Preliminary Placement Document
Subject to completion
Not for circulation and strictly confidential
Serial number______

The Issue is meant only for QIBs on a private placement basis and is not an offer to the public or to any other class of investors to purchase the Equity Shares. This Preliminary Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe or buy the Equity Shares in any jurisdiction where such offer or sale is not permitted. It is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be Allotted through the Placement Document.

CENTRAL BANK OF INDIA

*Central Bank of India (the "**Bank**", "**Issuer**" or "**Central Bank**") was originally incorporated on December 21, 1911 under the provisions of the Indian Companies Act, 1882 as, "The Central Bank of India Limited" with its head office at Mumbai. Constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 ("**Banking Companies Act**") on July 19, 1969. For details of change of name, see "General Information" on page 301.*

Head Office: Chandermukhi, Nariman Point, Mumbai 400 021, Maharashtra, India
Tel No.: 022-66387818; **E-mail:** investors@centralbank.co.in; **Website:** https://www.centralbankofindia.co.in/

Bank is issuing of up to [●] equity shares of face value of ₹10 each (the "**Equity Shares**") at a price of ₹[●] per Equity Share, including a premium of ₹ [●] per Equity Share (the "**Issue Price**"), aggregating up to ₹[●] crore (the "**Issue**"). For further details, see "*Summary of the Issue*" on page 32.

THIS ISSUE IS IN ACCORDANCE WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS"), THE BANKING COMPANIES ACT, THE BANKING REGULATION ACT, 1949, AS AMENDED (THE "BANKING REGULATION ACT"), THE NATIONALISED BANKS (MANAGEMENT AND MISCELLANEOUS PROVISIONS) SCHEME, 1970 (THE "NATIONALISED BANKS SCHEME") AND CENTRAL BANK OF INDIA (SHARES AND MEETINGS) REGULATIONS, 1998, AS AMENDED (THE "CENTRAL BANK REGULATIONS").

THE ISSUE, AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QUALIFIED INSTITUTIONAL BUYERS ("ELIGIBLE QIBs") AS DEFINED UNDER THE SEBI ICDR REGULATIONS IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS IS PERSONAL TO EACH PROSPECTIVE INVESTOR. THIS ISSUE DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO ELIGIBLE QIBs.

YOU ARE NOT AUTHORISED TO, AND MAY NOT (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENT, OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT, IN WHOLE OR IN PART, IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS. THIS PRELIMINARY PLACEMENT DOCUMENT WILL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBS WHOSE NAMES ARE RECORDED BY OUR BANK PRIOR TO MAKING AN INTIMATION TO SUBSCRIBE TO THE EQUITY SHARES.

INVESTMENTS IN EQUITY SHARES INVOLVE A DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THIS ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "RISK FACTORS" ON PAGE 41 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THIS ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THIS ISSUE. PROSPECTIVE INVESTORS OF THE EQUITY SHARES OFFERED SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR.

Invitations for subscription, offer and sale of the Equity Shares shall only be made pursuant to this Preliminary Placement Document together with the respective Application Form and the Confirmation of Allocation Note (each as defined hereinafter). For further details, see "*Issue Procedure*" on page 251. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Bank to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The information on the websites of our Bank, Subsidiaries or Associates or any website directly or indirectly linked to the websites of our Bank, Subsidiaries or Associates or the website of the Book Running Lead Managers or their respective affiliates, does not form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

The outstanding Equity Shares are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", together with BSE, the "**Stock Exchanges**"). The closing price of the outstanding Equity Shares on BSE and NSE on March 24, 2025 was ₹46.85 and ₹46.89 per Equity Share, respectively. In-principle approvals under Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("**SEBI Listing Regulations**") for listing of the Equity Shares have been received from BSE and NSE each on March 24, 2025. Applications to the Stock Exchanges will be made for obtaining listing and trading approvals for the Equity Shares offered through the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to trading on BSE and NSE should not be taken as an indication of the merits of the business of our Bank or the Equity Shares.

A copy of this Preliminary Placement Document has been delivered to the Stock Exchanges and a copy of the Placement Document will also be delivered to the Stock Exchanges. This Preliminary Placement Document has not been and will not be filed as a prospectus with the Registrar of Companies ("**RoC**") in India and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction. This Preliminary Placement Document and the Placement Document will not be registered as a private placement offer letter with the RoC. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), the Stock Exchanges or the RoC or any other regulatory or listing authority and is intended only for use by the Eligible QIBs.

OUR BANK HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE.

The Equity Shares offered in this Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the other applicable securities laws of any state of the United States, unless so registered, may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in this Issue are being offered and sold only outside the United States in "*offshore transactions*", as defined in, and in compliance with, Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "*Selling Restrictions*" on page 267. Also see, "*Transfer Restrictions*" on page 274 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

This Preliminary Placement Document is dated March 24, 2025.

BOOK RUNNING LEAD MANAGERS				
Systematix Corporate Services Limited	**Batlivala & Karani Securities India Private Limited**	**Emkay Global Financial Services Limited**	**IDBI Capital Markets & Securities Limited**	**Motilal Oswal Investment Advisors Limited**

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NOTICE TO INVESTORS

Our Bank has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to its best knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Bank, its Subsidiaries, Associates and Joint Venture (collectively, the "**Group**") and the Equity Shares that is material in the context of this Issue. The statements contained in this Preliminary Placement Document relating to our Group and the Equity Shares are, in all material respects, true, accurate and not misleading. The opinions and intentions expressed in this Preliminary Placement Document with regard to our Group and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Bank. There are no other facts in relation to our Group and the Equity Shares, the omission of which would, in the context of this Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Bank has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements.

The information contained in this Preliminary Placement Document has been provided by our Bank and other sources identified herein. Distribution of this Preliminary Placement Document to any person other than the investor specified by the Book Running Lead Managers or their representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, without prior written consent of our Bank, is prohibited. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

Systematix Corporate Services Limited, Batlivala & Karani Securities India Private Limited, Emkay Global Financial Services Limited, IDBI Capital Markets & Securities Limited and Motilal Oswal Investment Advisors Limited (collectively, the "**Book Running Lead Managers**" or the "**BRLMs**") have not separately verified the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the Book Running Lead Managers, nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by any of the Book Running Lead Managers or any of their respective shareholders, employees, counsels, officers, directors, representatives, agents or affiliates, as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with the Equity Shares or their distribution. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied either on the Book Running Lead Managers or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Bank and the merits and risks involved in investing in the Equity Shares.

No person is authorized to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of our Bank or by or on behalf of the Book Running Lead Managers. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The Equity Shares to be issued pursuant to this Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction including SEBI, the United States Securities and Exchange Commission, any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction or any other United States or non-U.S. regulatory authority. No authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered in this Issue are being offered and sold only outside the United States in "offshore transactions" as defined, and in compliance with, Regulation S and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares will be transferable only in accordance with the restrictions described under "Selling Restrictions" and "Transfer Restrictions" on pages 267 and

274, respectively.

The subscribers of the Equity Shares offered in this Issue will be deemed to have made the representations, warranties, acknowledgments and agreements set forth in "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*", "*Transfer Restrictions*" and "*Issue Procedure"* on pages 3, 6, 267, 274 and 251, respectively.

The information contained in this Preliminary Placement Document has been provided by our Bank and from other sources identified herein. The distribution of this Preliminary Placement Document and the issuance of Equity Shares pursuant to this Issue may be restricted by law in certain jurisdictions. As such, this Preliminary Placement Document does not constitute and may not be used for or in connection with, an offer or solicitation by any one in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Bank and the Book Running Lead Managers which would permit an issue of the Equity Shares or distribution of this Preliminary Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any other Issue-related materials in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For a description of the restrictions applicable to the offer and sale of the Equity Shares in this Issue in certain jurisdictions, see "*Selling Restrictions*" on page 267.

The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Bank to any person, other than Eligible QIBs specified by the Book Running Lead Managers or their representatives, and those retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

In making an investment decision, prospective investors must rely on their own examination of our Bank, and the terms of this Issue, including the merits and risks involved. Investors should not construe the contents of this Preliminary Placement Document as legal, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning this Issue. In addition, neither our Bank nor any of the Book Running Lead Managers or any of their respective shareholders, employees, counsels, officers, directors, representatives, agents or affiliates are making any representation to any offeree or purchaser of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or purchaser under applicable legal, investment or similar laws or regulations.

Each investor, purchaser, offeree or subscriber of the Equity Shares in this Issue is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in our Bank under Indian law, including Chapter VI of the SEBI ICDR Regulations and is not prohibited by SEBI or any other regulatory, statutory or judicial authority from buying, selling or dealing in securities.

This Preliminary Placement Document contains summaries of certain terms of documents, which summaries are qualified in their entirety by the terms and conditions of such documents. This Preliminary Placement Document does not purport to contain all the information that any Eligible QIB may require. Further, this Preliminary Placement Document has been prepared for information purposes only and upon the express understanding that it will be used for the purposes set forth herein.

Neither our Bank nor our Book Running Lead Mangers does not undertake to update the Preliminary Placement Document to reflect subsequent events after the date of the Preliminary Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with our Bank. Neither the delivery of this Preliminary Placement Document, the Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of our Group since the date hereof.

Our Bank and the Book Running Lead Managers are not liable for any amendment or modification or change to applicable laws or regulations that occurs after the date of the Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply to purchase Equity Shares in the Issue. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations (as defined hereinafter) and the Eligible QIB shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations (as defined hereinafter) and other applicable laws, rules, regulations, guidelines and circulars.

The information on our Bank's website, (www.centralbankofindia.co.in), Subsidiaries or Associates or any website directly or indirectly linked to our Bank's website or to the websites of the Book Running Lead Managers and of their respective affiliates, does not constitute or form part of this Preliminary Placement Document. Prospective investors should not rely on the information contained in, or available through, any such websites.

This Preliminary Placement Document contains a summary of some terms of certain documents which are qualified in their entirety by the terms and conditions of those documents. All references herein to "you" or "your" is to the prospective investors in this Issue.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information on investors in certain other jurisdictions, see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 267 and 274, respectively.

REPRESENTATIONS BY INVESTORS

References herein to "you or "your" is to the prospective investors to this Issue.

By bidding for and/or subscribing to any Equity Share under this Issue, you are deemed to have represented, warranted, acknowledged, undertaken, and agreed to the contents set forth in the sections titled "*Notice to Investors*", "*Selling Restrictions*" and "*Transfer Restrictions*" beginning on pages 3, 267 and 274, respectively, and to have represented, warranted, acknowledged and agreed with to us and the Book Running Lead Managers, and acknowledged and agreed as follows:

a. your decision to subscribe to the Equity Shares to be issued pursuant to this Issue has not been made based on any information relating to our Bank or Subsidiaries or Associates that is not set forth in this Preliminary Placement Document;

b. you are a "Qualified Institutional Buyer" as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under the applicable laws and regulations of India and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allocated (as defined hereinafter) to you in accordance with Chapter VI of the SEBI ICDR Regulations, and undertake to comply with the SEBI ICDR Regulations and all other applicable laws, including in respect of reporting requirements in India, or making necessary filings, including with the RBI, if any, in connection with this Issue or otherwise in relation to accessing the capital markets;

c. if you are Allotted Equity Shares pursuant to this Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges (additional restrictions apply if you are within the United States and certain other jurisdictions), see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 267 and 274, respectively;

d. you are aware that the Equity Shares have not been and will not be filed through a prospectus under the Companies Act, SEBI ICDR Regulations or under any other law in force in India, and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document has not been reviewed, verified or affirmed by RBI, SEBI, the Stock Exchanges or any other regulatory or listing authority and will not be filed with the RoC, and is intended only for use by Eligible QIBs. This Preliminary Placement Document has been filed (and the Placement Document will be filed) with the Stock Exchanges for record purposes only and this Preliminary Placement Document is required to be displayed (and the Placement Document will be required to be displayed) on the websites of our Bank and the Stock Exchanges;

e. you are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdiction(s) which apply to you and that you have the necessary capacity and fully observed such laws and obtained all such governmental and other consents in each case which may be required thereunder and complied with all necessary formalities to enable you to participate in this Issue and to perform your obligations in relation thereto (including, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

f. you are aware of the additional requirements that are applicable, as set forth under "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 267 and 274 respectively and you are permitted and have necessary capacity to acquire / subscribe to the Equity Shares under the laws of all relevant jurisdictions which apply to you and that you have fully observed such laws and obtained all such governmental and other consents in each case which may be required thereunder and complied with all necessary formalities and have obtained all necessary consents and approvals to enable you to commit to participation in this Issue and to perform your obligations in relation thereto (including, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

g. you are aware that neither our Bank nor the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates is making any recommendation to you, advising you regarding the suitability of any transactions it may enter into in connection with this Issue and that participation in this Issue is on the basis that you are not and will not, up to the Allotment, be a client of any of the Book Running Lead Managers and that the Book Running Lead Managers or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates have no duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to this Issue and are in no way acting in a fiduciary capacity to you;

h. you confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Bank or its agents ("**Bank's Presentations**") with regard to our Bank, the Equity Shares or this Issue; or (ii) if you have participated in or attended any Bank's Presentations: (a) you understand and acknowledge that the Book Running Lead Managers may not have knowledge of the statements that our Bank or its agents may have made at such Bank's Presentations and are therefore unable to determine whether the information provided to you at such Bank's Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Book Running Lead Managers have advised you not to rely in any way on any information that was provided to you at such Bank's Presentations, and (b) confirm that, you have not been provided any material information relating to our Bank, the Equity Shares or this Issue that was not publicly available;

i. you are aware that if you are Allotted more than 5.00% of the Equity Shares in this Issue, our Bank shall be required to disclose your name and the number of Equity Shares Allotted to you to the Stock Exchanges, and they will make the same available on their website and you consent to such disclosures being made by us;

j. you understand that the Equity Shares issued pursuant to this Issue shall be subject to the provisions of the Banking Companies (Acquisition And Transfer Of Undertakings) Act, 1970 read with the Banking Regulation Act, 1949, the Nationalised Banks (Management And Miscellaneous Provisions) Scheme, 1970 and the Central Bank Of India (Shares And Meetings) Regulations, 1998 and will be credited as fully paid and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared;

k. you are subscribing to the Equity Shares to be issued pursuant to this Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law including but not limited to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, each as amended;

l. all statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our Bank's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Bank's business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Bank's present and future business strategies and environment in which our Bank will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Preliminary Placement Document. Our Bank assumes no responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

m. you have been provided a serially numbered copy of this Preliminary Placement Document and have read this Preliminary Placement Document in its entirety, including, in particular, "*Risk Factors*" on page 41;

n. you are aware and understand that the Equity Shares are being offered only to Eligible QIBs and are not being offered to the general public and the Allotment of the same shall be made by our Bank on a discretionary basis, in consultation with the Book Running Lead Managers;

o. you are able to purchase the Equity Shares in accordance with the restrictions described in "*Selling Restrictions*" on page 267 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "*Selling Restrictions*" on page 126 and you warrant that you will comply with such representations, warranties, acknowledgments and undertakings;

p. you understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and, accordingly, may not be offered or sold within the United States, except in reliance on an exemption from the registration requirements of the U.S. Securities Act;

q. you are outside the United States and you are subscribing for the Equity Shares in an "offshore transaction" as defined in, and in compliance with, Regulation S, and you are not our Bank's or the BRLMs' affiliate or a person acting on behalf of such an affiliate;

r. you are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act;

s. you understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in "*Transfer Restrictions*" on page 274 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "*Transfer Restrictions*" on page 274, and you warrant that you will comply with such representations, warranties, acknowledgments and undertakings;

t. that in making your investment decision, (i) you have relied on your own examination of our Bank and the terms of this Issue, including the merits and risks involved; (ii) you have made and will continue to make your own assessment of our Bank, the Equity Shares and the terms of this Issue based on such information as is publicly available; (iii) you have consulted your own independent advisors (including tax advisors) or otherwise have satisfied yourself concerning, without limitation, the effects of local laws and taxation matters; (iv) you have relied solely on the information contained in this Preliminary Placement Document and no other disclosure or representation by our Bank or the Book running Lead Managers or any other party; (v) you have received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Bank and the Equity Shares and; (vi) relied upon your investigation and resources in deciding to invest in this Issue. You are seeking to subscribe to / acquire the Equity Shares in this Issue for your own investment and not with a view to resale or distribution;

u. you are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of entities in a similar nature of the business, similar stage of development, and in similar jurisdictions. You and any accounts for which you are subscribing the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares; (ii) will not look to our Bank and/or the Book Running Lead Managers or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates for all or part of any such loss or losses that may be suffered including losses arising out of non-performance by our Bank of any of its respective obligations or any breach of any representations and warranties by our Bank, whether to you or otherwise; (iii) are able to sustain a complete loss on the investment in the Equity Shares; (iv) have no need for liquidity with respect to the investment in the Equity Shares; (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares; and (vi) are seeking to subscribe to the Equity Shares in this Issue for your own investment and not with a view to resell or distribute. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment;

v. our Bank or the Book Running Lead Managers or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates, have not provided you with any tax advice or otherwise made any representations regarding the tax consequences of the purchase, ownership and disposal of the Equity Shares (including but not limited to this Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice and will not rely on the Book Running Lead Managers or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates or our Bank when evaluating the tax consequences in relation to the Equity Shares (including but not limited to this Issue and the use of the proceeds from the Equity Shares). You waive and agree not to assert any claim against the Book Running Lead Managers or our Bank or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates with respect to the tax aspects of the Equity Shares or this Issue or as a result of any tax audits by tax authorities, wherever situated;

w. you are aware that in terms of sub-section (1) of Section 12B of Banking Regulation Act, 1949 and the Master Direction – Reserve Bank of India (Acquisition and Holding of Shares or Voting Rights in Banking Companies) Directions, 2023 issued by the RBI on January 16, 2023 read together with the Guidelines on Acquisition and Holding of Shares or Voting Rights in Banking Companies issued by the Reserve Bank of India on January 16, 2023, no person (along with his relatives, associate enterprises or persons acting in concert with) can acquire or hold 5% or more of the total paid-up share capital of our Bank, or be entitled to exercise 5% or more of the total voting rights of our Bank, without prior approval of the RBI. Accordingly, you hereby represent that your (direct or indirect) aggregate holding in the paid-up share capital of our Bank, whether beneficial or otherwise:

    (i) after subscription to the Equity Shares in this Issue by you, your relatives, your associate enterprises or persons acting in concert with you, aggregated with any pre-Issue shareholding in the Bank of you, your relatives, your associate enterprises or persons acting in concert; or

    (ii) after subscription to the Equity Shares in this Issue by you aggregated with any pre-Issue shareholding in our Bank of you, your relatives, your associate enterprises or persons acting in concert with you shall not amount to 5% or more of the total paid-up share capital of our Bank or would not entitle you to exercise 5% or more of the total voting rights of our Bank, except with the prior approval of the RBI;

x. you acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through this Issue in favour of any person;

y. where you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire the Equity Shares for each managed account; and to make (and you hereby make) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

z. you are not a 'promoter' of our Bank (as defined under the SEBI ICDR Regulations) and are not a person related to the Promoter (as defined hereinafter), either directly or indirectly and your Application does not directly or indirectly represent the promoter or promoter group (as defined under the SEBI ICDR Regulations) of our Bank or a person related to the Promoter;

aa. you have no rights under a shareholders agreement or voting agreement with the Promoter or promoter group, no veto rights or right to appoint any nominee director on the Board of our Bank other than the rights acquired if any in the capacity of a lender not holding any equity Shares of our Bank the acquisition of which shall not deem you to be a Promoter or a person related to the Promoter;

bb. you have no right to withdraw or revise downwards your Application after the Bid/ Issue Closing Date (as defined hereinafter);

cc. you are eligible to apply and hold Equity Shares so Allotted and together with any securities of our Bank held by you prior to this Issue. You further confirm that your holding upon the issue and allotment of the Equity Shares shall not exceed the level permissible as per any regulation applicable to you including, but not limited to, the Banking Regulation Act, 1949, Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, and in the event of your holding of the Equity Shares reaches any applicable limits as may be prescribed you will make the appropriate disclosures and obtain the necessary permissions in this regard from the relevant authorities/RBI;

dd. the Bid submitted by you would not eventually result in triggering an open offer under the SEBI Takeover Regulations (as defined hereinafter), and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;

ee. your aggregate holding together with other prospective Investors participating in this Issue that belong to the same group or are under common control as you, pursuant to the Allotment under this Issue shall not exceed 50% of this Issue Size. For the purposes of this representation:

    Eligible QIBs belonging to the "same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst a Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and

ff. 'control' shall have the same meaning as is assigned to it by clause 1 (e) of Regulation 2 of the SEBI Takeover Regulations (as defined hereinafter).

gg. you shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approval for the Equity Shares is issued by the Stock Exchanges;you are aware and understand that the Book Running Lead Managers have entered into a Placement Agreement (as defined hereinafter) with our Bank whereby the Book Running Lead Managers have, subject to the satisfaction of certain conditions set out therein agreed to manage this Issue and, undertaken to use its reasonable endeavours to seek to procure subscription for the Equity Shares on the terms and conditions set forth therein;

hh. if you are an Eligible FPI as defined in this Preliminary Placement Document, you confirm that you will participate in this Issue only under and in conformity with Schedule II of FEMA Rules and you confirm that you are not an FVCI or a multilateral or bilateral development financial institution and that you are not an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules. Further, you acknowledge that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) in our Bank does not exceed 10% of the post-Issue paid-up capital of our Bank on a fully diluted basis, and further with effect from April 1, 2020, the aggregate limit for FPI investments is the sectoral cap applicable to our Bank. You also confirm that you are eligible to invest in India under applicable laws, including those issued by the RBI, and the FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory or statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India

ii. you understand and confirm that neither are you an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in which case, investment can only be through the Government approval route), and that your investment is in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT and Rule 6 of the FEMA Rules;

jj. that the contents of this Preliminary Placement Document are exclusively the responsibility of our Bank and that neither the Book Running Lead Managers nor any person acting on their behalf has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Bank and will not be liable for your decision to participate in this Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By participating in this Issue, you agree to the same and confirm that you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Book Running Lead Managers or our Bank or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents, associates or affiliates or any other person and neither the Book Running Lead Managers nor our Bank or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents, associates or affiliates nor any other person will be liable for your decision to participate in this Issue based on any other information, representation, warranty or statement that you may have obtained or received;

kk. you understand and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares issued in pursuance of this Issue and that you have neither received nor relied on any other information given or representations, warranties or statements made by the Book Running Lead Managers or our Bank and neither the Book Running Lead Managers nor our Bank will be liable for your decision to accept an invitation to participate in this Issue based on any other information, representation, warranty or statement that you have obtained or received;

ll. that each of the representations, warranties, acknowledgements and agreements set forth above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in this Issue;

mm. you are a sophisticated investor who is seeking to purchase the Equity Shares for your own investment and not with a view to distribution. In particular, you acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investments matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;

nn. you agree to indemnify and hold our Bank and the Book Running Lead Managers and their respective shareholders, directors, officers, employees, counsel, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgments and agreements made by you in this Preliminary Placement Document and the Placement Document. You agree that the indemnity set forth in this section shall survive the resale of the Equity Shares Allotted under this Issue by or on behalf of the managed accounts;

oo. that our Bank, the Book Running Lead Managers, their respective affiliates and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to the Book Running Lead Managers on their own behalf and on behalf of our Bank and are irrevocable and it is agreed that if any of such representations, warranties, acknowledgements, undertakings and agreements are no longer accurate, you will promptly notify the Book Running Lead Managers;

pp. that you understand that none of the Book Running Lead Managers nor its respective affiliates has any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in this Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with this Issue, including non-performance by us of any of our respective obligations or any breach of any representations or warranties by us, whether to you or otherwise;

qq. that you are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and such approval has been received from the Stock Exchanges; and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final approvals for listing of the Equity Shares will be obtained in time or at all. Neither our Bank nor the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsel, affiliates, associates, controlling persons and representatives shall be responsible for any delay or non-receipt of such final approvals or any loss arising from such delay or non-receipt;

rr. any dispute arising in connection with this Issue will be governed by and construed in accordance with the laws of the Republic of India and the courts at Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document.

ss. You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a Successful Bidder. Allotment of Equity Shares will be undertaken by our Bank, in its discretion, in consultation with the BRLMs.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an Eligible FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as "**P-Notes**"), for which they may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been and are not being offered or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including any information regarding any risk factors relating thereto.

Persons outside the United States purchasing Equity Shares in the Issue may only issue P-Notes in accordance with the conditions set forth in "*Selling Restrictions*" and "*Transfer Restrictions*" beginning on pages 267 and 274, respectively.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis. SEBI has, *vide* a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the above mentioned restrictions shall also apply to subscribers of offshore derivative instruments and two or more subscribers of offshore derivative instruments having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the offshore derivative instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of offshore derivative instruments, these investment restrictions shall apply on the aggregate of the FPI and offshore derivative instruments investments held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

Affiliates of the Book Running Lead Managers which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in this Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Bank and do not constitute any obligation of, claims on or interests in our Bank. Our Bank has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Bank. Our Bank and the Book Running Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Managers and does not constitute any obligations of or claims on the Book Running Lead Managers.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P- Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to the Stock Exchanges. The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of any of the contents of this Preliminary Placement Document;

2. warrant that the Equity Shares issued pursuant to this Issue will be listed or will continue to be listed on the Stock Exchanges; or

3. take any responsibility for the financial or other soundness of our Bank, its Promoter or Directors, its management or any scheme or business activity of our Bank;

It should not for any reason be deemed or construed to mean that the Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever

PRESENTATION OF FINANCIAL INFORMATION AND OTHER CONVENTIONS

Certain Conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to "you", "your", "offeree", "purchaser", "Bidder", "subscriber", "recipient", "investors", "prospective investors" and "potential investor" are to the Eligible QIBs who are the prospective investors of the Equity Shares in this Issue and references to the "Issuer", "Bank" or "our Bank" are to the Central Bank of India, on a standalone basis. All references to the "we", "us" or "our" are to the Central Bank of India, its Subsidiaries, its Associates and Joint Venture on a consolidated basis, unless otherwise specified or the context otherwise indicates or implies.

References in this Preliminary Placement Document to "India" are to the Republic of India and its territories and possessions and the "Government" or the "Central Government" or the "state government" are to the Government of India, or the governments of any state in India, as applicable and as the case may be. All references herein to the "U.S." or the "United States" are to the United States of America and its territories and possessions. References to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Page Numbers

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Currency and Units of Presentation

In this Preliminary Placement Document, references to "USD", "$", "U.S.$" and "U.S. dollars" are to the legal currency of the United States and references to, "₹", "Rs.", "INR" and "Rupees" are to the legal currency of India.

References to "lakhs" and "crore" in this Preliminary Placement Document are to the following:

1. one lakh represents ₹100,000 (one hundred thousand);
2. ten lakhs represents ₹1,000,000 (one million);
3. one crore represents ₹10,000,000 (ten million);
4. ten crore represents ₹100,000,000 (one hundred million); and
5. one hundred crore represents ₹1,000,000,000 (one thousand million or one billion).

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Figures in this Preliminary Placement Document have been presented in crores or in whole numbers where the numbers have been too small to present in crores unless stated otherwise. Further, certain figures in the "*Industry Overview*" section of this Preliminary Placement Document have been presented in millions and billions.

Financial and Other Information

Our Bank has published its Financial Statements, in compliance with the SEBI Listing Regulations. As required under the applicable regulations, and for the convenience of prospective investors, our Bank has included the following in this Preliminary Placement Document, we have included the following financial statements of our Bank prepared under Indian GAAP: (i) audited standalone and consolidated financial statements for Fiscal 2022 read along with the notes and auditors report thereto (the "**Fiscal 2022 Audited Financial Statements**"); (ii) audited standalone and consolidated financial statements for Fiscal 2023 read along with the notes and auditors report thereto (the "**Fiscal 2023 Audited Financial Statements**"); (iii) audited standalone and consolidated financial statements for Fiscal 2024 read along with the notes and auditors report thereto (the "**Fiscal 2024 Audited Financial Statements**" and collectively with Fiscal 2022 Audited Financial Statements and Fiscal 2023 Audited Financial Statements, the "**Audited Financial Statements**"), (iv) unaudited reviewed standalone and consolidated financial results of our Bank, which comprises of the standalone and consolidated balance sheet as of December 31, 2023 and the related standalone and consolidated profit & loss account for the nine months period ended December 31, 2023 and selected explanatory notes thereon, subjected to a limited review, as filed with the Stock Exchanges on January 19, 2024 (the "**Unaudited December 2023 Financial Results**") and (v) unaudited reviewed standalone and consolidated financial results of our Bank, which comprises of the standalone and consolidated balance sheet as of December 31, 2024 and the related standalone and consolidated profit & loss account for the nine months period ended December 31, 2024 and selected explanatory notes thereon, subjected to a limited review, as filed with the Stock Exchanges on January 20, 2025 (the "**Unaudited December 2024 Financial Results**" and collectively with Unaudited December 2023 Financial Results, the "**Reviewed Financial Results**").

The Financial Statements should be read along with the respective reports issued thereon. For further information, see "***Financial Information***" *and* "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 302 and 88, respectively.

The degree to which the financial information prepared in accordance with Indian GAAP will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited.

The Audited Financial Statements are prepared in accordance with Indian GAAP as applicable to banks, guidelines issued by the RBI from time to time, practices generally prevailing in the banking industry in India and the applicable standards on auditing. Our Bank prepares its financial statements in Rupees in accordance with Indian GAAP which differ in certain important aspects from U.S. GAAP and other accounting principles and standards on auditing with which prospective investors may be familiar in other countries. We have not attempted to quantify the impact of U.S. GAAP on the financial data included in this Preliminary Placement Document, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP. Accordingly, the degree to which the financial statements prepared in accordance with Indian GAAP included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with the respective accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited.

In addition, IND AS roadmap for scheduled commercial banks (excluding regional rural banks), insurers/insurance companies and non-banking financial companies (NBFCs) was issued by Ministry of Corporate Affairs (MCA) through press release dated 18 January 2016. IND AS was applicable to the Bank in accordance with the MCA press release from financial year 2018-19 which was deferred to financial year 2019-20 vide RBI's Press Release (2017-18/2642) dated 5 April 2018. RBI has further deferred implementation of IND AS till further notice vide its Circular no DBR.BP.BC.No. 29/21.07.001/2018-19 dated 22.03.2019. Further, RBI advised banks to submit Proforma Ind AS Financial Statements (PIFS) on half yearly basis w.e.f. 30.09.2021 (earlier on quarterly basis starting from quarter ended 30.06.2018) as per the format / template provided in the mail.

The nature and extent of the possible impact of Ind-AS on our financial reporting and accounting practices is currently uncertain, and there can be no assurance that such impact will not be significant. Our Bank cannot assure you that it has completed a comprehensive analysis of the effect of Ind AS on future financial information or that the application of Ind AS will not result in a materially adverse effect on our Bank's future financial information. For further information on the transition to Ind AS, see "*Risk Factors – Significant differences exist between Indian GAAP and other accounting principles with which investors may be more familiar*" on page 71.

The Fiscal Year of our Bank commences on April 1 of each calendar year and ends on March 31 of the succeeding calendar year. Unless otherwise stated, references in this Preliminary Placement Document to a particular "Fiscal" or "Fiscal Year" or "FY" are to the fiscal year ended on March 31.

All figures appearing in this Preliminary Placement Document have been rounded off to two decimal places. Accordingly, the figure shown as totals herein may not be an arithmetic aggregation of the figures which precede them.

Basis of Presentation

Unless otherwise stated, the Bank's financial information included in this Preliminary Placement Document (including the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*") are derived from our Audited Financial Statements. Although the Bank possesses subsidiaries namely Cent Bank Home Finance Limited and Centbank Financial Services Limited, it believes that the impact of those entities on the Bank's consolidated financial statements is not significant. Accordingly, the Bank's management primarily utilizes the Bank's standalone financial information to monitor the operational strength and performance of the Bank's business. For more information on the Bank's financial information on a consolidated basis, see the Bank's consolidated financial statements, which have been included in this Preliminary Placement Document. For more information on the Bank's subsidiaries, see "*Our Business– Subsidiaries, Joint*

Venture and Associates” on page 212.

Non-GAAP financial measures

The Bank uses a variety of financial and operational performance indicators to measure and analyse its operational performance from period to period, and to manage its business. The Bank’s management also uses other information that may not be entirely financial in nature, including statistical and other comparative information commonly used within the Indian banking industry to evaluate our financial and operating performance. Some non-GAAP measures, such as EBITDA, EBITDA Margin and PAT Margin (“**Non-GAAP Financial Measures**”) are presented in this Preliminary Placement Document. These Non-GAAP Financial Measures are defined along with a brief explanation in the sections, see “***Definitions and Abbreviations***”, “***Management’s Discussion and Analysis of Financial Condition and Results of Operations***” and “***Select Statistical Information***” beginning on pages 22, 88 and 126, respectively.

These Non-GAAP Financial Measures are not defined under Indian GAAP and have limitations as analytical tools. As a result, they should not be considered in isolation from, or as substitutes for, an analysis of the Bank’s historical financial performance, as reported and presented in its financial statements in accordance with Indian GAAP. These Non-GAAP Financial Measures are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Indian GAAP or U.S. GAAP. Further, these Non-GAAP Financial Measures are not a measurement of our financial performance or liquidity under Indian GAAP or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Indian GAAP or U.S. GAAP. In addition, these Non-GAAP Financial Measures are not standardized terms, hence a direct comparison of these Non-GAAP Financial Measures between companies may not be possible. Other banks may calculate these Non-GAAP Financial Measures differently from us, limiting their usefulness as a comparative measure. The presentation of these Non-GAAP Financial Measures is not intended to be considered in isolation or as a substitute for the financial statements included in this Preliminary Placement Document. For a reconciliation of the Bank’s non-GAAP financial measures to Indian GAAP, see “***Management’s Discussion and Analysis of Financial Condition and Results of Operations***” beginning on page 88.

Prospective investors should read this information in conjunction with the financial statements included in “***Financial Information***” beginning on page 302 and “***Risk Factors – Significant differences exist between Indian GAAP and other accounting principles with which investors may be more familiar***” on page 71.

INDUSTRY AND MARKET DATA

Information regarding market position, market size, growth rates, other industry data and certain industry forecasts pertaining to the businesses of our Bank contained in this Preliminary Placement Document consists of estimates, forecasts based on data reports compiled by government bodies, data from other external sources and knowledge of the markets in which our Bank competes. Unless stated otherwise, the statistical information included in this Preliminary Placement Document relating to the industry in which our Bank operates has been reproduced from various trade, industry and government publications and websites.

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on or base their investment decision on this information. In certain cases, there is no readily available external information (whether from trade associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring us to rely on internally developed estimates.

All such data is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Neither our Bank nor any of the Book Running Lead Managers have independently verified this data and do not make any representation regarding accuracy or completeness of such data. Our Bank takes responsibility for accurately reproducing such information but accept no further responsibility in respect of such information, data, projections, forecasts, conclusions or any other information contained in this section. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so our Bank has relied on internally developed estimates. Similarly, while our Bank believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither our Bank nor any of the Book Running Lead Managers can assure potential investors as to their accuracy. Certain information contained herein pertaining to prior years is presented in the form of estimates as they appear in the respective reports/source documents. The actual data for those years may vary significantly and materially from the estimates so contained.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "should", "will", "would", or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Bank are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Bank's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Bank's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts.

These forward-looking statements and any other projections contained in this Preliminary Placement Document (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about the Bank that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause our actual results, performances and achievements to be materially different from any of the forward-looking statements include, among others:

1. Our results of operations depend to a significant extent on net interest income and any changes in the interest rate could adversely affect our net interest margin, the value of our fixed income portfolio, our treasury income and our financial performance;
2. Our inability to control or reduce the level of non-performing assets in our portfolio or any increase in our NPA portfolio, RBI mandated provisioning requirements.
3. Our business and financial performance may be adversely affected by an increase in level of restructured loans in our portfolio and inadequate performance of our restructured loans
4. Significant fraud, system failure or calamities are difficult to detect and deter and could harm our brand and our reputation, or lead to regulatory sanctions or litigation against us.
5. Our exposure to various categories of borrowers, depositors and industry sectors, and a default by any large borrower, premature withdrawal of deposits or a deterioration in the performance of any of these industry sectors in which we have significant exposure;
6. Our business is vulnerable to investment risk, and any protracted or sudden decrease in the value of our investments can adversely affect our results of operation and financial condition;
7. Our inability to maintain or grow our CASA ratio in accordance with our strategy could have an adverse effect on our business, results of operations and financial condition;
8. Any regulatory investigations, fines, sanctions, relating to our operations could negatively affect our business and financial results, or cause serious reputational harm to our businesses.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Industry Overview*" and "*Our Business*" on pages 41, 88, 171 and 190 respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward looking statements or other projections. The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Bank. Although our Bank believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and neither our Bank nor the Book Running Lead

Managers undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialize, or if any of our Bank's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Bank could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Bank are expressly qualified in their entirety by reference to these cautionary statements. Our Bank and the Book Running Lead Managers expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise in our Bank's expectations with regard thereto.

ENFORCEMENT OF CIVIL LIABILITIES

Our Bank is a nationalised bank under The Banking Companies (Acquisition and Transfer of undertakings) Act, 1970. All of our Bank's Directors, key managerial personnel and members of senior management are residents of India and a substantial portion of the assets of our Bank are located in India. As a result, it may not be possible for investors outside India to effect service of process upon our Bank or such persons outside India, or to enforce judgments obtained against such parties in courts outside of India.

Recognition and enforcement of foreign judgments are provided for under Section 13 and Section 44A of the Civil Procedure Code on a statutory basis. Section 13 of the Civil Procedure Code provides that foreign judgments shall be conclusive as to any matter thereby directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title, except:

- where the judgment has not been pronounced by a court of competent jurisdiction;
- where the judgment has not been given on the merits of the case;
- where it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable;
- where the proceedings in which the judgment was obtained are opposed to natural justice;
- where the judgment has been obtained by fraud; and
- where the judgment sustains a claim founded on a breach of any law in force in India.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Each of the United Kingdom, United Arab Emirates, Singapore and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory, including that of a court in the United States of America, may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with public policy of India and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, pursuant to the execution of such foreign judgment, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable, and any such amount may be subject to income tax pursuant to execution of such a judgment in accordance with applicable laws. The Bank and the BRLMs cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES INFORMATION

Fluctuations in the exchange rate between the Rupees and the U.S. dollar will affect the U.S. dollar equivalent of the Rupee price of the Equity Shares on BSE and NSE. These fluctuations will also affect the conversion into U.S. dollar of any cash dividends paid in Rupees on the Equity Shares. The exchange rate between the Rupee and US Dollar has been volatile over the past year.

The following table sets forth information with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per US$) for, or as of, the end of the periods indicated. The exchange rates are based on the reference rates released by the RBI and Financial Benchmarks India Private Limited (the "**FBIL**"), which are available on the website of the RBI and FBIL. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

As on March 24, 2025, the exchange rate (RBI reference rate) was ₹ 85.83 to US$ 1.00.

Period	(₹ per USD 1.00)			
	Period End	Average*	High**	Low***
Fiscal ended				
March 31, 2024	83.37	82.79	83.40	81.65
March 31, 2023	82.22	80.39	83.20	75.39
March 31, 2022	75.81	74.51	76.92	72.48

(Source: www.fbil.org.in and www.rbi.org.in)

**Average of the official rate for each working day of the relevant period.*
***Maximum of the official rate for each working day of the relevant period.*
****Minimum of the official rate for each working day of the relevant period.*
***Notes**:*
1. *If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*
2. *The reference rates are rounded off to two decimal places.*

Month:	(₹ per USD 1.00)			
	Month End	Average*	High**	Low***
February 28, 2025	87.40	87.05	87.59	86.65
January 31, 2025	86.64	86.27	86.64	85.71
December 31, 2024	85.62	84.99	85.62	84.66
November 30, 2024	84.50	84.36	84.50	84.11
October 31, 2024	84.09	84.03	84.09	83.81
September 30, 2024	83.79	83.81	83.98	83.49

(Source: www.fbil.org.in and www.rbi.org.in)

**Average of the official rate for each working day of the relevant period.*
***Maximum of the official rate for each working day of the relevant period.*
****Minimum of the official rate for each working day of the relevant period.*
Notes:
1. *If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*
2. *The reference rates are rounded off to two decimal places.*

Although our Bank has translated selected Indian rupee amounts in this Preliminary Placement Document into USD for convenience, this does not mean that the Indian rupee amounts referred to could have been, or could be, converted to USD at any particular rate or, the rates stated above, or at all. There are certain restrictions on the conversion of Indian rupees into USD.

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Preliminary Placement Document is intended for the convenience of the reader / prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalized terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further, any references to any statute or regulations or policies shall include amendments thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms used in "*Selected Financial Information*", "*Taxation*", "*Industry Overview*", "*Legal Proceedings*" and "*Financial Information*" on pages 126, 284, 171, 295 and 302, respectively, shall have the meaning given to such terms in such sections.

