabhu)

Chief Financial Officer

(Ramasubramanian S)  
Executive Director

(Nitesh Ranjan)  
Executive Director

(Sameer Shukla)  
Director

(Prakash Baliarsingh)  
Director

(Suraj Srivastava)  
Director

(Laxman S Uppar)  
Director

(Jayadev Madugula)  
Director

(Priti Jay Rao)  
Director

(A. Manimekhalai)  
Managing Director & CEO

(Srinivasan Varadarajan)  
Chairman

As per our report of even Date

For M/s N B S & Co  
Chartered Accountants  
FRN 110100W

For Chhajed and Doshi  
Chartered Accountants  
FRN 101794W

For G S Mathur & Co  
Chartered Accountants  
FRN 08744N

CA Sharath Shetty  
Partner  
Membership No. 132775  
UDIN: 24132775BKCYER6195

CA Nitesh Jain  
Partner  
Membership No.136169  
UDIN: 24136169BKEKKY2518

CA Rajiv Kumar Wadhawan  
Partner  
Membership No. 091007  
UDIN: 24091007BKCFCS9770

For P Chandrasekar LLP  
Chartered Accountants  
FRN 000580S/S200066

For V K Ladha & Associates  
Chartered Accountants  
FRN 002301C

CA P Chandrasekaran  
Partner  
Membership No. 026037  
UDIN: 24026037BKARCN8331

CA Virendra Kumar Ladha  
Partner  
Membership No. 071501  
UDIN: 24071501BKFQHE9257

Place: Mumbai

Date: May 10, 2024