Bank Related Terms

Term	Description
Our "Bank", the "Bank", the "Issuer", "Central Bank"	Central Bank of India was incorporated on December 21, 1911, as "The Central Bank of India Limited". Our Bank was constituted under the Banking Companies Act, as amended and nationalized on July 19, 1969, having its Head Office at Chandermukhi, Nariman Point, Mumbai 400 021, Maharashtra, India
"we", "us" or "our"	Unless the context requires otherwise, the Bank and its Subsidiaries, Associates and Joint Venture
Associates	The associates of our Bank, namely, Uttar Bihar Gramin Bank and Uttarbanga Kshetriya Gramin Bank.
Audit Committee	Audit committee constituted by the Board of our Bank and as disclosed in "*Board of Directors and Senior Management – Committees of our Board*" on page 222
Audited Financial Statements	Collectively, the Fiscal 2022 Audited Financial Statements, Fiscal 2023 Audited Financial Statements and the Fiscal 2024 Audited Financial Statements
Auditors/ Statutory Auditors	The statutory central auditors of our Bank being, M/s. A R & Co., Chartered Accountants, M/s. A D B & Company, Chartered Accountants, M/s. Amit Ray & Co, Chartered Accountants and M/s. Jain Paras Bilala & Co, Chartered Accountants.
"Board of Directors"/ "Board"	Board of directors of our Bank or duly constituted committee thereof
Capital Raising Committee	Capital Raising Committee of our Bank and as disclosed in "*Board of Directors and Senior Management – Committees of our Board*" on page 222
Director(s)	The directors on the Board of our Bank
Equity Shares	Equity shares of our Bank having face value of ₹10 each
Executive Director	Executive director(s) of our Bank, unless otherwise specified
Financial Statements	Audited Financial Statements and the Reviewed Financial Results
Fiscal 2022 Audited Financial Statements	Audited standalone and consolidated financial statements read along with the notes thereto of our Bank prepared under Indian GAAP and the provisions of Banking Regulation Act, 1949 read with relevant guidelines and directions issued by the RBI, which comprises the consolidated statement of assets and liabilities, each of the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the statement of changes in equity, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information for Fiscal 2022
Fiscal 2023 Audited Financial Statements	Audited standalone and consolidated financial statements read along with the notes thereto of our Bank prepared under Indian GAAP and the provisions of Banking Regulation Act, 1949 read with relevant guidelines and directions issued by the RBI, which comprises the consolidated statement of assets and

Term	Description
	liabilities, each of the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the statement of changes in equity, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information for Fiscal 2023
Fiscal 2024 Audited Financial Statements	Audited standalone and consolidated financial statements read along with the notes thereto of our Bank prepared under Indian GAAP and the provisions of Banking Regulation Act, 1949 read with relevant guidelines and directions issued by the RBI, which comprises the consolidated statement of assets and liabilities, each of the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the statement of changes in equity, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information for Fiscal 2024
Government of India Nominee Director	Director nominated by the Central Government under Section 9(3)(b) of the Banking Companies Act
Head Office	Chandermukhi, Nariman Point, Mumbai 400 021, Maharashtra, India
Joint Venture	The joint venture of the Bank, namely, Indo-Zambia Bank Limited
Key Managerial Personnel	Key management/ managerial personnel of our Bank as disclosed in "*Board of Directors and Senior Management*" on page 216
Managing Director and Chief Executive Officer	Managing Director and Chief Executive Officer of our Bank, namely Mr. Matam Venkata Rao
Management Committee	Management Committee of our Bank and as disclosed in "*Board of Directors and Senior Management – Committees of our Board*" on page 222
Nomination and Remuneration Committee	Nomination and Remuneration Committee of our Bank and as disclosed in "*Board of Directors and Senior Management – Committees of our Board*" on page 222
Part Time Non-Official Director under CA Category	Director nominated by the Central Government after consultation with the RBI under Section 9(3)(g) of the Banking Companies Act
Promoter	The promoter of the Bank namely, the President of India, acting through the Ministry of Finance, Government of India
RBI Nominee Director	Director nominated by the Central Government on the recommendation of the RBI under Section 9(3)(c) of the Banking Companies Act
Reviewed Financial Results	Collectively, the Unaudited December 2023 Financial Results and the Unaudited December 2024 Financial Results
Risk Management Committee	Risk Management Committee of our Bank and as disclosed in "*Board of Directors and Senior Management – Committees of our Board*" on page 222
Shareholders	The holder(s) of Equity Shares of our Bank, unless otherwise specified in the context thereof
Shareholder Director	Director elected by the Shareholders, other than the Central Government, from amongst themselves under Section 9(3)(i) of the Banking Companies Act
Senior Management	Members of the senior management of our Bank as determined in accordance with the Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, and as disclosed in the section titled "*Board of Directors and Senior Management*" on page 222
Stakeholders Relationship Committee	Stakeholders Relationship Committee of our Bank and as disclosed in "*Board of Directors and Senior Management – Committees of our Board*" on page 222
Subsidiaries	The subsidiaries of the Bank, namely, Cent Bank Home Finance Limited and Cent Bank Financial & Custodial Services Limited.
Unaudited December 2023 Financial Results	Unaudited reviewed standalone and consolidated financial results of our Bank, which comprises of the standalone and consolidated balance sheet as of December 31, 2023 and the related standalone and consolidated profit & loss account for the nine-month period ended December 31, 2023 and selected explanatory notes thereon, subjected to a limited review, as filed with the Stock Exchanges on January 19, 2024
Unaudited December 2024 Financial Results	Unaudited reviewed standalone and consolidated financial results of our Bank, which comprises of the standalone and consolidated balance sheet as of December 31, 2024 and the related standalone and consolidated profit & loss

Term	Description
	account for the three months period ended December 31, 2024 and selected explanatory notes thereon, subjected to a limited review, as filed with the Stock Exchanges on January 20, 2025

Issue Related Terms

Term	Description
Affiliate	Affiliate with respect to any person, shall mean: (a) any person(s) that directly or indirectly, through one or more intermediaries, Controls or is Controlled by or is under common Control with such person, where the term “Control” (including the terms “Controls” and “Controlled by” or “is under common control with”) shall have the meaning ascribed to such terms under Regulation 2(1)(i) of the SEBI ICDR Regulations; (b) any person(s) in which such person has a “significant influence”, or which has “significant influence” over such person, where “significant influence” over a person is the power to participate in the management, financial or operating policy decisions of such person but is less than Control over such policies, and shareholders beneficially holding, directly or indirectly, through one or more intermediaries, a 20% interest in the voting power of any person are presumed to have a significant influence over such person; and (c) any holding company, subsidiary or joint venture of such person, provided that, for the purposes of this Agreement, (i) the terms “holding company” and “subsidiary” shall have the meanings set forth in Sections 2(46) and 2(87), respectively, of the Companies Act 2013.
Allocated/Allocation	The allocation of Equity Shares, by our Bank in consultation with the Book Running Lead Managers, following the determination of this Issue Price to successful Bidders on the basis of the Application Form submitted by them, and in compliance with Chapter VI of the SEBI ICDR Regulations and other applicable laws
Allotted/Allotment/Allot	Unless the context otherwise requires, Issue and allotment of Equity Shares to successful Bidders pursuant to this Issue
Allottee	Eligible QIBs to whom the Equity Shares are Allotted pursuant to the Issue
Application Form	The form (including any revisions thereof) which will be submitted by an Eligible QIB for registering a Bid in this Issue during the Bid/ Issue Period
Bid(s)	An indication of interest of a Bidder to subscribe for the Equity Shares in this Issue as provided in the Application Form (including all revisions and modifications thereto). The term “Bidding” shall be construed accordingly.
Bid Amount	With respect to each Bidder, the amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by such Bidder and payable by the Bidder in this Issue on submission of the Application Form
Bid/Issue Closing Date	[●],2025 the date after which our Bank (or BRLMs on behalf of our Bank) shall cease acceptance of Application Forms and the Bid Amount.
Bid/Issue Opening Date	March 24, 2025, the date on which our Bank (or the Book Running Lead Managers on behalf of our Bank) shall commence acceptance of the Application Forms and the Bid Amount
Bid/Issue Period	Period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids including any revision and/or modification thereof along with the Bid Amount.
Bidder	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
Book Running Lead Managers/ BRLMs	The book running lead managers to the Issue, in this case being Systematix Corporate Services Limited, Batlivala & Karani Securities India Private Limited, Emkay Global Financial Services Limited, IDBI Capital Markets & Securities Limited and Motilal Oswal Investment Advisors Limited
CAN/ Confirmation of Allocation Notice	Note or advice or intimation to Successful Bidders confirming Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price and requesting payment for the entire applicable Issue Price for all Equity Shares Allocated to such Successful Bidders.
Closing Date	The date on which Allotment of the Equity Shares pursuant to this Issue shall be expected to be made, i.e., on or about [●].
Designated Date	The date of credit of Equity Shares to the Allottees’ demat account, pursuant to the Issue, as applicable to the relevant Allottees
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable law, other than individuals, corporate bodies and family offices

Term	Description
Eligible QIB(s)	A qualified institutional buyer, as defined in Regulation 2(1)(ss) of the SEBI Regulations which (i) is not restricted from participating in this Issue under the applicable laws, and (ii) is a resident of India or is an Eligible FPI participating through Schedule II of the FEMA Rules In addition, Eligible QIBs are qualified institutional buyers who are outside the United States, to whom Equity Shares are being offered in "offshore transactions" as defined in, and in compliance with, Regulation S and the applicable laws of the jurisdiction where those offers are made.
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, to be opened in the name and style "*CBoI QIP 2025*" with the Escrow Bank, subject to the terms of the Escrow Agreement into which the Application Amount payable by the Bidders in connection with the subscription to the Equity Shares and for remitting refunds pursuant to this Issue shall be deposited
Escrow Agreement	The escrow agreement dated March 24, 2025, entered into amongst our Bank, the Escrow Agent and the Book Running Lead Managers.
Escrow Agent/ Escrow Bank	Central Bank of India
Floor Price	The floor price of ₹ 42.62 per Equity Share which has been calculated in accordance with Regulation 176 of Chapter VI of the SEBI ICDR Regulations. Our Bank may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations and in accordance with the approval of the shareholders of our Bank accorded through their resolution passed on July 16, 2024.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended
Issue	Issue of up to [●] Equity Shares of face value ₹ 10 each at a price of ₹ [●] per Equity Share, including a premium of ₹[●] per Equity Share, pursuant to this Preliminary Placement Document aggregating up to ₹[●] crore.
Issue Price	₹[●] per Equity Share
Issue Proceeds	The gross proceeds of the Issue. For details, see "*Use of Proceeds*".
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	10% of the Equity Shares proposed to be Allotted in the Issue, which is available for Allocation to Mutual Funds
Placement Agreement	The placement agreement dated March 24, 2025 entered into amongst our Bank and the Book Running Lead Managers
Placement Document	The placement document to be issued by our Bank in accordance with Chapter VI of the SEBI ICDR Regulations
Preliminary Placement Document/ PPD	This preliminary placement document dated March 24, 2025 issued by our Bank in accordance with Chapter VI of the SEBI ICDR Regulations, pursuant to which a QIB shall submit a Bid in the Issue
Qualified Institutional Buyers or QIBs	Qualified institutional buyers, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under chapter VI of the SEBI ICDR Regulations
Refund Amount	The aggregate amount to be returned to the Bidders, who have not been Allocated Equity Shares for all or a part of the Bid Amount submitted by such Bidder pursuant to the Issue
Refund Intimation Letter	Letters from our Bank intimating the Bidders on the amount to be refunded, if any, either in part or whole, to their respective bank accounts.
Relevant Date	March 24, 2025 being the date of the meeting in which a committee of Directors (duly authorised by the Board), decides to open the Issue
Stock Exchanges	BSE and NSE
Successful Bidders	The Bidders who have Bid at or above this Issue Price, duly paid the Bid Amount (along with the Application Form) and who will be Allocated Equity Shares in the Issue
Wilful Defaulter or Fraudulent Borrower	An entity or person categorised as a wilful defaulter or fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Conventional and General Terms/Abbreviations

Term	Description
ALCO	The Asset Liability Management Committee of our Bank

Term	Description
AGM	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AMC	Asset management company
AOP	Association of persons
App	Mobile application
AS	Accounting Standards issued by ICAI
AY	Assessment year
Banking Companies Act	Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970
Banking Regulation Act	The Banking Regulation Act, 1949
Banking Ombudsman Scheme	Banking Ombudsman Scheme, 2006
Basel III	A global regulatory framework for more resilient banks and banking systems published by the Bank for International Settlements. RBI issued guidelines on the implementation of Basel III capital regulations in India on May 2, 2012 and revised as per notification issued by the RBI on March 27, 2014
Billion	1,000 million
BNSS	Bharatiya Nagarik Suraksha (Second) Sanhita, 2023
BSE	BSE Limited
Calendar Year	Year ending on December 31
CBI	Central Bureau of Investigation
CCI	Competition Commission of India
CDR	Corporate debt restructuring
CDR System	A joint forum of banks and financial institutions in India established in 2001 as an institutional mechanism for corporate debt restructuring
CDSL	Central Depository Services (India) Limited
CII	Confederation of Indian Industry
CMP	Cash Management Product
Civil Code	The Code of Civil Procedure, 1908
Cr.P.C.	The Code of Criminal Procedure, 1973
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	The Consolidated FDI Policy notified by the DPIIT under DPIIT File Number 5(2)/2020- FDI Policy dated the October 15, 2020, effective from October 15, 2020
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018, as amended
Depository Participant	A depository participant as defined under the Depositories Act
DIIPT	Department for Promotion of Industry and Internal Trade (Formerly known as Department of Industrial Policy & Promotion)
EBITDA	Earnings before interest, tax, depreciation and amortisation
ECB	External commercial borrowing
ECS	Electronic clearing service
EGM	Extraordinary general meeting
Eligible FPIs	FPIs that are eligible to participate in this Issue
FBIL	Financial Benchmarks India Private Limited
FCNR(B)	Foreign currency non-resident (bank)
FDI	Foreign direct investment
FEDAI	Foreign Exchange Dealers’ Association of India
FEMA	The Foreign Exchange Management Act, 1999 and the regulations issued thereunder
FEMA Rules/FEMA Non-Debt Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FICCI	Federation of Indian Chambers of Commerce and Industry
FITL	Funded Interest Term Loan
Fiscal or Fiscal Year or Financial Year or FY	Period of 12 months ended 31 March of that particular year, unless otherwise stated

Term	Description
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations.
FRA/IRS	Forward rate agreements/interest rate swaps
FVCI	Foreign venture capital investors as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
GAAP	Generally accepted accounting principles
GAAR	General Anti-Avoidance Rules
GDP	Gross domestic product
GECL	Guaranteed Emergency Credit Line
GIR	General index registrar
GoI/Government	Government of India, unless otherwise specified
GST	Goods and services tax; a reform to Indian tax laws relating to indirect taxes on goods and services
HNIs	High net worth individuals
HR	Human resources
HUF	Hindu undivided family
IBA	Indian Bank's Association
IBC	Insolvency and Bankruptcy Code 2016
ICA	The Institute of Cost Accountants of India
ICAI	The Institute of Chartered Accountants of India
ICRA	ICRA Limited
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
IMF	International Monetary Fund
IND AS	Indian Accounting Standards converged with IFRS, which has been proposed for implementation by the ICAI
India	The Republic of India
Indian GAAP	Generally Accepted Accounting Principles of India as applicable to banks
ISO	International Standards Organisation
IT	Information technology
IT Act	The Income Tax Act, 1961
ITES	Information technology enabled services
MAT	Minimum alternate tax
MCA	The Ministry of Corporate Affairs, Government of India
MNC	Multinational corporation
MoF	Ministry of Finance
MoU	Memorandum of understanding
MSEs	Micro and small enterprises
Nationalised Bank Scheme	The Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970
NAV	Net asset value
NEAT	National Exchange for Automated Trading
NEFT	National electronic fund transfer
NGOs	Non-government organizations
NPCI	National Payments Corporation of India
NRE	Non-resident (external)
NRI	Non-resident Indian
NRO	Ordinary non-resident
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OFAC	Office of Foreign Assets Control of the U.S. Treasury Department
p.a	Per annum
PAN	Permanent account number
PDAI	Primary Dealers Association of India
PFRDA	Pension Fund Regulatory and Development Authority
PMLA	The Prevention of Money Laundering Act, 2002

Term	Description
Prudential Framework	The Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019.
Prudential Norms	Master Circular of RBI on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated April 02, 2024
PTC	Pass through certificate
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
RBI Dividend Circular	RBI Circular (RBI/2004-05/451DBOD.NO.BP.BC. 88 / 21.02.067 / 2004-05) dated May 4, 2005 on declaration of dividends by banks
Recovery of Debts Act	The Recovery of Debts Due To Banks and Financial Institutions Act, 1993
Regulation S	Regulation S under the U.S. Securities Act
RFID	Radio frequency identification
Rs./Rupees/INR/₹	Indian Rupees
RWA	Risk weighted assets
SARFAESI Act	The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCBs	Scheduled commercial banks
SCR (SECC) Rules	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
SEC	United States Securities and Exchange Commission
SFIO	Serious Fraud Investigation Office, Ministry of Corporate Affairs, Government of India
SIDBI	Small Industries Development Bank of India
STT	Securities transaction tax
U.K.	United Kingdom
U.S. GAAP	Generally Accepted Accounting Principles in the United States
U.S. Securities Act	United States Securities Act of 1933, as amended
USA/U.S. /United States	The United States of America
USD/U.S. $ /U.S. dollar	United States Dollar, the legal currency of the United States of America
VCF	Venture capital fund (as defined and registered with SEBI under the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
WOS	Wholly owned subsidiaries
WPI	Wholesale price index
WTO	World Trade Organisation

Industry Related Terms

Term/Abbreviation	Full Form/ Description
AI	Artificial Intelligence
ATM	Automated Teller Machine
BCBS	Basel Committee on Banking Supervision
CAR	Capital Adequacy Ratio
CASA	Current Account Savings Account
CBDC	Central Bank Digital Currency
CCB	Capital Conservation Buffer
CDs	Corporate Debtors
CET1	Common Equity Tier 1
CIRP	Corporate Insolvency Resolution Process
CPI	Consumer Price Index
CRAR	Capital to Risk Weighted Assets Ratio
CRR	Cash Reserve Ratio
DLG	Default Loss Guarantee
DPIIT	Department for Promotion of Industry and Internal Trade
D-SIBs	Domestic Systematically Important Banks
e₹	Digital Rupee
ECL	Estimated Credit Loss
ECLGS	Emergency Credit Line Guarantee Scheme
EMDE	Emerging Market and Developing Economy
EOM	Expenses of Management
EXIM	Export-Import Bank of India
FBs	Foreign Banks
FDI	Foreign Direct Investment
FRRR	Fixed Rate Reverse Repo
FSR	Financial Stability Report
GDP	Gross Domestic Product
GNPA	Gross Non Performing Assets
GoI	Government of India
GSL	Government securities Lending
GVA	Gross Value Added
HFCs	Housing Finance Companies
HTM	Held to Maturity
IBC	Insolvency and Bankruptcy Code
ICRR	Incremental Cash Reserve Ratio
IMF	International Monetary Fund
IMPS	Immediate Payment Service
IRDAI	Insurance Regulatory Development Authority of India
IRRBB	Interest Rate in Banking Book
LABs	Local Area Banks
LAF	Liquid Adjustment Facility
LCR	Liquidity Cover Ratio
LSP	Lending Service Providers

Term/Abbreviation	Full Form/ Description
ML	Machine Learning
MFI	Micro Finance Institutions
MPC	Monetary Policy Committee
MPS	Minimum Public Shareholding
MSF	Marginal Standing Facility
MSME	Micro, Small and Medium Enterprises
NABARD	National Bank for Agriculture and Rural Development
NaBFID	National Bank for Financing Infrastructure and Development
NBFCs	Non-Banking Financial Companies
NHB	National Housing Bank
NDTL	Net demand and Time Liabilities
NEFT	National Electronic Funds Transfer
NII	Net Interest Income
NIM	Net Interest Income
NIM	Net Interest Margins
NNPA	Net Non Performing Assets
NPA	Non Performing Assets
NSFR	Net Stable Funding Ratio
OOI	Other Operating Income
PCR	Provisioning Coverage Ratio
PPIRP	Pre-Packaged Resolution Process
PSBs	Public Sector Banks
PSL	Priority Sector Lending
PVB	Private Sector Banks
RBI	Reserve Bank of India
RBIH	Reserve Bank Innovation Hub
REs	Regulated Entities
RIDF	Rural Infrastructure Development Fund
RoA	Return on Assets
RoE	Return on Equity
RRB	Regional Rural Banks
RTGS	Real Time Gross Settlement
RWA	Risk Weighted Assets
SBI	State Bank of India
SCBs	Scheduled Commercial Banks
SDF	Standing Deposit facility
SFB	Small Finance Banks
SFCs	State Financial Corporations
SIDBI	Small Industries Development Bank of India
SLR	Statutory Liquid Ratio
SMA	Special Mention Account
SPARC	Supervisory Programme for Assessment of Risk
Tier I Capital	Tier I capital instruments as defined under the guidelines on capital adequacy issued by RBI

Term/Abbreviation	Full Form/ Description
Tier II Capital	Tier II capital instruments as defined under the guidelines on capital adequacy issued by RBI
UCBs	Urban Cooperative Banks
UPI	United Payment Interface
VARX	Vector Autoregression with Exogenous variables
WEO	World Economic Outlook

SUMMARY OF THE ISSUE

The following is a general summary of the terms of this Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including under "Risk Factors", "Use of Proceeds", "Issue Procedure", "Description of the Equity Shares" and "Placement" on pages 41, 85, 251, 280 and 265 respectively. *The information contained in "Description of the Equity Shares" shall prevail in the event of any inconsistency with the terms set out in this section.*

Issuer	Central Bank of India
Issue Size	Up to [●] Equity Shares of face value ₹10 each at a price of ₹[●] per Equity Share, including a premium of ₹[●] per Equity Share, aggregating up to ₹[●] crore. **A minimum of 10% of the Issue Size i.e. at least [●] Equity Shares shall be available for Allocation to Mutual Funds only, and the balance of [●] Equity Shares shall be available for Allocation to all Eligible QIBs, including Mutual Funds.** In case of under-subscription or no subscription in the portion available for Allocation only to Mutual Funds, such portion or part thereof may be Allotted to other Eligible QIBs
Face Value	₹10 per Equity Share
Issue Price	₹ [●] per Equity Share
Floor Price	The Floor Price for this Issue calculated in terms of Regulation 176 under Chapter VI of the SEBI ICDR Regulations is ₹ 42.62 per Equity Share. Our Bank may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176(1) of the SEBI ICDR Regulations and in accordance with the approval of the shareholders of our Bank accorded through their resolution passed on July 16, 2024.
Date of Board resolution authorizing the Issue	April 30, 2024
Date of Shareholders resolution authorizing the Issue	July 16, 2024
Eligible Investors	Eligible QIBs, to whom this Preliminary Placement Document and the Application Form are delivered and who are eligible to make a Bid and participate in the Issue. See "*Issue Procedure*", "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 251, 267, and 274, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered has been determined by the Book Running Lead Managers, in consultation with our Bank, at their sole discretion
Equity Shares subscribed, issued, paid-up and outstanding immediately prior to the Issue	868,09,39,432 Equity Shares
Equity Shares subscribed, issued, paid-up and outstanding immediately after the Issue	[●] Equity Shares
Dividend	For more information, see "*Description of the Equity Shares*", "*Dividend Policy*" and "*Taxation*" on pages 280, 87 and 284, respectively.
Indian Taxation	For more information, see "*Taxation*" on page 284.
Issue Procedure	This Issue is being made only to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations. For further details, see "*Issue Procedure*" on page 251.
Listing	Our Bank has obtained in-principle approvals each dated March 24, 2025 for the listing of the Equity Shares in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, from BSE and NSE. Our Bank shall apply to BSE and NSE for the final listing and trading approvals, after the

	Allotment and after the credit of the Equity Shares to the respective beneficiary accounts of the successful Bidders maintained with a Depository Participant.
Transfer Restriction	The Equity Shares being Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a stock exchange. The Equity Shares are subject to certain selling and transfer restrictions. For details, see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 267 and 274, respectively.
Closing Date	The date on which Allotment of the Equity Shares pursuant to this Issue shall be expected to be made, i.e., on or about [●].
Ranking	The Equity Shares being issued shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividends. The shareholders will be entitled to participate in dividends and other corporate benefits, if any, declared by our Bank after the date of Allotment, in compliance with the Banking Companies Act, the Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in shareholders' meetings in accordance with applicable laws. For details, see "*Description of the Equity Shares*" on page 280.
Lock-up	For further details, see "*Placement*" on page 265 for a description of restrictions on our Bank in relation to Equity Shares.
Use of Proceeds	The gross proceeds from this Issue aggregate to ₹ [●] crore. The Net Proceeds of the Issue, after deduction of fees, commissions and expenses in relation to the Issue, are expected to total approximately ₹ [●] crore. For further details, see "*Use of Proceeds*" on page 85.
Risk Factors	Prior to making an investment decision, Eligible Investors should consider carefully the matters discussed under "*Risk Factors*" on page 41.
Security Codes for the Equity Shares:	
ISIN	INE483A01010
BSE Code	532885
NSE Code	CENTRALBK

SUMMARY OF BUSINESS

We are a scheduled public sector commercial bank in India, catering to the overall banking needs across customer segment. Having been in operation for more than 114 years, we offer a variety of retail banking products and services customized to cater the needs of our retail and corporate customers, services to large and mid-corporates, micro small and medium enterprises ("**MSME**") and agricultural sectors. We also offer third party insurance and mutual fund plans on an agency basis to our customers and provide services like lockers, collection of taxes as well as other banking products and services. As on December 31, 2024, we have a wide presence through a network of 4,541 branches, with 13 zonal offices, 90 regional offices, two sponsored RRBs, five extension counters, 4,085 ATMs, 11,889 Business Correspondents and five satellite offices with customer accounts of around 8.21 crore banking customers. As of December 31, 2024, our branch network is present in 28 States and seven Union Territories in India and is spread over 805 branches in metropolitan cities, 774 branches in urban areas, 1,347 branches in semi-urban areas and 1,615 branches in rural areas, constituting 17.74%, 17.04%, 29.66% and 35.56% of the total branch network, respectively, which we believe provides us a potentially large business opportunity from unbanked segments in rural India.

Established on December 21, 1911. We are one of the 13 banks, which were nationalised in 1969 and became a public sector bank. The range of products offered by us includes fund-based products, non-fund based products, fee and commission-based products and services, deposits and foreign exchange and derivative products. The details of our financial performance as of December 31, 2024, March 31, 2024, December 31, 2023, and March 31, 2023, are below:

As of	Total Business *(in ₹ crore)*	Total Deposits *(in ₹ crore)*	Gross Advances *(in ₹ crore)*
December 31, 2024	6,67,501.91	3,96,722.58	2,70,779.33
March 31, 2024	6,35,553.44	3,83,808.76	2,51,744.68
December 31, 2023	6,16,428.47	3,76,782.31	2,39,646.16
March 31, 2023	5,76,618.68	3,57,839.97	2,17,778.71

The details of our capital adequacy ratio as of December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, are set forth below:

As of	Capital Adequacy Ratio
December 31, 2024	16.43%
March 31, 2024	15.08%
March 31, 2023	14.12%
March 31, 2022	13.84%

The details of our NPAs and provision coverage ratio as of December 31, 2024, and March 31, 2024, are presented below:

As of	Gross NPAs *(in ₹ crore)*	Gross NPAs (%)	Net NPAs *(in ₹ crore)*	Net NPAs (%)	Provision Coverage Ratio (%)
December 31, 2024	10,459.89	3.86%	1,554.98	0.59%	96.54%
March 31, 2024	11,340.34	4.50%	3,001.95	1.23%	93.58%

The range of products and services offered by the Bank includes loans and advances, deposits, foreign exchange products, retail lending and deposits. Our principal banking operations include:

- *Retail Banking*: Our retail banking business offers a wide range of financial products and services to retail customers. Retail banking products principally comprise of retail banking accounts (e.g., savings accounts and time deposits) and retail loans (e.g., home loan, loan against property, vehicles loan, education loan, and personal loan) Our total revenue from our retail banking business stood at ₹79,927.08 crore as on December 31, 2024, and ₹71,193.11 crore as on March 31, 2024.

- *MSME Banking*: Our MSME banking business offers a wide range of products at different interest rates to suit the specific needs of MSME borrowers. As a part of our offering, we extend credit facilities, including term loans, working capital and non-fund based facilities, to MSME involved in manufacturing and service

/trade activities. Our total revenue from our MSME banking business stood at ₹58,002.10 crore as on December 31, 2024, and ₹49,870.32 crore as on March 31, 2024.

- *Agricultural Banking:* Our agricultural banking business offers direct financing to farmers for production , as well as indirect financing for infrastructure development and credit to suppliers of agricultural inputs through agencies. In consonance with national policies and priorities, we have given considerable thrust to lending to the priority sector, including the agriculture sector. Our agricultural advances stood at ₹51,274.23 crore as on December 31, 2024 and ₹46,063.46 crore as on March 31, 2024.

- *Corporate/ Wholesale Banking:* Our corporate/wholesale banking business caters to corporate and institutional clients. Our total advances towards corporate/ wholesale banking stood at ₹ 81,575.92 crore as on December 31, 2024 and ₹84,617.79 crore as on March 31, 2024.

- *Other Banking Services:* Under other banking services, we provide range of offerings. Our treasury operations manage market risk and liquidity in line with Board-approved policies, aiming to optimize returns. Through bancassurance, we provide life, non-life, and health insurance products. We serve as an agency for the collection of central and state government revenues and have implemented a centralized system for pension payments. We distribute mutual funds. In the capital markets, we provide ASBA services, demat accounts, and a "3 in 1" e-trading facility. Our card services include debit cards in collaboration with major card networks. Our deposit services include time, savings, and current accounts, with specialized products for different customer segments.

The Bank is also present, through its Subsidiaries, Joint Venture and Associates, in diverse segments of the Indian financial sector, including housing finance, and trusteeship services. The Bank contributed 99.73% of our total consolidated assets as of December 31, 2024.

The Bank has a presence throughout India with a total of 4,541 branches, of which 65.22 % are located within rural and semi-urban areas in India, 4,085 ATMs, 11,889 banking correspondents, as of December 31, 2024. The Bank also has an overseas presence in Zambia through its Joint Venture. The President of India, acting through the Ministry of Finance, Government of India ("**GoI**") owned 93.08% of the Bank's share capital as of December 31, 2024.

The Bank's branch network is further complemented by its online and mobile banking solutions that enable it to provide its customers with access to banking services. Our direct banking platforms enable us to connect with our customers through alternate channels by improving customer growth and supporting the increase in the volume of customer transactions.

As of December 31, 2024, the Bank had gross deposits, gross advances and a total asset base of ₹ 3,97,907 crore, ₹2,70,779 crore and ₹49,68,479 crore, respectively. In addition, the Bank's retail term deposits (deposits less than ₹ 3.00 crore) accounted for 46.03% of the Bank's domestic deposits.

Presented below are the details of the Bank's total CASA deposits, domestic CASA deposits, and the ratio of domestic CASA deposits to total domestic deposits as of December 31, 2024, December 31, 2023, March 31, 2024, March 31, 2023, and March 31, 2022:

As of	**Total CASA Deposits** *(in ₹ crore)*	**Domestic CASA Deposits** *(in ₹ crore)*	**Ratio of Domestic CASA to Total Domestic Deposits (%)**
December 31, 2024	1,95,106.66	1,95,106.66	49.18%
December 31, 2023	1,84,541.91	1,84,541.91	48.98%
March 31, 2024	1,91,969.46	1,91,969.46	50.02%
March 31, 2023	1,80,311.95	1,80,311.95	50.39%
March 31, 2022	1,72,480.13	1,72,480.13	50.58%

Under the Priority Sector Guidelines, under the applicable RBI circular for priority sector lending targets and classification (the "**Priority Sector Circular**"), which sets out that 40% of the adjusted net bank credit ("**ANBC**") should be provided to the priority sector ("**Priority Sector Credit**"), with 18% and 10% of such Priority Sector Credit provided to the agriculture sector and the weaker sections (as identified in the Priority Sector Circular), respectively. Our achievement under Total Priority Sector, Agriculture and Weaker Section was 53.03%, 20.75% and 16.34%, respectively for the nine months period ended December 31, 2023, and was

54.23%, 21.26% and 16.44%, respectively for the nine months period ended December 31, 2024. We have achieved the goals set for priority sector lending for each of Fiscal 2022, Fiscal 2023, Fiscal 2024 and the nine months period ended December 31, 2023 and December 31, 2024.

For further information, see "*Regulations and Policies—Priority sector lending*" on page 240.

The table below sets forth summaries of certain of the Bank's key operating and financial performance parameters, as of and for the periods indicated below:

(₹ in crores, unless otherwise mentioned)

	As of and for the years ended March 31,			As of and for the nine months period ended December 31	
	2022	**2023**	**2024**	**2023**	**2024**
Average interest- earning assets	2,95,345.08	3,37,269.97	3,79,337.18	3,74,345.38	4,01,263.26
Net interest income	9,486.76	11,686.79	12,896.33	9,355.47	10,498.33
Average total assets	3,99,251.00	3,65,139.00	4,07,995.00	4,00,535.00	4,37,701.00
Average yield (%)(1)	7.72	7.57	8.10	7.97	8.32
Average Working Funds - AWF	3,42,948.43	3,61,456.80	4,04,370.56	3,96,903.59	4,33,720.20
Average cost of funds / borrowings (%) (excluding Current Deposits)	4.10	4.15	4.89	4.88	5.01
Average cost of Deposits (%) (excluding Current Deposits)	4.03	4.10	4.81	4.77	4.93
Spread(2) (bps)	362 bps	342 bps	321 bps	309 bps	331 bps
Cost of Funds(3) (%) includes current account	3.92	3.97	4.70	4.64	4.82
Net interest margin(4) (%)	3.21	3.47	3.40	3.33	3.49
Profit After Tax	1,045.00	1,582.00	2,549.00	1,742.00	2,752.00
Return on average equity(%)	4.49	6.42	9.53	8.81	12.64
Return on average assets(%)	0.30	0.44	0.63	0.59	0.85
Earnings per share (Annualised) (in ₹)	1.27	1.82	2.94	2.68	4.23
Book value per share (in ₹)	27.42	29.32	32.32	31.37	34.54
Tier I capital adequacy ratio (in %)	11.48	12.11	12.46	12.17	14.21
Tier II capital adequacy ratio (in %)	2.36	2.01	2.62	2.57	2.22
Total capital adequacy ratio (in %)	13.84	14.12	15.08	14.74	16.43
Net NPAs(5)	6,675.00	3,592.00	3,002.00	2,956.00	1,555.00
Net NPAs ratio(6) (in %)	3.97	1.77	1.23	1.27	0.59
Credit to deposit ratio(7) (in %)	55.63	60.86	65.59	63.60	68.25
Cost to income ratio(8) (in %)	53.90	56.35	58.18	58.29	57.90
Staff cost to income ratio (in %)	31.53	35.53	35.85	36.13	36.68
Other cost to income ratio (in %)	22.37	20.82	22.34	22.16	21.22
Provisioning coverage ratio(9) (in %)	86.69	92.48	93.58	93.73	96.54
Credit cost (Annualised) (in %)	1.4	1.8	1.5	1.73	1.06
CASA ratio(10) (in %)	50.58	50.39	50.02	48.98	49.18
Slippage ratio(11) (in %)	3.2	2.52	2.57	2.07	0.98
Total business	5,30,748.1	5,75,618.7	6,35,553.4	6,16,428.47	6,67,501.91
Gross total advances	1,89,712.2	2,17,778.7	2,51,744.7	2,39,646.16	2,70,779.33
Gross Deposits	3,41,035.9	3,57,839.4	3,83,808.8	3,76,782.31	3,96,722.58

Notes:

(1) Average balances are daily averages for deposits/ advances/investments and all others are based on monthly averages as reported to the RBI.

(2) Spread is the difference between the yield on average interest earning assets and yield on average interest bearing liabilities excluding current deposits.

(3) Cost of Fund is the ratio of interest expense to average interest-bearing liabilities.

(4) Net interest margin is the difference between interest earned and interest expended divided by the average working funds (AWF).

(5) Net NPAs reflect the Bank's gross NPAs less provisions for NPAs.

(6) Net NPAs ratio is the ratio of net NPAs divided by net advances.

(7) Credit to deposit ratio is calculated as a ratio of total gross advances to total deposits.

(8) Cost to income ratio is calculated as a ratio of operating expenses divided by total operating income (total of net interest income and non-interest income).

(9) PCR (including technical write-off) comprises provisions plus technical write off as percentage to Gross NPA plus technical write off.

(10) Ratio of domestic current account deposits and savings account deposits to domestic deposits (including inter-bank deposits).

(11) Slippages are fresh accretion to NPAs during a period. Slippage Ratio is fresh NPAs divided by Standard Advances at the beginning of the period.

SELECTED FINANCIAL INFORMATION OF OUR BANK

Consolidated Summary of Balance Sheet of the Bank for Fiscals 2024, 2023 and 2022 are presented in the table below:

(in ₹ crore)

Particulars	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
CAPITAL & LIABILITIES			
Capital	8,680.94	8,680.94	8,680.94
Reserves & Surplus	23,693.47	20,535.79	18,868.47
Minority Interest	76.16	67.31	57.70
Deposits	3,85,540.78	3,59,775.12	3,43,164.57
Borrowings	20,012.88	8,333.92	7,663.30
Other liabilities and provisions	9,767.34	9,686.63	9000.29
Total	**4,47,771.57**	**4,07,079.71**	**3,87,435.26**
ASSETS			
Cash and balances with Reserve Bank of India	22,954.79	27,432.92	38,033.70
Balances with banks and money at call and short notice	14,653.01	16,669.02	15,063.24
Investments	1,44,010.02	1,36,569.38	1,40,774.54
Advances	2,44,399.28	2,03,893.26	1,69,041.54
Fixed Assets	5,336.35	4,776.70	4,955.38
Other Assets	16,409.23	17,729.54	19,557.98
Goodwill on Consolidation	8.89	8.89	8.89
Total	**4,47,771.57**	**4,07,079.71**	**3,87,435.26**

Consolidated Summary Profit and Loss Account of the Bank for Fiscals 2024, 2023 and 2022 are presented in the table below:

(in ₹ crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
I. INCOME			
Interest earned	30,848.92	25,657.10	22,903.34
Other income	4,713.06	4,084.49	2,967.49
Total	**35,561.98**	**29,741.59**	**25,870.83**
II. EXPENDITURE			
Interest expended	17,882.37	13,905.10	13,360.88
Operating expenses	10,274.89	8,910.00	7,277.07
Provisions and contingencies	4,828.74	5,317.16	4,168.38
Total	**32,986.00**	**28,132.26**	**24,806.33**
Share of earnings in Associates (net)	100.64	79.06	18.45
Consolidated Profit/(Loss) for the year before deducting Minorities' Interest	**2,676.62**	**1,688.39**	**1,082.95**
Less: Minorities Interest	8.94	9.61	7.16
Consolidated Profit/(loss) for the period attributable to the group	**2,667.68**	**1,678.78**	**1,075.79**
III. APPROPRIATIONS			
Transfer to Statutory Reserves	637.26	395.55	261.21
Transfer to Other Reserves	225.11	192.79	783.62

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Transfer to Government/Proposed Dividend	0.00	0.00	0.00
Balance carried over to consolidated balance sheet	2,830.06	1,024.75	14.26
Total	**3,692.43**	**1,613.10**	**1,075.79**
Earnings per Share (In ₹) (Basic/ Diluted)	**3.07**	**1.93**	**1.31**

Consolidated Cash Flow Statement of the Bank for Fiscals 2024, 2023 and 2022 are presented in the table below:

(in ₹ crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash Flow from Operating Activities			
Net Profit as per Profit & Loss Account	4,190.46	2,761.10	1,763.26
Adjustment for:			
Depreciation on Fixed Assets	499.83	385.98	296.76
Depreciation on Investments (including on matured debentures)	(267.26)	214.1	368.87
Profit on sale of Assets	14.66	1.34	(9.1)
Bad Debts written off/Provision in respect of non performing assets	3,396.65	3,537.62	3,101.21
Provision for Standard Assets	50.71	680.65	(217.55)
Provision for Other items (Net)	134.8	(187.91)	235.53
Sub-Total	**8,019.85**	**7,392.88**	**5,538.98**
Adjustments for:			
Increase/ (Decrease) in Deposits	25,765.66	16,610.56	12,836.26
Increase/ (Decrease) in Borrowings	11,678.96	670.62	1,903.64
Increase/ (Decrease) in Other Liabilities	30.00	148.79	1,878.72
(Increase)/ Decrease in Investments	(7,173.38)	3,979.60	7374.60
(Increase)/ Decrease in Advances	(43,902.67)	(38,392.11)	(14,753.67)
(Increase)/ Decrease in Other Assets	(69.76)	1,111.09	(779.68)
Direct Taxes Paid (Net of refund)	(258.57)	(307.77)	277.70
Cash Flow from Operating Activities (A)	**(5,909.91)**	**(8,786.34)**	**14,276.55**
B. Cash Flow from Investing Activities			
Purchase of Fixed Assets	(587.25)	(212.28)	(157.76)
Sale / Disposal of Assets	3.02	3.62	24.38
Cash Flow from Investing Activities (B)	**(584.23)**	**(208.66)**	**(133.38)**
C. Cash Flow from Financing Activities			
Share Capital (Including Share Premium)	0.00	0.00	0.00
Share Application Money	0.00	0.00	0.00
Dividend - Equity shares Including Interim Dividend	0.00	0.00	0.00
Dividend Tax	0.00	0.00	0.00
Cash Flow from Financing Activities (C)	0.00	0.00	0.00
Cash Flow from Operating Activities	(5,909.91)	(8,786.34)	14,276.55
Cash Flow from Investing Activities	(584.23)	(208.66)	(133.38)
Cash Flow from Financing Activities	0.00	0.00	0.00
Net Increase in Cash & Cash Equivalents	**(6,494.14)**	**(8,995.00)**	**14,143.17**
Cash and Bank Balances (Opening)	**44,101.94**	**53,096.94**	**38,953.77**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Cash and Bank Balances (Closing)	**37,607.80**	**44,101.94**	**53,096.94**

Consolidated Summary of Balance Sheet of the nine months ended December 31, 2024 and December 31, 2023 are presented in the table below:

(in ₹ crore)

Particulars	As on December 31, 2024	As on December 31, 2023
CAPITAL & LIABILITIES		
Capital	8,680.94	8,680.94
Reserves & Surplus	25,580.77	22,387.18
Minority Interest	83.25	75.00
Deposits	3,98,477.45	3,78,232.41
Borrowings	27,433.96	23,198.43
Other liabilities and provisions	8,222.15	8,442.93
Total	**4,68,478.52**	**4,41,016.89**
ASSETS		
Cash and balances with Reserve Bank of India	20,067.59	21,895.69
Balances with banks and money at call and short notice	12,095.16	16,402.60
Investments	1,51,400.21	1,47,016.42
Advances	2,62,956.07	2,32,798.45
Fixed Assets	5,176.83	4,747.58
Other Assets	16,773.77	18,147.26
Goodwill	8.89	8.89
Total	**4,68,478.52**	**4,41,016.89**

Consolidated Profit and Loss Account of the Bank for the nine months ended December 31, 2024 and December 31, 2023 are presented in the table below:

(in ₹ crore)

Particulars	As on December 31, 2024	As on December 31, 2023
I. INCOME		
Interest earned	25,144.18	22,477.70
Other income	4,047.72	3,349.99
Total	**29,191.90**	**25,827.69**
II. EXPENDITURE		
Interest expended	14,591.56	13,071.33
Operating expenses	8442.12	7,424.03
Profit & Contingencies		
Total	**23,033.68**	**20,495.36**
Share of earnings in Associates (net)	60.94	95.01
Consolidated Profit/(Loss) for the year before deducting Minorities' Interest	**28,361.62**	**1,859.16**
Less: Minority Interest	(7.09)	(7.77)
Consolidated Profit/(loss) for the period attributable to the group	**2829.53**	**1,851.39**
Earnings per Share (In ₹) (Basic/ Diluted)	**3.26**	**2.13**

RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. This Preliminary Placement Document contains forward-looking statements that involve risks and uncertainties. Our financial performance may differ from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document. Prospective investors should carefully consider the following risk factors as well as other information included in this Preliminary Placement Document prior to making any investment decision. In making an investment decision, prospective investors must rely on their own examination of our Bank and the terms of the Issue, including the merits and risks involved. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment.

Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the chapter "Forward-Looking Statements" beginning on page 18.

The risks and uncertainties described in this section are not the only risks that are relevant to us, the Equity Shares or the industry and segment in which we operate. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

In order to obtain a complete understanding of our business, you should read this section in conjunction with the sections "Industry Overview", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Selected Statistical Information" on pages 171, 190, 88 and 126, respectively, as well as other financial information contained in this Preliminary Placement Document. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, and includes extracts from publicly available documents from various sources, including officially prepared materials from the Government of India (the "**GoI**") and its various ministries, the Reserve Bank of India and Ministry of Statistics and Programme Implementation, and has not been prepared or independently verified by our Bank, the Lead Managers or any of their affiliates or advisers.*

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise specified or as the context requires, financial information herein for Fiscal 2024, 2023 and 2022 and the nine month periods ended December 31, 2024 and December 31, 2023 is derived from our Audited Financial Statements and Unaudited Financial Statements, respectively.

Unless otherwise stated, references to "the Bank" or "our Bank" or "Bank", are to the Central Bank of India on a standalone basis and references to "the Group", "we", "us", "our", are to the Central Bank of India on a consolidated basis

Risks Relating to our Business

1. Our results of operations depend to a significant extent on net interest income and any changes in the interest rate could adversely affect our net interest margin, the value of our fixed income portfolio, our treasury income and our financial performance.

Our results of operations depend to a significant extent on our net interest income and could be adversely impacted by a rise in generally prevailing interest rates on deposits. Interest rates are highly sensitive to many external factors beyond our control, including growth rates in the economy, inflation, money supply, RBI's monetary policies, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors. Net interest margin (based on fortnightly averages) was 3.21% in Fiscal 2022, 4.24% in Fiscal 2023, 3.40% in Fiscal 2024 and 3.49% in the nine months period ended December 31, 2024, while our net interest income, as a percentage of total income for the nine months ended December 31, 2024, and December 31, 2023, as well as the Fiscals 2024, 2023, and 2022, are as follows:

Period	Net Interest Income (% of Total Income)
Nine months ended December 31, 2024	36.09%
Nine months ended December 31, 2023	34.19%
Fiscal 2024	36.39%
Fiscal 2023	39.45%
Fiscal 2022	36.81%

In the event of increase in interest rates, our net interest margin could be adversely affected because the interest paid by us on our deposits could increase at a higher rate than the interest received by us on our advances and other investments. In addition, an increase in interest expense relative to interest income may lead to a reduction in our interest income, which could materially and adversely affect our results of operations. Any inability of the Bank to retain customers as a result of rising interest rates may adversely impact the Bank's earnings in future periods. Similarly, in the event of falling interest rates, the Bank may face more challenges in retaining its customers if it is unable to offer competitive rates as compared with other banks in the market.

Pursuant to a notification dated September 4, 2019, the RBI linked all new floating rate personal or retail loans (housing, auto, etc.) and floating rate loans to micro and small enterprises extended by banks with effect from October 1, 2019, to external benchmarks ("**September Circular**"). Further, on February 26, 2020, the RBI stipulated that all new floating rate loans to the medium enterprises extended by banks from April 1, 2020, linked it to the external benchmarks as indicated in the September Circular. This change in the methodology for calculating the cost of funds may lead to lower lending rates and more frequent revisions in lending rates due to the prescribed monthly review of cost of funds. This may impact the yield on our interest-earning assets, our net interest income and our net interest margin. We are also exposed to interest rate risk through our treasury operations. Any rise in interest rates or any greater interest rate volatility could adversely affect our income from treasury operations or the value of our fixed income securities trading portfolio. Sudden or sharp and sustained increases in interest rates applicable to floating rate loans, could also result in extension of loan maturities and higher monthly instalments due from borrowers, which could result in higher rates of default in loan portfolio.

We are also exposed to interest rate risk through our treasury operations. The interest that we earn on the amounts maintained in fixed income government securities could also have a negative impact on our treasury income because interest earned on this portion of our assets is at rates that are generally far less favorable than those received on our other interest-earning assets. For Fiscals 2022, 2023 and 2024 and the nine months period ended December 31, 2024, the Bank recorded income from Treasury operations ((profit/ loss) on sale of investments (net) and profit on exchange/derivative transactions (net)) of ₹421 crore, ₹586 crore, ₹965 crore and ₹1,018 crore, respectively. If the yield on our interest-earning assets does not increase at the same time or to the same extent as our cost of funds, or if our cost of funds does not decline at the same time or to the same extent as the decrease in the yield on our interest-earning assets, our net interest income and net interest margin would be adversely impacted.

2. ***If we are not able to control or reduce the level of non-performing assets in our portfolio or any increase in our NPA portfolio, RBI mandated provisioning requirements could adversely affect our business, financial conditions and results of operations.***

Our Bank's gross and net NPAs, along with their respective percentages of advances, as of December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, are summarized in the table below:

Date	Gross NPAs *(in ₹ crore)*	Gross NPAs (% of Gross Advances)	Net NPAs *(in ₹ crore)*	Net NPAs (% of Net Advances)
December 31, 2024	10,459.89	3.86%	1,554.98	0.59%
March 31, 2024	11,340.35	4.50%	3,001.95	1.23%
March 31, 2023	18,386.12	8.44%	3,591.72	1.77%
March 31, 2022	28,156.22	14.84%	6,675.17	3.97%

Although our NPA levels have shown improvement, they may continue to fluctuate in the future. Any significant increase in NPAs could have a material adverse impact on our business, operational results, and financial condition. The increase in our NPAs may be due to several factors, including increased competition, macroeconomic conditions, high levels of debt involved in financing of projects, slow industrial and business growth, policies formulated by the GoI and other regulatory authorities, and significant borrowings by companies in India at relatively high interest rates.

Additional adverse economic, regulatory and legal developments, including increased competition, inconsistent industrial and business growth in recent years, high levels of exposure to certain sectors of the economy, the large number of frauds, regulatory and legal changes affecting the Bank's loan portfolio could cause further increases in the level of the Bank's NPA's. While the impact of these developments remains uncertain, they could have a material adverse impact on the quality of the Bank's loan portfolio. For more information on the factors affecting the Bank's NPA levels, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-Performing Loans and Provisioning"* on page 94. Additionally, if the systems and process established by the Bank to identify NPAs fail or are not able to identify the NPAs correctly and in a timely manner, the Bank's business, results of operations and financial condition could be adversely affected.

There can be no assurance that the percentage of NPAs that we will be able to recover will be similar to our past experience of recoveries of NPAs. Our retail loan portfolio has grown over the years, but there is limited data on historical loss ratios in retail loans, especially in the event of an economic slowdown or adverse macroeconomic factors. Further, global economic slowdown, inconsistent industrial growth and the impact of global and Indian economic conditions on equity and debt markets may also adversely affect our corporate loan portfolio.

A charge to our profit and loss account creates provisions for NPAs and are subject to minimum provision requirements linked to ageing of NPAs. We also consider our internal estimate for loan losses and risks inherent in the credit portfolio when deciding on the appropriate level of provisions in addition to the relevant regulatory minimum provision. The determination of a suitable level of loan losses and provisions involves a degree of subjectivity and requires that we make estimates of current credit risks and future trends, all of which may be subject to material changes. Any incorrect estimation of risk may result in our provisions not being adequate to cover any further increase in the amount of NPAs or any further deterioration in our NPA portfolio.

If there is any deterioration in the quality of our security or further ageing of the assets after being classified as NPAs, an increase in provisions will be required. This increase in provisions may adversely impact our financial performance. While we have already made provisions for NPAs, there can be no assurance that the RBI will not further increase provisioning requirements in the future. Additionally, the requirements of provisioning prescribed by the RBI may differ from our internal provisioning requirements and accordingly, we may be compulsorily required to comply with the RBI requirements. Provisions for NPAs are created by a charge to our profit and loss account and are currently subject to minimum provisioning requirements linked to the ageing of NPAs. In addition to the relevant regulatory minimum provisioning, we consider our internal estimates for loan losses and risks inherent in the credit portfolio when deciding the appropriate level of provisions. The determination of an appropriate level of loan losses and provisions involves a degree of subjectivity and requires that we make estimates of current credit risks and future trends, all of which may be subject to material changes. Any significant changes in the macroeconomic scenario along with other factors may result in our Bank's provisioning not being adequate to cover any further increase in the amount of NPAs or deterioration in our NPA portfolio. While we have already made provisions for NPAs, there can also be no assurance that the RBI will not further increase provisioning requirements in the future. The surplus from provisioning under the provision coverage ratio as against the provisioning required under the prudential provisioning norms is required to be segregated into an account termed a "countercyclical provisioning buffer". Any future increases in provisions mandated by the RBI could have an adverse impact on our business, financial condition, results of operations and cash flows. Further, the provisioning requirements prescribed by the RBI may differ from our internal provisioning requirements, and we may accordingly be required to increase our Bank's provisions to comply with the RBI's requirements. Our Bank's provision coverage ratio for Fiscals 2022, 2023, 2024 and nine-month period ended December 31, 2024 was 86.69%, 92.48%, 93.58%, and 96.54% respectively. The surplus from provisioning under the provision coverage ratio as against the provisioning required under the prudential provisioning norms is required to be segregated into an account termed counter cyclical provisioning buffer. Any future increases in provisions mandated by the RBI or other regulatory changes could lead to an adverse impact on our business, future financial performance and the trading price of the Equity Shares.

In April 2017, the RBI required banks to disclose the divergence in asset classification and provisioning between what banks report and what the RBI assesses through the RBI's annual supervisory process. The disclosure is required if either the additional provisioning requirement assessed by the RBI exceeds 10.00% of the published profits before provisions and contingencies for the period, or the additional gross NPAs identified by the RBI exceed 15.00% of the published incremental gross NPAs for the reference period, or both. For Fiscal 2022, Fiscal 2023 and Fiscal 2024, the divergence provisions have been absorbed in the financials of the Bank and the same is not required to be disclosed since the same was within the limit as per the RBI guidelines. The RBI may take enforcement action based on divergences between assessments of asset classification and provisioning, which could adversely affect our business, financial condition and results of operations.

In addition to the debt recovery and security enforcement mechanisms available to lenders under the DRT Act and the SARFAESI Act, the RBI provides for various mechanisms that may be adopted by banks to deal with stressed assets. However, there can be no assurance that these regulatory measures implemented by the GoI and the RBI will have an encouraging impact on our efforts to recover NPAs. Any failure to recover the expected value of collateral would expose us to potential loss. We along with other banks in India are also required to share data with each other on certain categories of special mention accounts and credit information relating to the same, set up joint lenders' forums, monitor the asset quality closely and formulate action plans for resolution of these accounts. Any failure to do so may result in accelerated provisioning for such cases which may result in initiation of supervisory actions by the RBI in the event we do not comply with the corrective action plan decisions. Even if an accelerated provision were made, there is no reassurance that we will be able to recover our NPAs. Accordingly, any significant increase in our NPAs may have a material adverse effect on our business, results of operations and financial condition.

3. Our business and financial performance may be adversely affected by an increase in level of restructured loans in our portfolio and inadequate performance of our restructured loans.

Restructured standard loans are a part of our standard assets. As of March 31, 2022, March 31, 2023, March 31, 2024 and December 31, 2024, our Bank's gross restructured assets as a proportion of gross advance were 4.64%, 3.11%, 2.56% and 2.04%, respectively. As a result of our present risk mitigation plan, we have witnessed a decrease in restructured loans in the banking system, including within our loan portfolio.

We restructure assets based on a borrower's potential to restore its financial health. However, in case a borrower fails to restore its financial viability and honour its loan servicing commitments to us, such assets classified as restructured may be classified as delinquent or non-performing. There can be no assurance that the debt restructuring criteria approved by us will be adequate or successful and that borrowers will ultimately be able to meet their obligations under restructured loans.

The RBI has permitted lending institutions including our Bank to offer a limited window to individual borrowers and small businesses to implement resolution plans in respect of their credit exposures while classifying the same as standard upon implementation of the resolution plan subject to certain conditions. For further details, see "*Regulations and Policies in India*" on page 233. Our profitability is also adversely affected, as a result of such provisioning requirements under the applicable RBI guidelines. Our profitability also has been adversely affected, as a result of such provisioning requirements under the applicable RBI guidelines.

4. Significant fraud, system failure or calamities are difficult to detect and deter and could harm our brand and our reputation, or lead to regulatory sanctions or litigation against us.

Our business is highly dependent on our ability to efficiently and reliably process a high volume of transactions across numerous locations and delivery channels. We are therefore dependent on our technology infrastructure for processing such data. Ensuring the security and continuity of our operating systems is of paramount importance. Our systemic and operational controls may not be adequate to prevent adverse impact from frauds, errors, hacking and system failures. A significant system breakdown or failure caused due to intentional or unintentional acts could have an adverse impact on our revenue- generating activities and lead to financial loss. We have not experienced system failures in the past where our branches have been unable to access core banking application and internet banking owing to network issues for significant periods. While we believe we have developed systems and controls in accordance with our business continuity policy including a geographically remote disaster recovery sites at Hyderabad and Mumbai to support critical applications, there can be no assurance that such disaster recovery sites will operate as intended or in a timely manner. In such circumstances, there may be significant disruption to our operations, which could materially and adversely affect our business, financial performance and reputation. Our Bank reports on an individual basis all frauds to RBI. While we have implemented, and continue to implement, measures aimed at detecting and preventing fraud and other misconduct, we may not be able to detect or prevent such fraud or misconduct in a timely fashion, which may harm our reputation and adversely affect our business, results of operations and financial condition.

5. In the course of our operations, we are exposed to various categories of borrowers, depositors and industry sectors, and a default by any large borrower, premature withdrawal of deposits or a deterioration in the performance of any of these industry sectors in which we have significant exposure would adversely affect our business, results of operations and financial condition.

We conduct business with certain borrowers who have highly leveraged balance sheets and any default by any of these borrowers would have a significant impact on our profitability. On June 3, 2019, the RBI released the Guidelines on Large Exposures Framework ("**LEF**") applicable to all scheduled commercial banks (other than regional rural banks) with a view to capture exposures and concentration risks more accurately and to align the previous guidelines and instructions on Large Exposures Framework with international norms, which superseded the previous circulars on large exposure framework. Vide a notification dated May 23, 2020, the RBI increased the limit for a bank's exposure to a group of connected counterparties from 25.00% to 30.00% with the view to facilitate a greater flow of resources to corporates on account of the COVID-19 pandemic. As of December 31, 2024, the Bank's exposure to its largest group and individual borrowers, along with its Tier I Capital details, is summarized below:

Description	**Amount *(in ₹ crore)***	**Percentage of Tier I Capital (%)**
Bank's 10 largest group borrowers	32,328.96	112.10
Exposure to the single largest group borrower	5,424.22	18.81
Exposure to 10 largest individual borrowers	27,706.76	96.08

For further information, see "*Selected Statistical Information - Concentration of Advances*" on page 151. If any of such borrowers' default or become non-performing, our exposure to credit risk would increase, and our net profits would decline, and due to the scale of the exposures, our ability to meet capital requirements could be challenging. We cannot assure you that these borrowers will continue to honour their commitments and that there will be no defaults in future and further, that there will not be any delay in payments of interest and/ or principal from these borrowers.

As of March 31, 2024, our Bank's largest fund-based exposures by sector are summarized in the table below:

Sector	**Fund-Based Exposure (in ₹ crore)**	**Percentage of Total Exposure (%)**
Infrastructure	24,325.30	9.66
NBFC	28,798.29	11.44
Basic Metals	8,156.58	2.88

Any financial difficulties experienced by our customers or by particular sectors of the Indian economy to which we have historically had and continue to have significant exposure, could significantly increase our NPA levels and materially and adversely affect our business, results of operations and financial condition and the price of the Equity Shares. The ability of borrowers to service their debt obligations may be adversely impacted by any significant deterioration in the performance of a particular sector, driven by events outside our control, such as regulatory actions or policy announcements by the GoI or state government authorities. As a result, we may experience increased defaults, which may adversely affect our business, results of operations and financial condition.

In December 2015, the Reserve Bank of India released guidelines on the computation of lending rates based on the marginal cost of funds methodology, which is applicable on incremental lending from April 1, 2016. Further, on December 5, 2018, the RBI published a report recommending referencing floating rate advances to certain external benchmarks which came into effect on October 1, 2019. To give effect to the aforesaid, the RBI, by way of its notification dated September 4, 2019, amended the Master Direction on Interest Rate on Advances, dated March 3, 2016, pursuant to which, it linked all new floating rate personal or retail loans (housing, auto, etc.) and floating rate loans to micro and small enterprises extended by banks with effect from October 1, 2019, to external benchmarks ("**September Circular**"). Further, on February 26, 2020, the RBI stipulated that all new floating rate loans to the medium enterprises extended by banks from April 1, 2020, shall be linked to the external benchmarks as indicated in the September Circular. This change in the methodology for calculating the cost of funds may lead to lower lending rates and more frequent revisions in lending rates due to the prescribed monthly review of cost of funds. This may impact the yield on our interest-earning assets, our net interest income and our net interest margin.

We monitor the concentration of exposures to borrowers and calculate customer exposure as required by the RBI. For Fiscals 2022, 2023, 2024 and nine-month period ended December 31, 2024, our total exposure to top 20 borrowers (fund-based and non-fund based, including guarantees) was ₹32,719.97 crore, ₹35,269.83 crore,

₹46,126.29 crore, and ₹41,671.59 crore, respectively, representing 12.85%, 13.10%, 15.29% and 12.73% respectively, of our total credit exposure (fund-based and non-fund based, including guarantees). If any of these twenty largest customer exposures were to become non-performing, the credit quality of our portfolio and our business, results of operations and financial condition could be materially and adversely affected.

6. Our business is vulnerable to investment risk, and any protracted or sudden decrease in the value of our investments can adversely affect our results of operation and financial condition.

Pursuant to RBI notification dated December 5, 2018, bearing number RBI/2018-19/86 DBR.No.Ret.BC.10/12.02.001/2018-19 we are required to maintain a minimum specified percentage, currently 18.50%, of our net demand and time liabilities in Government securities and other approved assets as SLR. Yields on these investments, as well as on our other interest-earning assets, are dependent to a large extent on interest rates and valuation. In a rising interest rate environment, especially if the increase is sudden or sharp, and/or due to changes in valuation of the investments/assets, we could be adversely affected by a decline in the market value of our Government securities portfolio and other fixed income securities and may require additional provisions for our 'Available for Sale' and 'Held for Trading' investment categories, which could adversely affect our profitability.

As on March 31, 2024, and December 31, 2024, 75.49% and 78.92%, of our total gross investments were in Government securities for SLR. As on December 31, 2024, and March 31, 2024, details of the percentages of our gross investments held in the 'Available for Sale' and 'Held for Trading' categories are as follows:

As on	Available for Sale (%)	Held for Trading (%)
March 31, 2024	27.91	0.52
December 31, 2024	29.28	2.92

For securities in the "Available for Sale" and "Held for Trading" categories which are subject to market risk, we are required to mark to market at regular intervals and net depreciation is recognized and provided for, while net appreciation is ignored. In respect of securities under the "Held to Maturity" category, we are not required to mark the same to market but are required to amortize the difference between acquisition cost and face value of the security over the residual maturity period of the security wherever the acquisition cost is greater than the face value. Further, any change in the RBI norms in relation to limits and other conditions for such categories of investments could adversely affect our business and financial results.

Our investment portfolio as on March 31, 2024, and December 31, 2024, included security receipts of ₹2,383.95 crore and ₹656.08 crore issued by ARCs, respectively. As per the RBI guidelines on declaration of net asset value of security receipts issued by a securitisation company, these receipts have to be valued on NAV basis. Values of these receipts are dependent on the value of underlying securities, recoverability, disposability, and market factors. Where there is a decline in value, we will have to make provision for the same and our profitability will be affected to that extent.

7. Our unsecured loan portfolio is not supported by any collateral to ensure repayment of the loan, and any such non-payment these loans increase our provision for credit losses, which would decrease our earnings and adversely affect our financial condition.

Our loan products include unsecured personal loans and credit cards to the retail customer segment, including salaried individuals and self-employed professionals, as well as unsecured loans to small businesses, public sector undertakings individual business proprietors as well as certain corporate groups. In Fiscals 2022, 2023, 2024 and nine months period ended December 31, 2024, our unsecured advances outstanding were ₹11,336.73 crore, ₹18,634.01 crore, ₹37,511.39 crore and ₹ 36,326.85 crore, respectively, which represented 6.74%, 9.18%, 15.41% and 13.87% of our net advances in those periods, respectively. Our unsecured loans are subject to greater credit risk than our secured loan portfolio because they may not be supported by realizable collateral. Although we typically obtain direct debit instructions or post-dated cheques from our customers for our unsecured loan products, we may be unable to collect in part or at all in the event of non-payment by a borrower. However, such instances of non-collection have not occurred during the last three fiscal years. Further, any expansion in our unsecured loan portfolio could require us to increase our provision for credit losses, which would decrease our earnings and adversely affect our financial condition.

8. Our inability to maintain or grow our CASA ratio in accordance with our strategy could have an adverse effect on our business, results of operations and financial condition.

Our aggregate CASA deposits increased from ₹1,72,480.13 crore as of March 31, 2022 to ₹1,80,311.95 crore as of March 31, 2023, ₹1,91,969.46 crore as of March 31, 2024, and further to ₹1,95,106.66 crore as of December 31, 2024, reflecting a CAGR of 4.19% over the period from March 31, 2022 to December 31, 2024. The share of CASA deposits as a percentage of the Bank's total domestic deposits was 50.58% as of March 31, 2022, 50.39% as of March 31, 2023, 50.02% as of March 31, 2024, 48.98% as of December 31, 2023, and 49.18% as of December 31, 2024.

We intend to grow our CASA ratio, in order to reduce cost of funds and improve our core deposits. Over the last three Fiscals and for the nine month period ended December 31, 2024, we have attempted to increase our CASA ratio through various initiatives, which include conducting CASA mobilisation campaigns, increasing our focus on cross-sale of fee based products to improve customer retention, increasing our non-resident savings base through a combination of acquisition and growth of non-resident savings portfolio on a relationship managed basis, and rationalizing of service charges for CASA products and services. However, attracting customer deposits in the Indian market is competitive. The interest rates that we must pay to attract customer deposits are determined by numerous factors such as the prevailing interest rate structure, competitive landscape, Indian monetary policy and inflation.

In future, we may be forced to increase interest rates for our CASA products to remain competitive and there is no guarantee that from such move we will be able to enhance our customer base enough to compensate for the increase in interest rates. If we fail to maintain or grow our CASA ratio, our Bank's liquidity position, financial condition, results of operations and cash flows may be materially and adversely affected.

9. Significant portion of our lending is backed by collateral. The value of such collateral may decrease or we may experience delays in enforcing such collateral if borrowers default on their obligations. This may result in failure to recover the expected value of collateralized security exposing us to potential losses.

The value of the assets that have been pledged to us as collateral could decline or significantly fluctuate due to factors beyond our control, including deterioration in global and regional economic conditions or of asset values, or as a result of adverse changes in the credit quality of our borrowers and counterparties. As of December 31, 2024, 86.58% of our Bank's advances were secured, as per the RBI guidelines by collateral, including property, real estate assets, plant, equipment, gold ornaments, current assets and pledges or charges on fixed assets, inventory receivables, bank deposits or financial assets such as marketable securities and guarantees provided by our borrowers. In the event of a decline in any of these, some of our loans may exceed the value of their underlying collateral. Changes in asset prices may cause the value of our collateral to decline. While we factor in any reduction in value to an extent, it may not be sufficient if the value of the collateral reduces substantially. This is particularly applicable in situations where the advances are secured by highly depreciating fixed assets such as, vehicles and agricultural equipment, etc. However, there were no such instances during the nine-month period ended December 31, 2024, or in the last three fiscal years.

We may not be able to realize the full value of the collateral, in the event our borrowers default on the repayment of loans, due to various reasons, including a possible decline in the realizable value of the collateral, defective title or pledge of faulty items as security, prolonged legal proceedings and fraudulent actions by borrowers, defects or deficiencies in the perfection of collateral (including due to the inability to obtain approvals that may be required from third parties), errors in assessing the value of the collateral, an illiquid market for the sale of the collateral, current legislative provisioning coverage or changes thereto, future judicial pronouncements, borrowers and guarantors not being traceable, or we may not be able to foreclose on collateral at all. However, there have been no such instances in the last three fiscal years. The SARFAESI Act, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, Insolvency and Bankruptcy Code, 2016, together with the Banking Regulation (Amendment) Ordinance, 2017 promulgated an ordinance dated May 4, 2017 amending the Banking Regulation Act, through which the RBI has been given extensive powers for the recovery of bad loans and resolution of stressed assets. The RBI has also strengthened the ability of lenders to recover NPAs by granting lenders greater rights to enforce security and recover amounts owed from secured borrowers. A failure to recover the expected value of collateral security could expose us to potential losses and may adversely affect our business, results of operations and financial condition. In the event that a specialized regulatory agency gains jurisdiction over the borrower, creditor action can be further delayed. Pursuant to RBI's Prudential Framework for Resolution of Stressed Assets dated June 7, 2019, we may not be allowed to initiate recovery proceedings against a corporate borrower, where the borrowers aggregate total debt is ₹15,000 million or more and 60.00% of the creditors by number and at least 75.00% of the creditors by value decide to restructure their advances. In such a situation, we are restricted to a restructuring process only as approved by the majority lenders. If we own 20.00% or less of the debt of a borrower, we could be forced to agree to an extended restructuring of debt which may not be in our interests.

The fluctuations in the prices of gold and real estate may impact our recovery amount during the enforcement of security resulting in write-offs in our loan amount. Any decline in the value of the collateral securing our loans, any inability to obtain additional collateral or our inability to realize the value of collateral may require us to increase our write-offs for credit and other losses. In such a scenario our losses will increase, and our net profit will decline. We may be required to increase our provision for loan losses in case of any decline in the value of the security which could impair our ability to realize the secured assets upon any foreclosure. The amounts we receive upon sale of the secured assets, in the event of a default with respect to any of these loans, may be insufficient to recover the outstanding principal and interest on the loan. Our profitability could be adversely affected, if we are required to re- value the assets securing a loan to satisfy the debt during a period of reduced asset values or to increase our allowance for loan losses and could have a material adverse effect on our business, results of operations and financial condition.

10. Any regulatory investigations, fines, sanctions, relating to our operations could negatively affect our business and financial results, or cause serious reputational harm to our businesses

We are subject to periodic inspections by RBI under the Banking Regulation Act. During the course of assessment, the RBI advises issues related to various risk and regulatory non-compliances, and during such inspections RBI has in the past made certain observations regarding our business and operations. The following table sets forth an indicative list of penalties imposed by RBI on our Bank during the Fiscals 2022, 2023, 2024 and nine-month period ended December 31, 2024.

Period	**Penalty amount** *(in ₹ crore)*	**Reason for penalty**
Fiscal 2022	1.00	• Penalty for failing to comply with Section 20(1) of the Banking Regulation Act, 1949 and RBI directions on Loans and Advances- Statutory and Other restrictions.
Fiscal 2023	0.36	• Penalty for failing to comply with RBI directions on Customer Protection- limiting liability of the customers in unauthorised electronic banking transactions.
Fiscal 2024	0.84	• Penalty for contravention of RBI Directions on fraud classification. • Penalty for levying SMS alert charges on flat basis rather than actual basis in contravention of RBI Master Circular on Customer Service in Banks.
Nine months period ended December 31, 2024	1.45	• Penalty imposed for non-compliance of RBI Directions on Loans and Advances - Statutory and Other Restrictions • Penalty imposed for failure to comply with RBI directions for Limiting Liability of Customers in Unauthorised Electronic Banking Transactions

In the past, deficiencies in our Bank's operations have been identified, including issues related to governance and oversight, the effectiveness of board functions, the assessment of board-level committees, the oversight of senior management, and operational risk management. For instance, in the past (a) discrepancies were identified in the customer profile data of our Bank, resulting in non-conformity with KYC (Know Your Customer) and AML (Anti-Money Laundering) guidelines; (b) risks were flagged concerning the outsourcing, monitoring, and customer satisfaction related to the functioning of the BCs; (c) the oversight by the Board committees was inadequate on Fraud Risk Management and customer service as staff accountability framework not adhered to; (d) the Bank failed to exercise adequate due diligence before submitting the names of eligible audit firms to the ACB for appointment as statutory central auditors for two vacancies in 2023-24. Consequently, the selected firms were deemed unfit and improper, resulting in the Bank being constrained to conduct the audit with only three statutory central auditors instead of four; (e) The Board composition does not comply with the provisions of the Banking Companies Act due to vacancies, including some that have persisted for more than three years, such as the position of non-executive chairperson of the Board and the workman employee representative position. (f) Certain issues in Fraud Risk Management were highlighted, including delayed classification of frauds, frauds committed by BCs and outsourced personnel not being treated as frauds, and consistent non-examination of staff accountability in borrower fraud cases post-fraud classification, contrary to guidelines (g) The Board's review of the functioning of sub-committees and the sub-committees' review of executive committees were limited to merely noting the minutes, without providing any specific directions.

While we have undertaken steps to comply with these observations and have informed RBI regarding the status of our compliance, there can be no assurance that RBI will consider such steps to be adequate and treat the observations as being duly complied with. In the event we are not able to comply with the observations made by the RBI, we could be subject to supervisory actions which may have a material adverse effect on our business, results of operations and financial condition.

We cannot predict the initiation or outcome of any further investigations by other authorities or different investigations by the RBI. The penalties imposed by such regulators, or any future scrutiny, investigation, inspection or audit which could result in fines, public reprimands, reputational loss, significant time and attention from our management, costs for investigations and remediation of affected customers, may materially and adversely affect our business, results of operations and financial condition.

11. Our investment portfolio comprises largely of government securities that may limit our ability to deploy funds in higher yield investments.

As of December 31, 2024 and March 31, 2024, government securities represented 75.49% and 78.92% of our domestic investment portfolio, respectively, and comprised 28.52% and 29.97% of our Bank's deposits. For further information, see "*Selected Statistical Information*" on page 126. We earn interest on such government securities at rates which are less favourable than those which we typically receive in respect of our retail and corporate loan portfolio, and this adversely impacts our net interest income and net interest margin. In addition, the market and accounting value of such securities could be adversely affected by overall rising interest rates.

Although many of these government securities are short-term in nature, the market value of our holdings could decrease if interest rates increase. In such cases, we may have to choose between liquidating our investments and incurring losses or holding the securities and potentially being required to recognize an accounting loss upon marking to market the value of such investments, and either outcome may adversely impact our business, results of operations and financial condition.

12. Any volatility in housing or commercial real estate prices may have an adverse impact on our business and our growth.

We have significant exposure in the housing and commercial real estate sector, through housing loans, LAP (Loans against Property), lease rental discounting, loans to developers and commercial real estate loans which exposes us to the effects of volatility in housing sector prices. For Fiscals 2022, 2023, 2024 and nine-month period ended December 31, 2024, our combined exposure in housing and commercial real estate sector was 16.79%, 19.05%, 18.84% and 20.03%, respectively, of total funded and non-funded exposures. Any sudden or sharp movement in housing or commercial real estate prices may adversely affect the demand and the quality of our portfolio which may have an adverse impact on our business, results of operations and financial condition.

13. The Bank may not be able to effectively manage the growth of its retail asset portfolio and maintain the quality of its retail loan portfolio.

Over the years, our Bank has increased its focus on retail lending portfolio. Our Bank's retail asset portfolio was ₹79,927.08 crore, ₹71,193.11 crore, ₹62,726.35 crore and ₹52,226.68 crore as at December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, respectively. Our advances to the retail sector represented 29.52 %, 28.28%, 28.80% and 27.53% of our total advances as of December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, respectively. We intend to continue our focus on increasing retail lending portfolio i.e. housing, vehicle, education, personal and other retails loans by offering new products and services and by cross selling to our customers through marketing. While we anticipate continued demand in the retail banking business, growth of our retail portfolio is subject to various factors including rationalization of branch network and manpower. We cannot assure you that we will be able to grow at the rate we have experienced in the past, which could materially and adversely affect our business, results of operations and financial condition.

In addition, the Bank's current growth strategy contemplates further growth in our retail asset portfolio. Although India has a credit bureau industry and we review credit history reports whenever they are available from credit bureaus, adequate information regarding loan servicing histories, particularly in respect of individuals and small businesses, is limited. As a result, our Bank's credit risk exposure is higher compared with banks operating in more developed markets. Additionally, the economy in India is largely cash based, making it difficult for us to monitor the credit of our retail customers, who frequently do not maintain formal financial records. Furthermore, retail loans may carry a higher risk for delinquency if there is an increase in unemployment, prolonged recessionary conditions or a sharp rise in interest rates. As a result, our Bank is exposed to higher credit risk in the retail asset segment as compared to banks in more developed markets. If our Bank's screening process proves to be inadequate, we may experience an increase in impaired loans and we may be required to increase our provision for defaulted loans. Further, if the Bank is unable to maintain the quality of our retail loan portfolio as Bank grows its retail business, our Bank NPAs may increase, which could materially and adversely affect our business, results of operations and financial condition.

14. We are subject to capital adequacy requirements as stipulated by the RBI and inability to maintain adequate capital due to lack of access to capital markets, or otherwise may impact our ability to grow and support our business.

We are subject to regulations relating to capital adequacy of banks, which determines the minimum amount of capital we must hold as a percentage of the risk-weighted assets on our portfolio, or capital-to-risk asset ratio ("**CRAR**"). The RBI requires banks in India to maintain a minimum CRAR of 11.50% (including capital conservation buffer) as on date. In addition, RBI issued Basel III Capital Regulations on May 2, 2012 applicable to our Bank for International Settlement's Basel III international regulatory framework and was implemented on April 1, 2013. The RBI Basel III Capital Regulations require, among other things, higher levels of Tier I capital and common equity, capital conservation buffers, maintenance of a minimum prescribed leverage ratio on a quarterly basis, higher deductions from common equity and Tier I capital for investments in subsidiaries and changes in the structure of non-equity instruments eligible for inclusion in Tier I capital. The RBI Basel III Capital Regulations also set out elements of regulatory capital and the scope of the capital adequacy framework, including disclosure requirements of components of capital and risk coverage. The transitional arrangements for the implementation of Basel III capital regulations in India began on April 1, 2013 and as on date of this Preliminary Placement Document, the Bank is in compliance with RBI Basel III Capital Regulations. Due to increase of size of assets and accordingly the risk weighted assets, there may be an impact on the CRAR under the Basel III standards. Although we have been maintaining a CRAR under the Basel III standards, which was 16.43% as of December 31, 2024, as compared to the regulatory minimum requirement of 11.50%. Further, any adverse developments could affect our ability to continue to satisfy the capital adequacy requirements, including deterioration in our asset quality, decline in the values of our investment or applicable risk , there can be no assurance that we will be able to maintain our CRAR within the regulatory requirements in future. In case the CRAR falls below the regulatory minimum requirement we may be constrained in further expanding our business. In June 28, 2019, as a part of the leverage ratio framework, the RBI announced that the minimum leverage ratio would be 4% for domestic systemically important banks and 3.5% for other banks. As of December 31, 2024, the Bank is maintaining the leverage ratio at 5.86%. The Bank's ability to grow its business and execute its strategy is dependent on its level of capitalization. Any decrease in the Bank's regulatory capital ratios, increase in RBI-mandated reserve requirements or capital requirements applicable to the Bank on account of regulatory changes or otherwise, or inability to access capital markets may compel the Bank to commit its existing capital away from profitable business opportunities, or to raise additional capital, in order to meet these new capital adequacy requirements. For example, the requirement that the Bank maintain a portion of its assets in fixed income government securities could have a negative impact on its treasury income as the Bank typically earns interest on this portion of its assets at rates that are generally less favourable than those typically received on its other interest-earning assets. The Bank may also be compelled to dispose of certain of its assets and/or take other measures in order to obtain the necessary capital to meet more stringent capital requirements. This would limit the Bank's ability to grow its business or adversely impact its profitability and its future performance and strategy.

In addition, if the Bank is unable to meet the RBI's capital reserves requirements or regulatory capital ratios in the future, the RBI may impose additional penalties or prohibit fresh deposits, which may materially and adversely affect the Bank's business, results of operations and financial condition.

The liquidity coverage ratios prescribed by the RBI Basel III Capital Regulations may result in Indian banks, including the Bank, holding higher amounts of liquidity, thereby impacting their profitability. In addition, any sudden increase in the demand for liquidity by banks to meet these regulatory liquidity requirements could have an adverse impact on the financial markets, and result in a sharp increase in short-term borrowing costs and a sudden increase in the cost of funding for banks, including the Bank.

In the past, the Bank has raised resources from the capital markets in order to meet its capital requirements. However, the Bank believes that the demand for Basel III compliant debt instruments such as Tier II capital eligible securities may be limited in India, and there can be no assurance that the Bank will be able to raise adequate additional capital in the future at all or on terms favourable to it. Moreover, if the Basel Committee releases additional or more stringent guidance on capital adequacy norms which are given the effect of law in India in the future, the Bank may be forced to raise or maintain additional capital in a manner which could materially adversely affect our business, results of operations and financial condition.

15. ***Our primary source of funding is in the form of deposits, and we may not be able to secure longer-term funding for our operations when we need it or at a cost that is favourable or at a competitive cost.***

We meet most of our funding requirements through short-term and medium-term funding sources, primarily in the form of customer deposits. Failure to obtain our primary sources of funding or replacing them with fresh borrowings or deposits may materially and adversely affect business, results of operations and financial condition.

A substantial portion of our customer term deposits has been a stable source of funding. Many factors affect the growth of deposits, some of which are beyond our control, such as economic and political conditions, competition, availability of better investment alternatives and changing perceptions of retail customers toward savings. For example, retail customers may reduce their deposits and increase their investment in securities for a higher return, while SMEs and mid corporate customers may reduce their deposits in order to fund projects or other capital requirements.

We have traditionally maintained high CASA deposits due to our large retail customer base spread across India. As of December 31, 2024, and March 31, 2024, the share of CASA deposits were 49.18% and 50.02% of the Bank's total deposits. Any decline in CASA share on total deposit could adversely impact the profitability of the Bank. However, our liquidity position will also be adversely affected if a substantial number of our depositors do not roll over term deposits upon maturity. Though retail deposits constitute a significant portion of our deposit base, we also accept high value deposits depending on the funding requirements. Accordingly, we may be required to seek more expensive sources of funding to finance our operations, which would result in a decline in our profits and have a material adverse effect on our business, results of operations and financial condition.

Our other sources of funding are primarily market borrowings such as borrowings from Reserve Bank of India, Other Institutions and Agencies, other borrowings which includes Innovative Perpetual Debt Instruments, repos and refinances. Any failure to obtain these sources of funding or replace them with other deposits or borrowings at competitive rates may materially and adversely affect our business, results of operations and financial condition. Interest rate fluctuations affect our cost of funds, and as a result, we are exposed to the risk of reduction in spreads, which is the difference between the returns that we earn on our advances and investments and the amounts that we must pay to fund them, on account of changing interest rates. In addition, if we are unable to re-invest the proceeds at similar interest rates, we will also face pre-payment risk on our loans, which may result in losing future interest and reduced cash flow. We may not be able to collect prepayment charges for certain products. We are also not permitted by the extant regulatory guidelines to charge foreclosure charges or prepayment penalties on all floating-rate housing loans to individual borrowers. Further, any downgrade or potential downgrade in our credit rating would also negatively impact the pricing on our issuances of debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to raise new capital and funding on a competitive basis.

In addition, we may not be able to reduce our deposits if we experience surplus liquidity. We must find ways to lend surplus funds to existing or new borrowers in order to earn interest income and protect our net interest margin. If we cannot secure sufficient loan volumes or earn sufficient interest through our lending activity, our ability to maintain and increase our net interest margin may be adversely affected along with our business, results of operations and financial condition. Any downgrade or potential downgrade in our credit rating would negatively impact the pricing on our issuances of debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to raise new capital and funding on a competitive basis.

16. ***Our Bank may face asset liability mismatches, which could adversely affect our liquidity and, consequently, our business, results of operations and financial condition.***

Our Bank may face liquidity risks due to mismatches in the maturity of our assets and liabilities. Liquidity risk is the risk that our Bank either does not have available sufficient financial resources to meet its obligations as they fall due or can secure them only at excessive cost. For example, a major liquidity risk in our Bank would be on account of unanticipated withdrawals of deposits, nonrenewal of deposits and delay in anticipated repayment of advances. This risk is inherent in any retail and commercial banking business and can be heightened by a number of enterprise- specific factors, including overreliance on a particular source of funding, changes in credit ratings or market-wide phenomena such as market dislocation. However, our Bank implements liquidity management processes to mitigate and control this risk. Our bank has robust liquidity risk management system in place. Unforeseen systemic market factors make it difficult to completely eliminate it.

We may rely on funding options with a short-term maturity period for extending long-term loans, which may lead to an asset liability mismatch for certain periods. Mismatches between our assets and liabilities are compounded in case of pre-payments of the advances we grant to our customers. Further, asset liability mismatches create liquidity surplus or liquidity crunch situations and depending upon the interest rate movement, such situations may adversely affect our Net Interest Income. Also see, "*Selected Statistical Information*" on page 126.

We have constituted an Asset Liability Management Committee ("**ALCO**") to address the abovementioned risks. The ALCO regularly reviews the asset liability mismatch and takes appropriate steps to ensure that we are not exposed to liquidity risk either, in the short or long-term. However, if the abovementioned risks materialise, we may face liquidity problem, resulting in an asset liability mismatch. As a result, we may be required to pay higher rates to attract deposits, which may have an adverse impact on our business and results of operations. Any failure on our part to minimize the asset liability mismatch resulting in higher liquidity risk may adversely affect business, results of operations and financial condition.

17. The Bank may not be able to meet the minimum public shareholding within the prescribed timelines, which could expose the Bank to penalties and other regulatory enforcement actions.

Pursuant to Section 19A of the Securities Contract (Regulations) Rules, 1957, as amended ("**SCRR**"), all listed companies are required to maintain a minimum public shareholding of at least 25%. Every listed public sector company whose public shareholding was below 25% is required to increase its public shareholding to at least 25% of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI Listing Regulations. The SCRR also provides that if the public shareholding in a listed public sector company falls below 25% at any time, such company is required to bring the public shareholding to 25% within a maximum period of two years from the date of such fall in the manner prescribed by the SEBI. Failing to achieve/ maintain a minimum public shareholding would subject such company to penalties and other regulatory enforcement actions. Our Bank is required to comply with minimal public shareholding norms by August 1, 2026 as per the GoI notification.

As of December 31, 2024, the Bank's public shareholding constituted only 6.92% of its total outstanding Equity Shares. The Bank endeavors to take necessary steps to increase the public shareholding as per SCRR so as to comply with minimal public shareholding norms.

18. Our loan portfolio contains significant advances to the agricultural sector and any change in lending rates applicable to this sector may adversely affect our future financial performance.

Our loan portfolio contains advances to the agricultural sector amounting to ₹38,635.40 crore, ₹42,110.35 crore and ₹46,063.46 crore as of March 31, 2022, March 31, 2023 and March 31, 2024, respectively, which represented 19.79%, 21.98% and 20.57%, of our adjusted net bank credit as of March 31, 2022, March 31, 2023 and March 31, 2024, respectively. Furthermore, advances to the agricultural sector amounted to ₹51,274.23 crore which represented 21.26% of our adjusted net bank credit as of December 31, 2024. The GoI's agricultural lending plans may involve public sector banks, including us, lending at below market rates in the agricultural sector. RBI guidelines stipulate that our agricultural advances shall be 18.00% of adjusted net bank credit or credit equivalent amount of off-balance sheet exposure, whichever is higher, out of which a target of nine percent is prescribed for small and marginal farmers. In addition, the market may perceive the exposure of public sector banks to the agricultural sector to involve higher risks, as repayment of agricultural loans is significantly dependent on weather patterns and agricultural output as well as commodity price fluctuations. Further, certain State governments have recently waived loans to certain customer segments, such as farmers, which may have an adverse impact on the overall loan recovery climate. This may negatively affect the risk- adjusted returns of public sector banks and may adversely affect our business, future financial performance and the trading price of the Equity Shares. In the event that we are required to further increase our exposure to the agricultural sector pursuant to GoI mandated directed lending, it may adversely affect our future financial performance.

19. Our financial performance may be materially and adversely affected by an inability to generate and sustain other income.

Fee based income increased from ₹1,425.00 crore in Fiscal 2022 to ₹ 1,786.86 crore in Fiscal 2023 to ₹ 1,838.35 crore in Fiscal 2024 due to increase in business and from ₹1,393.33 crore in nine-month period ended December 31, 2023 to ₹ 1,583.07 crore in nine-month period ended December 31, 2024. We generated commission, exchange and brokerage income of ₹1,583 crore for the nine-month period ended December 31, 2024, which represented 5.44% of our total income. We also offer other banking services such as bancassurance (distributors of life and non – life insurance products), trustee and tax collection services (including GST). In addition to our primary segments, we offer a comprehensive range of ancillary products and services such as depository services, ASBA facility, electronically secured bank and treasury receipt (eSBTR), locker facilities, safe custody facility, bill payment services, online and off-line fee collection services, payment and remittance services. Our Subsidiary, Centbank Financial Services Limited provides services auxiliary to banking services such as providing trusteeship services including debenture/security trustee, executor trustee and managing charitable trusts. There can be no assurance that we will be able to sustain current levels of income from, or effectively manage the risks associated with, these businesses in the future.

We intend to continue focusing on higher fee based income from the sale of various third party products that at present include a wide range of both life and non-life insurance, mutual fund and share trading facility. We have taken several steps to introduce fee based services, chargeable value added services, upfront fees, consortium fees. If we are unable to successfully diversify our products and services while managing the related risks and challenges, returns on such products and services may be less than anticipated, which may materially and adversely affect our business, results of operations and financial condition.

Our treasury operations contributed to 45.12%, 37.04% 33.34% and 32.14% of our total income during Fiscal 2022, Fiscal 2023, Fiscal 2024 and nine-months period ended December 31, 2024, respectively. Our income from treasury operations comprises interest on investment, profit from sale of securities and foreign exchange income. Our treasury operations are vulnerable to changes in interest rates, exchange rates, equity prices and other factors. In particular, if interest rates rise, the valuation of our portfolio may be impaired due to the negative impact on the value of certain investments such as Government securities and corporate bonds. Realised and mark-to-market gains or losses on investments in fixed income securities, including Government of India securities, are an important element of our income and are impacted by movements in market yields. A rise in yields on government securities reduces our income from this activity and the value of our fixed income investments. Any significant or sustained decline in income generated from treasury operations resulting from market volatility may adversely impact our Bank's financial performance and the trading price of the Equity Shares. Though we have operational controls and procedures in place for our treasury operations such as counterparty limits, position limits, stop loss limits and exposure limits that are designed to mitigate the extent of such losses, there can be no assurance that we will not incur losses in the course of our proprietary trading on our fixed income portfolios. Any such losses could adversely affect our business, financial condition and results of operations.

20. Our Bank's retail assets portfolio has experienced significant growth. If our Bank is unable to address credit risk in our retail asset portfolio, then our financial performance may be adversely affected.

As part of our Bank's business and growth strategy, we will continue to focus on growth in its retail banking business. Set forth below are details of our Bank's retail credit portfolio as of the corresponding periods:

(amount in ₹crore except as stated otherwise)

	As of March 31,			As of December 31,	
	2022	**2023**	**2024**	**2023**	**2024**
Retail credit portfolio	52,226.68	62,726.35	71,193.11	68,797.33	79,927.08
Total Domestic Advance	1,89,712.20	2,17,778.71	2,51,744.68	2,39,646.16	2,70,779.33
Retail credit portfolio, as a percentage of total loans (%)	27.53	28.80	28.28	28.71	29.52

The availability of comprehensive credit history reports for new first-time borrowers is limited in India. As a result, our Bank is exposed to higher credit risk in the retail business compared to banks in more developed markets. If our Bank's screening process proves to be inadequate, it may experience an increase in impaired loans and it may be required to increase its provision for defaulted loans. This may impact our future financial performance and credit rating and the market price of the Equity Shares. Although India has a credit bureau industry and we review credit history reports whenever they are available from credit bureaus, adequate information regarding loan servicing histories, particularly in respect of individuals and small businesses, is limited. Additionally, the economy in India is largely cash based, making it difficult for us to monitor the credit of our retail customers, who frequently do not maintain formal financial records. Furthermore, retail loans may carry a higher risk for delinquency if there is an increase in unemployment, prolonged recessionary conditions or a sharp rise in interest rates. Further, if our Bank is unable to maintain the quality of our retail loan portfolio as Bank grows its retail business, NPAs may increase, which could adversely affect our business, results of operations and financial condition.

21. We are exposed to fluctuations in foreign exchange rates which could adversely affect our business, results of operations and financial condition

As a financial intermediary, we undertake various foreign exchange transactions to hedge our customers' business and for proprietary trading, which exposes us to various kinds of risks, including credit risk, market risk and exchange rate risk. We have adopted a market risk management policy and forex dealing and trading operations policy to mitigate risks arising out of customer transactions and proprietary trading through various risk limits such as counterparty bank exposure limits, country wise exposure limits, overnight limits, intraday limits, stop loss limits, aggregate gap limits and value-at-risk limits. Some of our borrowers also enter into derivative contracts to manage their foreign exchange risk exposures. As of March 31, 2024 and December 31, 2024, our Bank's credit exposure on account of outstanding gross forward exchange contracts was ₹245.29 crore and ₹1,890.13 crore, respectively.

The failure of our borrowers to manage their exposures to foreign exchange, derivative risk, adverse movements and volatility in foreign exchange rates may adversely affect our borrowers, the quality of our exposure to our borrowers and our business volumes and profitability. Volatility in foreign exchange rates may be further accentuated due to other global and domestic macroeconomic developments. As a result, our future financial performance and the market price of the Equity Shares may be adversely affected.

22. As a part of our growth strategy, we continue to focus on our SME business. The growth of our SME business depends on the performance of the SME sector in India other macro level factors including but not limited to inflation, GDP and rural and urban consumption, competition from other public and private sector banks, and financial institutions and NBFCs, and any change in government policies and statutory and/or regulatory reforms in the SME sector may affect our business and results of operations.

As on March 31, 2024, and December 31, 2024, 19.81% and 21.46% of our total advances were to our SME customers, respectively. In recognition of the contribution and vast potential of the small enterprises finance sector in the economy, provision of adequate credit to this sector continues to be an important element of banking policy. The Government of India has from time to time taken economic policy initiatives to promote this sector and enhance credit to SMEs. Some of the initiatives of the Government to support small enterprise financing include setting up a credit guarantee fund trust for small industries, Prime Minister's Employment Generation Programme, mudra loan schemes, risk sharing facilities, venture capital funding, and micro credit. The small enterprises finance sector currently is catered to largely by public sector banks, public financial institutions, and local unorganized private financiers.

Any change in the regulatory requirements in connection with the SME sector, change in government policies, and slowdown in liberalization and reforms affecting the sector could affect the performance of SMEs and demand for SME finance, and in turn, our business and results of operations.

23. A significant proportion of our loans have a residual maturity exceeding one year, exposing us to risks associated with economic cycles and project success rates.

The residual maturity of loans exceeding one year represented 83.79%, 77.92% and 75.37%, of our total advances for the period ended March 31, 2022, March 31, 2023 and March 31, 2024 respectively. As of December 31, 2024, the same was 75.74% of our total advances. This may expose us to risks arising out of economic cycles in the longer run. In addition, some of these loans are project finance loans. There can be no assurance that these projects will perform as anticipated or that such projects will be able to generate cash flows as estimated to service commitments under the loans.

We are also exposed to infrastructure projects that are still under development and are susceptible to risks arising out of delay in execution, failure of borrowers to execute projects on time, delay in getting approvals from necessary authorities and breach of contractual obligations by counterparties, all of which may adversely impact the projected cash flows. Although we have implemented certain risk analysis and mitigation mechanisms, as well as procedures to monitor our project finance borrowers, these procedures may not be effective, as projects often get delayed due to extraneous factors beyond our control. Risks associated with a recession in the economy and a delay in project implementation or commissioning could lead to rise in delinquency rates and, in turn, adversely impact our future financial performance and the trading price of the Equity Shares.

24. We distribute third-party investment products, such as mutual funds and insurance products. Our inability to effectively manage any of these businesses may adversely affect our business, results of operations and financial condition.

We have increased our focus on fee and commission-based income over a period of years. In order to grow our non- interest income, we distribute third-party investment products and insurance products and provide portfolio management services. We have engaged with various third parties to distribute such products. However, we have no control over the actions of such third parties and their products. Any failure on the part of such third parties, including any failure to comply with applicable regulatory norms, any regulatory action taken against such parties or any adverse publicity relating to such party could, in turn, result in negative publicity about us and adversely impact our brand and reputation. Further, in case customers to whom such products are sold, experience deficiency of service or are otherwise aggrieved, we may be subject to litigation or claims for damages by such aggrieved customers, which could adversely affect our business, financial position and results of operations. If there is a disruption in the third-party services, or if the third-party service providers discontinue their service agreement with us or if we fail to renew their service agreement, in a timely manner, or at all, our business, financial condition and results of operations will be adversely affected.

25. We are exposed to operational risks, as well as weakness or failures of our internal control systems that may cause significant operational errors, which may in turn materially and adversely affect our business, results of operations and financial condition.

Banks and financial institutions are generally exposed to many types of operational risks, including the risk of fraud or other misconduct by employees or outsiders, unauthorized transactions by employees and third parties (including violation of regulations for prevention of corrupt practices, and other regulations governing our business activities), or operational errors, including clerical or record keeping errors or errors resulting from faulty computer or telecommunications systems. Given the high volume of transactions that we handle on a day to day basis, certain errors may be repeated or compounded before they are discovered and successfully rectified. In addition, our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

We also outsource certain functions to other agencies, such as data entry cash management and ATM management. We are also, as a result exposed to the risk that such external agencies may be unable to fulfil their contractual obligations to us (or will be subject to the same risk of fraud or operational errors by their respective employees as we are), and to the risk that our (or such agencies) business continuity and data security systems prove not to be sufficiently adequate. We also face the risk that the design of our controls and procedures may prove inadequate, or are circumvented, thereby causing delays in detection or errors in information. While we periodically test and update, as necessary, our internal control systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances.

Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to fully correct such internal control weakness. In Fiscal 2024 and the nine months period ended December 31, 2024, the number of frauds detected were 2,399 and 992, respectively, having an aggregate pecuniary implication of approximately ₹195.24 crore and ₹86.78 crore, respectively. Our risk management techniques may not be fully effective in mitigating our risk exposure in all market environments or against all types of risks, including risks that are unidentified or unanticipated. Some methods of managing risk are based upon observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated. Other risk management methods depend upon an evaluation of information regarding markets, clients or other matters. This information may not in all cases be accurate, complete, up to date or properly evaluated. Management of operational, legal or regulatory risk, compliance risk, conduct risk, environmental social and governance risk and other non-financial risk requires, among other things, policies and procedures to properly record and verify a large number of transactions and events. Although we have established these policies and procedures, these policies may not be fully effective which could adversely affect our business, results of operations and financial condition.

26. We may face conflicts of interest relating to our Associates, Uttar Bihar Gramin Bank and Uttarbanga Kshetriya Gramin Bank.

Our associates, Uttar Bihar Gramin Bank ("**UBGB**") and Uttarbanga Kshetriya Gramin Bank ("**UKGB**"), are regional rural banks with a total of 1,175 branches covering 21 districts in Bihar and West Bengal, as of December 31, 2024. Such entities and our Bank currently operate and will continue to operate in similar line of business. As we do not have agreements with UBGB and UKGB that restrict them from offering similar products and services, there is a potential for conflicts of interest.

We cannot assure you that such entities will not compete with us in similar markets or our existing business or any future business that we may undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business Should they continue to offer and distribute our products in the markets we are currently engaged in, or should we forego certain business opportunities due to our relationship with UBGB and UKGB, our business, results of operations, and financial condition could be adversely affected. We cannot assure you that these or other conflicts of interest will be resolved in an impartial manner. Such factors may have an adverse effect on the results of our operations and financial condition.

27. There are limitations in the scope of the procedures adopted by our statutory auditors in the audit of our financial statements.

We are a commercial bank with a network of 4,541 branches in India as of December 31, 2024. In Fiscal 2024 audited financial statements, SCA Firms have audited 12 Zonal offices, top 20 branches and 1 specialized integrated treasury branch. Further Statutory Branch Auditors have audited reports in respect of advance and non-performing assets 1,454 branches, specifically appointed for this purpose. These audit reports cover 72.26% of the advances portfolio of the bank, 84.18% of non-performing assets of the Bank, including the financial results for Top 20 Branches and 1 specialized integrated treasury branch. Apart from these review reports, SCA have relied upon various information and un-reviewed returns received from the unaudited branches of the bank.

As noted in the audit reports for the financial statements for Fiscals 2022, 2023 and 2024, there are certain limitations in the scope of the audit of such financial statements. For further details, see "*Financial Statements*" on page 302. An inability to maintain an effective internal audit system or adequate procedures by our officials in the audit of our financial statements may affect the reliability of our financial statements.

28. Our ability to pay dividends in the future will depend upon our earnings, financial condition and capital requirements and directions. Any inability to declare and/ or pay dividend may adversely affect the trading price of our Equity Shares.

We have not declared or paid any dividends to our shareholders during Fiscal 2022, Fiscal 2023, Fiscal 2024, and the nine-month period ended December 31, 2024. There can be no assurance that we will pay dividends in the future and, if we do, as to the level of such future dividends.

While we have a formal board approved dividend policy to govern our dividend pay-out, our future ability to pay dividends and the amount of any such dividends, if declared, will depend upon a number of factors, including our future earnings, financial condition, capital requirements, our compliance with regulatory requirements, meeting the RBI mandated CRAR and net NPA parameters and our results of operations and financial condition and other factors considered relevant by our Board and our shareholders. Declaration of dividend by public sector banks (PSUs) are governed by RBI Master Guidelines issued vide its circular no RBI/2004-05/451DBOD.NO.BP.BC. 88/ 21.02.067 / 2004-05 dated May 4, 2005. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time.

We cannot assure you that we will generate sufficient income to cover our operating expenses and shall be able to pay dividends. In addition, dividends that we have paid in the past may not be reflective of the dividends that we may pay in a future period. Our future dividend policy will depend on our revenues, profits, cash flow, financial condition, capital requirements and other factors. For further information, see "*Dividend Policy*" on page 87.

29. We are involved in certain legal and other proceedings which, if determined against us, could have a material adverse impact on our business, results of operations and financial condition.

We are involved in various legal proceedings in the ordinary course of our business. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, statutory and regulatory authorities/ other judicial authorities. These matters generally arise because we seek to recover dues from borrowers, further we have field complaints before relevant authorities against certain of our borrowers on account of fraud and/or under the Negotiable Instruments Act, 1881 in relation to dishonour of cheques issued by such borrowers. Although it is our policy to make provisions for probable loss, we do not make provisions or disclosures in our financial statements where our assessment is that the risk is insignificant. We can give no assurance that these legal proceedings will be decided in our favour and we may incur significant expenses and expend substantial management time in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If there are any rulings against us by the appellate courts or tribunals, we may face losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, results of operations and financial condition, which could adversely affect the trading price of our Equity Shares. If our provisioning is inadequate relative to actual losses on final judgment, such additional losses could have an adverse impact on our business, results of operations and financial condition. For further information on litigations, see "*Legal Proceedings*" on page 295.

30. The audit reports in respect of our financial statements contain certain matters of emphasis which could have an impact on our financial performance.

The audit report on our audited financial statements for Fiscal 2024 included a certain matter of emphasis relating to Note No. 6 of the Statement regarding deferred tax, wherein on the basis of a tax review made by the Bank's management with respect to the possible tax benefits arising out of the timing difference, the net deferred tax asset of ₹4,294.57 crore is recognised as on March 31, 2024 (₹5,798.91 crore as on March 31, 2023). Further, there can be no assurance that our auditors will not qualify their opinion in the future. For further information in relation to certain emphasis of matters, see *"Financial Information"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Auditor Observations and Matters of Emphasis"* on page 302 and 122 respectively.

31. Our insurance coverage may be inadequate to cover claims. If we incur substantial uninsured loss or loss that exceeds our insurance coverage, it could have a material adverse effect on our business, results of operations and financial condition.

While we are covered by a range of insurance that we believe is consistent with industry practice in India to cover risks associated with our business, we cannot assure you that the existing coverage will insure our Bank completely against all risks and losses that may arise in the future. We may not have insurance to cover all of the risks associated with our business, as insurance coverage is either unavailable for certain risks or is prohibitively expensive.

We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part, on time, or at all. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, results of operations, financial condition and cash flows could be adversely affected. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us. While there has been no instance in the nine month period ended December 31, 2024 and the past three Fiscals where any event occurred where we experienced losses exceeding our insurance coverage, we cannot assure you that such instance will not arise in the future. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, if at all. If we were to incur a serious uninsured loss or a loss that significantly exceed the limits of our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition.

32. We may not be successful in implementing our growth strategies or penetrating new markets.

Our principal business strategies include further diversification and expansion of our customer base, expansion of our network, improving our retail lending portfolio of products and services. In order to achieve our principal business strategies, we have initiated various growth strategies, including advanced technology initiatives, targeting new customer segments, focusing on capital optimization and operational efficiencies. These strategies expose us to a number of risks and challenges, including, among others, the following:

- growth requires greater marketing and compliance costs than experienced in the past, diverting operational, financial and managerial resources away from existing businesses;
- growth plans may not develop and materialize as we anticipate and there can be no assurance that new product or service lines will be profitable;
- we may fail to identify appropriate opportunities and offer suitable products in a timely fashion putting the businesses at a disadvantage as compared to the competitors;
- compliance with new market standards and unfamiliar regulations will place new demands upon management and create new and possibly unforeseen risks to us;
- we need to hire or retrain skilled personnel who are able to supervise and conduct the relevant new business activities, will add to our cost base; and
- competitors in different business segments that we operate in may have more experience and resources than us which may affect our ability to compete.

Our Bank may not be able to effectively manage this growth or achieve the desired profitability in the expected timeframe, if at all, or the expected improvement in indicators of financial performance from the expansion. For example, our Bank intends to continue to add new branches over the next few years, which will increase the size of our Bank's business and the scope and complexity of its operations and will involve significant start-up costs. Our Bank may not be able to achieve the desired growth in its deposit base, and our Bank's new branches may not perform as well as its existing branches. See below, "*Our business and financial performance are dependent on maintaining and building a successful branch network. Any failure to maintain and increase our coverage will adversely affect our growth*". In addition, our Bank may also fail to develop or retain the technical expertise required to develop and grow its digital payments capabilities. To the extent that our Bank fails to meet required targets, develop and launch new products or services successfully, it may lose any or all of the investments that it has made in promoting them, and our Bank's reputation with its customers could be harmed.

33. We extend a certain amount of loans to the priority sector pursuant to regulations prescribed by the RBI. Loans to priority sector could have higher delinquency rates. If we do not meet our priority sector lending requirements, our results of operations could be adversely affected.

The RBI requires all banks that are operating in India to channel a minimum aggregate of 40.00% of our net bank credit or credit equivalent amount of off-balance sheet exposure, whichever is higher, to "priority sectors" such as agriculture, MSMEs, export credit, education, social infrastructure, renewable energy and as determined by the RBI. Economic difficulties may affect borrowers in "priority sectors" more severely and our NPA levels may increase in case "priority sectors" experience any economic decline or downturn. Conversely, if we are unable to meet our priority sector lending requirements, we will subsequently be required to place the difference between the required lending level and actual priority sector lending in an account with the NABARD under the Rural Infrastructure Development Fund Scheme, or with other financial institutions specified by the RBI, which generate lower levels of interest compared to advances made to the priority sector. Further, subsequent deposits placed by banks on account of non-achievement of priority sector lending targets or sub-targets are not eligible for classification as indirect finance to agriculture or MSMEs, as the case may be.

34. We have entered into agreements and arrangements with third parties to facilitate our other banking operations. In the event of failure to adhere to contractual and legal obligations by these third parties, our business, results of operations and financial condition could be adversely affected.

We enter into outsourcing arrangements with third party vendors and independent contractors, in compliance with the RBI guidelines on outsourcing. These vendors and contractors provide services that include, among others, ATM/ card related services, business correspondents, facility management services related to information technology, software services and call center services. In addition, we have entered into agreements with third parties to offer a number of products and services such as distribution of life insurance, general insurance and health insurance products, money transfer services through branch channels as well as through direct remittance and mutual fund schemes. While we have not encountered any failures by third parties in performing their contractual obligations of these services in the nine-month period ended December 31, 2024 and the past three Fiscals, we cannot assure that we will not be subject to such instances in the future.

As a result of outsourcing such services and offering third party products and services, we are exposed to various risks including strategic, compliance, operational, legal and contractual risks. Any failure by a service provider to provide a specified service or a breach in security/ confidentiality or noncompliance with legal and regulatory requirements, may result in financial loss or loss of reputation. We cannot assure that there will be no disruptions in the provision of such services or that these third parties will adhere to their contractual obligation. If there is a disruption in the third-party services, or if the third-party service providers discontinue their service agreement with us, our business, results of operations and financial condition will be adversely affected. In case of any dispute, we cannot assure you that the terms of such agreements will not be breached, which may result in litigation costs. Such additional cost, in addition to the cost of entering into agreements with third parties in the same industry, may materially and adversely affect our business, results of operations and financial condition. The "Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by Bank" issued by the RBI on March 11, 2015, places obligations on banks, its directors and senior management for ultimate responsibility for the outsourced activity. Banks are required to provide prior approval for use of subcontractors by outsourced vendor and to review the subcontracting arrangements and ensure that such arrangements are compliant with aforementioned RBI guidelines. Legal risks, including actions being undertaken by the RBI, if our third-party service providers act unethically or unlawfully, could materially and adversely affect our business, results of operations and financial condition.

35. As on the date of this Preliminary Placement Document, the composition of our Board and the composition of certain committees does not have the full strength as prescribed in the Banking Companies Act and SEBI Listing Regulations.

As on the date of this Preliminary Placement Document, we have eight(8) directors on our Board including four (4) Whole-Time Directors, out of which, one (1) is designated as the Managing Director and Chief Executive Officer, while three (3) directors are designated as the Executive Directors , one (1) Government of India Nominee Director, one (1) RBI Nominee Director, one (1) Part Time Non-Official Director under CA Category and one (1) Shareholder Director and the composition of our Board and Audit Committee are not in compliance with the Banking Companies Act and the SEBI Listing Regulations. The Board does not have the full strength as prescribed in the Banking Companies Act as the following positions are vacant:

- one position each under sections 9(3)(e) and 9(3)(f) of the Banking Companies Act to be nominated by the Central Government; and
- five positions under sections 9(3)(h) of the Banking Companies Act to be nominated by the Central Government.

Given that our Bank is a public sector undertaking, matters pertaining to, among others, appointment of our Directors are determined by the Government of India, Ministry of Finance or RBI except appointment of Shareholders' Directors under section 9(3)(i) of the Banking Companies Act. In particular, the RBI has issued a circular dated April 26, 2021 which prescribes certain basic requirements with regard to the chairman and meetings of boards of directors, composition of certain committees of boards of directors, age, tenure and remuneration of directors, and appointment of the whole-time directors. Further, we do not have a women director on our Board as per the SEBI Listing Regulations.

We cannot provide any assurance that the composition of our Board and the committees thereof will be in terms of the applicable regulations in a timely manner or at all. Such delay or failure could result in statutory / regulatory authority(ies) taking action against us including imposing penalty on our Bank, any of which could adversely affect the Bank's business, reputation and results of operations.

36. The Indian banking industry is very competitive and our growth strategy depends on its ability to compete effectively.

We face competition in all our principal areas of business. Private sector banks, foreign banks and other public sector banks are our main competitors, followed closely by small finance banks, non-banking finance companies, insurance companies, housing finance companies, payment banks, asset management companies, development financial institutions, mutual funds, and investment banks.

We may also face increased competition from foreign banks if the Indian retail market is further liberalized or if regulations and restrictions upon branch network growth by foreign banks are simplified or reduced, foreign banks may operate in India by establishing wholly owned subsidiaries, which are allowed to raise Rupee resources through issue of non-equity capital instruments. In addition, wholly owned subsidiaries of foreign banks may be allowed to open branches in Tier II to Tier VI towns except at specified locations considered sensitive for national security reasons. Further, under the foreign exchange regulations, an aggregate foreign investment of up to 49.00% under the automatic route, and 74.00% under the government approval route, in Indian private sector banks is allowed as compared to 20.00% under the government route for public sector banks.

The Indian financial sector may also experience further consolidation which could result in fewer banks and financial institutions offering additional comprehensive services and products. For example, in one of the largest consolidations in the Indian banking industry, the State Bank of India merged with its five associate banks and the Bharatiya Mahila Bank, which became effective on April 1, 2017. Moreover, the Government announced the amalgamation of three other public sector banks in Fiscal Year 2019, and several additional amalgamations of public banks were announced by the Government in Fiscal Year 2020. These trends are expected to increase competitive pressures on the Bank in the future.

Further, innovations in the payments system and increasing use of mobile banking are leading to emergence of new platforms for cashless payments. These and other trends in technology could increase competitive pressures on banks, including the Bank, to adapt to new operating models and upgrade back-end infrastructure on an ongoing basis in order to compete more effectively. There is no assurance that the Bank will be able to respond adequately new technology developments or be in a position to dedicate sufficient resources to upgrade its systems and compete with new players entering the market. Some or all of these entities, which have substantially more resources than the Bank and other Indian banks, may eventually seek a larger share of the banking and financial services market in India and compete with the Bank.

In addition, changing customer behaviour and expectations could increase competitive pressures in the Indian banking sector. The Bank has seen an increase in customer complaints in recent years. For example, increased accessibility to smartphones, tablets and other technologies has decreased overall customer loyalty across the Indian banking industry as customers can easily compare the costs, fees and other charges for availing a particular banking product or service across banks, resulting in increased expectations from customers, decreased customer loyalty and greater competitive pressures across the overall banking industry. The Bank cannot assure you that it will be able to respond and adapt to such changing behaviours and expectations adequately or at all.

Any changes in the banking structure in India, including the entry of new banks, greater competition between existing players and improvement in the efficiency and competitiveness of existing banks, may have an adverse impact on the Bank's business. Due to competitive pressures, the Bank may be unable to successfully execute its growth strategy or offer products and services at reasonable returns and this may adversely impact its business. See "*Our Business – Competition*" on page 95.

37. We may not be able to detect money-laundering and other illegal or improper activities in a comprehensive manner or on a timely basis, which could expose us to additional liability and harm our business or reputation.

We are required to comply with applicable anti-money laundering and anti-terrorism laws and other regulations in India. These laws and regulations require us to adopt certain measures, including, to adopt and enforce "know-your- customer/ anti-money laundering/ combating financing of terrorism" ("**KYC**/**AML**/**CFT**") policies and procedures and to report suspicious and large transactions to the applicable regulatory authorities. Remittances and trade finance transactions are increasingly required to be scrutinized and monitored. We are also required to undertake constant review and assessment of existing control processes and programs to meet the increased regulatory expectation. We cannot assure you that we will always keep pace with frequent reviews and rapid upgrading required by such regulatory developments. While we regularly adopt policies and procedures aimed at detecting and preventing the use of our banking networks for money-laundering activities and by terrorists and terrorist-related organizations and individuals generally, such policies and procedures may not completely eliminate instances where our system may be used by other parties to engage in money-laundering and other illegal or improper activities due to, in part, the short history of these policies and procedures. In addition, there may be significant inconsistencies in the manner in which specific operational and KYC/AML/CFT policies are actually interpreted and implemented at an operational level in each of the branch and other customer interface levels.

While the RBI has not imposed any penalty on us for non-adherence to certain KYC and AML guidelines over the past three years, to the extent we fail to fully comply with applicable laws and regulations, the relevant governmental and regulatory agencies may impose fines and other penalties and, in certain circumstances, instruct us to cease operations. In addition, any adverse action taken by such agencies could adversely affect our reputation, thereby affecting our business and future financial performance. For further information, see "*Legal Proceedings*" on page 295.

38. ***We face restrictions in opening new branches in Tier I centres. In case we are unable to expand our branches in Tier-I centres, it may impact growth of our deposit base which may in turn adversely affect our business prospects.***

The RBI has granted general permission to public sector banks to open branches in India, subject to at least 25% of the total number of branches opened during a financial year are in unbanked rural (Tier V and Tier VI) centres.

We have 1,579 branches in Tier I centres and 2,962 branches in Tier II to Tier VI centres, as of December 31, 2024. Deposits maintained at Tier I centres constitute 58.35% of our total deposits. Our ability to set up branches in Tier I centres to grow our deposit base depends in part on our ability to comply with conditions prescribed by RBI for expanding our network of branches in Tier I cities. Any inability to grow our deposit base may adversely impact our business prospects.

39. ***Our Bank has reported some of our borrowers as wilful defaulters. An increase in the number of wilful defaulters may have a material, adverse impact on our business, results of operations and financial condition.***

As at December 31, 2024, our Bank reported a total of 1,062 borrowers as wilful defaulters to the RBI while the total amount outstanding of such borrowers' accounts was ₹18,158.75 crore. In respect of borrowers classified as non-cooperative and wilful defaulters, our Bank makes accelerated provisions as per extant RBI guidelines. An increase in the number of wilful defaulters reported by our Bank could adversely affect our business, results of operations and financial condition.

40. ***As the GoI controls a majority of our issued share capital and may take actions which are not necessarily in the interests of the Bank or of the other holders of the Equity and its public policy decisions may impact our strategy and operations.***

The GoI controls a majority of our Bank's issued share capital. As of December 31, 2024, the GoI directly held 93.08% of our Bank's issued and paid up share capital. Although historically we have enjoyed certain autonomy from GoI in the management of our affairs and strategic direction, as its controlling shareholder, the GoI is able to exercise effective control over our Bank. For more information on the Bank's shareholding structure, see *"Principal Shareholders and Other Information"* on page 228. In accordance with the Banking Regulation Act, the Government, in consultation with the RBI, has the power to appoint, re-appoint and/or terminate the appointment of the managing director or whole-time director, manager or chief executive officer. The Government may also, in consultation with the RBI, issue directives on matters of policy involving the public interest that may affect the conduct of the business affairs of the Bank in a manner which may be adverse to the other shareholders.

The Government will continue to have the power to directly or indirectly control the outcome of matters submitted to the Bank's board of directors or shareholders for approval and influence the policies of the Bank. For example, the Government could, by exercising its powers of control, delay or defer or initiate a change of control in the Bank or a change in the Bank's capital structure, delay or defer an amalgamation, consolidation, or discourage an amalgamation with another company or otherwise direct the Bank's affairs in a manner that could directly or indirectly favour the interests of the Government and could result in the Bank foregoing business opportunities.

The interests of the Bank's direct and indirect controlling shareholders may be different from, and conflict with, the Bank's interests or the interests of the Bank's other shareholders, and the Bank cannot assure you that the Government will not in the future exercise control over the Bank's business and major policy decisions. The Bank's direct and indirect controlling shareholders may also enable a competitor to take advantage of a corporate opportunity at the Bank's expense. Accordingly, there can be no assurance that the Government will not take actions or implement policies that are adverse to investors in the Equity Shares.

The Banking Regulation Act mandates that the GoI's shareholding in our Bank cannot fall below 51.00%. This requirement could result in restrictions in our equity capital raising efforts as the GoI may not be able to fund any further investments that would allow it simultaneously to maintain its stake at a minimum of 51.00% and seek funding from the capital markets. As the Indian economy grows, more businesses and individuals will require capital financing. In order to meet and sustain increasing levels of growth in capital demand, we will need to accrete our capital base, whether through organic growth or capital market financing schemes. If we are unable to grow our capital base in step with demand, our business, results of operations and financial condition may be materially and adversely affected.

41. The increasing adoption of digital technologies, as well as legal or regulatory changes may affect the Bank's retail banking strategies and may adversely impact the competitive advantages the Bank derives from the Bank's physical branch network.

The Bank has expended significant efforts in establishing a physical branch network and other retail distribution assets. Advances in technology such as digital and mobile banking, self-service technologies, proximity or remote payment technologies, as well as changing consumer preferences for these other methods of delivering banking services, could decrease the value of the Bank's physical branch network and the competitive advantage that the Bank derives from such assets. As a result, the Bank may need to re-evaluate the Bank's retail banking strategy and potentially restructure the Bank's physical branch network in the future. This may also require us to invest significantly in building new technology platforms or other alternative strategies in order to continue competing effectively. These actions may lead to losses on these assets or may adversely impact the carrying value of such assets or increase the Bank's expenditures.

Any technological advancement in the way customers prefer to execute their banking services may change the way banking has been perceived and carried out. Technological innovation such as mobile wallets, mobile operator banking, payment banks, internet banking through smart phones, etc. could disrupt the banking industry as a whole. There can be no assurance that we will be able to adapt our systems quickly and efficiently to such changing environment. Even if we are able to maintain, upgrade or replace our existing systems or innovate or customise and develop new technologies and systems, we may not be as quick or efficient as our competitors in upgrading or replacing our systems. Our failure to adapt to such technological advancements quickly and effectively could affect the performance and features of our products and services and could reduce our attractiveness to existing and potential customers.

42. We rely on our correspondent banks in other countries to facilitate our foreign exchange operations. Any failure to maintain such relationships or enter new such relationships could impact our ability to grow our foreign exchange business.

We have relationships with various correspondent banks and financial institutions across the globe to carry out our dealings in foreign currencies and for facilitating its treasury, trade and remittance transactions. We maintain Nostro accounts in foreign currencies with such correspondent foreign banks which facilitates inward and outward remittance. Our customers can remit funds to India in any of the currencies for which we have opened such accounts, by instructing their banks to remit the funds to our Nostro account maintained in that particular currency. We may need to open such Nostro accounts with the correspondent banks in those locations in case we intend to cater to a different foreign location or currency. Opening and maintaining such accounts requires compliance with strict KYC norms and any failure to adhere to such norms may result in the correspondent bank closing these accounts.

A correspondent bank may discontinue any of the services that it offers in relation to such accounts, which may result in customer dissatisfaction. There can be no assurance that we will be able retain our existing correspondent banks or enter into similar arrangements with new correspondent banks on commercially reasonable terms or at all. We could be forced to scale back our treasury, trade and remittance business, in the event that we are unable to open new accounts or continue to maintain existing accounts with our correspondent banks for any reason whatsoever, which could adversely affect our business, results of operations and financial condition.

43. Our contingent liabilities could materially and adversely affect our business, results of operations and financial condition.

As of March 31, 2024 and December 31, 2024, our Bank had contingent liabilities (on standalone basis) amounting to ₹96,290.76 crore and ₹ 94,205.99 crore respectively. The table below sets forth details of contingent liabilities:

(in ₹ crore)

Particulars	As at and for the			
	Nine month period ended December 31, 2024	Fiscal ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Claims against the Bank not acknowledged as Debts	416.19	412.10	124.87	142.05
Disputed Income Tax Demands	6,608.65	5,964.67	5,969.69	6,293.02
Liability for partly paid investments	1,187.17	1,250.30	1,265.88	268.94

Liability on account of outstanding forward contracts	69,581.78	73,628.45	1,10,823.15	1,59,085.02
Guarantees given on behalf of constituents in India and Outside India	9,802.79	9,884.17	9,711.86	9,421.36
Acceptances, Endorsements and Other Obligations	3,178.89	1,894.67	2,214.99	2,430.11
Other item for which the Bank is Contingently liable	3,430.52	3,256.40	2,585.78	2,200.05

Most of the liabilities have been incurred in the normal course of business. If these contingent liabilities were to fully materialize or materialize at a level higher than we expect, it may materially and adversely impact our business, results of operations and financial condition. If we are unable to recover payment from our customers in respect of the commitments that we are called upon to fulfil, our business, results of operations and financial condition may be materially and adversely impacted.

44. Deficiencies in the accuracy and completeness of information about our customers and counterparties may adversely impact us.

Our principal activity is providing financing to borrowers, including individuals, SMEs and MSMEs. The credit risk of our borrowers may be higher than in other economies due to the higher uncertainty in our regulatory, political and economic environment and the inability of our borrowers to adapt to global technological advancements. In addition, we believe, India's system for gathering and publishing statistical information relating to the Indian economy generally or specific economic sectors within it, or corporate or financial information relating to companies or other economic enterprises is not as comprehensive as those of countries with established market economies. Although India has credit information companies, adequate information regarding loan servicing histories, particularly in respect of individuals and small businesses, is limited. In the event that the reports of such credit information companies are not up-to-date, we may not be able to accurately assess the credit-worthiness of our borrower which may increase our risk of exposure to default by borrower. As our lending operations are primarily limited to India, we may be exposed to a greater potential for loss compared to banks with lending operations in more developed countries.

We rely on information furnished by customers and counterparties while determining whether to extend credit or to enter into other transactions with such customers and counterparties. We typically rely on financial statements, other financial information and certain representations as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors provided. For example, in deciding whether to extend credit, we may assume that a customer's audited financial statements conform to generally accepted accounting principles and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. Our business, results of operations and financial condition could be adversely affected by relying on financial statements that do not comply with generally accepted accounting principles or with other information that is materially misleading. We also rely on credit ratings and bureau scores assigned to our customers. Our business, results of operations and financial condition could be negatively impacted by such reliance on information that is inaccurate or materially misleading. As a consequence, our ability to effectively manage our credit risk may be adversely affected.

The availability of accurate and comprehensive credit information on retail customers and small businesses in India is more limited than for larger corporate customers, which reduces our ability to accurately assess the credit risk associated with such lending. The difficulties associated with the inability to accurately assess the value of collateral and to enforce rights in respect of collateral, along with the absence of such accurate statistical, corporate and financial information, may decrease the accuracy of our assessments of credit risk, thereby increasing the likelihood of borrower default on our loan and decreasing the likelihood that we would be able to enforce any security in respect of such a loan or that the relevant collateral will have a value commensurate to such a loan. The absence of reliable information, including audited financial statements, recognized debt rating reports and credit histories relating to our present and prospective corporate borrowers or other customers makes the assessment of credit risk, including the valuation of collateral, more difficult, especially for individuals and small businesses. Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our nonperforming and restructured assets, which could materially and adversely affect our business, results of operations and financial condition.

45. Any deficiencies, inaccuracies or mis-specification in the models and data we rely on for our risk analysis could impact our decision-making and operations.

As part of our ordinary decision making-process, we rely on various models for risk and data analysis. These models are based on historical data and supplemented with managerial input and comments. These models and the data they analyse may not always be accurate or adequate to guide our strategic and operational decisions and protect us from risks. Additionally, past data may not be fully predictive of future risks, particularly in the context of evolving market dynamics and economic uncertainties. Any mis-specification, deficiencies or inaccuracies in the models or the data might have a material adverse effect on our business, results of operations and financial condition. As we seek to expand the scope of our operations in newer geographies or new product areas, we also face the risk that we will be unable to develop risk management policies and procedures, that are properly designed for those new geographies or areas or products or to manage the risks associated with the growth of our existing businesses. Implementation and monitoring may prove particularly challenging with respect to our expansion and the products that we plan on developing.

46. Majority of our branches and ATMs are located on leased premises. Our operations may be materially and adversely affected if we are unable to renew our leases to continue utilization of any of our branches or ATMs.

Our business and operations are significantly dependent on our branches and ATMs majority of which are located on leased premises. We have entered into various lease arrangements for such properties. If we are unable to continue to use our branches and ATMs which are located on leased premises during the period of the relevant lease or extend such lease on its expiry on commercially acceptable terms, or at all, or if we fail to identify such alternate premises, we may suffer a disruption in our operations which could have a material and adverse effect on our business, results of operations and financial condition. Further, if the vacated property or premises is leased or sold to a competitor, we may also face increased competition in that geographic area which could adversely affect our market share and revenues. In addition, some of these leases may not have been registered, which may affect the evidentiary value of such lease agreement in specific performance or other injunctive procedures in a court of law. Any such irregularity may result in our inability to enforce our rights under such lease agreements, which may disrupt our operations and adversely affect our business, financial condition and result of operations.

47. Our business and financial performance are dependent on maintaining and building a successful branch network. Any failure to maintain and increase our coverage will adversely affect our growth.

As of December 31, 2024, our Bank maintained an extensive distribution network in India, comprising 4,541 branches across 28 states and 7 union territories. Our branch network distribution was as follows: 31.54% in north and central India, 14.53% in south India, 33.16% in west India, and 20.77% in east India. Our associates, Uttar Bihar Gramin Bank and Uttarbanga Kshetriya Gramin Bank, regional rural banks, operated a total of 1,175 branches covering 21 districts in Bihar and West Bengal, respectively, as of December 31, 2024. Additionally, certain branches focused solely on processing specific products such as home loans.

Owing to our Bank's branch network we may be subject to additional risks inherent with an extensive network, including but not limited to upgrading, expanding and securing our technology platform in such branches, higher technology costs, operational risks including integration of internal controls and procedures, ensuring customer satisfaction, compliance with KYC, AML and other regulatory norms, recruiting, training and retaining skilled personnel, failure to manage third-party service providers in relation to any outsourced services and difficulties in the integration of new branches with our existing branch network. Any of the above reasons may result in our failure to manage a large branch presence, which may materially and adversely affect our brand, reputation, financial condition and result of operations.

48. Our success depends largely on our management team and skilled personnel. Any inability to attract and retain talented professionals may negatively affect us.

Our business is growing more complex as we expand our operations and our product lines. We have built a team of professionals with relevant experience, including credit evaluation, risk management, treasury and marketing. Our growth and continued success depends in part on the continued service of key members of our management team and our ability to continue to attract, train, motivate and retain highly qualified professionals. In the past, it was observed that despite having a board-approved succession planning process for assurance functions, our Bank did not implement it in a timely and effective manner, resulting in no successor being identified or appointment process initiated before the expiry of term of the Chief Risk Officer.

We believe our employees are a significant source of our competitive advantage and are thus a key element of our growth strategy. As on December 31, 2024, we had 33,484 employees. With the increase in competition for qualified personnel, we continue to face challenge to recruit a sufficient number of suitably skilled personnel, particularly as we continue to grow. In the event we are not able to attract talented employees or are unable to motivate and retain our existing employees, the future of our business and operations may be affected.

The successful implementation of our strategy depends on the availability of skilled management, both at our head office and at each of our business units and on our ability to attract and train technologically sound, young professionals. As we generally pay wages that are lower than those paid by private sector banks, it could adversely affect our ability to hire qualified employees. If we or one of our business units or other functions fail to staff their operations appropriately or lose one or more of our key senior executives or qualified young professionals and fail to replace them in a satisfactory and timely manner, our business, and operations, including our control and operational risks, may be adversely affected.

49. Our intellectual property rights may be subject to infringement, or we may breach third party intellectual property rights.

We have established a strong brand, "Central Bank of India" which is registered under various classes of the Trademarks Act, 1999, as amended, as well as under the (Indian) Copyright Act, 1957, as amended. We have also applied for certain intellectual property registrations. are subject to the risk of brand dilution and consequently, loss of revenue in case of any misuse of our brand name by our agents or any third party. As such, any damage to our reputation or that of the "Central Bank of India" brand name, could substantially impair our ability to maintain or grow our business, or materially and adversely affect our business, financial condition, results of operation and prospects. If we fail to maintain this brand recognition with our target customers due to any issues with our product offerings, a deterioration in service quality, or otherwise, or if any premium in value attributed to our business or to the brands under which our services are provided declines, market perception and customer acceptance of our brands may also decline. We also enter into partnerships with external organizations over which we have limited control. Any negative news affecting such external organizations might also affect our reputation and brand value. In such an event, we may not be able to compete for customers effectively, and our business, financial condition and growth prospects may be materially and adversely affected.

In addition, we cannot guarantee that there shall be no infringement and unauthorized use of our intellectual property by third parties, including by our competitors. We may also be subject to claims brought by third parties, regarding alleged unauthorized use of their trademark or perceived breach of any intellectual property rights registered by such third parties. Any legal proceedings pursuant to such claims may divert management attention and require us to pay financial compensation to such third parties, as determined by a court of competent jurisdiction. If we are unable to obtain or maintain these registrations, it may adversely affect our competitive business position. This may affect our brand value and consequently our business, financial condition, results of operations and prospects may be adversely affected.

50. We may face cyber threats attempting to exploit our network to disrupt services to customers and/ or theft of sensitive internal data or customer information, which may cause damage to our reputation and adversely affect our business, results of operations and financial condition.

We offer online banking services to our customers. Our online banking channel includes multiple services such as electronic funds transfer, bill payment services, usage of credit cards on-line, requesting account statements, and requesting cheque books. We are therefore exposed to various cyber threats including (i) phishing and trojans targeting our customers, wherein fraudsters send unsolicited mails to our customers seeking account sensitive information or to infect customer machines to search and attempt exfiltration of account sensitive information; and (ii) hacking, wherein attackers seek to hack into our website with the primary intention of causing reputational damage to us by disrupting services; and (iii) data theft, wherein cyber criminals may attempt to enter our network with the intention of stealing our data or information. In addition, we also face the risk of our customers incorrectly blaming us and terminating their accounts with us for any cyber security breaches that may have occurred on their own system or with that of an unrelated third party. Any cyber security breach could also subject us to additional regulatory scrutiny and expose us to civil litigation and related financial liability.

As technology is currently in a phase of rapid evolution and the methods used for cyber-attacks are changing frequently or, in some cases, are not recognized until an actual attack, we may not be able to anticipate or to implement effective preventive measures against all such security breaches. Cybersecurity risks for banking organizations have significantly increased in recent years in part because of the proliferation of new technologies, and the use of the internet and telecommunications technologies to conduct financial transactions. For example, cybersecurity risks may increase in the future as we continue to increase our mobile-payment and other internet-based product offerings and expand our internal usage of web-based products and applications. In addition, cybersecurity risks have significantly increased in recent years in part due to the increased sophistication and activities of organized crime affiliates, terrorist organizations, hostile foreign governments, disgruntled employees or vendors, activists and other external parties, including those involved in corporate espionage. Even the most advanced internal control environment may be vulnerable to compromise.

We seek to protect our computer systems and network infrastructure from physical break-ins as well as security breaches and other disruptive problems caused by our increased use of the internet. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and network infrastructure. There may be areas in the system that have not been properly protected from security breaches and other attacks. We employ security systems, including sophisticated threat management systems and password encryption, designed to minimize the risk of security breaches. Although we intend to continue to implement security technology and establish operational procedures to prevent break-ins, damage and failures, there can be no assurance that these security measures will be adequate or successful. Failed security measures could have a material adverse effect on our business, results of operations and financial condition. Our business operations are based on a high volume of transactions. Although we take measures to safeguard against systems related and other fraud, there can be no assurance that we will be able to prevent fraud. Our reputation could be adversely affected by significant fraud committed by employees, customers or outsiders.

51. Our risk management policies and procedures may not adequately address unidentified or unanticipated risks.

The Bank is exposed to a variety of risks, including liquidity risk, interest rate risk, credit risk, operational risks, including fraud, and legal risks. The effectiveness of its risk management is limited by the quality and timeliness of available data and other factors outside of its control. While we have a well-defined risk management governance framework that comprises of a Risk Management Committee and sub committees for management of credit, market, liquidity and operational risk, to the extent any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risk are not effective, we may not be able to mitigate effectively our risk exposures, in particular to market environments or against particular types of risk.

We have devoted significant resources to develop our risk management policies and procedures and aim to continue to do so in the future. Despite this, our policies and procedures to identify, monitor and manage risks may not be fully effective. Some of our methods of managing risks are based upon the use of observed historical market behaviour. As a result, these methods may not accurately predict future risk exposures which could be significantly greater than those indicated by the historical measures. Management of operations, legal and regulatory risks requires, among other things, policies and procedures to properly record and verify a large number of transactions and events, and these policies and procedures may not be fully effective.

52. Our business is highly dependent on our information technology systems, which require significant investment for regular maintenance, upgrades and improvements. Any failure to improve or upgrade our information technology systems could materially and adversely impact our business.

Our information technology systems are a critical part of our business that help us manage, among other things, our risk management, regulatory compliance, deposit servicing and loan origination functions, as well as our increasing portfolio of products and services in all our business segments. We depend on our computer systems to process a large number of transactions on an accurate and timely basis, and to store and process substantially all of our business and operating data. We seek to protect our computer systems and network infrastructure from physical break-ins as well as security breaches and other disruptive problems. These concerns could intensify with our increased use of technology, internet based resources and advanced internet banking platform.

We have also entered into third party arrangements to provide products and services, including software that enables our operations, or to appropriately maintain such products and services under annual maintenance contracts. In the event of failure on the part of these third party vendors, exposes us to higher risks in using these software and systems.

Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and network infrastructure. Our Bank's computer systems and network infrastructure have achieved 100% coverage of its branches under Core Banking Solution ("**CBS**") platform.

53. We may face labour disruptions that could interfere with our operations and we may be unable to manage our employee costs and expenses.

We are exposed to the risk of strikes and other industrial actions. Some of our Bank's employees are members of the trade unions. We have also in the past had instances of strikes and work stoppages on account of our employees' unions participating in all India strikes. While we believe that we have a strong working relationship with the unions/ associations, there can be no assurance that our Bank will continue to have such a relationship in the future. If the employees' union calls for a work stoppage or other similar action, we may be forced to suspend all or part of our operations until the dispute is resolved. If any such work stoppage or disruption was to occur, possibly for a significant period of time, our business, results of operations and financial condition would be adversely affected.

There is also likelihood for employee misconduct which could involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. It is not always possible to deter misconduct by employees and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Any instances of such misconduct or fraud could adversely affect our reputation, business, results of operations and financial condition.

54. A reduction in long-term interest rates may increase our pension liabilities which may adversely affect our business, results of operations and financial condition.

We operate a defined benefit pension fund scheme for employees who joined the services of our Bank on or before April 1, 2010. A discount rate is used to calculate the present value of our future liabilities in relation to the scheme and is linked to the long-term yield on GoI securities. A reduction in the long-term interest rate would increase the present value of our pension obligations. As a result, we may be required to make further cash contributions to the scheme in order to cover the deficit which may in turn lead to an increase in its pension expenses. In a falling interest rate scenario, the held-to-maturity value of already invested securities is likely to go up, thereby offsetting the increase in present value of pension obligation to an extent.

55. There can be no assurance that we will be able to access capital as and when we need it for growth.

Unless we are able to access the necessary amounts of additional capital, any incremental capital requirement may adversely impact our ability to grow our business and may even require us to curtail or withdraw from some of our current business operations. There can be no assurance that we may be able to raise adequate additional capital in the future on terms favourable to us, or at all, and this may hamper our growth plans, apart from those that can be funded by internal accruals.

56. We face restrictions on lending to large borrowers, which may have a material adverse effect on our business, results of operations and financial condition.

In August 2016, the RBI released the Guidelines on Enhancing Credit Supply for Large Borrowers through Market Mechanism. It was stated that corporate loans beyond the limit determined for a borrower, as per the guidelines, would attract additional provisions and higher capital. On June 3, 2019, the RBI released the Guidelines on LEF applicable to all scheduled commercial banks (other than regional rural banks) with a view to capture exposures and concentration risks more accurately and to align the previous guidelines and instructions on LEF with international norms, which superseded the previous circulars on large exposure framework. For further information, see "*Regulations and Policies in India*" on page 233.

From April 2019, in accordance with the LEF, our exposure limits for single and group borrowers are 20.00% and 25.00% of our Tier 1 capital funds, respectively. These limits may be subjected to further changes and revisions in future. These new regulations may have a material adverse effect on our business, results of operations and financial condition.

57. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties including remuneration paid to our Directors. For further information, see "*Financial Information*" on page 302. We cannot assure you that we will receive similar terms in our related party transactions in the future and that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties.

The transactions we have entered into and any further transactions that we may have with our related parties could potentially involve conflicts of interest which may be detrimental to us. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on business and financial results, including because of potential conflicts of interest or otherwise.

58. The Bank or its customers may engage in certain transactions in or with countries or persons that are subject to U.S. and other sanctions.

U.S. law generally prohibits or restricts U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of sanctions (such as Cuba, North Korea, Ukraine, Russia, Iran, Sudan and Syria, among others) and with certain persons or businesses that have been specially designated by the U.S. Treasury Department's Office of Foreign Assets Control ("**OFAC**") or other U.S. government agencies. Other countries, governments and international or regional organizations also administer similar economic sanctions. The Bank provides transfer, settlement and other services to customers doing business with, or located in, countries to which certain OFAC-administered and other sanctions continue to apply or was applicable in the past. Although the Bank believes it has compliance systems in place that are sufficient to block prohibited transactions, and the Bank has not been notified that any penalties or other measures will be imposed on it or its subsidiary or associate, there can be no assurance that the Bank will be able to fully monitor all of its transactions for any such potential violation.

59. Increasing regulatory focus on personal information protection could impact our business and expose us to increased liability.

Regulators in various jurisdictions are increasingly scrutinizing how companies collect, process, use, store, share and transmit personal data. This increased scrutiny may result in new interpretations of existing laws, thereby further impacting our business. In India, the Personal Data Protection Act, 2023 ("**Data Protection Act**") has been enacted for implementing organisational and technical measures in processing personal data laying down norms for cross- border transfer of personal data to ensure the accountability of entities processing personal data. The Data Protection Act introduced stricter data protection norms for an entity such as ours and may impact our processes. The Data Protection Act is introduced to maintain the highest level of security and protection for all such information regarding our various customer. The RBI has also issued a circular dated April 6, 2018 on the procedure of storage of payment systems data to ensure that data relating to payment systems that we operate are stored only in India.

While we are ISO 27001: 2013 compliant and have implemented advanced security solutions, such as privilege access management system and data leakage prevention solutions which demonstrates our compliance to primary regulations and provide confidence to stakeholders and customers and also in defining clear roles and responsibilities, we cannot assure you that we will be able to continue to be compliant with evolving regulatory norms on personal information protection. Any failure, or perceived failure, by us to comply with any applicable regulatory requirements, including but not limited to privacy, data protection, information security, or consumer protection-related privacy laws and regulations, could result in proceedings or actions against us by governmental entities or individuals who may subject us to fines, penalties, and/ or judgments which may adversely affect our business and reputation.

60. Our reputation may be adversely affected by any negative publicity regarding our operations which may have an adverse effect on our business, financial condition and results of our operations.

Our business is significantly dependent on the strength of our brand and reputation, as well as market perception regarding our operations. While we have developed our brand and reputation over our history, any negative incidents or adverse publicity could rapidly erode customer trust and confidence in us, particularly if such incidents receive widespread adverse mainstream and social media publicity, or attract regulatory investigations. Reputational risk, or the risk to the Bank's business, earnings and capital from negative publicity, is inherent in the Bank's business. The reputation of the financial services industry in general has been closely monitored as a result of the recent financial crisis and other matters affecting the financial services industry. Negative public opinion about the financial services industry generally or the Bank specifically could adversely affect the Bank's ability to attract and retain customers, and may expose it to litigation and regulatory action. Negative publicity can result from our actual or alleged conduct in any number of activities, including lending practices, foreclosure practices, regulatory compliance, mergers and acquisitions, and related disclosure, sharing or inadequate protection of customer information, and actions taken by government regulators and community organizations in response to that conduct.

We distribute several third-party products, including life insurance, health insurance, general insurance, mutual fund products and tax related services. Any failure on the part of such third parties, including any failure to comply with applicable regulatory norms, any regulatory action taken against such parties or any adverse publicity relating to such party could, in turn, result in negative publicity about us and adversely impact our brand and reputation. Any damage to our brand or our reputation may result in withdrawal of business by our existing customers or our intermediaries as well as loss of new business from potential customers.

Although the Bank takes steps to minimize reputational risk in dealing with customers and other constituencies, the Bank, as a large financial services organization with a high industry profile, is inherently exposed to this risk. Such negative media coverage may have a material adverse effect on the Bank's reputation, business, financial condition or results of operation.

61. The banking industry in India is subject to extensive regulation and significant changes in the banking regulations may adversely affect our business, financial position and results of operations.

The banking and financial sector in India is highly regulated and extensively supervised by the RBI. See *"Regulations and Policies in India"* on page 233. Banks are generally subject to changes in Indian law, as well as to changes in regulations, government policies and accounting principles. We operate in a highly regulated environment in which the RBI, SEBI and other domestic and international regulators regulate our operations. As we operate under licenses or registrations obtained from appropriate regulators, we are subject to actions that may be taken by such regulators in the event of any noncompliance with any applicable policies, guidelines, circular, notifications and regulations issued by the relevant regulators. Our business could be affected by any changes in policies for banks in respect of directed lending, reserve requirements and other areas. For example, the RBI could change its methods of enforcing directed lending standards so as to require more lending to certain sectors, which could require us to change certain aspects of our business. In addition, we may be subject to other changes in laws and regulations, such as those affecting the extent to which we can engage in specific businesses or those that reduce our profits through a limit on either fees or interest rates that we may charge our customers or those affecting foreign investment in the banking industry, as well as changes in other governmental policies and enforcement decisions, income tax laws, foreign investment laws and accounting principles. The laws and regulations governing the banking sector, including those governing the products and services that we provide or propose to provide, could change in the future.

The Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2020 dated September 4, 2020 ("**PSL Regulations**") sets out the broad policy in relation to priority sector lending. The Priority Sector Lending Regulations apply to all commercial banks licensed to operate in India by the RBI. In terms of the PSL Regulations, the sectors categorised as priority sectors are agriculture, micro, small and medium enterprises ("**MSME**"), export credit, education, housing, social infrastructure, renewable energy and other sectors. Further, the PSL Regulations stipulate that domestic commercial banks will have to allocate 40.00% of the adjusted net bank credit ("**ANBC**") to PSL or credit equivalent of off balance sheet exposures ("**CEOBE**"), whichever is higher. Further, for agriculture sector, micro enterprises and advance to weaker sections, the targets are 18.00%, 7.50% and 12.00% of the adjusted net bank credit or credit equivalent of off-balance sheet exposures, whichever is higher, respectively. It has also prescribed sub-targets for small and marginal farmers, micro-enterprises and weaker sections. Economic difficulties are likely to affect those borrowers in priority sectors more severely. The outstanding under Priority Sector Lending (including investments) as of December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, stood at 54.23%, 53.14%, 54.48% and 48.35%, respectively of adjusted net bank credit ("**ANBC**") as against the mandatory target of 40%. On November 7, 2012, the RBI issued guidelines to consolidate the various instructions or guidance on liquidity risk management and to harmonize and enhance these instructions or guidance in line with the Principles for Sound Liquidity Risk Management and Supervision as well as the Basel III Guidelines. They include enhanced guidance on liquidity risk governance, the measurement, monitoring and reporting of liquidity positions to the RBI and minimum global regulatory standards of Liquidity Coverage Ratio ("**LCR**") and Net Stable Funding Ratio ("**NSFR**"). The RBI also issued the final guidelines on 'Framework on Liquidity Standards – Liquidity Coverage Ratio ("**LCR**"), Liquidity Risk Monitoring Tools and LCR Disclosure Standards' on June 9, 2014 to be implemented by the banks immediately and the LCR binding on banks from January 1, 2015. RBI issued the guidelines for NSFR effective from January 1, 2018. However, in view of the ongoing stress on account of COVID- 19, the RBI decided to defer the implementation of NSFR guidelines. The guidelines for NSFR has come into effect from October 1, 2021. The RBI issued the Guidelines for implementation of Counter Cyclical Capital Buffer ("**CCCB**") in February 2015. According to the CCCB guidelines, our Bank will have to maintain higher level of Common Equity Tier 1 ("**CET1**") capital ranging from 0% to 2.5% of total risk weighted assets ("**RWA**") of the banks, if the credit-to-GDP ratio in India is in the range of 3% to 15%. However, pursuant to a press release dated April 19, 2021, RBI has decided that it is not necessary to activate CCCB at this point in time. The RBI also stipulates policy measures designed to curb inflation. Over the last few fiscal years, the RBI has, in order to increase liquidity, reduced the repo rate and the reverse repo rate. In addition to the CRR, a bank is required to maintain Statutory Liquidity Ratio ("**SLR**"), a specified percentage of its NDTL, by way of liquid assets like cash, gold or approved unencumbered securities. The percentage of this liquidity ratio is fixed by RBI from time to time, pursuant to Section 24 of the Banking Regulation Act. At present, the required SLR is 18%. The CRR is currently at 4.50%. Any increase in RBI-mandated reserve requirements or capital requirements applicable to the Bank on account of regulatory changes or otherwise may compel the Bank to commit its existing capital away from profitable business opportunities, or to raise additional capital, in order to meet these new capital adequacy requirements. The Bank may also be compelled to dispose of certain of its assets and/or take other measures in order to obtain the necessary capital to meet more stringent capital requirements. This would limit the Bank's ability to grow its business or adversely impact its profitability and its future performance and strategy. If we are unable to meet the requirements of the RBI, the RBI may impose penal interest or prohibit fresh deposits, which may have a material adverse effect on our business, results of operations and financial condition.

The laws and regulations governing the banking sector, including those governing the products and services that we provide or propose to provide, could change in the future, and any changes may adversely affect our business, our future financial performance and the trading price of our Equity Shares. Any change to the existing legal or regulatory framework will require us to allocate additional resources, which may increase our regulatory compliance costs and direct management attention and consequently affect our business.

62. Changing laws, rules and regulations and legal uncertainties may adversely affect our business, results of operations and financial condition.

We are present in diverse segments of the Indian financial sector. The regulatory and policy environment in which we operate is evolving and subject to change. There can be no assurance that the GoI may not implement new regulations and policies which will require us to obtain approvals and licenses from the GoI and other regulatory bodies or impose onerous requirements, conditions, costs and expenditures on its operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, results of operations and financial condition. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm its results of operations.

For instance, labour laws in India are traditionally governed by multiple central government and state government legislations. With a view to harmonize and consolidate such multiple labour legislations, 29 existing central laws have been amalgamated into four labour codes. These codes regulate (i) wages (ii) social security (iii) occupational safety, health and working conditions and (iv) industrial relations. These labour codes have been passed by both houses of the Parliament and have received Presidential assent. However, they will come into force on the date to be notified by the Central government. The final set of schemes, rules and regulations under said labour codes are yet to be notified and the extent of impact on our business, results of operations and financial condition, and ability to comply with these laws cannot be ascertained.

63. Our inability to renew or maintain our statutory and regulatory permits and approvals required for our operations may adversely impact our business, results of operations and financial condition.

We are required to obtain various statutory and regulatory permits and approvals to operate our business which requires us to comply with certain terms and conditions to continue our banking operations. Our license from the RBI requires us to comply with certain terms and conditions. In the event that we are unable to comply with any or all of these terms and conditions or seek waivers or extensions of time for complying with these terms and conditions, it is possible that the RBI may revoke this license or may place stringent restrictions on our operations. This may result in the interruption of all or some of our operations and may have a material adverse effect on our business, results of operations and financial condition. If we are unable to renew or maintain other statutory permits and approvals or comply with regulatory requirements, it may result in the interruption of all or some of our operations, imposition of penalties and could materially and adversely affect our business, results of operations and financial condition.

64. Any downgrade of our debt ratings could adversely affect our business.

As of the date of this Preliminary Placement Document, we have received the following credit ratings on our debt.

Type	Amount (₹ in crore)	Ratings
BASEL III TIER II BONDS	500.00	CRISIL RATINGS AA (Stable) / INDIA RATINGS AA (Stable)
BASEL III TIER II BONDS	1,500.00	CRISIL RATINGS AA (Stable)/ ICRA RATINGS AA- (Positive)

These ratings assess our overall financial capacity to pay our obligations and are reflective of our ability to meet financial commitments as they become due. There can be no assurance that these ratings will not be revised or changed by the above rating agencies due to various factors. Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to raise new capital on a competitive basis, which may adversely affect our business, results of operations and financial condition.

65. Significant differences exist between Indian GAAP and other accounting principles with which investors may be more familiar.

Our standalone and consolidated financial statements as of, and for the years ended, March 31, 2022, March 31, 2023, March 31, 2024 and nine-month period ended December 31, 2024, have been prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of other accounting principles, such as U.S. GAAP or IFRS, on the financial data included in this Preliminary Placement Document, nor have we provided a reconciliation of our financial statements to those prepared pursuant to U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in several respects from Indian GAAP. Accordingly, the degree to which the Indian GAAP financial statements included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices should, accordingly, consult their own professional advisors before relying on the financial disclosures presented in this Preliminary Placement Document.

In addition, there may be less publicly available information about Indian body corporates, such as the Bank, than is regularly made available by body corporates/ public companies in such other countries. Body corporates in India, including the Bank, have been required to prepare financial statements under Ind AS according to the implementation roadmap drawn up by the Indian Ministry of Corporate Affairs. The Bank may be adversely affected by this transition.

The Ministry of Corporate Affairs, in its press release dated January 18, 2016, issued a roadmap for implementation of Ind AS for scheduled commercial banks, insurers, insurance companies and non-banking financial companies. This roadmap requires all financial institutions (including the Bank) to prepare Ind AS-based financial statements for the accounting periods beginning from April 1, 2018 onwards with comparatives for the periods ending March 31, 2018 and thereafter. However, the RBI through a circular dated March 22, 2019 has deferred the implementation of Ind AS for scheduled commercial banks, insurers, insurance companies and non-banking financial companies until further notice. The RBI through a circular dated February 11, 2016 required banks to submit proforma Ind AS financial statements to the RBI from the half-year ended September 30, 2016. In addition, banks are required to disclose in the annual report, the strategy for Ind AS implementation, including the progress made in this regard. Moreover, although we currently have an internal control framework in place in order to report our financial statements under Indian GAAP, we will have to modify our internal control framework and adopt new internal controls in order to report under Ind AS. These new internal controls will require, amongst others, a transition to more model-based evaluation of certain items, as well as staff that are adequately knowledgeable with Ind AS. There is no guarantee that we will be able to implement effective internal controls under Ind AS in a timely manner or at all and any failure to do so could materially adversely affect business, results of operations and financial condition.

Risks Relating to India

66. Financial difficulty and other problems in certain financial institutions in India could materially adversely affect our business and the price of our equity shares.

We are exposed to the risks of the Indian financial system by being a part of the system The financial difficulties faced by certain Indian financial institutions could have a contagion effect, given the interconnected nature of the banking system through credit, trading, clearing, and other financial relationships. Such "systemic risk" may materially adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with which we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and materially adversely affect our business, results of operations and financial condition. Our transactions with these financial institutions expose us to various risks in the event of default by a counterparty, which can be exacerbated during periods of market illiquidity.

67. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.

We are incorporated in and substantially all our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporates;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- changes in India’s tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India’s principal export markets;
- any downgrading of India’s debt rating by a domestic or international rating agency;
- financial instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or its construction sector.

Moreover, a fall in the purchasing power of our customers, for any reason whatsoever, including rising consumer inflation, availability of financing to our customers, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers’ income, savings and could in turn negatively affect their demand for our products. For example, in 2016, the Reserve Bank of India and the Ministry of Finance of the Government of India introduced demonetization policies, leading to a short-term decrease in liquidity of cash in India, which had in turn negatively affected consumer spending. Although there have been minimal short-term effects on our day-to-day business, the medium-term and long-term effects of demonetization on our business are uncertain and we cannot accurately predict the effect thereof on our business, results of operations, financial condition and prospects.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

68. Any volatility in the exchange rate may lead to a decline in India's foreign exchange reserves and may affect liquidity and interest rates in the Indian economy, which could adversely impact us.

India’s trade relationships with other countries and its trade deficit, may adversely affect Indian economic conditions and the exchange rate for the rupee. Exchange rates are impacted by a number of factors including volatility of international capital markets, interest rates and monetary policy stance in developed economies like the United States, level of inflation and interest rates in India, the balance of payment position and trends in economic activity. Rising volatility in capital flows due to changes in monetary policy in the United States or other economies or a reduction in risk appetite or increase in risk aversion among global investors and consequent reduction in global liquidity may impact the Indian economy and financial markets.

If current account and trade deficits increase or are no longer manageable because of factors impacting the trade deficit like a significant rise in global crude oil prices or otherwise, the Indian economy, and therefore our business, results of operations and financial condition and the prices of our equity shares could be adversely affected. Any reduction of or increase in the volatility of capital flows may impact the Indian economy and financial markets and increase the complexity and uncertainty in monetary policy decisions in India, leading to volatility in inflation and interest rates in India, which could also adversely impact our business, results of operations and financial condition, our stockholders' equity, and the prices of our equity shares.

Further, any increased intervention in the foreign exchange market or other measures by the RBI to control the volatility of the exchange rate, may result in a decline in India's foreign exchange reserves and reduced liquidity and higher interest rates in the Indian economy. Prolonged periods of volatility in exchange rates, reduced liquidity and high interest rates could adversely affect our business, results of operations and financial condition and the prices of our equity shares.

69. Natural calamities, climate change and health epidemics and pandemics such as COVID-19 could adversely affect the Indian economy and our business, financial condition, and results of operations. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, financial condition and results of operations.

India has experienced natural calamities, such as earthquakes, floods and drought in recent years. Natural calamities could have an adverse impact on the Indian economy which, in turn, could adversely affect our business, and may damage or destroy our facilities or other assets. Any of these natural calamities could adversely affect our business, financial condition and results of operations.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. In addition, the COVID-19 pandemic had caused a worldwide health crisis and economic downturn. Any future outbreak of health epidemics may restrict the level of business activity in affected areas, which may, in turn, adversely affect our business.

Our operations, including our branch network, may be damaged or disrupted as a result of natural calamities. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our branch network. We may also be liable to our customers for disruption in services resulting from such damage or destruction. Any of the above factors may adversely affect our business and financial results, the quality of our customer service and the price of our Equity Shares. India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

70. It may not be possible for investors to enforce any judgment obtained outside India against us, the Book Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a lawsuit in India.

The enforcement of civil liabilities by overseas investors in the Equity Shares, including the ability to effect service of process and to enforce judgments obtained in courts outside of India may be adversely affected by the fact that the Bank is incorporated under the laws of the Republic of India and all of its executive officers and directors reside in India. As a result, it may be difficult to enforce the service of process upon the Bank and any of these persons outside of India or to enforce outside of India, judgments obtained against the Bank and these persons in courts outside of India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes, among others, the United Kingdom, Singapore, United Arab Emirates and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908 (the "**Civil Code**"). Judgments or decrees from jurisdictions, which do not have reciprocal recognition with India, cannot be executed in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us or our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment in the same manner as any other suit filed to enforce a civil liability in India. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the final judgment that had been rendered in the non-reciprocating territory, unless such a judgment contravenes principles of public policy in India. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of such a judgment. See "*Enforceability of Civil Liabilities"* on page 20 for further information.

71. There may be less information available about the entities listed on the Indian securities markets compared with information that would be available if we were listed on securities markets in certain other countries.

There may be differences between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants in India and that in the markets in the United States and certain other countries. SEBI is responsible for ensuring and improving disclosure and other regulatory standards for the Indian securities markets. SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may, however, be less publicly available information about entities listed on an Indian stock exchange compared with information that would be available if that entity was listed on a securities market in certain other countries. As a result, investors may have access to less information about the business, results of operations, cash flows and financial conditions, information on business responsibility and sustainability reporting and those of the competitors that are listed on BSE and NSE and other stock exchanges in India on an on-going basis than may be found in the case of companies' subject to reporting requirements of other more developed countries.

72. Any downgrade in India's sovereign debt rating by international rating agencies could adversely impact our ability to raise additional foreign currency financing, interest rates and other commercial terms at which such financing is available.

Banks' foreign currency debt ratings are tied to India's sovereign debt rating, meaning any downgrade in India's international debt credit rating also affects their ratings. The ability to secure additional foreign currency financing, along with the interest rates and other commercial terms for such financing, could be negatively impacted by any downgrade in the assessments of India's sovereign debt by international rating agencies. This could significantly harm the company's operations, cash flows, and financial condition.

Although, the current scenario is signaling towards an upgrade in near future after S&P Global Ratings revised its outlook on India to positive from stable on May 29, 2024. The positive outlook on India is predicated on the account of India's robust economic growth in recent years, pronounced improvement in the quality of government spending, and political commitment to fiscal consolidation. This could have a triggering effect as well with other rating agencies to follow up in coming months. Therefore, all those factors of debt financing mentioned above could reverse and impact positively our business, financial condition, results of operations and cash flows.

73. Any downturn in the macroeconomic environment in India may adversely affect our business, financial condition, results of operations and cash flows.

The majority of our business, assets and employees are located in India, so our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Therefore, any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations and cash flows. The Indian economy faces potential adverse impacts from a range of factors, including pandemics, epidemics, political and regulatory shifts, social unrest, religious or communal tensions, terrorist attacks, violence or conflicts like those in the Russia-Ukraine hostilities, or the Israel-Hamas conflict.

Despite geopolitical tensions, Indian and global stock markets have so far managed to stay stable. However, investors are closely monitoring the situation, especially for any signs that Iran might escalate the conflict. Traders are concerned about potential disruptions to crude oil supplies from the Middle East, which is the world's largest oil-producing region. For instance, if Iran escalates tensions, especially by using more destructive weapons or if other nations become involved, it could exacerbate concerns about disruptions in crude oil supplies. This situation could also impact banks, as financial institutions may face increased volatility and risk in the oil markets. Banks with significant exposure to oil and energy sectors might experience financial strain or market losses due to fluctuating oil prices and heightened geopolitical risks.

Risks relating to the Issue and the Equity Shares

74. The trading price of our Equity Shares may be subject to volatility and you may not be able to sell the Equity Shares at or above the Issue Price.

The trading price of our Equity Shares may fluctuate after the Issue due to a variety of factors, including the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, economic liberalization, deregulation policies and procedures or programs applicable to our business, volatility in the Indian and global securities market, performance of our competitors, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others on our operations or capital commitments, adverse media reports on our Bank, or the Indian financial sector or significant developments in India's fiscal and other regulations. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other banking entities, and entities in other industries funded by public sector banks in India, even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares.

75. Currency exchange rate fluctuations may affect the value of the Equity Shares.

The exchange rate between the Rupee and other foreign currencies, including the U.S. Dollar, the British pound sterling, the Euro, the Hong Kong Dollar, the Singapore Dollar and the Japanese Yen, has changed substantially in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the foreign currencies with which an investor may have purchased Rupees may affect the value of the investment in the Bank's Equity Shares. Specifically, if there is a change in relative value of the Rupee to a foreign currency, each of the following values will also be affected:

- the foreign currency equivalent of the Rupee trading price of the Bank's Equity Shares in India;
- the foreign currency equivalent of the proceeds that you would receive upon the sale in India of any of the Bank's Equity Shares; and
- the foreign currency equivalent of cash dividends, if any, on the Bank's Equity Shares, which will be paid only in Rupees.

You may be unable to convert Rupee proceeds into a foreign currency of your choice, or the rate at which any such conversion could occur could fluctuate. In addition, the Bank's market valuation could be seriously harmed by a devaluation of the Rupee if investors in jurisdictions outside India analyse its value based on the relevant foreign currency equivalent of the Bank's financial condition and results of operations.

76. Your ability to acquire and sell Equity Shares offered in the Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Preliminary Placement Document.

No actions have been taken to permit a public offering of the Equity Shares offered in the Issue in any jurisdiction. As such, your ability to acquire Equity Shares offered in the Issue is restricted by the distribution and solicitation restrictions set forth in this Preliminary Placement Document. For further information, see *"Selling Restrictions"* on page 267. Furthermore, the Equity Shares offered in the Issue are subject to restrictions on transferability and resale. For further information, see *"Transfer Restrictions"* on page 274. You are required to inform yourself about and observe these restrictions. Our representatives, our agents and us will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

77. Investors may be subject to Indian taxes arising out of capital gains on sales of Equity Shares.

Under current Indian tax laws, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the stock exchanges, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by an Indian stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of Equity Shares.

78. Foreign investors are subject to certain restrictions under Indian law in relation to transfer of shareholding that may limit our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the valuation and reporting requirements specified under applicable law. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions, then prior approval of the relevant regulatory authority will be required. Additionally, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the Indian income tax authorities. Further, this conversion is subject to the shares having been held on a repatriation basis and is subject to either the security having been sold in compliance with the pricing guidelines or the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds.

Our Bank cannot guarantee that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020, which came into effect from April 22, 2020, investments where the beneficial owner of the Equity Shares is situated in, or is a citizen of, a country which shares one or more land border(s) with India, can only be made through the Government approval route, as prescribed in the Foreign Direct Investment ("**FDI**") policy. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot guarantee that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, if at all. Our ability to raise foreign capital under the FDI route is therefore constrained by Indian law, which may adversely affect our business, financial condition, results of operations and prospects.

79. The individual investment limit and aggregate foreign investment limit for registered FPIs in our Bank is currently 10.00% and 20.00%, respectively, of the total paid-up equity share capital of our Bank.

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by the RBI thereunder, and the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, from time to time. Under the current FDI Policy (effective October 15, 2020), investment in public sector banks up to 20.00% is permitted under the government approval route. In terms of the SEBI (Foreign Portfolio Investors) Regulations, 2019, the issue of Equity Shares to a single FPI including its investor group (which means the same multiple entities registered as foreign portfolio investors having common ownership directly or indirectly of more than 50.00% or common control) must be below 10.00% of the Bank's post-Issue paid-up equity share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI, or an investor group, shall be below 10.00% of the total paid-up equity share capital, on a fully diluted basis, of the Bank, and the total holdings of all FPIs put together can be up to 20.00% of the paid-up equity share capital of the Bank, which is the sectoral cap applicable to the Bank.

As per the SEBI (Foreign Portfolio Investors) Regulations, 2019 and the relevant circulars issued thereunder, the above investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Notes. In the event an investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments in the Bank. For further information, see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 267 and 274.

80. A third party could be prevented from acquiring control over us because of the anti-takeover provisions under Indian law and the provisions of the Banking Companies Act

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Bank even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. These provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over an entity, whether individually or acting in concert with others. Further, under the Banking Companies Act and the Banking Regulations Act, any investment in a nationalized bank exceeding the prescribed limits is subject to regulatory approval. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Bank. Consequently, even if a potential takeover of our Bank would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our Shareholders, such a takeover may not be attempted or consummated because of the laws / guidelines applicable to the Bank.

81. Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.

The Indian securities markets are smaller and may be more volatile than securities markets in more developed economies. The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the U.S. and Europe. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities.

Indian stock exchanges have, in the past, experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and increased margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. A closure of, or trading stoppage on, either the BSE or the NSE could adversely affect the trading price of the Equity Shares.

82. An investor will not be able to sell any of the Equity Shares subscribed in this Issue other than across a recognized Indian stock exchange for a period of 12 months from the date of the issue of the Equity Shares.

Pursuant to the SEBI ICDR Regulations, for a period of 12 months from the date of the issue of the Equity Shares in this Issue, Eligible QIBs subscribing to the Equity Shares may only sell their Equity Shares on the NSE or the BSE and may not enter into any off-market trading in respect of these Equity Shares. The Bank cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. Further, allotments made to certain categories of Eligible QIBs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock - in requirements. This may affect the liquidity of the Equity Shares purchased by such investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares purchased by investors. For further information, see *"Regulations and Policies in India"* on page 233.

83. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, the Equity Shares at a particular point in time.

The price of the Equity Shares will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India, which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on the Bank's circuit breaker is set by the stock exchanges based, amongst others, on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to, and do not, inform us of the percentage limit of the circuit breaker from time to time, and may change it without the Bank's knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

84. Investors will be subject to market risks until the Equity Shares credited to the investors' demat account are listed and permitted to trade.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investors' demat account, which are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when Equity Shares allotted are listed and permitted to trade. Further, there can be no assurance that the Equity Shares allotted to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

85. Any future issuance of Equity Shares could dilute the holdings of investors and could adversely affect the market price of the Equity Shares

Our Bank may be required to finance our future growth through additional equity offerings. Any future issuance of Equity Shares by our Bank could dilute investors' holdings and could adversely affect the market price of the Equity Shares. In addition, any future issuances of Equity Shares, sales by any significant shareholder or a perception in the market that such issuance or sale may occur, could adversely affect the trading price of the Equity Shares. Such securities may also be issued at a price below the then current trading price of the Equity Shares. These sales could also impair our Bank's ability to raise additional capital through the sale of our Bank's equity securities in the future. Our Bank cannot assure you that it will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

MARKET PRICE INFORMATION

The Equity Shares have been listed on BSE and NSE since August 21, 2007. As of the date of this Preliminary Placement Document, 868,09,39,432 Equity Shares of our Bank are issued, subscribed and fully paid-up.

On March 24, 2025, the closing price of Equity Shares on BSE and NSE was ₹46.85 and ₹46.89 per Equity Share, respectively. Since the Equity Shares are available for trading on BSE and NSE, the market price and other information for BSE and NSE has been given separately.

The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on BSE and NSE on the dates on which such high and low prices were recorded for financial years ended March 31, 2024, March 31, 2023 and March 31, 2022:

BSE

Financial Year ended	High (₹)	Date of high[(1)]	Number of Equity Shares traded on the date of high	Total turnover of Equity shares traded on the date of high (₹ crore)	Low (₹)	Date of low[(1)]	Number of Equity Shares traded on the date of low	Total turnover of Equity Shares traded on the date of low (₹crore)	Average price for the year (₹)[(2)]
March 31, 2022	28.10	June 30, 2021	78,04,660	21.92	16.10	April 23, 2021	4,42,713	0.72	21.01
March 31, 2023	39.75	December 14, 2022	1,62,22,686	64.37	16.30	June 16, 2022	5,27,531	0.88	22.57
March 31, 2024	74.22	February 07, 2024	74,83,905	53.11	24.52	April 10, 2023	5,01,272	1.24	42.42

(Source: www.bseindia.com)

Notes:

(1) High and low prices in the above tables are of the daily closing prices. In case of two days with the same high or low price, the date with the higher volume has been chosen.
(2) Average price for the year represents the average of daily closing prices on each day of each year

NSE

Financial Year ended	High (₹)	Date of high[1]	Number of Equity Shares traded on the date of high	Total turnover of Equity shares traded on the date of high (₹ crore)	Low (₹)	Date of low[1]	Number of Equity Shares traded on the date of low	Total turnover of Equity Shares traded on the date of low (₹ crore)	Average price for the year (₹)[2]
March 31, 2022	28.10	June 30, 2021	9,87,95,702	277.57	16.05	April 23, 2021	56,48,442	9.12	21.01
March 31, 2023	39.75	December 14, 2022	17,41,39,710	693.23	16.45	June 16, 2022	21,60,094	3.61	22.57
March 31, 2024	74.15	February 07, 2024	15,46,12,545	1,098.65	24.50	April 10, 2023	40,33,257	9.94	42.42

(Source: www.nseindia.com)

Notes:

(1). High and low prices in the above tables are of the daily closing prices. In case of two days with the same high or low price, the date with the higher volume has been chosen.

(2). Average price for the year represents the average of daily closing prices on each day of each month.

The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on BSE and NSE on the dates on which such high and low prices were recorded during each of the last six months:

BSE

Month ended	High (₹)	Date of high[(1)]	Number of Equity Shares traded on the date of high	Total turnover of Equity shares traded on the date of high (₹ crore)	Low (₹)	Date of low[(1)]	Number of Equity Shares traded on the date of low	Total turnover of Equity shares traded on the date of low (₹ crore)	Average price for the month (₹)[(1)]
September 2024	61.56	September 23, 2024	10,42,220	6.35	58.07	September 09, 2024	3,22,150	1.87	59.57
October 2024	59.03	October 18, 2024	5,38,862	3.16	50.20	October 25, 2024	4,74,184	2.40	55.96
November 2024	58.61	November 06, 2024	1,88,521	1.09	51.53	November 21, 2024	1,50,562	0.78	55.18
December 2024	60.97	December 04, 2024	18,59,151	11.22	52.51	December 30, 2024	2,88,932	1.53	56.61
January 2025	55.51	January 14, 2025	19,34,629	10.16	46.90	January 13, 2025	7,45,526	3.58	52.21
February 2025	51.55	February 05 2025	5,67,265	2.94	44.08	February 28, 2025	5,71,434	2.52	48.15

(Source: *www.bseindia.com)*

Notes:

(1). High and low prices in the above tables are of the daily closing prices. In case of two days with the same high or low price, the date with the higher volume has been chosen.

(2). Average price for the month represents the average of daily closing prices on each day of each month.

NSE

Month ended	High (₹)	Date of high[1]	Number of Equity Shares traded on the date of high	Total turnover of Equity shares traded on the date of high (₹ crore)	Low (₹)	Date of low[1]	Number of Equity Shares traded on the date of low	Total turnover of Equity shares traded on the date of low (₹ crore)	Average price for the month (₹)[1]
September 2024	61.58	September 23, 2024	1,16,35,667	70.83	58.08	September 9, 2024	43,30,475	25.07	59.58
October 2024	59.02	October 18, 2024	62,53,115	36.71	50.26	October 25, 2024	74,87,547	37.86	55.98
November 2024	58.58	November 06, 2024	55,66,087	32.29	51.51	November 21, 2024	42,51,070	21.89	55.17
December 2024	61.01	December 04, 2024	4,09,27,909	247.20	52.52	December 30, 2024	30,31,575	16.04	56.61
January 2025	55.34	January 14, 2025	1,51,49,496	79.76	46.87	January 13, 2025	46,64,689	22.38	52.21
February 2025	51.53	February 05, 2025	45,21,921	23.43	43.98	February 28, 2025	38,25,440	16.83	48.15

(Source: *www.nseindia.com)*

Notes:

(1). High and low prices in the above tables are of the daily closing prices. In case of two days with the same high or low price, the date with the higher volume has been chosen.
(2). Average price for the month represents the average fof daily closing prices on each day of each month.

The following table set forth the details of the number of Equity Shares traded and the turnover during the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 on the Stock Exchanges:

Financial Year ended	Number of Equity Shares Traded		Turnover (In ₹ crore)	
	BSE	**NSE**	**BSE**	**NSE**
March 31, 2022	36,29,83,909	2,41,43,54,360	801.49	5,387.03
March 31, 2023	35,73,72,021	3,03,62,97,314	1,013.26	8,879.97
March 31, 2024	49,43,70,773	6,37,31,79,989	2,373.12	31,231.13

(Source: www.bseindia.com and www.nseindia.com)

The following table set forth the details of the number of Equity Shares traded and the turnover during the six immediately preceding months:

Period	Number of Equity Shares Traded		Turnover (In ₹ crore)	
	BSE	**NSE**	**BSE**	**NSE**
September 2024	79,54,230	10,46,39,321	47.52	623.57
October 2024	85,87,564	12,22,11,629	47.92	683.65
November 2024	77,93,243	10,32,90,471	43.25	573.78
December 2024	92,64,348	13,83,02,115	53.40	806.65
January 2025	1,39,89,856	16,75,88,863	73.12	879.71
February 2025	71,54,532	6,95,18,346	34.58	335.74

(Source: www.bseindia.com and www.nseindia.com)

The following table sets forth the market price on BSE and NSE on May 02, 2024, i.e., the first working day following the approval of the Board of Directors for the Issue:

Stock Exchange	Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Turnover (in ₹crore)
NSE	67.90	67.90	66.00	66.20	1,50,85,713	100.56
BSE	67.90	67.90	65.95	66.19	11,46,365	7.64

(Source: www.bseindia.com and www.nseindia.com)

USE OF PROCEEDS

The gross proceeds from this Issue are up to ₹ [●] crore. Subject to compliance with applicable laws and regulations, the net proceeds from the Issue, after deducting fees, commissions and expenses of this Issue from the aggregate proceeds of the Issue, are expected to be approximately ₹ [●] crore ("**Net Proceeds**").

Purpose of Funds and Utilization of Net Proceeds

Subject to compliance with applicable laws, our Bank intends to utilize the Net Proceeds towards augmentation of Bank's Tier-I capital base to meet Bank's future capital requirements and to support growth plans and to enhance the business of the Bank.

Schedule of deployment of funds

Our Bank currently proposes to deploy the Net Proceeds in the aforesaid object in Fiscal 2026.

Monitoring of utilization of funds

In terms of the proviso to Regulation 173A(1) of the SEBI ICDR Regulations, our Bank is not required to appoint a monitoring agency for this Issue.

Other Confirmations

The Net Proceeds are proposed to be deployed towards the purpose set out above and are not proposed to be utilized towards any specific project. Accordingly, the requirement to disclose (i) the break-up of cost of the project (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project, is not applicable.

None of our Directors are making any contribution either as part of this Issue or separately in furtherance of the objects of the Issue.

CAPITALISATION STATEMENT

The following table sets forth our Bank's capitalization (on a consolidated basis) on an actual basis as at December 31, 2024, which has been extracted from our Reviewed Financial Results, and as adjusted to give effect to the receipt of the gross proceeds of the Issue. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Information*" beginning on pages 88 and 302, respectively.

(In ₹ crore)

Particulars	Pre-Issue (as at December 31, 2024)	Post-Issue as adjusted (1)
Borrowings:		
Short Term Borrowings	21,722.31	[●]
Long Term Borrowings	5,711.65	[●]
Total Borrowings (a)	27,433.96	[●]
Shareholders' funds:		
Share capital	8,680.93	[●]
Securities premium	7,466.63	[●]
Reserves and surplus (excluding securities premium)	18,114.14	[●]
Non-Controlling Interest	0.00	[●]
Shareholders' funds (excluding borrowings) (b)	34,261.70	**[●]**
Total capitalization (a + b)	45,548.10	[●]
Short Term Borrowings / Shareholders Funds	0.63	[●]
Long Term Borrowings / Shareholders Funds	0.17	[●]
Total Borrowings / Shareholders Funds	0.80	[●]

Note:

(1) As adjusted to reflect the number of Equity Shares issued pursuant to this Issue and proceeds from the Issue. Adjustments do not include Issue related expenses.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Banking Regulation Act and regulations made thereunder, the RBI has laid down certain guidelines on the declaration of dividends by banks pursuant to RBI Circular (RBI/2004- 05/451DBOD.NO.BP.BC.88/21.02.067/2004-05) dated May 4, 2005 on declaration of dividends by banks ("**RBI Dividend Circular**"). Our Bank follows the Banking Regulation Act, the RBI Dividend Circular and Regulation 43A of the SEBI Listing Regulations in this regard.

For eligibility criteria for declaration of dividend in terms of the RBI Dividend Circular, see "*Regulations and Policies*" and "*Description of the Equity Shares - Declaration of Dividend*" on pages 233 and 282, respectively. For a summary of certain Indian tax consequences of dividend distributions to shareholders, see "*Taxation*" on page 284.

Further, the payment of dividends by banks is subject to restrictions under the Banking Regulation Act. Section 15(1) of the Banking Regulation Act states that no banking company shall pay any dividend on its shares until all its capitalized expenses (including preliminary expenses, organisation expenses, share-selling commission, brokerage, amounts of losses incurred and any other item of expenditure not represented by tangible assets) have been completely written off. In addition, Section 17(1) of the Banking Regulation Act requires every banking company to create a reserve fund and, transfer out of the balance of profit of each year as disclosed in the profit and loss account, a sum equivalent to not less than 20% of such profit to the reserve fund before declaring any dividend.

In addition, *vide* RBI circular no. BP.BC.24/21.04.018/2000-2001 dated 23.09.2000 read with RBI Master Direction on Financial Statements – Presentation and Disclosures dated August 30, 2021, Commercial Banks (excluding LABs and RRBs) are required to transfer not less than 25 per cent of 'net profit' before appropriations to the Statutory Reserve.

Our Bank has not declared any dividend in the nine month period ended December 31, 2024 and the Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our Bank's audited consolidated financial statements as of and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 and in each case, the notes thereto, and the unaudited financial results as of and for the nine months ended December 31, 2024 and December 31, 2023, including the notes thereto and reports thereon, which are prepared in accordance with Indian GAAP and included elsewhere in this Preliminary Placement Document.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise specified or as the context requires, financial information herein for Fiscal 2024, 2023 and 2022 and the nine month periods ended December 31, 2024 and December 31, 2023 is derived from our Audited and Unaudited Financial Statements.

Unless otherwise stated, references to "the Bank" or "our Bank" or "Bank", are to the Central Bank of India on a standalone basis and references to "the Group", "we", "us", "our", are to the Central Bank of India on a consolidated basis

We prepare our financial statements in accordance with Indian GAAP. The financial statements reflect applicable statutory requirements, regulatory guidelines and accounting practices in India. These requirements, guidelines and practices change from time to time and, in accordance with Indian GAAP, adjustments to reflect such changes are made on a prospective basis and the financial statements for earlier periods are not restated. For the purposes of a comparative analysis in the discussion below, previous years' figures have been reclassified wherever necessary. In addition, the segments reported below are based on segments used for internal management reporting which are different to those used in the financial statements which are mandated by Indian GAAP.

This discussion contains forward-looking statements and reflects the Issuer's current plans and expectations. Actual results may differ materially from those anticipated in these forward-looking statements. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in "Risk Factors", "Forward Looking Statements" and "Business" on pages 41, 18 and 190, respectively.

Overview

We are a scheduled public sector commercial bank in India, catering to the overall banking needs across customer segment. Having been in operation for more than 114 years, we offer a variety of retail banking products and services customized to cater the needs of our retail and corporate customers, services to large and mid-corporates, micro small and medium enterprises ("**MSME**") and agricultural sectors. We also offer third party insurance and mutual fund plans on an agency basis to our customers and provide services like lockers, collection of taxes as well as other banking products and services. As on December 31, 2024, we have a wide presence through a network of 4,541 branches, with 13 zonal offices, 90 regional offices, two sponsored RRBs, five extension counters, 4,085 ATMs, 11,889 Business Correspondents and five satellite offices with customer accounts of around 8.21 crore banking customers. As of December 31, 2024, our branch network is present in 28 States and seven Union Territories in India and is spread over 805 branches in metropolitan cities, 774 branches in urban areas, 1,347 branches in semi-urban areas and 1,615 branches in rural areas, constituting 17.74%, 17.04%, 29.66% and 35.56% of the total branch network, respectively, which we believe provides us a potentially large business opportunity from unbanked segments in rural India.

Established on December 21, 1911. We are one of the 13 banks, which were nationalised in 1969 and became a public sector bank. The range of products offered by us includes fund-based products, non-fund based products, fee and commission-based products and services, deposits and foreign exchange and derivative products. The details of our financial performance as of December 31, 2024, March 31, 2024, December 31, 2023, and March 31, 2023, are below:

As of	Total Business *(in ₹ crore)*	Total Deposits *(in ₹ crore)*	Gross Advances *(in ₹ crore)*
December 31, 2024	6,67,501.91	3,96,722.58	2,70,779.33

As of	Total Business *(in ₹ crore)*	Total Deposits *(in ₹ crore)*	Gross Advances *(in ₹ crore)*
March 31, 2024	6,35,553.44	3,83,808.76	2,51,744.68
December 31, 2023	6,16,428.47	3,76,782.31	2,39,646.16
March 31, 2023	5,76,618.68	3,57,839.97	2,17,778.71

The details of our capital adequacy ratio as of December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, are set forth below:

As of	Capital Adequacy Ratio
December 31, 2024	16.43%
March 31, 2024	15.08%
March 31, 2023	14.12%
March 31, 2022	13.84%

The details of our NPAs and provision coverage ratio as of December 31, 2024, and March 31, 2024, are presented below:

As of	Gross NPAs *(in ₹ crore)*	Gross NPAs (%)	Net NPAs *(in ₹ crore)*	Net NPAs (%)	Provision Coverage Ratio (%)
December 31, 2024	10,459.89	3.86%	1,554.98	0.59%	96.54%
March 31, 2024	11,340.34	4.50%	3,001.95	1.23%	93.58%

The range of products and services offered by the Bank includes loans and advances, deposits, foreign exchange products, retail lending and deposits. Our principal banking operations include:

- *Retail Banking*: Our retail banking business offers a wide range of financial products and services to retail customers. Retail banking products principally comprise of retail banking accounts (e.g., savings accounts and time deposits) and retail loans (e.g., home loan, loan against property, vehicles loan, education loan, and personal loan) Our total revenue from our retail banking business stood at ₹79,927.08 crore as on December 31, 2024, and ₹71,193.11 crore as on March 31, 2024.

- *MSME Banking*: Our MSME banking business offers a wide range of products at different interest rates to suit the specific needs of MSME borrowers. As a part of our offering, we extend credit facilities, including term loans, working capital and non-fund based facilities, to MSME involved in manufacturing and service /trade activities. Our total revenue from our MSME banking business stood at ₹58,002.10 crore as on December 31, 2024, and ₹49,870.32 crore as on March 31, 2024.

- *Agricultural Banking:* Our agricultural banking business offers direct financing to farmers for production, as well as indirect financing for infrastructure development and credit to suppliers of agricultural inputs through agencies. In consonance with national policies and priorities, we have given considerable thrust to lending to the priority sector, including the agriculture sector. Our agricultural advances stood at ₹51,274.23 crore as on December 31, 2024 and ₹46,063.46 crore as on March 31, 2024.

- *Corporate/ Wholesale Banking:* Our corporate/wholesale banking business caters to corporate and institutional clients. Our total advances towards corporate/ wholesale banking stood at ₹ 81,575.92 crore as on December 31, 2024 and ₹84,617.79 crore as on March 31, 2024.

- *Other Banking Services:* Under other banking services, we provide range of offerings. Our treasury operations manage market risk and liquidity in line with Board-approved policies, aiming to optimize returns. Through bancassurance, we provide life, non-life, and health insurance products. We serve as an agency for the collection of central and state government revenues and have implemented a centralized system for pension payments. We distribute mutual funds. In the capital markets, we provide ASBA services, demat accounts, and a "3 in 1" e-trading facility. Our card services include debit cards in collaboration with major card networks. Our deposit services include time, savings, and current accounts, with specialized products for different customer segments.

The Bank is also present, through its Subsidiaries, Joint Venture and Associates, in diverse segments of the Indian financial sector, including housing finance, and trusteeship services. The Bank contributed 99.73% of our total consolidated assets as of December 31, 2024.

The Bank has a presence throughout India with a total of 4,541 branches, of which 65.22 % are located within rural and semi-urban areas in India, 4,085 ATMs, 11,889 banking correspondents, as of December 31, 2024. The Bank also has an overseas presence in Zambia through its Joint Venture. The President of India, acting through the Ministry of Finance, Government of India ("**GoI**") owned 93.08% of the Bank's share capital as of December 31, 2024.

The Bank's branch network is further complemented by its online and mobile banking solutions that enable it to provide its customers with access to banking services. Our direct banking platforms enable us to connect with our customers through alternate channels by improving customer growth and supporting the increase in the volume of customer transactions.

As of December 31, 2024, the Bank had gross deposits, gross advances and a total asset base of ₹ 3,97,907 crore, ₹2,70,779 crore and ₹49,68,479 crore, respectively. In addition, the Bank's retail term deposits (deposits less than ₹ 3.00 crore) accounted for 46.03% of the Bank's domestic deposits.

Presented below are the details of the Bank's total CASA deposits, domestic CASA deposits, and the ratio of domestic CASA deposits to total domestic deposits as of December 31, 2024, December 31, 2023, March 31, 2024, March 31, 2023, and March 31, 2022:

As of	Total CASA Deposits *(in ₹ crore)*	Domestic CASA Deposits *(in ₹ crore)*	Ratio of Domestic CASA to Total Domestic Deposits (%)
December 31, 2024	1,95,106.66	1,95,106.66	49.18%
December 31, 2023	1,84,541.91	1,84,541.91	48.98%
March 31, 2024	1,91,969.46	1,91,969.46	50.02%
March 31, 2023	1,80,311.95	1,80,311.95	50.39%
March 31, 2022	1,72,480.13	1,72,480.13	50.58%

Under the Priority Sector Guidelines, under the applicable RBI circular for priority sector lending targets and classification (the "**Priority Sector Circular**"), which sets out that 40% of the adjusted net bank credit ("**ANBC**") should be provided to the priority sector ("**Priority Sector Credit**"), with 18% and 10% of such Priority Sector Credit provided to the agriculture sector and the weaker sections (as identified in the Priority Sector Circular), respectively. Our achievement under Total Priority Sector, Agriculture and Weaker Section was 53.03%, 20.75% and 16.34%, respectively for the nine months period ended December 31, 2023, and was 54.23%, 21.26% and 16.44%, respectively for the nine months period ended December 31, 2024. We have achieved the goals set for priority sector lending for each of Fiscal 2022, Fiscal 2023, Fiscal 2024 and the nine months period ended December 31, 2023 and December 31, 2024.

For further information, see "*Regulations and Policies—Priority sector lending*" on page 240.

The table below sets forth summaries of certain of the Bank's key operating and financial performance parameters, as of and for the periods indicated below:

(₹ in crores, unless otherwise mentioned)

	As of and for the years ended March 31,			As of and for the nine months period ended December 31	
	2022	2023	2024	2023	2024
Average interest- earning assets	2,95,345.08	3,37,269.97	3,79,337.18	3,74,345.38	4,01,263.26
Net interest income	9,486.76	11,686.79	12,896.33	9,355.47	10,498.33
Average total assets	3,99,251.00	3,65,139.00	4,07,995.00	4,00,535.00	4,37,701.00
Average yield (%)(1)	7.72	7.57	8.10	7.97	8.32
Average Working Funds - AWF	3,42,948.43	3,61,456.80	4,04,370.56	3,96,903.59	4,33,720.20

Average cost of funds / borrowings (%) (excluding Current Deposits)	4.10	4.15	4.89	4.88	5.01
Average cost of Deposits (%) (excluding Current Deposits)	4.03	4.10	4.81	4.77	4.93
Spread(2) (bps)	362 bps	342 bps	321 bps	309 bps	331 bps
Cost of Funds(3) (%) includes current account	3.92	3.97	4.70	4.64	4.82
Net interest margin(4) (%)	3.21	3.47	3.40	3.33	3.49
Profit After Tax	1,045.00	1,582.00	2,549.00	1,742.00	2,752.00
Return on average equity(%)	4.49	6.42	9.53	8.81	12.64
Return on average assets(%)	0.30	0.44	0.63	0.59	0.85
Earnings per share (Annualised) (in ₹)	1.27	1.82	2.94	2.68	4.23
Book value per share (in ₹)	27.42	29.32	32.32	31.37	34.54
Tier I capital adequacy ratio (in %)	11.48	12.11	12.46	12.17	14.21
Tier II capital adequacy ratio (in %)	2.36	2.01	2.62	2.57	2.22
Total capital adequacy ratio (in %)	13.84	14.12	15.08	14.74	16.43
Net NPAs(5)	6,675.00	3,592.00	3,002.00	2,956.00	1,555.00
Net NPAs ratio(6) (in %)	3.97	1.77	1.23	1.27	0.59
Credit to deposit ratio(7) (in %)	55.63	60.86	65.59	63.60	68.25
Cost to income ratio(8) (in %)	53.90	56.35	58.18	58.29	57.90
Staff cost to income ratio (in %)	31.53	35.53	35.85	36.13	36.68
Other cost to income ratio (in %)	22.37	20.82	22.34	22.16	21.22
Provisioning coverage ratio(9) (in %)	86.69	92.48	93.58	93.73	96.54
Credit cost (Annualised) (in %)	1.4	1.8	1.5	1.73	1.06
CASA ratio(10) (in %)	50.58	50.39	50.02	48.98	49.18
Slippage ratio(11) (in %)	3.2	2.52	2.57	2.07	0.98
Total business	5,30,748.1	5,75,618.7	6,35,553.4	6,16,428.47	6,67,501.91
Gross total advances	1,89,712.2	2,17,778.7	2,51,744.7	2,39,646.16	2,70,779.33
Gross Deposits	3,41,035.9	3,57,839.4	3,83,808.8	3,76,782.31	3,96,722.58

Notes:

(1) Average balances are daily averages for deposits/ advances/investments and all others are based on monthly averages as reported to the RBI.

(2) Spread is the difference between the yield on average interest earning assets and yield on average interest bearing liabilities excluding current deposits.

(3) Cost of Fund is the ratio of interest expense to average interest-bearing liabilities.

(4) Net interest margin is the difference between interest earned and interest expended divided by the average working funds (AWF).

(5) Net NPAs reflect the Bank's gross NPAs less provisions for NPAs.

(6) Net NPAs ratio is the ratio of net NPAs divided by net advances.

(7) Credit to deposit ratio is calculated as a ratio of total gross advances to total deposits.

(8) Cost to income ratio is calculated as a ratio of operating expenses divided by total operating income (total of net interest income and non-interest income).

(9) PCR (including technical write-off) comprises provisions plus technical write off as percentage to Gross NPA plus technical write off.

(10) Ratio of domestic current account deposits and savings account deposits to domestic deposits (including inter-bank deposits).

(11) Slippages are fresh accretion to NPAs during a period. Slippage Ratio is fresh NPAs divided by Standard Advances at the beginning of the period.

FACTORS AFFECTING OUR FINANCIAL RESULTS

Our Bank's asset portfolio, financial condition and results of operations have been, and are expected to be, influenced by numerous factors. A summary of the most important factors that have had, and that the Bank expects will continue to have, a significant impact on the Bank's asset portfolio, financial condition and results of operations follows below:

Macroeconomic environment in India

As a bank with significant operations in India, the Bank's financial position and results of operations have been and will continue to be significantly affected by overall economic growth patterns in India. The Indian economy presents a picture of stability and strength where the balance between inflation and growth is well-poised. The external sector demonstrates the strength of the economy with forex reserves scaling new peaks. Fiscal consolidation is underway and the financial sector remains sound and resilient. Real GDP growth for 2024- 25 is projected at 7.2 per cent with Q2 at 7.0 per cent; Q3 at 7.4 per cent; and Q4 at 7.4 per cent. Real GDP growth for Q1:2025-26 is projected at 7.3 per cent. (*Source: RBI Bulletin October 2024*), Projected GDPs demonstrate the highest growth rate among major economies, propelled by a robust domestic market and government-led investments that have bolstered demand. Strong economic growth tends to positively impact our Bank's results of operations, since it can cause businesses to plan and invest more confidently, in turn driving stronger demand for bank credit as well as other banking products and services that our Bank offers. Stronger economic growth also generally increases the interest income that our Bank is able to generate from the loans it offers and tends to improve the overall creditworthiness of our Bank's customers. The fiscal policy adopted also contributes to our Bank's results of operations.

Economic growth in India is also influenced by inflation. CPI inflation for 2024-25 is projected at 4.5 per cent, with Q2 at 4.1 per cent; Q3 at 4.8 per cent; and Q4 at 4.2 per cent. CPI inflation for Q1:2025- 26 is projected at 4.3 per cent. (*Source: RBI Bulletin October 2024*) The level of inflation may limit monetary easing or cause monetary tightening by the RBI. In periods of high rates of inflation, the Bank's costs, such as financing costs, may increase, which could have an adverse effect on the Bank's results of operations. Inflation may also have a bearing on the overall interest rates which may adversely affect our net interest income.

Regulations governing the Indian Banking Sector

Our results of operations and continued growth depend on stable government policies and regulations. The banking industry in India is subject to extensive regulation by governmental organizations and regulatory bodies, such as the RBI, SEBI and the Insurance Regulatory and Development Authority, and self-regulatory organisations. These regulations govern various aspects of our business including loans and advances, investments, deposits, risk management, foreign investment, corporate governance and market conduct, customer protection, foreign exchange management, capital adequacy, margin requirements, know-your-customer, anti-money laundering, and provisioning for NPAs. In recent years, existing rules and regulations have been modified, new rules and regulations have been enacted and reforms have been implemented, with an objective to provide tighter control and more transparency in India's banking sector. As a bank, we are required to comply with such rules and regulations, which affect our business, operations, cash flows, profitability and financial condition. The RBI also prescribes required levels of lending to "priority sectors" such as agriculture, MSME, export credit, education, housing, social infrastructure, renewable energy etc., which may expose us to higher levels of risk in advances than we may otherwise face. Basel III reforms are the response of Basel Committee on Banking Supervision ("**BCBS**") to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the real economy. Basel III reforms strengthen the bank-level i.e. micro prudential regulation, with the intention to raise the resilience of individual banking institutions in periods of stress. Besides, the reforms have a macro prudential focus also, addressing system wide risks, which can build up across the banking sector, as well as the pro cyclical amplification of these risks over time. Monetary policy is heavily influenced by the condition of the Indian economy, and changes in the monetary policy affect the interest rates of advances and deposits. The RBI responds to fluctuating levels of economic growth, liquidity concerns and inflationary pressures in the economy by adjusting its monetary policy. A monetary policy designed to combat inflation typically results in an increase in RBI lending rates. Further, in addition to having gradually established more stringent capital adequacy requirements, the RBI has also instituted several prudential measures including an increase in risk weights for capital adequacy computation and general provisioning for certain types of asset classes.

Changes in interest rates

Our results of operations depend to a great extent on our net interest income. Net interest income represents the excess of interest earned from interest-earning assets (such as performing loans and investments) over the interest paid on interest-bearing customer deposits and borrowings. Changes in interest rates affect the interest rates we charge on our interest-earning assets and that we pay on our interest-bearing liabilities. In the event of rising interest rates, borrowers may be unwilling to pay us correspondingly higher interest rates on their borrowings. A fall in interest rates would have the opposite impact. Interest rate sensitivity also depends on the duration of the assets and liabilities run by our Bank and depending on movement of interest rates, our net interest earnings could get adversely impacted. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors, any or all of which may change favourably or unfavourably. Net interest margin (based on fortnightly averages) was 3.21% in Fiscal 2022, 4.24% in Fiscal 2023, 3.40% in Fiscal 2024 and 3.49% in the nine months period ended December 31, 2024, while our net interest income, as a percentage of total income for the nine months ended December 31, 2024, and December 31, 2023, as well as the Fiscals 2024, 2023, and 2022, are as follows:

Period	Net Interest Income (% of Total Income)
Nine months ended December 31, 2024	36.09%
Nine months ended December 31, 2023	34.19%
Fiscal 2024	36.39%
Fiscal 2023	39.45%
Fiscal 2022	36.81%

In the event of increase in interest rates, our net interest margin could be adversely affected because the interest paid by us on our deposits could increase at a higher rate than the interest received by us on our advances and other investments. In addition, an increase in
interest expense related to interest income may lead to a reduction in our interest income, which could materially and adversely affect our results of operations. Any inability of the Bank to retain customers as a result of rising interest rates may adversely impact the Bank's earnings in future periods. Similarly, in the event of falling interest rates, the Bank may face more challenges in retaining its customers if it is unable to offer competitive rates as compared with other banks in the market. In addition, yields on government and other approved investments, as well as yields on our other interest earning assets, are significantly dependent on interest rates. In case of a sharp and sustained increase in interest rates, we could be adversely affected by the decline in the market value of our government securities portfolio and other fixed income securities. A fall in interest rates, on the other hand, would enhance the market value of our government securities portfolio and other fixed income securities. If the interest rates that we pay to our depositors and lenders is more than that of the interest rates we charge our borrowers, our net interest income may decrease.

Ability to grow our non-interest income

Our ability to improve profitability will depend, among other factors, on our success in increasing fee income from existing and new businesses/customers. We have diversified our fee income across products such as insurance, investments, merchant banking, asset processing fees and advisory fees. Foreign exchange income generated through merchant sales has also been an important source of revenue for the Bank. However, the increasing sophistication of our customers, offerings of similar products and services by our competitors and changes in the regulatory environment could adversely impact our ability to grow our non-interest income.

In order to continue to grow non-interest income, we generate revenues from our growing credit card business. In addition, we provide foreign exchange and trade and transaction services; distribute third-party investment products, such as insurance products and mutual funds. We have entered into agreements with certain insurance companies to distribute life and general insurance policies. We also market mutual fund products. Our integrated branch and electronic banking network and our increasingly diversified product and service portfolio have enabled us to develop our fee- and commission-based business.

Capital adequacy, liquidity requirements and reserve ratios

As mandated by the RBI, we are required to maintain a minimum of 18% of our total net demand and time liabilities in statutory liquidity ratio securities effect from April 11, 2020. Our domestic treasury manages the surplus funds from deposits and advances. Banks do not earn interest on Cash Reserve Ratio (CRR) balance maintained with RBI.

The table below summarizes the cash reserve ratio, statutory liquidity ratio and liquidity coverage ratio that are applicable to banks in India:

Dates	Cash Reserve Ratio	Statutory Liquidity Ratio	Liquidity Coverage Ratio
	(% as of the date indicated)		
As of March 31, 2022	4.00%	18.00%	100.00%
As of March 31, 2023	4.50%	18.00%	100.00%
As of March 31, 2024	4.50%	18.00%	100.00%

Source: RBI

Any increases in the compulsory reserves applicable to our Bank (on account of regulatory changes or otherwise) could impact our profitability by limiting the amount that is available for commercial credit transactions or for investment in high-yielding securities, thus restricting our ability to grow our business. For example, an increase in CRR, requires our Bank to hold more cash in reserves, thereby reducing our ability to lend to customers or investing for potential gains. We may also be compelled to dispose of certain of our assets and/or take other measures in order to meet more stringent requirements, which may adversely affect our results of operations and financial condition.
The Basel III framework on 'Liquidity Standards' includes 'Liquidity Coverage Ratio', 'Net Stable Funding Ratio' ("**NSFR**") and liquidity risk monitoring tools. In June, 2014, the RBI issued guidelines in relation to liquidity coverage ratio ("**LCR**"), liquidity risk monitoring tools and LCR disclosure standards pursuant to the publication of the 'Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools' in January, 2013 and the 'Liquidity Coverage Ratio Disclosure Standards' in January, 2014 by the Basel Committee which provided enhanced guidance on liquidity, risk governance, measurement, monitoring and reporting to the RBI on liquidity positions. The guidelines stipulate that banks were to ensure an LCR of 60% for 2015 with effect from January 1, 2015, minimum 90% with effect from January 1, 2018 and were expected to make a transition to an LCR of 100% on January 1, 2019. In order to accommodate the burden on banks' cash flows on account of the COVID-19 pandemic, RBI issued a notification dated April 17, 2020, permitting banks to maintain LCR as set forth below:

From date of circular to September 30, 2020	80%
October 1, 2020 to March 31, 2021	90%
April 1, 2021 onwards	100%

The LCR measures a bank's ability to manage and survive for 30 days under a significant stress scenario that combines idiosyncratic as well as market-wide shock situations that would result in accelerated withdrawal of deposits from retail as well as wholesale depositors, partial loss of secured funding, increase in collateral requirements and unscheduled drawdowns of unused credit lines. Further, the Basel Committee on Banking Supervision issued the final rules on 'Net Stable Funding Ratio' on October 31, 2014 and RBI issued the guidelines on NSFR on May 17, 2018 with the objective to ensure that banks maintain a stable funding profile in relation to the composition of their assets and off- balance sheet activities. RBI had published a circular dated November 29, 2018, notifying that the NSFR guidelines shall come into effect from April 1, 2020. RBI had published a circular dated March 27, 2020, which deferred to the implementation.

Although it currently exceeds the applicable capital adequacy requirements, adverse developments could affect our Bank's ability to satisfy these requirements in the future, including deterioration in asset quality, decline in the value of investments and inability to meet any regulatory requirements or changes. The regulatory minimum CET1, including capital conservation buffer, is 8% with effect from March 31, 2020.

NPA levels and provisioning

Our profits are impacted by the provisioning for non-performing assets (NPAs), which include advances, investments, and related recovery and litigation costs. If asset quality deteriorates or loans age further as non-performing, we may need to increase provisions, thereby reducing profitability. The level of NPAs affects profitability through provisions for expected losses, recorded as expenses in the profit and loss account.

A non-performing asset is classified based on overdue payments or outstanding amounts, such as loans, advances, or derivative receivables. As per RBI guidelines, NPAs are categorized as "Sub-Standard", "Doubtful", or "Loss" assets depending on arrears duration.

As of March 31, 2022, March 31, 2023, March 31, 2024 and December 31, 2024, our Bank's gross NPAs were ₹28,156.22 crore, ₹18,386.12 crore, ₹11,340.35 crore and ₹10,459.89 crore, respectively, representing 14.84%, 8.44%, 4.50% and 3.86%, respectively, of our gross advances as of such dates. As of March 31, 2022, March 31, 2023, March 31, 2024 and December 31, 2024, net NPAs were ₹6,675.17 crore, ₹3,591.72 crore, ₹3,001.95 crore and ₹1,554.98 crore, respectively, representing 3.97%, 1.77%, 1.23% and 0.59% respectively, of our net advances as of such dates. To further aid NPA resolution, the Bank implemented a Special One Time Settlement Scheme. This scheme applied to NPAs/OD in SB & CD (DA3/Loss) with customer exposure up to ₹2.00 lakh as of March 31, 2023, and to all accounts classified as NPA as of the same date, including PWO/TWO accounts with customer exposure up to ₹10 crores. Additionally, an OTS Scheme under the Net Present Value (NPV) approach was continued for all NPA accounts, regardless of security. Under these schemes, proposals amounting to ₹2,048.26 crores were settled for ₹1,412.74 crores during Fiscal 2024.

A charge to our profit and loss account creates provisions for NPAs and are subject to minimum provision requirements linked to ageing of NPAs. We also consider our internal estimate for loan losses and risks inherent in the credit portfolio when deciding on the appropriate level of provisions in addition to the relevant regulatory minimum provision. The determination of a suitable level of loan losses and provisions involves a degree of subjectivity and requires that we make estimates of current credit risks and future trends, all of which may be subject to material changes. Any incorrect estimation of risk may result in our provisions not being adequate to cover any further increase in the amount of NPAs or any further deterioration in our NPA portfolio. Our ability to manage NPAs effectively, recover loans, and control provisions is crucial, as these factors directly impact our financial performance

Allocation of funds

The growth of the Indian economy has enabled us to allocate our funds from Government securities to advances, which offer us higher returns subject to maintaining minimum statutory requirements. Further, we diversify our net interest income portfolio by lending to retail customers, large corporates and small and medium enterprises across various industry segments. If the volume of our loans decreases due to a general slowdown in the economy, increased competition or other factors, our net interest income will decrease as well. In addition, we seek to allocate our funds in an optimum manner at any point of time depending on our liquidity and prevailing interest rates.

Competition

We face competition in all key areas of our business. Our primary competitors include public sector banks, private sector banks and foreign banks as well as finance companies, insurance companies, asset and wealth management companies, mutual funds and investment banks. We may also face increased competition from foreign banks if the Indian retail market is further liberalized or if regulations and restrictions upon branch network growth by foreign banks are simplified or reduced. Additionally, foreign banks may operate in India by establishing wholly-owned subsidiaries which are allowed to raise Rupee resources through issue of non-equity capital instruments. Our Bank also faces competition from the small finance banks and the payments banks.

An increase in operations of existing competitors or entry of additional banks offering a similar or broader range of products and services, could increase our competition. In addition, the moderation of growth in the Indian banking sector is expected to lead to greater competition for business opportunities. The GoI is also actively encouraging banks and other financial institutions to significantly increase their lending to the agricultural sector, which will make this segment more competitive. These competitive pressures affect the Indian and international banking industry as a whole, and our future success will largely depend on our ability to respond effectively and timely manner to these competitive pressures.

Due to competitive pressures, we may be unable to successfully execute our growth strategy and offer products and services at reasonable returns and this may adversely impact our business, future financial performance and the trading price of the Equity Shares.

Significant Accounting Policies

A. Background:

Central Bank of India (the Bank) is a body corporate registered under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and is regulated by Reserve Bank of India. The principal business is providing banking and financial services with wide range of products and services to individuals, commercial enterprises, large corporates, public bodies and institutional customers. The business is conducted through its branches in India. The equity shares of the Bank are listed at BSE Limited and National Stock Exchange of India Limited.

B. Basis of preparation:

The financial statements have been prepared following the going concern concept and under historical cost convention except in respect of revaluation of premises and conform, in all material aspects, to the Generally Accepted Accounting Principles (GAAP) in India, which encompasses applicable statutory provisions, regulatory norms prescribed by Reserve Bank of India (RBI) including those prescribed by the Banking Regulation Act 1949, Accounting Standards (AS) and pronouncements issued by The Institute of Chartered Accountants of India (ICAI) and the prevailing practices within the banking industry in India.

C. 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 on the date of the financial statements and the reported income and expenses for the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/ materialised.

D. Significant accounting policies:

1. Cash and Cash equivalents:

Cash and cash equivalents include cash in hand and ATMs, balances with the Reserve Bank of India, balances with other banks and money at call and short notice.

2. Revenue:

2.1. General

a) Income/ expenditure is generally accounted for on accrual basis except for income accounted on cash basis as per regulatory provisions.

2.2. Income from investments

a) The Profit or loss on sale of investments is recognised in the Profit and Loss Account. In accordance with the guidelines issued by the Reserve Bank of India, profit on sale of investments in the Held to Maturity (HTM) category is appropriated (Net of applicable taxes and amount required to be transferred to “Statutory Reserve Account”) to the “Capital Reserve Account”.

b) Income (other than interest) on investments in “Held to Maturity (HTM)” category acquired at a discount to the face value, is recognised as follows:

   on interest bearing securities, it is recognised only at the time of sale/ redemption.

   on zero-coupon securities, it is accounted for over the balance tenor of the security on a constant yield basis

c) Dividend income is recognized when right to receive the dividend is established.

d) Upside on security receipts is recognised on realisation as ‘Other income’.

2.3. Sale of financial assets

Financial Assets sold are recognized as under:

The sale of NPA is accounted as per guidelines prescribed by RBI. When the Bank sells its financial assets to Securitisation Company (SC)/ Reconstruction Company (RC), the same is removed from the books.
In case the sale to SC/ARC is at a price lower than the Net Book Value (NBV) the shortfall is charged to the Profit and Loss Account in the year of sale.

In case the sale is at a price higher than the NBV on cash basis, the surplus is taken to the credit of Profit and Loss

Account.

2.4 Fee based income

Commission on letters of credit, bank guarantee and deferred payment guarantee are recognised on accrual basis proportionately over the period. All other commission and fee income are recognised on their realisation.

2.5 Others

a) Income/ expenditure is generally accounted for on accrual basis except for income accounted on cash basis as per regulatory provisions.

b) Provision for interest payable on overdue deposits is made as per Reserve Bank of India guidelines.

3. Advances:

3.1. Based on the guidelines/ directives issued by the RBI, loans and advances are classified as performing and non-performing, as follows: The term loan is classified as a non-performing asset, if interest and/ or instalment of principal remains overdue for a period of more than 90 days. An overdraft or cash credit is classified as a non-performing asset, if, the account remains "out of order", i.e. if the outstanding balance exceeds the sanctioned limit/ drawing power continuously for a period of 90 days, or if there are no credits continuously for 90 days, or if the credits are not adequate to cover the interest debited during the previous 90 days period. The bills purchased/ discounted are classified as non-performing asset if the bill remains overdue for a period of more than 90days. The agricultural advances are classified as a non- performing if, (i) for short duration crops, where the instalment of principal or interest remains overdue for two crop seasons; and (ii) for long duration crops, where the principal or interest remains overdue for one crop season. Non-performing assets are classified into sub- standard, doubtful and loss Assets, based on the following criteria stipulated by RBI:

(a) Sub-standard: A loan asset that has remained non-performing for a period less than or equal to 12 months.
(b) Doubtful: A loan asset that has remained in the sub-standard category for a period of 12 months.
(c) Loss: A loan asset where loss has been identified but the amount has not been fully written off.

3.2. 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:

A general provision of 15% on the total outstanding.

i. Additional provision of 10% for exposures which are unsecured ab-initio (i.e. where realisable value of security is not more than 10 percent ab-initio)

ii. Unsecured Exposure in respect of infrastructure advances where certain safeguards such as escrow accounts are available -20%.

Doubtful Assets:	
- Secured portion	
Up to one year	25%
One to three years	40%
More than three years	100%
- Unsecured portion	100%
Loan Assets	**100%**

3.3. Advances are shown net of provisions (in case of NPA), Unrealised Interest, amount recovered from borrowers held in Sundries and claims received from CGTSI/ ECGC, etc.

3.4. For restructured/ rescheduled assets, provisions are made in accordance with the guidelines issued by the RBI, which inter alia require that the difference between the fair value of the loans/ advances before and after restructuring is provided for, in addition to provision for the respective loans/ advances. The provision for diminution in fair value and interest sacrifice, if any, arising out of the above, is reduced from advances.

3.5. In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions - Others" and are not considered for arriving at the Net NPAs.

3.6. 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.

3.7. Amounts recovered against debts written off in earlier years are recognised as revenue in the year of recovery.

3.8. Additional provisions higher than regulatory norms are made in specific assets in view of the identified weakness and/ or prevailing economic situation.

3.9. Partial recoveries in non-performing account (including partially written off accounts) are appropriated in the following order:

- Principal Overdues /Irregularities
- Unrealised interest
- Partial Written Off principal
- Uncharged Interest
- Unrealised charges

In case of suit filed/SARFAESI/ recalled accounts, recovery is appropriated in the following order:

- Ledger and outstanding balance
- Unrealised interest
- Partial Written Off principal
- Uncharged Interest
- Unrealised charges

However, where any borrower account is required to be classified as non-performing from an earlier date, any recovery till the account was classified as Standard is first credited to Interest on Loans and Advances.

4. Provision for country exposure:

In addition to the specific provisions held according to the asset classification status, provisions are also made for individual country exposures (other than the home country). Countries are categorised into seven risk categories, namely, insignificant, low, moderate, high, very high, restricted and off- credit and provisioning made as per extant RBI guidelines. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is maintained on such country exposures.

5. Investments:

Investments are accounted for in accordance with the extant guidelines of investment classification and valuation, as given below:

5.1. Classification:

In accordance with the guidelines issued by the Reserve Bank of India, Investments are classified into "Held to Maturity (HTM)", "Held for Trading (HFT)" and "Available for Sale (AFS)" categories. For disclosure in the Balance Sheet in Schedule 8, investments are classified as Investments in India and outside India. Under each category, the investments in India are further classified as

a) Government Securities
b) Other Approved Securities
c) Shares
d) Debentures and Bonds
e) Subsidiaries, joint ventures/associates and sponsored institutions; and
f) Others (Commercial Papers and units of Mutual Funds etc.)

The investments outside India are further classified under 3 categories

a) Government Securities
b) Subsidiaries and Joint Ventures/Associates
c) Other Investments

5.2. Basis of Classification:

(a) Held to Maturity: Investments that the Bank intends to hold till maturity are classified as "Held to Maturity (HTM)".

(b) Held for Trading: Investments that are held principally for resale within 90 days from the date of purchase are classified as "Held for Trading (HFT)".

(c) Available for Sale: Investments, which are not classified in the above two categories, are classified as "Available for Sale (AFS)".

(d) Transfer of Securities between categories: An investment is classified as HTM, HFT or AFS at the time of purchase and subsequent shifting amongst categories is done in conformity with the regulatory guidelines.

(e) Investments in subsidiaries, joint ventures/ associates and sponsored institutions are classified as HTM except in respect of those investments which are acquired and held exclusively with a view to its subsequent disposal. Such investments are classified as AFS.

5.3. Valuation:

The transactions in all securities are recorded on a Settlement Date and cost is determined on the weighted average cost method.

A. Incentive, front-end fees etc., received on purchase of securities are reduced from the cost of investments.

B. Expenses such as brokerage, fees, commission or taxes incurred at the time of acquisition of securities are charged to the Profit and Loss Account as revenue expenses.

C. Broken Period interest paid/ received on debt instruments is treated as interest expense/ income and is excluded from cost/ sale consideration.

(a) Valuation of investments classified as Held to Maturity: The investments classified under this category are carried at acquisition cost. The excess of acquisition cost / book value over the face value is amortised over the remaining period of maturity. Such amortisation of premium is accounted as expense. Investments (in India and abroad) in subsidiaries, joint ventures/associates are valued at historical cost. A provision is made for diminution, other than temporary in nature, for each investment individually.

Investments in Regional Rural Banks are valued at carrying cost (i.e. book value).

(b) Valuation of investments classified as Available for sale and Held for Trading: Investments classified as Available for Sale and Held for Trading are individually revalued at market price or fair value determined as per the regulatory guidelines and the net depreciation if any, of each group for each category (viz.(i) Government securities, (ii) Other Approved Securities, (iii) Shares, (iv) Bonds and Debentures, (v) Subsidiaries and Joint Ventures/Associates and (vi) others) is provided for and net appreciation is ignored.

(c) Valuation policy in event of inter category transfer of investments: Transfer of securities from HFT/ AFS category to HTM category is carried out at the lower of acquisition cost/ book value/ market value on the date of transfer. The depreciation, if any, on such transfer is fully provided for. Transfer of securities from HTM category to AFS category is carried out on acquisition cost/ book value. On transfer, these securities are immediately revalued and resultant depreciation, if any, is provided, in the Profit and Loss Account.

(d) Valuation in case of sale of NPA (financial asset) to Securitisation Company (SC)/ Asset Reconstruction Company (ARC) against issue of Security Receipts (SR):

i) The investment in security receipts obtained by way of sale of NPA to SC/ RC, is recognised at lower of: (i) Net Book Value (NBV) (i.e. book value less provisions held) of the financial asset; and (ii) Redemption value of SR.

ii) SRs issued by an SC/ ARC are valued in accordance with the guidelines applicable to non-SLR instruments. Accordingly, in cases where the SRs issued by the SC/ ARC are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Net Asset Value, obtained from the SC/ ARC, is reckoned for valuation of such investments.

(e) Treasury Bills and Commercial Papers are valued at carrying cost.

5.4. Investments (NPI):

Investments are classified as performing and non-performing, based on "Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2021" (as amended) and “Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances”, as under:

(a) Interest/ instalment (including maturity proceeds) is due and remains unpaid for more than 90 days. The same is applied to preference shares where the fixed dividend is not paid.

(b) In the case of equity shares, in the event the investment in shares of any company is valued at Re. 1 per company on account of non-availability of the latest balance sheet, those equity shares would be reckoned as NPI.

(c) The Bank also classifies an investment as a non-performing investment, in case any credit facility availed by the same borrower/ entity has been classified as a non- performing asset and vice versa.

(d) The investments in debentures/ bonds, which are deemed to be advance, are also subjected to NPI norms as applicable to investments.

5.5. Accounting for Repo/ Reverse Repo transactions

The Bank enters into repurchase and reverse repurchase transactions with RBI under Liquidity Adjustment Facility (LAF) and also with market participants. Repurchase transaction represents borrowing by selling the securities with an agreement to repurchase the securities. Reverse repurchase transactions on the other hand represent lending funds by purchasing the securities.

(a) The securities sold and purchased under Repo/ Reverse Repo (other than LAF) are accounted as overnight Tri-party Repo (TREPS) dealing and settlement.

(b) However, securities are transferred as in the case of normal outright sale/ purchase transactions and such movement of securities is reflected using the Repo/ Reverse Repo Accounts and contra entries.

(c) The above entries are reversed on the date of maturity. Balance in Repo Account is classified under Schedule 4 (Borrowings) and balance in Reverse Repo Account is classified under Schedule 7 (Balance with Banks and Money at call & short notice).

(d) Interest expended/ earned on Securities purchased/ sold under LAF with RBI is accounted for as expenditure/ revenue.

6. Derivatives:

The Bank enters into derivative contracts, such as interest rate swaps, currency swaps and cross currency swaps in order to hedge on balance sheet/ off-balance sheet assets and liabilities or for trading purposes.

6.1. Derivatives used for hedging are accounted as under:

(a) In cases where the underlying assets/ liabilities are marked to market, resultant gain/loss is recognised in the Profit and Loss Account.

(b) Derivative contracts classified as hedge are recorded on accrual basis. Hedge contracts are not marked to market unless the underlying assets/ liabilities are also marked to market.

(c) Gain or losses on the termination of Swaps are recognised over the shorter of the remaining contractual life of the swaps or the remaining life of the assets/ liabilities.

6.2. Derivatives used for trading are accounted as under:

(a) Currency futures and interest rate futures are marked to market on daily basis as per exchange guidelines of MCX-SX, NSE and BSE.

(b) Mark to market profit or loss is accounted by credit/ debit to the margin account on daily basis and the same is accounted in the Bank's profit and loss account on final settlement.

(c) Trading swaps are marked to market at frequent intervals. Any mark to market losses are booked and gains, if any, are ignored on net basis.

(d) Gains or losses on termination of swaps are recorded immediately as income/ expense under the above head.

7. Transactions involving foreign exchange:

7.1. Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency.

7.2. Foreign currency monetary items are reported using the Foreign Exchange Dealers Association of India ("FEDAI") closing (spot/ forward} rates and the resultant profit or loss is recognised in the Profit and Loss Account.

Foreign currency non-monetary items, which are carried at historical cost, are reported using the exchange rate on the date of the transaction. Contingent liabilities denominated in foreign currency are reported using the FEDAI closing spot rates.

7.3. Outstanding foreign exchange spot and forward contracts are revalued at the exchange rates notified by FEDAI for specified maturities, and the resulting Profit or Loss is recognised in the Profit and Loss Account. Foreign exchange forward contracts which are not intended for trading and are outstanding at the balance sheet date, are valued at the closing spot rate.

7.4. Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognised as income or as expense in the period in which they arise.

7.5. Gains/ Losses on account of changes in exchange rates of open position in currency futures trades are settled with the exchange clearing house on daily basis and such gains/losses are recognised in the profit and loss account.

8. Fixed assets and depreciation:

8.1. Fixed Assets are carried at cost less accumulated depreciation/ amortisation. Cost includes cost of purchase and all expenditure such as site preparation, installation costs, taxes and professional fees incurred on the asset before it is put to use.

8.2. Subsequent expenditure(s) incurred on the assets put to use are capitalised only when it increases the future benefits from such assets or their functioning capability.

8.3. Fixed Assets are depreciated under 'Written Down Value Method' at the following rates (other than computers which are depreciated on Straight Line Method):

(a) Premises at varying rates based on estimated life

(b) Furniture, Lifts, Safe Vaults at 10%

(c) Vehicles, Plant & Machinery at 20%

(d) Air conditioners, Coolers, Typewriters etc. at 15%.

(e) Computers including Systems Software at 33.33%

(Application Software is charged to the Revenue during the year of acquisition.)

8.4. Other fixed assets are depreciated on Straight Line Method on the basis of estimated useful life of the assets.

8.5. Land acquired on lease for over 99 years is treated as freehold land and those for 99 years or less is treated as leasehold land. Cost of leasehold land is amortized over the period of lease.

8.6. Where it is not possible to segregate the cost of land and premises, depreciation is charged on the composite cost.

8.7. In case of assets, which have been revalued, the depreciation/ amortization is provided on the revalued amount and is charged to the Profit and Loss Account. Amount of incremental depreciation/ amortization attributable to the revalued amount is transferred from 'Revaluation Reserve' and credited to 'Revenue and Other Reserves'.

8.8. Depreciation on additions to assets, made upto 30th September is provided for the full year and on additions made thereafter, is provided for the half year. No depreciation is provided on assets sold before 30th September and depreciation is provided for the half year on assets sold after 30th September.

8.9. The Bank considers only immovable assets for revaluation. Properties acquired during the last three years are not revalued. Valuation of the revalued assets is done every three years thereafter.

8.10. The increase in net book value of the asset due to revaluation is credited to the Revaluation Reserve Account without routing through the Profit and Loss Account. Additional depreciation on the revalued asset is charged to the Profit and Loss Account and appropriated from the Revaluation Reserves to Other Revenue Reserve.

8.11. The revalued asset is depreciated over the balance useful life of the asset as assessed at the time of revaluation.

9. Leases:

Leases where risks and rewards of ownership are retained by lessor are classified as Operating Lease as per AS-19 (Leases). Lease payments on such lease are recognised in Profit and Loss account on a straight-line basis over the lease term in accordance with AS 19.

10. Impairment of assets:

Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset and such impairment losses, if any, on fixed assets are recognised and charged to Profit & Loss Account in accordance with Accounting Standard-28 Impairment of Assets.

11. Employee Benefits:

11.1 Employee benefits are accrued in the year in which services are rendered by the employees.

11.2 Short Term Employee Benefits:

The undiscounted amounts of short-term employee benefits, which are expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

11.3 Defined benefit plans:

The Bank operates Gratuity and Pension schemes which are defined benefit plans.

a) The Bank provides for gratuity to all eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, or on death while in employment, or on termination of employment, for an amount equivalent to 15 days basic salary payable for each completed year of service, subject to the cap prescribed by the Statutory Authorities. Vesting occurs upon completion of five years of service. The Bank makes periodic contributions to a fund administered by Trustees based on an independent external actuarial valuation.

b) The Bank provides for pension to all eligible employees. The benefit is in the form of monthly payments as per rules to vested employees on retirement or on death while in employment, or on termination of employment. Vesting occurs at different stages as per rules. The pension liability is reckoned based on an independent actuarial valuation carried out annually and Bank makes such additional contributions periodically to the Fund as may be required to secure payment of the benefits under the pension regulations.

c) The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/ losses are immediately recognised in the Profit and Loss Account and are not deferred.

d) When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs. Liability for long term employee benefit under defined benefit scheme such as contribution to gratuity, pension fund and leave encashment are determined at close of the year at present value of the amount payable using actuarial valuation technique.

e) Actuarial gain/losses are recognised in the year when they arise.

11.4 Provident fund is a defined contribution as the bank pays fixed contribution at predetermined rates. The obligation of the bank is limited to such fixed contribution. The contributions are charged to Profit and Loss account. National Pension Scheme which is applicable to employees who have joined bank on or after 01.04.2010 is a defined contribution scheme. Bank pays fixed contribution at pre-determined rate. The obligation of the bank is limited to such fixed contribution. The contribution is charged to Profit and Loss Account.

12. Accounting for Taxes on Income:

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The provision for tax for the year comprises of current tax liability computed in accordance with the Income Tax Act, 1961 and as per Accounting Standard 22 - "Accounting for Taxes on Income" respectively.

Deferred tax is recognized on timing differences between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised. Deferred Tax Assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future profits.

The carrying amount of deferred tax assets is reviewed at each balance sheet date to reassess its realization. Disputed tax liabilities are accounted for in the year of finality of assessment/ appellate proceedings and till such times they are shown as contingent liability. The impact of changes in deferred tax assets and liabilities is recognised in the Profit and Loss Account.

13. Provisions, Contingencies and Contingent assets:

13.1. In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the Bank recognises provisions only when it has a present obligation as a result of a past event, and would result in a probable 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.

13.2. No provision is recognised for:

a) any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or

b) any present obligation that arises from past events but is not recognised because:

i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii. a reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities. These are assessed at regular intervals and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

13.3 Provision for reward points in relation to the debit card holders of the Bank is made on estimated basis.

13.4 Contingent assets are neither recognised nor disclosed in the Financial Statements.

14. Special Reserves:

Revenue and other Reserve include Special Reserve created under Section 36(i)(viii) of the Income Tax Act, 1961. The Board of Directors of the Bank has passed a resolution approving creation of the reserve and confirming that it has no intention to make withdrawal from the Special Reserve.

15. Segment Reporting

The Bank recognises the business segment as the primary reporting segment and geographical segment as the secondary reporting segment in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 - "Segment Reporting" issued by The Institute of Chartered Accountants of India.

16. Earnings per Share

The Bank reports basic and diluted earnings per share in accordance with AS 20 - "Earnings per Share" issued by the Institute of Chartered Accountants of India. Basic Earnings per Share is computed by dividing the Net Profit after Tax for the year attributable to 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 securities or other 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 during the year.

Principal Components of Statement of Profit and Loss

Income

Our income comprises of income from interest earned and other income.

Interest earned

Income from interest earned comprises of interest/discount on advances/discounts on bills, income on investments (including dividend), interest on balances with the RBI and other inter-bank funds and other interest income. Income from investments consists of government securities, bonds debentures, shares, mutual funds, commercial papers, and other approved securities which are classified under three categories, Held to Maturity, Available for Sale and Held for Trade.

Other Income

Other income consists of (i) income from commission, exchange and brokerage, (ii) profit/ (loss) on sale of land, buildings and other assets, (iii) profit/ (loss) on exchange transactions, (iv) profit/ (loss) on sale of investments (net), (v) profit/ (loss) on revaluation of investments, and (vi) miscellaneous income (including income earned by way of dividends etc. from subsidiaries and associates abroad/ in India and other miscellaneous income).

Expenditure

Interest Expended

Our interest expended consists of (i) interest on deposits, (ii) interest on reserve bank of india / inter-bank borrowings and (iii) interest on other borrowings.

Operating Expenses

Operating expenses consist of (i) payments to and provisions for employees, (ii) rent, taxes and lighting, (iii) printing and stationery, (iv) advertisement and publicity, (v) depreciation on bank's property, (vi) directors' fees, allowances and expenses, (vii) auditors' fees and expenses (including branch auditors' fees and expenses), (viii) law charges, (ix) postages, telegrams, telephones etc., (x) repairs and maintenance, (xi) insurance, (xii) amortisation of goodwill, if any, and (xiii) other expenditure.

Provisions and Contingencies

Our provisions and contingencies predominantly comprises of (i) provisions for depreciation on investment (NPI), (ii) provision towards non-performing assets (NPA), (iii) provision towards standard assets, (iv) provision made for taxes, (v) provision for restructured advances, and (vi) other provisions.

Results of Operations

Set forth below is the Bank’s statement of profit and loss during the nine-month period ended December 31, 2024 and December 31, 2023:

(₹ in crores, except in the percentage)

Particulars	Nine months period ended December 31, 2024 (Unaudited)		Nine months period ended December 31, 2023 (Unaudited)	
	Amount	**% of Total income**	**Amount**	**% of Total income**
Income				
Interest earned	25,144.18	86.13	22477.70	87.03
Other income	4,047.72	13.87	3,349.99	12.97
Total	**29,191.90**	**100.00**	**25,827.69**	**100.00**
Expenditure				
Interest expended	14,591.56	49.98	13,071.33	50.61
Operating expenses	8,442.12	28.92	7,424.03	28.74
Total expenditure	**23,033.68**	**78.90**	**20,495.36**	**79.35**
Operating profit	**6,158.22**	**21.10**	**5,332.32**	**20.65**
Provisions & contingencies (net)	2,350.73	8.05	2,605.01	10.09
Profit / (Loss) from Ordinary Activities before Tax	**3,807.49**	**13.04**	**2,727.31**	**10.56**
Tax expenses	1,031.71	3.53	963.16	3.73
Net Profit / (Loss) from Ordinary Activities	**2,775.78**	**9.51**	**1,764.15**	**6.83**
Add: Share in profit of Associates	60.94	0.02	95.01	0.37
Less: Share of minority interest	(7.09)	0.02	7.77	0.03
Net Profit / (Loss) for the period	**2,829.63**	**9.69**	**1,851.39**	**7.17**

Interest Earned

Interest income for our Bank increased by 11.86% to ₹25,144.18 crore for the nine-month period ended December 31, 2024, from ₹22,477.70 crore for the nine-month period ended December 31, 2023. This increase was primarily due to higher interest earned on advances, increased income from investments, and growth in other interest income. The increase was partially offset by a decline in interest earned on balances with the RBI and other inter-bank funds.

Other Income

Total other income increased by 20.64% to ₹4,041.04 crore as on December 31, 2024, from ₹3,349.62 crore as on December 31, 2023. This was primarily due to an increase in commission, exchange, and brokerages; higher profit on sale of land, buildings, and other assets; a significant rise in profit on exchange transactions (net); and an increase in miscellaneous income (others). Income earned by way of dividends from subsidiaries and associates remained stable during both periods. This increase was partially offset by a higher loss on sale of investments (net) and a decrease in profit on revaluation of investments.

Expenditure

The following table sets forth the components of our total expenditure as follows:

(₹ in crores, except in the percentage)

Particulars	Nine months period ended on December 31 (Unaudited)		% Change
	2024	2023	
Interest expended	14,591.56	13,071.33	11.63
Operating expenses	8,442.12	7,424.03	13.71
Total	**23,033.68**	**20,495.36**	**12.38**

Total expenditure for our Bank increased by 12.38% to ₹23,033.68 crore for the nine-month period ended December 31, 2024, from ₹20,495.36 crore for the nine-month period ended December 31, 2023. This increase was primarily due to (i) an 11.63% increase in interest expended to ₹14,591.56 crore for the nine-month period ended December 31, 2024, from ₹13,071.33 crore for the nine-month period ended December 31, 2023, and (ii) a 13.71% increase in operating expenses to ₹8,442.12 crore for the nine-month period ended December 31, 2024, from ₹7,424.03 crore for the nine-month period ended December 31, 2023.

Interest Expended

Total interest expended increased by 11.66% to ₹14,548.52 crore for the nine-month period ended December 31, 2024, from ₹13,029.68 crore for the nine-month period ended December 31, 2023. This increase was primarily due to higher interest on deposits, increased interest on borrowings from the Reserve Bank of India and inter-bank borrowings, and higher interest on others.

Operating Expenses

The components of our operating expenses are as follows:

(₹ in crores, except in the percentage)

Particulars	Nine months period ended on December 31 (Unaudited)		% Change
	2024	2023	
Employee Cost	5,345.29	4,600.07	16.20
Other Operating expenses	3,096.83	2,823.96	9.66
Total	**8,442.12**	**7,424.03**	**13.71**

Operating expenses for our Bank increased by 13.71% to ₹8,442.12 crore for the nine-month period ended December 31, 2024, from ₹7,424.03 crore for the nine-month period ended December 31, 2023. This was primarily due to (i) a 16.20% increase in employee cost to ₹5,345.29 crore for the nine-month period ended December 31, 2024, from ₹4,600.07 crore for the nine-month period ended December 31, 2023, and (ii) a 9.66% increase in other operating expenses to ₹3,096.83 crore for the nine-month period ended December 31, 2024, from ₹2,823.96 crore for the nine-month period ended December 31, 2023.

Provisions and contingencies

Our provisions and contingencies decreased by 9.76 % to ₹ 2,350.73 crore for the nine-month period ended on

December 31, 2024 from ₹2,605.01 crore for the nine month period ended on December 31, 2023.

Net Profit/ Loss

As a result of reasons discussed above, our net profit increased by 52.84% to ₹2,829.63 crore for the nine-month period ended on December 31, 2024, from ₹1,851.39 crore for the nine-month period ended on December 31, 2023 as a result of above mentioned factors.

Fiscal year ended on March 31, 2024 vs. Fiscal year ended on March 31, 2023

The table below provides the data for the fiscal years 2024 and 2023, expressed in absolute values as well as expressed as percentage of total income of the respective fiscal years.

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024		Fiscal 2023	
	Amount	% of Total income	Amount	% of Total income
Income				
Interest earned	30,848.92	86.75	25,657.10	86.27
Other income	4,713.06	13.25	4,084.49	13.73
Total	**35,561.98**	**100.00**	**29,741.59**	**100.00**
Expenditure				
Interest expended	17,882.37	50.29	13,905.10	46.75
Operating expenses	10,274.89	28.89	8,910.00	29.96
Provisions & contingencies	4,828.74	13.58	5,317.16	17.88
Total	**32,986.00**	**92.76**	**28,132.26**	**94.59**
Sharing of earning/(loss) in associates	100.64	0.28	79.06	0.27
Consolidated net profit/ (loss) for the year before minority interest	**2,676.62**	**7.53**	**1,688.39**	**5.68**
Less: minority interest	8.94	0.03	9.61	0.03
Consolidated profit/(loss) for the period attributable to the group	**2,667.68**	**7.50**	**1,678.78**	**5.64**
Add: Brought forward consolidated profit / (loss) attributable to the group	1,024.75	2.88	(54.23)	(0.18)
Add: Adjustments in profit and loss	-	-	(11.45)	(0.04)
Carried forward consolidated profit/ (loss)	**3,692.43**	**10.38**	**1,613.10**	**5.42**
Appropriations				
Transfer to statutory reserve	**637.26**	**1.79**	**395.55**	**1.33**
Transfer to other reserve	**225.11**	**0.63**	**192.79**	**0.65**
A. Capital reserve	36.09	0.10	133.30	0.45
B. Revenue reserve	1.92	0.01	1.03	0.00
C. Investment reserve	44.56	0.13	0.93	0.00
D. Proposed dividend- equity share capital	-	-	-	-
E. Special reserve u/s 36(1)(viii)	5.10	0.01	2.78	0.01
F. Investment fluctuation reserve	137.45	0.39	54.75	0.18
Transfer to government/ proposed dividend	-	-	-	-
Balance carried forward over to the balance sheet	**2,830.06**	**7.96**	**1,024.75**	**3.45**
Total	**3,692.43**	**10.38**	**1,613.10**	**5.42**
Earnings per share (in ₹)- basic (nominal value rs 10/- per share)	3.07		1.93	
Earnings per share (in ₹)- diluted (nominal value rs 10/- per share)	3.07		1.93	

Interest earned

The following table sets out the components of interest earned:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% change
Interest/discount on advances/bills	19,822.07	15,025.36	31.92
Income on investments (Including Dividend)	9,513.91	8,718.42	9.12
Interest on balances with Reserve Bank of India and other inter-Bank funds	1,120.29	1,443.83	(22.41)
Others	392.65	469.49	(16.37)
Total	**30,848.92**	**25,657.10**	**20.24**

Interest earned for our Bank increased by 20.24% to ₹30,848.92 crore for Fiscal 2024 from ₹25,657.10 crore for Fiscal 2023. This increase was primarily due to (i) a 31.92% increase in interest/discount on advances and bills to ₹19,822.07 crore for Fiscal 2024 from ₹15,025.36 crore for Fiscal 2023, and (ii) a 9.12% increase in income on investments to ₹9,513.91 crore for Fiscal 2024 from ₹8,718.42 crore for Fiscal 2023. This increase was partially offset by (iii) a 22.41% decrease in interest on balances with the Reserve Bank of India and other inter-bank funds to ₹1,120.29 crore for Fiscal 2024 from ₹1,443.83 crore for Fiscal 2023, and (iv) a 16.37% decrease in other interest income to ₹392.65 crore for Fiscal 2024 from ₹469.49 crore for Fiscal 2023.

Other Income

The components of our other income are as follows:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% change
Commission, Exchange and Brokerage	1,838.47	1,786.94	2.88
Profit/ (loss) on sale of land, buildings and Other Assets	(14.67)	(1.34)	994.78
Profit on Exchange transactions (Net)	247.44	303.49	(18.47)
Profit on sale of Investments (Net)	636.86	273.68	132.70
Profit on revaluation of Investments	72.96	2.48	2841.94
a) Lease finance income	-	-	-
Profit / (Loss) on Revaluation of Investments	-		
Miscellaneous Income	-	-	-
a. Income earned by way of dividends etc. from subsidiaries and Associates abroad/ in India	6.83	6.45	5.89
b. Others	1,925.16	1,712.79	12.40
Total	**4,713.06**	**4,084.49**	**15.39**

Other income for our Bank increased by 15.39% to ₹4,713.06 crore for Fiscal 2024 from ₹4,084.49 crore for Fiscal 2023. This increase was primarily due to (i) a 132.70% increase in profit on sale of investments (net) to ₹636.86 crore for Fiscal 2024 from ₹273.68 crore for Fiscal 2023, (ii) a 2841.94% increase in profit on revaluation of investments to ₹72.96 crore for Fiscal 2024 from ₹2.48 crore for Fiscal 2023, (iii) a 12.40% increase in other miscellaneous income to ₹1,925.16 crore for Fiscal 2024 from ₹1,712.79 crore for Fiscal 2023, (iv) a 5.89% increase in income earned by way of dividends from subsidiaries and associates to ₹6.83 crore for Fiscal 2024 from ₹6.45 crore for Fiscal 2023, and (v) a increase of 2.88% in commission, exchange and brokerages income to ₹1,838.47 crore for Fiscal 2024 from ₹1,786.94 crore for Fiscal 2023.

This increase was partially offset by (i) a 994.78% increase in loss on sale of land, buildings and other assets, resulting in a loss of ₹14.67 crore for Fiscal 2024 compared to ₹1.34 crore for Fiscal 2023, and (ii) an 18.47% decrease in profit on exchange transactions (net) to ₹247.44 crore for Fiscal 2024 from ₹303.49 crore for Fiscal 2023.

Interest Expended

The component of our interest expended are as follows:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% change
Interest on Deposits	16,948.86	13,427.33	26.23
Interest on Reserve Bank of India and inter-Bank Borrowings	338.75	105.78	220.24
Others	594.76	371.99	59.89
Total	**17,882.37**	**13,905.10**	**28.60**

Interest expended for our Bank increased by 28.60% to ₹17,882.37 crore for Fiscal 2024 from ₹13,905.10 crore for Fiscal 2023. This increase was primarily due to (i) a 26.23% increase in interest on deposits to ₹16,948.86 crore for Fiscal 2024 from ₹13,427.33 crore for Fiscal 2023, (ii) a 220.24% increase in interest on borrowings from the Reserve Bank of India and inter-bank borrowings to ₹338.75 crore for Fiscal 2024 from ₹105.78 crore for Fiscal 2023, and (iii) a 59.89% increase in other interest expenses to ₹594.76 crore for Fiscal 2024 from ₹371.99 crore for Fiscal 2023.

Operating Expenses

The components of our operating expenses are as follows:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% change
Payments to and provision for employees	6,325.77	5,615.70	12.64
Rent, taxes and lighting	597.52	528.58	13.04
Printing and stationery	40.38	33.06	22.14
Advertisement and publicity	25.05	17.54	42.82
a) Depreciation on bank's property other than leased assets	499.83	385.98	29.50
b) Depreciation on leased assets	-	-	
Directors' fees, allowances and expenses	1.38	1.03	33.98
Auditors' fee and expenses (including branch auditors', fees and expenses)	32.92	35.48	(7.22)
Law charges	37.15	27.34	35.88
Postage, telegram, telephones etc.	88.32	93.79	(5.83)
Repairs and Maintenance	148.24	147.49	0.51
Insurance	468.31	441.45	6.08
Other expenditure	2,010.02	1,582.57	27.01
Total	**10,274.89**	**8,910.00**	**15.32**

Operating expenses for our Bank increased by 15.32% to ₹10,274.89 crore for Fiscal 2024 from ₹8,910.00 crore for Fiscal 2023. This increase was primarily due to (i) a 12.64% increase in payments to and provision for employees to ₹6,325.77 crore for Fiscal 2024 from ₹5,615.70 crore for Fiscal 2023, (ii) a 13.04% increase in rent, taxes and lighting to ₹597.52 crore from ₹528.58 crore, (iii) a 22.14% increase in printing and stationery expenses to ₹40.38 crore from ₹33.06 crore, (iv) a 42.82% increase in advertisement and publicity expenses to ₹25.05 crore from ₹17.54 crore, (v) a 29.50% increase in depreciation on bank's property (other than leased assets) to ₹499.83 crore from ₹385.98 crore, (vi) a 33.98% increase in directors' fees, allowances and expenses to ₹1.38 crore from ₹1.03 crore, (vii) a 35.88% increase in law charges to ₹37.15 crore from ₹27.34 crore, (viii) a 27.01% increase in other expenditure to ₹2,010.02 crore from ₹1,582.57 crore, (ix) a 6.08% increase in insurance expenses to ₹468.31 crore from ₹441.45 crore, and (x) a marginal increase of 0.51% in repairs and maintenance expenses to ₹148.24 crore from ₹147.49 crore.

This increase was partially offset by (i) a 7.22% decrease in auditors' fees and expenses (including branch auditors' fees and expenses) to ₹32.92 crore for Fiscal 2024 from ₹35.48 crore for Fiscal 2023, and (ii) a 5.83% decrease in postage, telegrams, telephones etc. to ₹88.32 crore from ₹93.79 crore.

Provisions and contingencies

Our provisions and contingencies decreased by 9.19% to ₹4,828.74 crores during the Fiscal 2024 from ₹5,317.16 crores during the Fiscal 2023, primarily due to improved asset quality, 19.87% year-on-year growth in advances, and a reduction in Non-Performing Assets (NPAs).

Carried forward consolidated Profit/ (Loss) for the year

As a result of the above, our profit increased by 128.88% to ₹3,692.43 crores during Fiscal 2024 from a profit of ₹ 1,613.10 crores during Fiscal 2023.

Fiscal year ended on March 31, 2023 vs. Fiscal year ended on March 31, 2022

The table below provides the data for the fiscal years 2022 and 2023, expressed in absolute values as well as expressed as percentage of total income of the respective fiscal years.

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023		Fiscal 2022	
	Amount	% of Total income	Amount	% of Total income
Income				
Interest and Dividend earned	25,657.10	86.27	22,903.34	88.53
Other income	4,084.49	13.73	2,967.49	11.47
Total	**29,741.59**	**100.00**	**25,870.83**	**100.00**
Expenditure				
Interest expended	13,905.10	46.75	13,360.88	51.64
Operating expenses	8,910.00	29.96	7,277.07	28.13
Provisions & contingencies	5,317.16	17.88	4,168.38	16.11
Total	**28,132.26**	**94.59**	**24,806.33**	**95.89**
Sharing of earning/(loss) in associates	79.06	0.27	18.45	0.07
Consolidated net profit/ (loss) for the year before minority interest	**1,688.39**	**5.68**	**1,082.95**	**4.19**
Less: Minority Interest	9.61	0.03	7.16	0.03
Consolidated profit/(loss) for the period attributable to the group	**1,678.78**	**5.64**	**1,075.79**	**4.16**
Add: brought forward consolidated profit/(loss) attributable to the group	14.25	0.05	(18,740.91)	(72.44)
Add: adjustments in profit and loss	(11.45)	(0.04)	18,724.21	72.38
Carried forward consolidated profit/(loss)	**1,681.58**	**5.65**	**1,059.09**	**4.09**
Appropriations				
Transfer to statutory reserve	**395.55**	**1.33**	**261.21**	**1.01**
Transfer to other reserve	**188.98**	**0.64**	**783.62**	**3.03**
a. Capital reserve	133.30	0.45	125.53	0.49
b. Revenue reserve	1.03	0.00	-	-
c. Investment reserve	0.93	0.00	-	-
d. Proposed dividend- equity share capital	-	-	-	-
e. Special reserve u/s 36(1)(viii)	2.78	0.01	-	-
f. Investment fluctuation reserve	54.75	0.18	658.09	2.54
Transfer to government/ proposed dividend	**-**	**-**	-	-
Balance carried forward over to the balance sheet	**1,097.05**	**3.69**	**14.26**	**0.06**
Total	**1,681.58**	**5.65**	**1,059.09**	**4.09**
Earnings per share (in ₹)- basic (nominal value rs 10/- per share)	1.93		1.24	
Earnings per share (in ₹)- diluted (nominal value rs 10/- per share)	1.93		1.24	

Interest earned

The following table sets out the components of interest and dividend earned:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023	Fiscal 2022	% change
Interest/Discount on Advances/Bills	15,025.36	11,599.87	29.53
Income on Investments	8,718.42	9,266.04	(5.91)
Interest on balances with Reserve Bank of India and other inter-Bank funds	1,443.83	1,238.11	16.62
Others	469.49	799.32	(41.26)
Total	**25,657.10**	**22,903.34**	**12.02**

Interest earned for our Bank increased by 12.02% to ₹25,657.10 crore for Fiscal 2023 from ₹22,903.34 crore for Fiscal 2022. This increase was primarily due to (i) a 29.53% increase in interest/discount on advances/bills to ₹15,025.36 crore for Fiscal 2023 from ₹11,599.87 crore for Fiscal 2022, and (ii) a 16.62% increase in interest on balances with the Reserve Bank of India and other inter-bank funds to ₹1,443.83 crore from ₹1,238.11 crore.

This increase was partially offset by (i) a 5.91% decrease in income on investments to ₹8,718.42 crore for Fiscal 2023 from ₹9,266.04 crore for Fiscal 2022, and (ii) a 41.26% decrease in other interest income to ₹469.49 crore for Fiscal 2023 from ₹799.32 crore for Fiscal 2022.

Other Income

The components of our other income are as follows:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023	Fiscal 2022	% change
Commission, Exchange and Brokerages	1,786.94	1,424.74	25.42
Profit/(loss) on sale of land, buildings and Other Assets	(1.34)	9.10	(114.73)
Profit on Exchange transactions (Net)	303.49	199.24	52.32
Profit on sale of Investments (Net)	273.68	490.97	(44.26)
Profit on revaluation of Investments	2.48	276.88	(99.10)
Miscellaneous Income			
a. Income earned by way of dividends etc. from subsidiaries and Associates abroad/ in India	6.45	6.51	(0.92)
b. Others	1,712.79	1,113.80	53.78
Total	**4,084.49**	**2,967.49**	**37.64**

Other income for our Bank increased by 37.64% to ₹4,084.49 crore for Fiscal 2023 from ₹2,967.49 crore for Fiscal 2022. This increase was primarily due to (i) a 25.42% increase in commission, exchange and brokerages income to ₹1,786.94 crore for Fiscal 2023 from ₹1,424.74 crore for Fiscal 2022, (ii) a 52.32% increase in profit on exchange transactions (net) to ₹303.49 crore from ₹199.24 crore, and (iii) a 53.78% increase in other miscellaneous income to ₹1,712.79 crore for Fiscal 2023 from ₹1,113.80 crore for Fiscal 2022.

This increase was partially offset by (i) a 114.73% decline resulting in a loss of ₹1.34 crore on sale of land, buildings and other assets in Fiscal 2023 compared to a profit of ₹9.10 crore in Fiscal 2022, (ii) a 44.26% decrease in profit on sale of investments (net) to ₹273.68 crore from ₹490.97 crore, (iii) a 99.10% decrease in profit on revaluation of investments to ₹2.48 crore from ₹276.88 crore, and (iv) a marginal 0.92% decrease in income earned by way of dividends from subsidiaries and associates to ₹6.45 crore from ₹6.51 crore.

Interest Expended

The component of our interest expended are as follows:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023	Fiscal 2022	% change
Interest on Deposits	13,427.33	12,878.70	4.26
Interest on Reserve Bank of India and inter-Bank Borrowings	105.78	85.48	23.74
Others	371.99	396.69	(6.23)
Total	**13,905.10**	**13,360.88**	**4.07**

Interest expended for our Bank increased by 4.07% to ₹13,905.10 crore for Fiscal 2023 from ₹13,360.88 crore for Fiscal 2022. This increase was primarily due to (i) a 4.26% increase in interest on deposits to ₹13,427.33 crore for Fiscal 2023 from ₹12,878.70 crore for Fiscal 2022, and (ii) a 23.74% increase in interest on borrowings from the Reserve Bank of India and inter-bank borrowings to ₹105.78 crore from ₹85.48 crore.

This increase was partially offset by a 6.23% decrease in other interest expenses to ₹371.99 crore for Fiscal 2023 from ₹396.69 crore for Fiscal 2022.

Operating Expenses

The components of our operating expenses are as follows:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023	Fiscal 2022	% change
Payments to and provision for employees	5,615.70	4,482.15	25.29
Rent, taxes and lighting	528.58	483.23	9.38
Printing and stationery	33.06	26.61	24.24
Advertisement and publicity	17.54	13.39	30.99
a) Depreciation on bank's property other than leased assets	385.98	296.76	30.06
b) Depreciation on leased assets	-	-	-
Directors' fees, allowances and expenses	1.03	0.66	56.06
Auditors' fee and expenses (including branch auditors', fees and expenses)	35.48	30.87	14.93
Law charges	27.34	19.06	43.44
Postage, telegram, telephones etc.	93.79	94.97	(1.24)
Repairs and Maintenance	147.49	162.09	(9.01)
Insurance	441.45	428.07	3.13
Amortization and Goodwill, if any-	-	-	-
Other expenditure	1,582.57	1,239.20	27.71
Total	**8,910.00**	**7,277.07**	**22.44**

Operating expenses for our Bank increased by 22.44% to ₹8,910.00 crore for Fiscal 2023 from ₹7,277.07 crore for Fiscal 2022. This increase was primarily due to (i) a 25.29% increase in payments to and provision for employees to ₹5,615.70 crore for Fiscal 2023 from ₹4,482.15 crore for Fiscal 2022, (ii) a 9.38% increase in rent, taxes and lighting expenses to ₹528.58 crore from ₹483.23 crore, (iii) a 24.24% increase in printing and stationery expenses to ₹33.06 crore from ₹26.61 crore, (iv) a 30.99% increase in advertisement and publicity expenses to ₹17.54 crore from ₹13.39 crore, (v) a 30.06% increase in depreciation on bank's property (other than leased assets) to ₹385.98 crore from ₹296.76 crore, (vi) a 56.06% increase in directors' fees, allowances and expenses to ₹1.03 crore from ₹0.66 crore, (vii) a 14.93% increase in auditors' fees and expenses (including branch auditors') to ₹35.48 crore from ₹30.87 crore, (viii) a 43.44% increase in law charges to ₹27.34 crore from ₹19.06 crore, (ix) a 27.71% increase in other expenditure to ₹1,582.57 crore from ₹1,239.20 crore, and (x) a 3.13% increase in insurance expenses to ₹441.45 crore from ₹428.07 crore.

This increase was partially offset by (i) a 1.24% decrease in postage, telegrams, telephones, etc. expenses to ₹93.79 crore for Fiscal 2023 from ₹94.97 crore for Fiscal 2022, and (ii) a 9.01% decrease in repairs and maintenance expenses to ₹147.49 crore from ₹162.09 crore.

Provisions and contingencies

Our provisions and contingencies increased by 27.56% to ₹5,317.16 crores during the Fiscal 2023 from ₹4,168.38 crores during the Fiscal 2022, primarily due to higher income tax provisions, along with an increase in provisions for standard assets and Non-Performing Assets (NPAs).

Carried forward consolidated Profit/ (Loss)

As a result of the above, our carried forward consolidated profit increased by 58.78% to ₹1,681.58 crore in Fiscal 2023 from ₹1,059.09 crore in Fiscal 2022.

Cash Flows

The following table sets forth our statement of cash flows for Fiscals 2024, 2023 and 2022, respectively:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash used in operating activities	(5,909.91)	(8,786.34)	14,276.55
Net cash used in investing activities	(584.23)	(208.66)	(133.38)
Net cash from/(used in) financing activities	-	-	-
Net increase/(decrease) in cash and cash equivalents	(6,494.14)	(8,995)	14,143.17

Operating Activities

Net cash used in operating activities stood at ₹5,909.91 crore in Fiscal 2024. Our net profit before taxes and minority interest was ₹4,190.46 crore which was primarily adjusted against ₹43,902.67 crore increase in advances and a ₹7,173.38 crore increase in investments. This outflow was partially offset by a ₹25,765.66 crore increase in deposits and a ₹11,678.96 crore increase in borrowings.

Net cash used in operating activities stood at ₹8,786.34 crore in Fiscal 2023. The negative cash flow from operating activities was primarily attributable to a ₹38,392.11 crore increase in advances, which was partially offset by a ₹16,610.56 crore increase in deposits.

Net cash generated from operating activities stood at ₹14,276.55 crore in Fiscal 2022. The positive cash flow from operating activities was primarily attributable to a ₹12,836.26 crore increase in deposits and a ₹7,374.60 crore decrease in investments, partially offset by a ₹14,753.67 crore increase in advances.

Investing Activities

Net cash used in investing activities stood at ₹584.23 crore in Fiscal 2024, primarily due to an outflow of ₹587.25 crore towards the purchase of fixed assets, partially offset by an inflow of ₹3.02 crore from the sale/disposal of fixed assets.

Net cash used in investing activities stood at ₹208.66 crore in Fiscal 2023, primarily due to an outflow of ₹212.28 crore towards the purchase of fixed assets, partially offset by an inflow of ₹3.62 crore from the sale/disposal of fixed assets.

Net cash used in investing activities stood at ₹133.38 crore in Fiscal 2022, primarily due to an outflow of ₹157.76 crore towards the purchase of fixed assets, partially offset by an inflow of ₹24.38 crore from the sale/disposal of fixed assets and ₹8.01 crore from dividend received from associates/subsidiaries.

Financing Activities

Net cash from financing activities was Nil in Fiscal 2024, primarily due to the absence of capital fund raising through equity or bond issuances during the year.

Net cash from financing activities was Nil in Fiscal 2023, primarily due to the absence of capital fund raising through equity or bond issuances during the year.

Net cash from financing activities was Nil in Fiscal 2022, primarily due to the absence of capital fund raising through equity or bond issuances during the year.

Financial Condition

As at March 31, 2024, 2023, and 2022, and December 31, 2024, our net worth (excluding revaluation reserves) stood at ₹28,053.33 crore, ₹25,449.41 crore, ₹23,801.85 crore, and ₹29,982.59 crore, respectively.

Assets

The table below sets forth details in relation to the principal components of the Bank's assets as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% Change
Cash and balances with Reserve Bank of India	22,954.79	27,432.92	(16.32)
Balance with banks and money at call and short notice	14,653.01	16,669.02	(12.09)
Investments	1,44,010.02	1,36,569.38	5.45
Loans and Advances	2,44,399.28	2,03,893.26	19.87
Fixed assets	5,336.35	4,776.70	11.72
Other Assets	16,409.23	17,729.54	(7.45)
Goodwill on consolidation	8.89	8.89	0.00
Total	**4,47,771.57**	**4,07,079.71**	**10.00**

Total assets of our Bank increased by 10.00% to ₹4,47,771.57 crore as of Fiscal 2024 from ₹4,07,079.71 crore as of Fiscal 2023. This increase was primarily due to (i) a 19.87% increase in loans and advances to ₹2,44,399.28 crore as of Fiscal 2024 from ₹2,03,893.26 crore as of Fiscal 2023, (ii) a 5.45% increase in investments to ₹1,44,010.02 crore from ₹1,36,569.38 crore, and (iii) an 11.72% increase in fixed assets to ₹5,336.35 crore from ₹4,776.70 crore.

This increase was partially offset by (i) a 16.32% decrease in cash and balances with the Reserve Bank of India to ₹22,954.79 crore as of Fiscal 2024 from ₹27,432.92 crore as of Fiscal 2023, (ii) a 12.09% decrease in balances with banks and money at call and short notice to ₹14,653.01 crore from ₹16,669.02 crore, and (iii) a 7.45% decrease in other assets to ₹16,409.23 crore from ₹17,729.54 crore. Goodwill on consolidation remained unchanged at ₹8.89 crore.

The table below sets forth details in relation to the principal components of the Bank's assets as at the dates indicated below:

Particulars	Fiscal 2023	Fiscal 2022	% Change
Cash and balances with Reserve Bank of India	27,432.92	38,033.70	(27.87)
Balance with banks and money at call and short notice	16,669.02	15,063.24	10.66
Investments	1,36,569.38	1,40,774.54	(2.99)
Loans and Advances	2,03,893.26	1,69,041.54	20.62
Fixed assets	4,776.70	4,955.38	(3.61)
Other Assets	17,729.54	19,414.89	(8.68)
Goodwill on consolidation	8.89	8.89	0.00
Total	**4,07,079.71**	**3,87,292.17**	**5.11**

Total assets of our Bank increased by 5.11% to ₹4,07,079.71 crore as of Fiscal 2023 from ₹3,87,292.17 crore as of Fiscal 2022. This increase was primarily due to (i) a 20.62% increase in loans and advances to ₹2,03,893.26 crore as of Fiscal 2023 from ₹1,69,041.54 crore as of Fiscal 2022, and (ii) a 10.66% increase in balances with banks and money at call and short notice to ₹16,669.02 crore from ₹15,063.24 crore.

This increase was partially offset by (i) a 27.87% decrease in cash and balances with the Reserve Bank of India to ₹27,432.92 crore as of Fiscal 2023 from ₹38,033.70 crore as of Fiscal 2022, (ii) a 2.99% decrease in investments to ₹1,36,569.38 crore from ₹1,40,774.54 crore, (iii) a 3.61% decrease in fixed assets to ₹4,776.70 crore from ₹4,955.38 crore, and (iv) an 8.68% decrease in other assets to ₹17,729.54 crore from ₹19,414.89 crore. Goodwill on consolidation remained unchanged at ₹8.89 crore.

Cash and balances with the RBI

The table below sets forth details in relation to the components of the Cash and balances with the RBI as at the dates indicated below:

(₹ in crores, except in the percentage)

Cash & Balance	Fiscal 2024	Fiscal 2023	% Change
Cash in Hand (including foreign currency notes)	1,426.28	1,500.11	(4.92)
Balances with Reserve Bank of India	21,528.50	25,932.80	(16.98)
Total	22,954.79	27,432.92	(16.32)

Cash and balances with the Reserve Bank of India decreased by 16.32% to ₹22,954.79 crore as of Fiscal 2024 from ₹27,432.92 crore as of Fiscal 2023. This decrease was primarily due to (i) a 16.98% decrease in balances with the Reserve Bank of India to ₹21,528.50 crore as of Fiscal 2024 from ₹25,932.80 crore as of Fiscal 2023, and (ii) a 4.92% decrease in cash in hand (including foreign currency notes) to ₹1,426.28 crore from ₹1,500.11 crore.

The table below sets forth details in relation to the components of the Cash and balances with the RBI as at the dates indicated below:

(₹ in crores, except in the percentage)

Cash & Balance	Fiscal 2023	Fiscal 2022	% Change
Cash in Hand (including foreign currency notes)	1,500.11	1,455.45	3.07
Balances with Reserve Bank of India	25,932.80	36,578.25	(29.10)
Total	27,432.92	38,033.70	(27.87)

Cash and balances with the Reserve Bank of India decreased by 27.87% to ₹27,432.92 crore as of Fiscal 2023 from ₹38,033.70 crore as of Fiscal 2022. This decrease was primarily due to a 29.09% decrease in balances with the Reserve Bank of India to ₹25,932.80 crore as of Fiscal 2023 from ₹36,578.25 crore as of Fiscal 2022. This decrease was partially offset by a 3.07% increase in cash in hand (including foreign currency notes) to ₹1,500.11 crore from ₹1,455.45 crore.

Balances with Banks and Money at Call and Short Notice

The table below sets forth details in relation to the components of the Balances with Banks and Money at Call and Short Notice as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% Change
In India			
(a) Balances with Banks	29.48	42.97	(31.39)
(b) Money at Call and Short Notice	-	-	
Outside India	14,623.52	16,626.05	(12.04)
Total	14,653.01	16,669.02	(12.09)

Balances with banks and money at call and short notice decreased by 12.09% to ₹14,653.01 crore as of Fiscal 2024 from ₹16,669.02 crore as of Fiscal 2023. This was primarily due to (i) a 12.04% decrease in balances outside India to ₹14,623.52 crore as of Fiscal 2024 from ₹16,626.05 crore as of Fiscal 2023, and (ii) a 31.39% decrease in balances with banks in India to ₹29.48 crore from ₹42.97 crore.

The table below sets forth details in relation to the components of the Balances with Banks and Money at Call and Short Notice as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023	Fiscal 2022	% Change
In India			
(a) Balances with Banks	42.97	30.10	41.97
(b) Money at Call and Short Notice	-	64.01	(100)
Outside India	16,626.05	14,969.12	11.07
Total	**16,669.02**	**15,063.24**	**10.66**

Balances with banks and money at call and short notice increased by 10.66% to ₹16,669.02 crore as of Fiscal 2023 from ₹15,063.24 crore as of Fiscal 2022. This was primarily due to (i) an 11.07% increase in balances outside India to ₹16,626.05 crore as of Fiscal 2023 from ₹14,969.12 crore as of Fiscal 2022, and (ii) an increase in balances with banks in India to ₹42.97 crore as of Fiscal 2023 from ₹30.10 crore as of Fiscal 2022. There were no balances under money at call and short notice as of Fiscal 2023, compared to ₹64.01 crore in Fiscal 2022.

Investments

The table below sets forth details in relation to the components of the Investments as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% Change
Investment in India in:			
Government Securities	1,12,759.10	1,03,038.68	9.43
Other approved Securities	-	-	-
Shares	759.43	740.56	2.55
Debentures and Bonds	29,165.15	31,904.23	(8.59)
Investments in Associates	547.61	417.92	31.03
Other			
a) UTI shares, & Commercial Papers			
Mutual Funds	496.96	226.69	119.22
Total Investments in India	**1,43,728.26**	**1,36,328.08**	**5.43**
Investments outside India in:			
Associates	281.76	241.30	16.77
Total Investments outside India	**281.76**	**241.30**	**16.77**
Total Investments	**1,44,010.02**	**1,36,569.38**	**5.45**

Investments increased by 5.45% to ₹1,44,010.02 crore as of Fiscal 2024 from ₹1,36,569.38 crore as of Fiscal 2023. This was primarily due to (i) a 9.43% increase in investments in government securities in India to ₹1,12,759.10 crore as of Fiscal 2024 from ₹1,03,038.68 crore as of Fiscal 2023; (ii) a 31.03% increase in investments in associates in India to ₹547.61 crore as of Fiscal 2024 from ₹417.92 crore as of Fiscal 2023; (iii) a 119.22% increase in investments in mutual funds and other instruments in India to ₹496.96 crore as of Fiscal 2024 from ₹226.69 crore as of Fiscal 2023; and (iv) a 16.77% increase in investments outside India in associates to ₹281.76 crore as of Fiscal 2024 from ₹241.30 crore as of Fiscal 2023. This increase was partially offset by an 8.59% decrease in investments in debentures and bonds in India to ₹29,165.15 crore as of Fiscal 2024 from ₹31,904.23 crore as of Fiscal 2023.

The table below sets forth details in relation to the components of Investments as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023	Fiscal 2022	% Change
Investment in India in:			
Government Securities	1,03,038.68	1,05,538.15	(2.37)
Other approved Securities	0.00	0.00	
Shares	740.56	883.37	(16.17)
Debentures and Bonds	31,904.23	33,784.41	(5.57)
Investments in Associates	417.92	63.99	553.10
Other			
a) UTI shares, & Commercial Papers			
Mutual Funds	226.69	310.75	(27.05)
Total Investments in India	**1,36,328.08**	**1,40,580.67**	**(3.03)**
Investments outside India in:			
Associates	241.30	193.87	24.46
Total Investments outside India	**241.30**	**193.87**	**24.46**
Total Investments	**1,36,569.38**	**1,40,774.54**	**(2.99)**

Investments decreased by 2.99% to ₹1,36,569.38 crore as of Fiscal 2023 from ₹1,40,774.54 crore as of Fiscal 2022. This decrease was primarily due to (i) a 2.37% decline in investments in government securities in India to ₹1,03,038.68 crore as of Fiscal 2023 from ₹1,05,538.15 crore as of Fiscal 2022; (ii) a 16.17% decrease in investments in shares in India to ₹740.56 crore as of Fiscal 2023 from ₹883.37 crore as of Fiscal 2022; (iii) a 5.57% decrease in investments in debentures and bonds in India to ₹31,904.23 crore as of Fiscal 2023 from ₹33,784.41 crore as of Fiscal 2022; and (iv) a 27.05% decrease in investments in mutual funds and other instruments in India to ₹226.69 crore as of Fiscal 2023 from ₹310.75 crore as of Fiscal 2022. This decline was partially offset by a significant 553.10% increase in investments in associates in India to ₹417.92 crore as of Fiscal 2023 from ₹63.99 crore as of Fiscal 2022, and a 24.46% increase in investments outside India in associates to ₹241.30 crore as of Fiscal 2023 from ₹193.87 crore as of Fiscal 2022.

Advances

The table below sets forth details in relation to the components of advances as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% Change
Bills Purchased and Discounted	2,638.57	3,094.15	(14.72)
Cash Credits, Overdrafts & Loans repayable on demand	86,509.51	79,060.69	9.42
Term Loans	1,55,251.20	1,21,738.42	27.53
Total	**2,44,399.28**	**2,03,893.26**	**19.87**

Advances increased by 19.87% to ₹2,44,399.28 crore as of Fiscal 2024 from ₹2,03,893.26 crore as of Fiscal 2023. This increase was primarily due to (i) a 27.53% increase in term loans to ₹1,55,251.20 crore as of Fiscal 2024 from ₹1,21,738.42 crore as of Fiscal 2023, and (ii) a 9.42% increase in cash credits, overdrafts, and loans repayable on demand to ₹86,509.51 crore as of Fiscal 2024 from ₹79,060.69 crore as of Fiscal 2023. However, this growth was partially offset by a 14.72% decrease in bills purchased and discounted to ₹2,638.57 crore as of Fiscal 2024 from ₹3,094.15 crore as of Fiscal 2023.

The table below sets forth details in relation to the components of advances as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023	Fiscal 2022	% Change
Bills Purchased and Discounted	3,094.15	2,403.17	28.75
Cash Credits, Overdrafts & Loans repayable on demand	79,060.69	70,158.04	12.69
Term Loans	1,21,738.42	96,480.32	26.18
Total	**2,03,893.26**	**1,69,041.54**	**20.62**

Advances increased by 20.62% to ₹2,03,893.26 crore as of Fiscal 2023 from ₹1,69,041.54 crore as of Fiscal 2022. This increase was primarily driven by (i) a 26.18% increase in term loans to ₹1,21,738.42 crore as of Fiscal 2023 from ₹96,480.32 crore as of Fiscal 2022, (ii) a 12.69% increase in cash credits, overdrafts, and loans repayable on demand to ₹79,060.69 crore as of Fiscal 2023 from ₹70,158.04 crore as of Fiscal 2022, and (iii) a 28.75% increase in bills purchased and discounted to ₹3,094.15 crore as of Fiscal 2023 from ₹2,403.17 crore as of Fiscal 2022.

Fixed Assets

The table below sets forth details in relation to the components of fixed assets as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% Change
Premises	4,319.35	3,891.19	11.00
Other Fixed Assets	1,017.00	885.50	14.85
Total	**5,336.35**	**4,776.70**	**11.72**

Fixed assets increased by 11.72% to ₹5,336.35 crore as of Fiscal 2024 from ₹4,776.70 crore as of Fiscal 2023. This increase was primarily attributable to (i) an 11.00% increase in premises to ₹4,319.35 crore as of Fiscal 2024 from ₹3,891.19 crore as of Fiscal 2023, and (ii) a 14.85% increase in other fixed assets to ₹1,017.00 crore as of Fiscal 2024 from ₹885.50 crore as of Fiscal 2023.

The table below sets forth details in relation to the components of fixed assets as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023	Fiscal 2022	% Change
Premises	3,891.19	3,964.69	(1.85)
Other Fixed Assets	885.50	990.69	(10.62)
Total	**4,776.70**	**4,955.38**	**(3.61)**

Fixed assets decreased by 3.61% to ₹4,776.70 crore as of Fiscal 2023 from ₹4,955.38 crore as of Fiscal 2022. This decrease was primarily due to (i) a 1.85% decrease in premises to ₹3,891.19 crore as of Fiscal 2023 from ₹3,964.69 crore as of Fiscal 2022, and (ii) a 10.61% decrease in other fixed assets to ₹885.50 crore as of Fiscal 2023 from ₹990.69 crore as of Fiscal 2022.

Other assets

The table below sets forth details in relation to the components of other assets as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% Change
Inter office adjustments (net)	87.72	-	-
Interest accrued	2,149.57	2,001.40	7.40
Tax paid in advance/tax deducted at source	4,515.88	4,266.49	5.85
Stationery and stamps	21.03	22.87	(8.05)
Deferred tax assets	4,283.52	5,788.18	(26.00)
Others	5,351.51	5,650.60	(5.29)
Total	**16,409.23**	**17,729.54**	**(7.45)**

Other assets decreased by 7.45% to ₹16,409.23 crore as of Fiscal 2024 from ₹17,729.54 crore as of Fiscal 2023. This decrease was primarily due to (i) a 26.00% decrease in deferred tax assets to ₹4,283.52 crore as of Fiscal 2024 from ₹5,788.18 crore as of Fiscal 2023, (ii) a 5.29% decrease in other to ₹5,351.51 crore as of Fiscal 2024 from ₹5,650.60 crore as of Fiscal 2023, and (iii) an 8.05% decrease in stationery and stamps to ₹21.03 crore as of Fiscal 2024 from ₹22.87 crore as of Fiscal 2023.

This decline was partially offset by (i) a 7.40% increase in interest accrued to ₹2,149.57 crore as of Fiscal 2024 from ₹2,001.40 crore as of Fiscal 2023, (ii) a 5.85% increase in tax paid in advance/tax deducted at source to ₹4,515.88 crore as of Fiscal 2024 from ₹4,266.49 crore as of Fiscal 2023, and (iii) recognition of inter-office adjustments (net) amounting to ₹87.72 crore in Fiscal 2024.

The table below sets forth details in relation to the components of other assets as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023	Fiscal 2022	% Change
Inter office adjustments (net)	-	-	
Interest accrued	2,001.40	2,178.60	(8.13)
Tax paid in advance/tax deducted at source	4,266.49	3,963.61	7.64
Stationery and stamps	22.87	22.54	1.46
Deferred tax assets	5,788.18	6,855.99	(15.57)
Others	5,650.60	6,394.14	(11.63)
Total	**17,729.54**	**19,414.89**	**(8.68)**

Other assets decreased by 8.68% to ₹17,729.54 crore as of Fiscal 2023 from ₹19,414.89 crore as of Fiscal 2022. This decrease was primarily due to (i) a 15.57% decrease in deferred tax assets to ₹5,788.18 crore as of Fiscal 2023 from ₹6,855.99 crore as of Fiscal 2022, (ii) an 11.63% decrease in others to ₹5,650.60 crore as of Fiscal 2023 from ₹6,394.14 crore as of Fiscal 2022, and (iii) an 8.13% decrease in interest accrued to ₹2,001.40 crore as of Fiscal 2023 from ₹2,178.60 crore as of Fiscal 2022.

This decline was partially offset by a 7.64% increase in tax paid in advance/tax deducted at source to ₹4,266.49 crore as of Fiscal 2023 from ₹3,963.61 crore as of Fiscal 2022 and a 1.46% increase in stationery and stamps to ₹22.87 crore as of Fiscal 2023 from ₹22.54 crore as of Fiscal 2022.

Capital and Liabilities

The table below sets forth details in relation to the components of the Bank's capital and liabilities as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% Change
Capital	8,680.94	8,680.94	0.00
Reserves and Surplus	23,693.47	20,535.79	15.38
Minorities Interest	76.16	67.31	13.15
Deposits	3,85,540.78	3,59,775.12	7.16
Borrowings	20,012.88	8,333.92	140.14
Other Liabilities and Provisions	9,767.35	9,686.64	15.38
Total Capital and Liabilities	**4,47,771.57**	**4,07,079.71**	**10.00**

Total capital and liabilities increased by 10.00% to ₹447,771.57 crore in Fiscal 2024 from ₹407,079.71 crore in Fiscal 2023. This was primarily due to (i) a 7.16% increase in deposits to ₹385,540.78 crore in Fiscal 2024 from ₹359,775.12 crore in Fiscal 2023; (ii) a 140.14% increase in borrowings to ₹20,012.88 crore in Fiscal 2024 from ₹8,333.92 crore in Fiscal 2023; (iii) a 15.38% increase in reserves and surplus to ₹23,693.47 crore in Fiscal 2024 from ₹20,535.79 crore in Fiscal 2023; and (iv) a 13.15% increase in minority interest to ₹76.16 crore in Fiscal 2024 from ₹67.31 crore in Fiscal 2023. Other liabilities and provisions increased marginally by 0.83% to ₹9,767.35 crore in Fiscal 2024 from ₹9,686.64 crore in Fiscal 2023. Capital remained unchanged at ₹8,680.94 crore during Fiscal 2024.

The table below sets forth details in relation to the components of the Bank's capital and liabilities as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023	Fiscal 2022	% Change
Capital	8,680.94	8,680.94	0.00
Reserves and Surplus	20,535.79	18,868.47	8.84
Minorities Interest	67.31	57.70	16.66
Deposits	3,59,775.12	3,43,164.57	4.84
Borrowings	8,333.92	7,663.30	8.75
Other Liabilities and Provisions	9,686.64	8,857.20	9.36
Total Capital and Liabilities	**4,07,079.71**	**3,87,292.18**	**5.11**

Total capital and liabilities increased by 5.11% to ₹407,079.71 crore in Fiscal 2023 from ₹387,292.18 crore in Fiscal 2022. This was primarily due to (i) a 4.84% increase in deposits to ₹359,775.12 crore in Fiscal 2023 from ₹343,164.57 crore in Fiscal 2022; (ii) an 8.75% increase in borrowings to ₹8,333.92 crore in Fiscal 2023 from ₹7,663.30 crore in Fiscal 2022; (iii) an 8.84% increase in reserves and surplus to ₹20,535.79 crore in Fiscal 2023 from ₹18,868.47 crore in Fiscal 2022; and (iv) a 16.66% increase in minority interest to ₹67.31 crore in Fiscal 2023 from ₹57.70 crore in Fiscal 2022. Other liabilities and provisions increased by 9.36% to ₹9,686.64 crore in Fiscal 2023 from ₹8,857.20 crore in Fiscal 2022. Capital remained unchanged at ₹8,680.94 crore during Fiscal 2023.

Deposits

The table below sets forth details in relation to the components of deposits as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% Change
Demand Deposits	18,938.22	18,731.92	1.10
Savings Bank Deposits	1,73,720.92	1,62,531.45	6.88
Term Deposits	1,92,881.63	1,78,511.75	8.05
Total	**3,85,540.78**	**3,59,775.12**	**7.16**

Total deposits increased by 7.16% to ₹385,540.78 crore in Fiscal 2024 from ₹359,775.12 crore in Fiscal 2023. This was primarily due to (i) a 6.88% increase in savings bank deposits to ₹173,720.92 crore in Fiscal 2024 from ₹162,531.45 crore in Fiscal 2023; (ii) an 8.05% increase in term deposits to ₹192,881.63 crore in Fiscal 2024 from ₹178,511.75 crore in Fiscal 2023; and (iii) a 1.10% increase in demand deposits to ₹18,938.22 crore in Fiscal 2024 from ₹18,731.92 crore in Fiscal 2023.

The table below sets forth details in relation to the components of deposits as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023	Fiscal 2022	% Change
Demand Deposits	18,731.92	17,540.40	6.79
Savings Bank Deposits	1,62,531.45	1,55,965.20	4.21
Term Deposits	1,78,511.75	1,69,658.97	5.22
Total	**3,59,775.12**	**3,43,164.57**	**4.84**

Total deposits increased by 4.84% to ₹359,775.12 crore in Fiscal 2023 from ₹343,164.57 crore in Fiscal 2022. This was primarily due to (i) a 4.21% increase in savings bank deposits to ₹162,531.45 crore in Fiscal 2023 from ₹155,965.20 crore in Fiscal 2022; (ii) a 5.22% increase in term deposits to ₹178,511.75 crore in Fiscal 2023 from ₹169,658.97 crore in Fiscal 2022; and (iii) a 6.79% increase in demand deposits to ₹18,731.92 crore in Fiscal 2023 from ₹17,540.40 crore in Fiscal 2022.

Borrowings

The table below sets forth details in relation to the components of borrowings as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2024	Fiscal 2023	% Change
Reserve Bank of India	11,010.00	1,764.00	524.15
Other Banks	281.47	-	-
Other Institutions & Agencies	5,721.40	4,069.92	40.58
Innovative Perpetual Debt Instrument	-	-	-
Unsecured Redeemable NC Basel III Bonds (Tier II)	3,000.00	2,500.00	20.00
Total	**20,012.88**	**8,333.92**	**140.14**

Total borrowings increased by 140.14% to ₹20,012.88 crore in Fiscal 2024 from ₹8,333.92 crore in Fiscal 2023. This was primarily due to (i) a 524.15% increase in borrowings from the Reserve Bank of India to ₹11,010.00 crore in Fiscal 2024 from ₹1,764.00 crore in Fiscal 2023; (ii) a 40.58% increase in borrowings from other institutions and agencies to ₹5,721.40 crore in Fiscal 2024 from ₹4,069.92 crore in Fiscal 2023; and (iii) a 20.00% increase in unsecured redeemable NC Basel III bonds (Tier II) to ₹3,000.00 crore in Fiscal 2024 from ₹2,500.00 crore in Fiscal 2023. Borrowings from other banks stood at ₹281.47 crore in Fiscal 2024, compared to nil in Fiscal 2023.

The table below sets forth details in relation to the components of borrowings as at the dates indicated below:

(₹ in crores, except in the percentage)

Particulars	Fiscal 2023	Fiscal 2022	% Change
Reserve Bank of India	1,764.00	1,764.00	0.00
Other Banks	-	72.31	-
Other Institutions & Agencies	4,069.92	2,687.89	51.42
Innovative Perpetual Debt Instrument	-	139.10	-
Unsecured Redeemable NC Basel III Bonds (Tier II)	2,500.00	3,000.00	(16.67)
Total	**8,333.92**	**7,663.30**	**8.75**

Total borrowings increased by 8.75% to ₹8,333.92 crore in Fiscal 2023 from ₹7,663.30 crore in Fiscal 2022. This increase was primarily due to a 51.42% rise in borrowings from other institutions and agencies to ₹4,069.92 crore in Fiscal 2023 from ₹2,687.89 crore in Fiscal 2022. Borrowings from the Reserve Bank of India remained unchanged at ₹1,764.00 crore in both Fiscal 2023 and Fiscal 2022. The increase in total borrowings was partially offset by (i) nil borrowings from other banks in Fiscal 2023 compared to ₹72.31 crore in Fiscal 2022; (ii) nil borrowings under innovative perpetual debt instruments in Fiscal 2023 as against ₹139.10 crore in Fiscal 2022; and (iii) a 16.67% decrease in unsecured redeemable NC Basel III bonds (Tier II) to ₹2,500.00 crore in Fiscal 2023 from ₹3,000.00 crore in Fiscal 2022.

Other Liabilities and Provisions

The table below sets forth details in relation to the components of other liabilities and provisions as at the dates indicated below:

(₹ *in crores, except in the percentage)*

Particulars	Fiscal 2024	Fiscal 2023	% Change
Bills payable	991.46	949.31	4.44
Inter office adjustments (net)	-	1.94	-
Interest accrued	649.38	891.57	(27.16)
Deferred tax liabilities (net)	-	-	-
Others (including provisions)	8,126.51	7,843.81	3.60
Total	**9,767.35**	**9,686.64**	**0.83**

Total other liabilities and provisions increased marginally by 0.83% to ₹9,767.35 crore in Fiscal 2024 from ₹9,686.64 crore in Fiscal 2023. This was primarily due to (i) a 4.44% increase in bills payable to ₹991.46 crore in Fiscal 2024 from ₹949.31 crore in Fiscal 2023; and (ii) a 3.60% increase in others (including provisions) to ₹8,126.51 crore in Fiscal 2024 from ₹7,843.81 crore in Fiscal 2023. Inter-office adjustments (net) stood at nil in Fiscal 2024, compared to ₹1.94 crore in Fiscal 2023. This increase was partially offset by a 27.16% decrease in interest accrued to ₹649.38 crore in Fiscal 2024 from ₹891.57 crore in Fiscal 2023.

The table below sets forth details in relation to the components of other liabilities and provisions as at the dates indicated below:

(₹ *in crores, except in the percentage)*

Particulars	Fiscal 2023	Fiscal 2022	% Change
Bills payable	949.31	1,114.80	(14.84)
Inter office adjustments (net)	1.94	19.01	(89.79)
Interest accrued	891.57	774.58	15.10
Deferred tax liabilities (net)	-	-	-
Others (including provisions)	7,843.81	6,948.82	12.88
Total	**9,686.64**	**8,857.20**	**9.36**

Total other liabilities and provisions increased by 9.36% to ₹9,686.64 crore in Fiscal 2023 from ₹8,857.20 crore in Fiscal 2022. This was primarily due to (i) a 15.10% increase in interest accrued to ₹891.57 crore in Fiscal 2023 from ₹774.58 crore in Fiscal 2022; and (ii) a 12.88% increase in others (including provisions) to ₹7,843.81 crore in Fiscal 2023 from ₹6,948.82 crore in Fiscal 2022. This increase was partially offset by (i) a 14.84% decrease in bills payable to ₹949.31 crore in Fiscal 2023 from ₹1,114.80 crore in Fiscal 2022; and (ii) an 89.79% decrease in inter-office adjustments (net) to ₹1.94 crore in Fiscal 2023 from ₹19.01 crore in Fiscal 2022.

Capital Resources

The RBI has issued guidelines based on the Basel III reforms on capital regulation on May 2, 2012, to the extent applicable to banks operating in India. The Basel III Capital Regulations have been implemented from April 1, 2013 in India in a phased manner.

Banks have to comply with the regulatory limits as prescribed under the Basel III Capital Regulations, on an ongoing basis. In order to ensure smooth transition to Basel III, appropriate transitional arrangements have been provided such as meeting the minimum Basel III capital ratios and full regulatory adjustments to the components of capital.

For further information relating to our r Basel III capital ratios, see "*Selected Statistical Information*" on page 126.

Capital Expenditure

Our Bank has incurred ₹633.21 crore, ₹319.53 crore and ₹237.27 crore, respectively, as net capital expenditure in technology and communication infrastructure in Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Our planned future capital expenditure primarily focuses on maintaining and enhancing our technology and communication infrastructure. We do not consider our current capital expenditure plans to be material in amount, given the size, scope and nature of our business. However, our actual expenditure may be higher or lower than our current expectations and could be material in amount. Moreover, we may incur capital expenditure for purposes other than above, based on prevailing business conditions and potential changes in our business plans.

Contingent Liabilities

Our contingent liabilities primarily relate to claims against us not acknowledged as debts which represent claims filed against us in the normal course of business relating to various legal cases currently in progress. These also include demands raised by income tax and other statutory authorities and disputed by us. Contingent liabilities also include liabilities on account of outstanding forward exchange contracts that we enter into on our own account and on behalf of our customers. Guarantees given on behalf of entities, capital contracts pending execution and other obligations also form part of our contingent liabilities.

The table below sets forth, as of the dates indicated, the principal components of our contingent liabilities as of the dates indicated:

(₹ in crores)

Particulars	As at and for the			
	Nine month period ended December 31, 2024	Fiscal ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Claims against the Bank not acknowledged as Debts	416.19	412.10	124.87	142.05
Disputed Income Tax Demands	6,608.65	5,964.67	5,969.69	6,293.02
Liability for partly paid investments	1,187.17	1,250.30	1,265.88	268.94
Liability on account of outstanding forward contracts	69,581.78	73,628.45	1,10,823.15	1,59,085.02
Guarantees given on behalf of constituents in India and Outside India	9,802.79	9,884.17	9,711.86	9,421.36
Acceptances, Endorsements and Other Obligations	3,178.89	1,894.67	2,214.99	2,430.11
Other item for which the Bank is Contingently liable	3,430.52	3,256.40	2,585.78	2,200.05

Related party transactions

Our Bank enters into various transactions with related parties in the ordinary course of business. These transactions principally include remuneration paid to KMPs, Senior Management and others. For further information relating to our related party transactions, see "*Financial Information*" on page 302.

Off balance sheet arrangements

Except as disclosed in the Financial Statements or elsewhere in this Preliminary Placement Document, there are no off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates, other unconsolidated entities or financial partnerships that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Summary of reservations or qualifications or adverse remarks or EOMs in the Auditors' report in the last three Financial Years immediately preceding the year of filing this Preliminary Placement Document.

Except the following, our Auditors have not made any reservations or qualifications or adverse remarks or emphasis of matters in their reports in the last three Financial Years and the relevant quarters immediately preceding the year of filing this Preliminary Placement Document:

Financial year/period ended	Reservation, qualification, emphasis of matter or adverse remark	Corrective measures undertaken by the Bank
Nine Month period ended December 31, 2024	**Emphasis of Matter** We draw attention to the following notes: Note No. 6 of the statement regarding Deferred Tax: Based on the tax review conducted by the Bank's management with respect to possible tax benefits arising from timing differences, Net Deferred Tax Assets of ₹3,70,697 lakh have been	DTA reduced from ₹5,224 crore as on 31.12.2023 to ₹3,707 crore, reflecting a reduction of ₹1,517 crore.

	recognised as on December 31, 2024 (₹5,22,384 lakh as on December 31, 2023)	
Fiscal 2024	**Emphasis of Matter** We draw attention to the following notes: Note No. 4.7 of Schedule 18 to the consolidated financial statements regarding deferred tax, states that based on the tax review conducted by the Parent Bank's management with respect to possible tax benefits arising from timing differences, a net deferred tax asset of ₹4,283.51 crore has been recognised as on March 31, 2024 (₹5,788.19 crore as on March 31, 2023). Our opinion is not modified in this matter. **Noted: figure restated**	DTA reduced from ₹5,788 crore as on March 31, 2023 to ₹4,284 crore, reflecting a reduction of ₹1,504 crore.
Fiscal 2023	**Emphasis of Matter** We draw attention to the following notes: a) Note No. 5.11 of Schedule 18 to the consolidated financial statements regarding amortization of additional liability on revision of family pension amounting to ₹821.95 crore. The Parent Bank has charged an amount of ₹164.40 crore to the Profit and Loss Account for the year ended March 31, 2023, and the balance unamortised expense has been carried forward pursuant to RBI circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 4, 2021. b) Note No. 4.8 of Schedule 18 to the consolidated financial statements regarding deferred tax. Based on the tax review conducted by the Parent Bank's management with respect to possible tax benefits arising from timing differences, a net deferred tax asset of ₹5,798.91 crore has been recognised as on March 31, 2023 (₹6,862.05 crore as on March 31, 2022). c) Note No. 4.1 of the Statement regarding accounting of Performance Linked Incentive to employees on an accrual basis during the year, which was earlier accounted on a cash basis, resulting in a decrease in profit by ₹104.24 crore. d) Note No. 5.15 of Schedule 18 to the consolidated financial statements, which describes the uncertainties due to the COVID-19 pandemic and the management's evaluation of its impact on the Group's financial performance. The ultimate impact will depend on future developments, which remain uncertain. Our opinion is not modified in respect of these matters	a) The Family Pension additional liability of ₹ 821.95 crore stands fully amortized. b) DTA reduced from ₹6,862 crore as on March 31, 2022 to ₹5,788 crore as on March 31, 2023, reflecting a reduction of ₹1,074 crore. c) PLI amount of Rs. 104.24 Cr for the FY 2022-23 has been already paid to eligible staff members. d) Observations given based on prevailing situation then due to COVID 19 Pandemic which has no relevance now.
Fiscal 2022	**Emphasis of Matter** We draw attention to the following notes: a) Note No. 5.14 of Schedule 18 to the consolidated financial statements regarding amortization of additional liability on revision of family pension amounting to ₹821.95 crore. The Parent Bank has charged ₹544.52 crore to the Profit and Loss Account for the year ended March 31, 2022, and the balance unamortised expense has been carried forward pursuant to RBI circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 4, 2021. b) Note No. 3.1.2 of Schedule 18 to the consolidated financial statements regarding set-off of accumulated losses of the Parent Bank amounting to ₹18,724.22 crore against the available balance in the share premium account, after obtaining approval from the shareholders and the Reserve Bank of India.	a) The Family Pension additional liability of ₹ 821.95 crore stands fully amortized. b) As per RBI vide its communication DOR.CAP.S938/21.01.002/2020-21 dated 03-09-2021 gave the approval to the Bank to set off entire accumulated losses as at March 21, 2021 against the available balance in share premium account. Accordingly necessary entries have been in the system for appropriation of accumulated losses

	c) Note No. 4.6 of Schedule 18 to the consolidated financial statements regarding deferred tax. Based on the tax review conducted by the Parent Bank's management with respect to possible tax benefits arising from timing differences, a net deferred tax asset of ₹6,862.05 crore has been recognised as on March 31, 2022 (₹7,545.68 crore as on March 31, 2021).	c) DTA reduced from ₹7,546 crore as on March 31, 2021 to ₹6,862 crore as on March 31, 2022, reflecting a reduction of ₹684 crore.
	d) Note No. 5.15 of Schedule 18 to the consolidated financial statements, which describes the uncertainties due to the COVID-19 pandemic and management's evaluation of impact on the Group's financial performance which will depend on future developments, which are uncertain. Our opinion is not modified in respect of these matters.	d) Observations given based on prevailing situation then due to COVID 19 Pandemic which has no relevance now.

For further information in relation to risks related to certain emphasis of matters, see *"Risk Factors - The audit reports in respect of our financial statements contain certain matters of emphasis which could have an impact on our financial performance."* on page 57.

Qualitative Disclosure about Risks and Risk Management

We are exposed to various risks that are an inherent part of any banking business, with the major risks being credit risk, market risk, liquidity risk and operational risk. We have various policies and procedures in place to measure, manage and monitor these risks systematically across all its portfolios.

For further information about the types of risks and our risk management policies, see "*Our Business – Risk Management*" on page 211.

New products or business segments

Our Bank has not announced any new products or business segments nor have there been any material increases in our revenues due to increased disbursements and introduction of new products.

Unusual or infrequent events or transactions

Except as described in this Preliminary Placement Document, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent."

Significant economic changes that materially affect or are likely to affect income from continuing operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from our operations identified above and the uncertainties described in the section "*Risk Factors*" on page 41.

Known trends or uncertainties

Other than as described in this this Preliminary Placement Document, particularly in this section and "*Risk Factors*" on page 41 to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

Future relationship between cost and income

Other than as described elsewhere in this section and the sections "*Risk Factors*" on page 41 and "*Our Business*" on page 190, to our knowledge, there are no known factors that will have a material adverse impact on our operations and finances.

Competitive Conditions

We operate in a competitive environment. See, "*Our Business*" on page 190, "*Industry Overview*" on page 171, "*Risk Factors*" on page 41*, and "Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 88.

Changes in Significant Accounting Policies

There are no significant changes in the accounting policies during the nine months ended December 31, 2024, Fiscals 2024, 2023 and 2022.

Significant Developments after December 31, 2024 included in this Preliminary Placement Document that may affect our Future Results of Operations

Except as stated elsewhere in this Preliminary Placement Document, there are no subsequent developments after December 31, 2024, that we believe are expected to have material impact on our reserves, profits, earnings per share or book value.

SELECTED STATISTICAL INFORMATION

The following information should be read together with the information included in the sections "Selected Financial Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information" included elsewhere in this Preliminary Placement Document.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the twelve-month ended March 31 of that year. The financial information contained in this section for Fiscals 2022, 2023 and 2024 and the nine-month period ended December 31, 2024, is based on or derived from the Audited Financial Statements of the Bank, included in the section "Financial Information" of this Preliminary Placement Document.

Certain non-GAAP financial measures and certain other statistical information relating to our Bank's operations and financial performance have been included in this section and elsewhere in this Preliminary Placement Document. The Bank computes and discloses such non-GAAP financial measures and such other statistical information relating to its operations and financial performance as it considers such information to be useful measures of its business and financial performance. However, note that these non-GAAP financial measures and other statistical and other information relating to the Bank's operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other banks in India or elsewhere.

Average Balance Sheet

The table below presents the average balances for interest-earning assets and interest-bearing liabilities together with the related interest income and expense amounts, resulting in the presentation of the average yields and cost for the periods indicated.

Average Balance: The average balance is the fortnightly average of balances outstanding on respective dates (reporting Fridays) as reported in Form A to RBI on fortnightly basis in respective years. Average balances in respect of advances, investments and deposits are extracted from Form A and others are extracted from MIS of respective dates.

Average Yield on Average Interest-Earning Assets: The average yield on average interest-earning assets is the ratio of interest income to average interest-earning assets.

Average Cost on Average Interest-Bearing Liabilities: The average cost on average interest-bearing liabilities is the ratio of interest expense to average interest-bearing liabilities. For purposes of calculating spread, interest bearing liabilities include non-interest bearing demand deposits.

Average Balance of Advances: The average balances of advances are net of average balances of bills rediscounted ("**BRDS**") and bank risk participation ("**IBPC**"), consistent with our Bank's balance sheet presentation, as mandated by the RBI. Accordingly, interest expended on BRDS and IBPC transactions is netted off from interest income on advances for the purposes of the information on average yield/cost. The interest expended on these transactions is included under interest expense on borrowings in our Bank's financial statements for each of the periods presented.

Average Balance of Investments: The average balances of investments are net of average balances of securities sold under repurchase agreements (repo transactions) with the RBI and include average balances of securities purchased under agreements to resell (reverse repo transactions) with the RBI, consistent with our Bank's balance sheet presentation, as mandated by the RBI. Accordingly, interest expended on these repo transactions is netted off from interest income on investments, and interest income on the reverse repo transactions is included under interest income on investments for the purposes of the information on average yield/cost. The interest expended on the repo transactions is included under interest expense on borrowings and the interest income on the reverse repo transactions is included under interest income on balances with the RBI and other inter-bank funds in our Bank's financial statements for each of the periods presented.

(In ₹ crore, except percentages)

Particulars	Year ended March 31, 2022			Year ended March 31, 2023			Year ended March 31, 2024		
	Average Balance	Interest Income / Expense	Average yield/cost (%)	Average Balance	Interest Income / Expense	Average yield/cost (%)	Average Balance	Interest Income / Expense	Average yield/cost (%)
Interest-earning assets:									
Advances	1,46,835	11,500.66	7.83	1,77,626	14,921.60	8.40	2,14,697	19,707.16	9.18
Investments	1,47,947	9,263.56	6.26	1,40,586	8,715.68	6.20	1,45,618	9,510.39	6.53
Others	563	2,037.42	361.81	19,058	1,905.31	10.00	19,022	1,504.69	7.91
Total interest-earning assets	2,95,345	22,801.64	7.72	3,37,270	25,541.89	7.96	3,79,337	30,722.24	8.10
Non-interest-earning assets:									
Fixed assets	5,092	0	0	4,886	0	0	4,808	0	0
Other assets	1,11,608	0	0	87,370	0	0	70,492	0	0
Total non-interest earning assets	1,16,700	0	0	92,256	0	0	75,300	0	0
Total assets	4,12,045	0	0	4,29,526	0	0	4,54,637	0	0
Interest-bearing liabilities:									
Deposits (excluding current deposit)	3,18,539	12,848	4.03	3,26,535	13,388	4.10	3,51,382	16,907	4.81
Borrowings	6,442	467	7.25	7,654	467	6.10	12,773	918	7.19
Total interest-bearing liabilities	3,24,981	13,315	4.10	3,34,189	13,855	4.15	3,64,155	17,825	4.89
Non-interest-bearing liabilities									
Capital and reserves	26,110	0	0	8,681	0	0	8,681	0	0
Other liabilities	60,954	0	0	86,656	0	0	81,801	0	0
Total non-interest-bearing liabilities	87,064	0	0	95,337	0	0	90,482	0	0
Total liabilities	4,12,045	0	0	4,29,526	0	0	4,54,637	0	0

(In ₹ crore, except percentages)

Particulars	Nine month period ended December 31, 2024		
	Average Balance	Interest Income / Expense	Average yield/cost (%)
Interest-earning assets:			
Advances	2,38,098	16,492.77	6.93
Investments	1,48,980	7,600.22	5.10
Others	14,185	953.86	6.73
Total interest-earning assets	4,01,263	25,046.85	6.24

Particulars	Nine month period ended December 31, 2024		
	Average Balance	Interest Income / Expense	Average yield/cost (%)
Non-interest-earning assets:			
Fixed assets	5,287	0	0
Other assets	69,727	0	0
Total non-interest earning assets	75,014	0	0
Total assets	4,76,277	0	0
Interest-bearing liabilities:			
Deposits (excluding current deposit)	3,69,942	13,673	3.70
Borrowings	17,197	876	5.09
Total interest-bearing liabilities	3,87,139	14,549	3.76
Non-interest-bearing liabilities			
Capital and reserves	8,681	0	0
Other liabilities	80,457	0	0
Total non-interest-bearing liabilities	89,138	0	0
Total liabilities	4,76,277	0	0

Yields, Spreads and Margins

The following table sets forth, for the periods indicated, the yields, spreads and interest margins on our interest-earning assets:

(In ₹ crore, except percentages)

Particulars	Year ended March 31,		
	2022	**2023**	**2024**
Average interest-earning assets	2,95,345	3,37,270	3,79,337
Average interest-bearing liabilities *excludes current account*	3,24,981	33,4,189	3,64,155
Average working funds (AWF)	3,42,948	3,61,457	4,04,371
Average interest-earning assets as a percentage of Average working funds (AWF)	86.12	93.31	93.81
Average interest-bearing liabilities as a percentage of Average working funds (AWF)	94.76	92.46	90.05
Average interest-earning assets as a percentage of average interest-bearing Liabilities	90.88	100.92	104.17
Yield on average interest earning assets (1) (%)	7.72	7.57	8.10
Cost of funds (2) (%) *includes current account*	3.92	3.97	4.70
Spread (3) (%)	362 bps	342 bps	321 bps
Net Interest Margin (4) (%)	3.21	3.47	3.40
Total Net Income on Business (%)	12,455	15,771	17,608
Total Opex on Business (%)	6,713	8,887	10,245
Net Profitability on Assets (ROAC%)	0.30	0.44	0.63
Net Profitability on Business (%)	0.20	0.27	0.40

Notes:

(1) *Yield is interest income divided by average interest-earning assets.*
(2) *Cost of Fund is the ratio of interest expense to average interest-bearing liabilities.*
(3) *Spread is the difference between the yield on average interest earning assets and yield on average interest bearing liabilities excluding current deposits.*
(4) *Net interest margin is the difference between interest earned and interest expended divided by the average working funds (AWF).*

(In ₹ crore, except percentages)

Particulars	Nine-month period ended December 31, 2024
Average interest-earning assets	4,01,263
Average interest-bearing liabilities *excludes current account*	3,87,139
Average working funds (AWF)	4,33,720
Average interest-earning assets as a percentage of Average working funds (AWF)	92.52
Average interest-bearing liabilities as a percentage of Average working funds (AWF)	89.26
Average interest-earning assets as a percentage of average interest-bearing Liabilities	103.65
Yield on average interest earning assets (1) (%)	8.32
Cost of funds (2) (%) *includes current account*	4.82
Spread (3) (%)	331 bps
Net Interest Margin (4) (%)	3.49
Total Net Income on Business (%)	14,539
Total Opex on Business (%)	8,418
Net Profitability on Assets (ROA) (%)	0.85
Net Profitability on Business (%)	0.55

Notes:

(1) *Yield is interest income divided by average interest-earning assets.*
(2) *Cost of Fund is the ratio of interest expense to average interest-bearing liabilities.*
(3) *Spread is the difference between the yield on average interest earning assets and yield on average interest bearing liabilities excluding current deposits.*
(4) *Net interest margin is the difference between interest earned and interest expended divided by the average working funds (AWF).*

Financial Ratios of the Bank

The following table set forth certain key financial indicators as at and for the dates and periods indicated for the Bank.

(In ₹ crore, except percentages)

Particulars	Fiscal		
	2022	2023	2024
Cost to average assets(1)	1.96	2.46	2.53
CET I Capital	11.48	12.11	12.46
Risk Weighted Assets	1,48,506.29	1,65,934.44	1,92,320.01
Tier I capital adequacy ratio (Basel III)	11.48	12.11	12.46
Tier II capital adequacy ratio (Basel III)	2.36	2.01	2.62
Total capital adequacy ratio (Basel III)	13.84	14.12	15.08
Net non-performing assets ratio(2)	3.97	1.77	1.23
Allowance as percentage of gross non-performing assets (PCR)(3)	86.69	92.48	93.58
Fee income as % of total advance (net)	0.85	0.88	0.75
Credit Cost	1.40	1.80	1.50
Cost of Deposits	3.86	3.92	4.61
Cost of Funds	3.92	3.97	4.70
RWA density (%)	38.43	40.85	43.06
Return on RWAs (%)	0.70	0.95	1.33
Leverage Ratio	4.25	4.73	5.13
LCR (%) (10)	311.32	285.51	205.09
NSFR (%)	168.67	161.50	154.93
Operating Profits (Profit prior to provisions and margin)	5,742	6,884	7,363
Credit to deposit ratio(5)	55.63	60.86	65.59
Cost to income ratio(6)	53.90	56.35	58.18
Other income to operating income ratio(7)	11.52	13.78	13.30
Return on average equity(8)	4.49	6.42	9.53
Return on average assets(9)	0.30	0.44	0.63

Notes

(1) Cost to average assets is the ratio of the operating expenses, including depreciation, to the average working fund (AWF).

(2) Net non-performing assets ratio is the ratio of net non-performing assets divided by net advances.

(3) *Allowance as a percentage of gross non-performing assets is the ratio of non-performing asset provisions. (Provision Coverage Ratio).*

(4) *Core Operating Profit Margin the ratio Core PPOP excluding PWO recovery and treasury gains (as a percentage to Avg. assets)*

(5) Credit to deposit ratio is calculated as a ratio of total domestic advances excluding interbank advances to total domestic deposits excluding interbank deposits.

(6) Cost to income ratio is calculated as a ratio of operating expenses divided by total operating income (total of net interest income and non-interest income).

(7) Other income to operating income ratio is calculated as a ratio of other income divided by total operating income (total of net interest income and non-interest income).

(8) Return on average equity is the ratio of the net profit after tax to the average net worth (capital plus reserves).

(9) Return on average assets is the ratio of the net profit after tax to the total average assets.

(10) Liquidity coverage ratio is calculated on a quarterly average basis.

(In ₹ crore, except percentages)

Particulars	Nine month period ended December 31, 2024
Cost to average assets(1)	2.59
CET I Capital	14.21

Particulars	Nine month period ended December 31, 2024
Risk Weighted Assets	1,74,020.04
Tier I capital adequacy ratio (Basel III)	14.21
Tier II capital adequacy ratio (Basel III)	2.22
Total capital adequacy ratio (Basel III)	16.43
Net non-performing assets ratio[(2)]	0.59
Allowance as percentage of gross non-performing assets[(3)]	96.54
Fee income as % of total advances (net)	0.60
Credit Cost	1.06
Cost of Deposits	4.73
Cost of Funds	4.82
RWA density (%)	43.44
Return on RWAs (%)	1.81*
Leverage Ratio	5.86
LCR (%)[(10)]	233.60
NSFR (%)	140.44
Operating Profits (Profit prior to provisions and margin)	6,121
Credit to deposit ratio[(5)]	68.25
Cost to income ratio[(6)]	57.90
Other income to operating income ratio[(7)]	13.89
Return on average equity[(8)]	12.96
Return on average assets[(9)]	0.85

Notes

**Annualized figure*

(1) *Cost to average assets is the ratio of the operating expenses, including depreciation, to the average working fund (AWF).*

(2) *Net non-performing assets ratio is the ratio of net non-performing assets divided by net advances.*

(3) *Allowance as a percentage of gross non-performing assets is the ratio of non-performing asset provisions. (Provision Coverage Ratio).*

(4) *Core Operating Profit Margin the ratio Core PPOP excluding PWO recovery and treasury gains (as a percentage to Avg. assets)*

(5) *Credit to deposit ratio is calculated as a ratio of total domestic advances excluding interbank advances to total domestic deposits excluding interbank deposits.*

(6) *Cost to income ratio is calculated as a ratio of operating expenses divided by total operating income (total of net interest income and non-interest income).*

(7) *Other income to operating income ratio is calculated as a ratio of other income divided by total operating income (total of net interest income and non-interest income).*

(8) *Return on average equity is the ratio of the net profit after tax to the average net worth (capital plus reserves).*

(9) *Return on average assets is the ratio of the net profit after tax to the total average assets*

(10) *Liquidity coverage ratio is calculated on a quarterly average basis.*

Analysis of Changes in Interest Income and Interest Expense

The following table sets forth, for the periods indicated, the allocation of the changes in our interest income and interest expense between average balance and average rate. The changes in net interest income between periods have been reflected as attributed either to average balance or average rate changes. For purposes of the table below, changes which are due to both average balance and average rate have been allocated solely to changes in average rate.

(In ₹ crore, except percentages)

Particulars	Year ended March 31, 2022 vs Year ended March 31, 2023 Increase (decrease) due to		Year ended March 31, 2023 vs Year ended March 31, 2024 Increase (decrease) due to	
	Net change	Change in average balance	Net change	Change in average balance
Interest income:				
Advances	3,421	30,791	4,785	37,071
Investments	(549)	(7,361)	795	5,032
Others(1)	(132)	18,495	(400)	(36)
Total Interest Income	2,740	41,925	5,180	42,067
Interest expense:				
Deposits(2)	540	7,996	3,519	24,847
Borrowings	0	1,212	451	5,119
Total interest expense	540	9,208	3,970	29,966
Net Interest Income	2,200	32,717	1,210	12,101

Notes:

(1) *Includes interest on RIDF Funds, Balance with RBI and other Banks and interest on income tax refunds.*
(2) *Includes saving deposits, current deposits and term deposits.*

Return on Equity and Assets

The following table presents selected financial ratios for the periods indicated:

(In ₹ crore, except percentages)

Particulars	Year ended March 31,		
	2022	2023	2024
Net profit	1,045	1,582	2,549
Average Working Funds – AWF	3,42,948	3,61,457	4,04,371
Average total shareholders' equity(1)	22,337	23,683	25,302
Return on assets (net profit as a percentage of average working funds)	0.3	0.44	0.63
Return on equity (net profit as a percentage of average total shareholders' equity)	4.49	6.42	9.53
Average total shareholders' equity as a percentage of average working funds (2) (%)	6.51	6.55	6.26

Notes

(1) *Average total shareholder's equity is the fortnightly average share capital, reserves and surplus but excludes intangible assets*
(2) *Average total shareholders' equity as a percentage of average working funds is calculated as average shareholder's equity divided by average working funds(AWF)*
(3) *Ratios are annualized.*

(In ₹ crore, except percentages)

Particulars	Nine month period ended December 31, 2024
Net profit	2,752
Average Working Funds – AWF	4,33,720
Average total shareholders' equity(1)	26,231
Return on assets (net profit as a percentage of average working funds)	0.85
Return on equity (net profit as a percentage of average total shareholders' equity)	12.64
Average total shareholders' equity as a percentage of average working funds (2) (%)	6.05

Notes

(1) *Average total shareholder's equity is the fortnightly average share capital, reserves and surplus but excludes intangible assets*
(2) *Average total shareholders' equity as a percentage of average working funds is calculated as average*

shareholder's equity divided by average working funds (AWF)

(3) Ratios are annualized.

Investment Portfolio

The Bank's gross investments constituted 37.98%, 35.12%, 33.48% and, 32.76% of the Bank's assets as at March 31 2022, March 31, 2023 and March 31, 2024 and December 31, 2024, respectively.

The Bank is required to maintain a minimum holding of 18.00% (as per the prevailing RBI guidelines) of its demand and time liabilities in SLR securities. In addition, the surplus funds of the Bank's deposits and advances are invested by our Bank's treasury department. These investments are in conformity with the Bank's policy on investments and the risk limits set by the Bank's board.

Banks Domestic Portfolio

The following table sets forth the composition of the Bank's investments for the periods indicated.

(In ₹ crore, except percentages)

Particulars	**Year ended March 31,**		
	2022	**2023**	**2024**
Domestic investments:			
SLR investments	105,841.66	103,203.62	112,881.49
Non-SLR investments	40,870.61	39,402.27	36,609.64
Total Domestic Investments	146,712.26	142,605.89	149,491.13
Total Foreign Investments	47.00	47.00	47.00
Total Global Investments	146,759.26	142,652.89	149,538.13

(In ₹ crore, except percentages)

Particulars	**Nine month period ended December 31, 2024**
Domestic investments:	
SLR investments	120,801.76
Non-SLR investments	32,220.96
Total Domestic Investments	153,022.72
Total Foreign Investments	47.00
Total Global Investments	153,069.72

The following tables set forth, as of the dates indicated, information related to our investments classified under the held to maturity (HTM), available for sale (AFS) and held for trading (HFT) categories:

(In ₹ crore, except percentages)

Particulars	As at March 31, 2022				As at March 31, 2023			
	HTM	AFS	HFT	Total	HTM	AFS	HFT	Total
Government Securities[1]	72,813.03	33,042.53	-13.91	1,05,841.65	79,210.20	23,901.47	91.96	1,03,203.62
Other Approved Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shares	55.03	2,979.99	0.00	3,035.02	55.03	2,836.63	0.00	2,891.66
Debentures and Bonds	27,551.75	7,044.88	0.00	34,596.63	26,891.93	6,099.68	0.00	32,991.61
Joint Venture & Subsidiaries	257.98	0.00	0.00	257.98	670.07	0.00	0.00	670.07
Others[2]	126.28	2,901.69	0.00	3,027.97	183.52	2,712.41	0.00	2,895.93
Total	1,00,804.08	45,969.09	-13.91	1,46,759.26	1,07,010.74	35,550.19	91.96	1,42,652.89

(in ₹ crore, except percentages)

Particulars	As at March 31, 2024			
	HTM	AFS	HFT	Total
Government Securities[1]	81,992.89	30,107.46	781.14	1,12,881.49
Other Approved Securities	0.00	0.00	0.00	0.00
Shares	55.03	2,135.07	0.00	2,190.10
Debentures and Bonds	2,4132.22	6,337.56	0.00	30,469.78
Joint Venture & Subsidiaries	739.59	0.00	0.00	739.59
Others[2]	103.95	3,153.23	0.00	3,257.18
Total	10,7024	41,733.32	781.14	1,49,538.14

Notes:

(1) *Includes securities kept as margin with RBI and CCI*

(2) *Includes investment in venture capital, units of mutual funds, commercial paper, security receipts of ARCs, certificate of deposit, CBLO.*

(in ₹ crore, except percentages)

Particulars	As at December 31, 2024						
	HTM	AFS	FVTPL HFT	FVTPL Non HFT	SAJV	Short Sale	Total
Government Securities[1]	80,788.34	38,885.95	1,147.51	0.00	0.00	-20.04	1,20,801.76
Other Approved Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shares	0.00	292.43	502.12	1,258.96	47.49	0.00	2,101.00
Debentures and Bonds	22,133.87	5,331.57	0.00	740.49	68.20	0.00	28,274.13
Joint Venture & Subsidiaries	0.00	0.00	0.00	0.00	739.59	0.00	739.59
Others[2]	0.00	314.73	0.00	838.52	0.00	0.00	1,153.25
Total	**1,02,922.21**	**44,824.68**	**1,649.63**	**2,837.97**	**855.28**	**-20.04**	**1,53,069.73**

Notes:

(1) Includes securities kept as margin with RBI and CCI

(2) Includes investment in venture capital, units of mutual funds, commercial paper, security receipts of ARCs, certificate of deposit, CBLO.

The following tables set forth, as of the dates indicated, the book value, market value, unrealized gain and unrealized loss for our total domestic investment portfolio.

(in ₹ crore, except percentages)

Particulars	As at March 31, 2022				As at March 31, 2023			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Government Securities[1]	1,05,841.66	1,06,181.52	1465.44	1125.57	1,03,203.62	1,01,157.35	103.60	2149.87
Other Approved Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shares	3,035.02	1447.45	761.40	2348.97	2,891.66	1,416.07	847.82	2323.40
Debentures and Bonds	34,596.63	34,046.34	363.43	913.72	32,991.61	31,564.55	41.55	1468.61
Joint Venture & Subsidiaries	257.98	257.98	0.00	0.00	670.07	670.07	0.00	0.00
Others[2]	3,027.97	299.94	8.86	2736.90	2,895.93	226.35	11.11	2680.69
Total	1,46,759.26	1,42,233.23	2599.12	7125.15	1,42,652.89	1,35,034.39	1004.07	8622.57

(in ₹ crore, except percentages)

Particulars	As at March 31, 2024			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Government Securities[1]	1,12,881.49	1,11,844.71	215.95	1252.73
Other Approved Securities	0.00	0.00	0.00	0.00
Shares	2,190.10	1665.42	996.97	1521.65
Debentures and Bonds	30,469.77	29344.47	195.07	1320.38
Joint Venture & Subsidiaries	740.59	739.59	0.00	0.00
Others[2]	2680.69	3257.18	0.00	2760.76
Total	1,49,538.13	1,44,090.61	**1407.99**	6855.51

Notes:

(1) Includes securities kept as margin with RBI and CCI

(2) Includes investment in venture capital, units of mutual funds, commercial paper, security receipts of ARCs, certificate of deposit, CBLO.

(in ₹ crore, except percentages)

Particulars	As at December 31, 2024			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Government Securities[1]	1,20,801.76	1,20,856.01	624.70	520.96
Other Approved Securities	0.00	0.00	0.00	0.00
Shares	2,101.00	1,638.84	229.16	507.76
Debentures and Bonds	28,274.13	28,074.21	230.72	394.10

Particulars	As at December 31, 2024			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Joint Venture & Subsidiaries	739.59	739.59	0.00	0.00
Others[(2)]	1,153.25	351.17	2.88	804.05
Total	1,53,069.72	1,51,659.82	**1087.46**	2226.87

Notes:

(1) *Includes securities kept as margin with RBI and CCI*

(2) *Includes investment in venture capital, units of mutual funds, commercial paper, security receipts of ARCs, certificate of deposit, CBLO.*

Available for Sale Investments

The following tables sets forth, as at the dates indicated, information related to the Bank's domestic investments available for sale.

(in ₹ crore, except percentages)

Particulars	As at March 31, 2022				As at March 31, 2023			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Government Securities[(1)]	33,042.53	32,709.94	68.84	401.44	23,901.47	23,698.26	9.10	212.31
Other Approved Securities	-	-	-	-	-	-	-	-
Shares	2,979.99	1,290.40	659.38	2,348.97	2,836.63	1,248.57	735.34	2,323.40
Debentures and Bonds	7,044.88	6,258.38	86.96	873.46	6,099.68	5,008.41	3.91	1,095.19
Joint Venture & Subsidiaries	-	-	-	-	-	-	-	-
Others[(2)]	2,901.69	184.47	8.67	2,725.89	2,712.41	43.18	11.10	2,680.33
Total	**45,969.10**	**40,443.19**	**823.84**	**6,349.74**	**35,550.20**	**29,998.40**	**759.45**	**6,311.24**

(in ₹ crore, except percentages)

Particulars	As at March 31, 2024			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Government Securities[(1)]	30,107.46	29,946.80	5.74	166.40
Other Approved Securities	-	-	-	-
Shares	2,135.07	1,482.25	868.83	1,521.65
Debentures and Bonds	6,337.56	5,028.91	8.22	1,316.87
Joint Venture & Subsidiaries	-	-	-	-
Others[(2)]	3,153.23	393.01	-	2,760.22
Total	41,733.31	36,850.98	882.80	5,765.13

(1) *Includes securities kept as margin with RBI and CCI*

(2) *Includes investment in venture capital, units of mutual funds, commercial paper, security receipts of ARCs, certificate of deposit, CBLO.*

(in ₹ crore, except percentages)

Particulars	As at the December 31, 2024			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Government Securities[1]	38,885.95	38,885.95	62.52	9.08
Other Approved Securities	-	-	-	-
Shares	292.43	261.16	27.28	45.77
Debentures and Bonds	5,331.57	4,942.45	29.36	393.43
Joint Venture & Subsidiaries	-	-	-	-
Others[2]	314.73	-	-	314.73
Total	44,824.68	44,089.56	119.17	763.00

(1) *Includes securities kept as margin with RBI and CCI*

(2) *Includes investment in venture capital, units of mutual funds, commercial paper, security receipts of ARCs, certificate of deposit, CBLO.*

Held to Maturity Investments

The following tables sets forth, as at the dates indicated, information related to the Bank's domestic investments held to maturity.

(in ₹ crore, except percentages)

Particulars	As at March 31, 2022				As at March 31, 2023			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Government Securities[1]	72,813.03	73,485.64	1,396.60	723.99	79,210.20	77,367.14	94.48	1,937.54
Other Approved Securities	-	-	-	-	-	-	-	-
Shares	55.03	157.05	102.02	-	55.03	167.50	112.47	-
Debentures and Bonds	27,551.75	27,787.96	276.47	40.27	26,891.93	26,556.14	37.64	373.42
Joint Venture & Subsidiaries	257.98	257.98	-	0.00	670.07	670.07	0.00	-
Others[2]	126.28	115.46	0.19	11.01	183.52	183.17	0.01	0.36
Total	100,804.08	101,804.09	1,775.29	775.27	107,010.74	104,944.03	244.60	2,311.31

(in ₹ crore, except percentages)

Particulars	As at March 31, 2024			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Government Securities[1]	81,992.89	81,116.33	209.38	1,085.94
Other Approved Securities	-	-	-	-
Shares	55.03	183.17	128.14	-
Debentures and Bonds	24,132.22	24,315.56	186.85	3.51
Joint Venture & Subsidiaries	739.59	739.59	0.00	-
Others[2]	103.95	103.41	-	0.54

Particulars	As at March 31, 2024			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Total	107,023.67	106,458.05	524.36	1,089.99

Notes:

(1) Includes securities kept as margin with RBI and CCI

(2) Include investment in venture capital, units of mutual funds, commercial paper, security receipts of ARCs, certificate of deposit, CBLO.

(in ₹ crore, except percentages)

Particulars	As at December 31, 2024			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Government Securities[(1)]	80,788.34	80,842.59	562.18	507.94
Other Approved Securities	-	-	-	-
Shares	-	-	-	-
Debentures and Bonds	22,133.87	22,323.06	189.56	0.37
Joint Venture & Subsidiaries	-	-	-	-
Others[(2)]	-	-	-	-
Total	102,922.21	103,165.65	751.74	508.31

Notes:

(1) Includes securities kept as margin with RBI and CCI

(2) Include investment in venture capital, units of mutual funds, commercial paper, security receipts of ARCs, certificate of deposit, CBLO.

Held for Trading Investments

The following tables sets forth, as at the dates indicated, information related to the Bank's domestic investments held for trading.

(in ₹ crore, except percentages)

Particulars	As at March 31, 2022				As at March 31, 2023			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Government Securities[(1)]	-13.91	-14.05	-	0.14	91.96	91.96	0.02	0.02
Other Approved Securities	-	-	-	-	-	-	-	-
Shares	-	-	-	-	-	-	-	-
Debentures and Bonds	-	-	-	-	-	-	-	-
Joint Venture & Subsidiaries	-	-	-	-	-	-	-	-
Others[(2)]	-	-	-	-	-	-	-	-
Total	-13.91	-14.05	-	0.14	91.96	91.96	0.02	0.02

(in ₹ crore, except percentages)

Particulars	As at March 31, 2024			
	Book Value	Market Value	Unrealized Gain	Unrealized Loss
Government Securities[1]	781.14	781.58	0.83	0.39
Other Approved Securities	-	-	-	-
Shares	-	-	-	-
Debentures and Bonds	-	-	-	-
Joint Venture & Subsidiaries	-	-	-	-
Others[2]	-	-	-	-
Total	781.14	781.58	0.83	0.39

Notes:

(1) Includes securities kept as margin with RBI and CCI

(2) Includes investment in venture capital, units of mutual funds, commercial paper, security receipts of ARCs, certificate of deposit, CBLO.

FVTPL HFT Investments

(in ₹ crore, except percentages)

Particulars	As at nine month period ended December 31, 2024			
	Carrying Value	Fair Value	Unrealized Gain	Unrealized Loss
Government Securities[1]	1,147.51	1,147.51	-	3.89
Other Approved Securities	-	-	-	-
Shares	502.12	492.63	92.36	13.95
Debentures and Bonds	-	-	-	-
Joint Venture & Subsidiaries	-	-	-	-
Others[2]	-		-	-
Total	1,649.63	1,640.14	92.36	17.84

FVTPL NON HFT Investments

(in ₹ crore, except percentages)

Particulars	As at nine month period ended December 31, 2024			
	Carrying Value	Fair Value	Unrealized Gain	Unrealized Loss
Government Securities[1]	-	-	-	-
Other Approved Securities	-	-	-	-
Shares	1,258.96	837.56	109.52	448.04
Debentures and Bonds	740.49	740.49	11.79	0.30
Joint Venture & Subsidiaries	-	-	-	-
Others[2]	838.52	351.17	2.88	489.32
Total	2,837.97	1,929.23	124.19	937.66

SAJV Investments

(in ₹ crore, except percentages)

Particulars	As at nine month period ended December 31, 2024			
	Carrying Value	Fair Value	Unrealized Gain	Unrealized Loss
Government Securities(1)	-	-	-	-
Other Approved Securities	-	-	-	-
Shares	47.49	47.49	-	-
Debentures and Bonds	68.20	68.20	-	-
Joint Venture & Subsidiaries	739.59	739.59	0.00	-
Others(2)	-	-	-	-
Total	855.27	855.27	0.00	-

Short Sale Investments

(in ₹ crore, except percentages)

Particulars	As at nine month period ended December 31, 2024			
	Carrying Value	Fair Value	Unrealized Gain	Unrealized Loss
Government Securities(1)	-20.04	-20.04	-	0.05
Other Approved Securities	-	-	-	-
Shares	-	-	-	-
Debentures and Bonds	-	-	-	-
Joint Venture & Subsidiaries	-	-	-	-
Others(2)	-	-	-	-
Total	-20.04	-20.04	-	0.05

Notes:

(1) *Includes securities kept as margin with RBI and CCI*

(2) *Includes investment in venture capital, units of mutual funds, commercial paper, security receipts of ARCs, certificate of deposit, CBLO*

Residual Maturity Profile

Available for sale

The following tables sets forth, as of the dates indicated, an analysis of the residual maturity profile of the Bank's domestic investments in government and corporate debt securities classified as available for sale and their weighted average market yields.

(in ₹ crore, except percentages)

Particulars	As of December 31, 2024							
	Up to three months		Three months to One Year		One to Five Years		More than Five Years	
	Amount	Yield*	Amount	Yield*	Amount	Yield*	Amount	Yield*
Government securities	6,790.31	6.86	7,408.85	6.78	5,660.98	6.68	19,025.81	6.84
Other debt securities	1,049.39	7.44	462.67	7.96	2,061.29	7.44	2,072.94	7.15
Total debt securities market value	7,294.72	6.90	7,871.52	6.85	7,680.53	6.88	20,981.64	6.87
Gross book value	7,839.57	6.90	7,871.04	6.85	7,697.21	6.88	21,045.94	6.87

(in ₹ crore, except percentages)

Particulars	As of March 31, 2024							
	Up to three months		Three months to One Year		One to Five Years		More than Five Years	
	Amount	Yield*	Amount	Yield*	Amount	Yield*	Amount	Yield*
Government securities	7,185.73	7.03	9,153.37	7.06	5,549.16	7.31	8,219.20	7.36
Other debt securities	964.90	7.02	829.82	7.99	1,547.86	7.78	3,702.71	8.12
Total debt securities market value	7,603.60	7.03	9,976.99	7.14	6,933.33	7.41	10,854.81	7.55
Gross book value	8,150.63	7.03	9,983.19	7.14	7,097.03	7.41	11,921.91	7.55

** Yield provided is weighted average market yield at which the securities cash flows are discounted to obtain market value.*

(In ₹ crore, except percentages)

Particulars	As of March 31, 2023							
	Up to three months		Three months to One Year		One to Five Years		More than Five Years	
	Amount	Yield*	Amount	Yield*	Amount	Yield*	Amount	Yield*
Government securities	4,962.55	6.95	8,083.68	7.01	2,574.36	7.17	8,280.88	7.96
Other debt securities	1,405.68	7.76	169.74	8.25	1,815.88	7.83	3,023.11	8.28
Total debt securities market value	5,857.19	7.07	8,207.90	7.03	4,104.84	7.43	10,536.74	8.03
Gross book value	6,368.23	7.07	8,253.42	7.03	4,390.24	7.43	11,303.99	8.03

** Yield provided is weighted average market yield at which the securities cash flows are discounted to obtain market value.*

(in ₹ crore, except percentages)

Particulars	As of March 31, 2022							
	Up to three months		Three months to One Year		One to Five Years		More than Five Years	
	Amount	Yield*	Amount	Yield*	Amount	Yield*	Amount	Yield*
Government securities	7,100.97	5.79	7,304.55	5.58	10,492.66	5.40	8,144.35	5.89
Other debt securities	514.26	4.45	996.16	4.91	2,597.40	5.81	3,279.04	8.88
Total debt securities market value	7,029.92	5.79	8,226.00	5.50	12,990.84	5.48	10,745.85	6.64
Gross book value	7,615.23	5.79	8,300.71	5.50	13,090.06	5.48	11,423.39	6.64

* Yield provided is weighted average market yield at which the securities cash flows are discounted to obtain market value.

Held to maturity

The following table sets forth, as of the dates indicated, an analysis of the residual maturity profile of the Bank's domestic investments in government and corporate debt securities classified as held to maturity and their weighted average market yields.

(In ₹ crore, except percentages)

Particulars	As of December 31, 2024							
	Up to One year		One to Five Year		Five to Ten Years		More than Ten Years	
	Amount	Yield*	Amount	Yield*	Amount	Yield*	Amount	Yield*
	(₹ crores, except percentages)							
Government securities	8,257.54	6.86	26,261.25	6.94	31,525.27	6.95	14,744.28	6.96
Other debt securities	770.00	6.76	4,544.96	7.22	15,952.13	6.89	866.78	2.89
Total debt securities market value	8,999.79	6.85	30,845.39	6.98	47,564.50	6.93	15,755.96	6.73
Gross book value	9,027.54	6.85	30,806.21	6.98	47,477.40	6.93	15,611.06	6.73

* *Yield provided is weighted average market yield at which the securities cash flows are discounted to obtain market value.*

(In ₹ crore, except percentages)

Particulars	As of March 31, 2024							
	Up to One year		One to Five Year		Five to Ten Years		More than Ten Year	
	Amount	Yield*	Amount	Yield*	Amount	Yield*	Amount	Yield*
Government securities	3,391.63	7.08	32,363.29	7.30	30,631.52	7.23	15,606.45	7.15
Other debt securities	305.04	7.27	4,101.13	7.43	16,768.05	6.40	2,958.00	1.26
Total debt securities market value	3,684.39	7.10	36,182.87	7.31	47,160.66	6.93	18,403.96	6.20
Gross book value	3,696.67	7.10	36,464.42	7.31	47,399.57	6.93	18,564.45	6.20

* *Yield provided is weighted average market yield at which the securities cash flows are discounted to obtain market value.*

(In ₹ crore, except percentages)

Particulars	As of March 31, 2023							
	Up to One year		One to Five Year		Five to Ten Years		More than Ten Year	
	Amount	Yield*	Amount	Yield*	Amount	Yield*	Amount	Yield*
Government securities	4,994.49	7.08	31,183.00	7.30	25,991.43	7.45	17,041.28	7.43
Other debt securities	1,874.54	7.79	2,671.41	7.41	16,932.97	6.68	5,413.00	2.91
Total debt securities market value	6,843.27	7.28	33,498.27	7.31	41,747.52	7.15	21,834.22	6.31
Gross book value	6,869.03	7.28	33,854.41	7.31	42,924.40	7.15	22,454.28	6.31

* Yield provided is weighted average market yield at which the securities cash flows are discounted to obtain market value.

(In ₹ crore, except percentages)

Particulars	As of March 31, 2022							
	Up to One year		One to Five Year		Five to Ten Years		More than Ten Year	
	Amount	Yield*	Amount	Yield*	Amount	Yield*	Amount	Yield*
Government securities	493.79	4.35	20,484.73	6.00	31,201.86	6.82	20,632.65	7.13
Other debt securities	276.59	5.02	3,392.41	5.59	15,126.33	6.90	8,756.42	3.95
Total debt securities market value	786.00	4.60	24,573.93	5.94	46,571.28	6.85	29,342.39	6.18
Gross book value	770.38	4.60	23,877.14	5.94	46,328.19	6.85	29,389.07	6.18

* Yield provided is weighted average market yield at which the securities cash flows are discounted to obtain market value.

External Rating Distribution Value of the Bank's Corporate Bonds Portfolio

The following table sets forth the external rating distribution value of the Bank's corporate bonds portfolio as at the specified dates:

(In ₹ crore, except percentages)

Particulars	Year ended March 31,					
	2022		2023		2024	
	Gross book	% of Total	Gross book	% of Total	Gross book	% of Total
AAA	NIL	NIL	NIL	NIL	NIL	NIL
AA(1)	500.00	15.93	500.00	20.00	3,000.00	100.00
A(2)	2,639.10	84.07	2,000.00	80.00	NIL	NIL
BBB(3)	NIL	NIL	NIL	NIL	NIL	NIL
BB and Below(4)	NIL	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL	NIL

Notes:
(1) Includes AA+, AA and AA-
(2) Includes A+, A and A-
(3) Includes BBB+, BBB and BBB-
(4) Includes BB+, BB and BB- and below

(In ₹ crore, except percentages)

Particulars	Nine month period ended December 31, 2024	
	Gross book	% of Total
AAA	NIL	NIL
AA(1)	2,000.00	100
A(2)	NIL	NIL
BBB(3)	NIL	NIL
BB and Below(4)	NIL	NIL
Total	NIL	NIL

Notes:
(1) Includes AA+, AA and AA-
(2) Includes A+, A and A-
(3) Includes BBB+, BBB and BBB-
(4) Includes BB+, BB and BB- and below

Funding

The Bank's funding operations are designed to ensure stability, low cost of funding and effective liquidity management. The sources of funding include the details set out below. The Bank's principal sources of funds are deposits from retail and corporate customers, borrowings from the RBI and other financial institutions, foreign currency borrowings, profits from the purchase and sale of investments, and the public issuance of bonds.

Deposits

(In ₹ crore, except percentages)

Particulars	Year ended March 31,					
	2022		2023		2024	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Demand deposits	17,549	5.12	18,765	5.22	18,958	4.92
Savings deposits	1,55,965	45.51	162,531	45.24	1,73,721	45.12
Term deposits	1,69,178	49.37	178,000	49.54	1,92,332	49.95
Total	3,42,692	100.00	359,296	100.00	3,85,011	100.00

(In ₹ crore, except percentages)

Particulars	Nine month period ended December 31, 2024	
	Amount	% of Total
Demand deposits	19,498	4.90
Savings deposits	1,76,304	44.31

Particulars	Nine month period ended December 31, 2024	
	Amount	% of Total
Term deposits	2,02,105	50.79
Total	3,979	100.00

Short-term Borrowings

The following table sets forth, for the periods indicated, information related to our Bank's short-term Rupee borrowings, which are comprised primarily of money-market borrowings (call borrowing and TREPS borrowing). Short-term Rupee borrowings include securities sold under repurchase agreements with market participants but exclude those with the RBI. For the purpose of the below table, short-term borrowings exclude our Bank's interbank deposits taken under the credit support annex arrangements.

(In ₹ crore, except percentages)

Particulars	Year ended March 31,		
	2022	2023	2024
Period end balance	0	0	281.47
Average balance during the period(1)	623.37	122.96	3,484.93
Average interest rate during the period (%)	3.58	4.84	6.63
Average interest rate at period end	0	0	6.25

Notes:

1. *Average is based on fortnightly balances*
2. *Represents the ratio of interest expense on borrowings to the average balances of borrowings.*
3. *Represents the average rate of interest on borrowings outstanding as of Year ended March 31, 2022, March 31, 2023 and March 31, 2024*

(In ₹ crore, except percentages)

Particulars	Nine month period ended December 31, 2024
Period end balance	4,953.28
Average balance during the period(1)	6,738.78
Average interest rate during the period (%)	6.41
Average interest rate at period end	6.44

Notes:

1. *Average is based on fortnightly balances*
2. *Represents the ratio of interest expense on borrowings to the average balances of borrowings.*
   Represents the average rate of interest on borrowings outstanding as of nine months period ended December 31, 2024

Perpetual Debt, Tier II Instruments and INFRA Bond

Perpetual Debt

(in ₹ crore, except percentages)

Type	Series	Date of Issue	Date of Maturity	Tenure (Months)	Coupon Rate (in %)	Call Date	Step up coupon rate if call option is not exercised	Amount (₹ in *crore*)
NIL								

Tier II Instruments

Our Bank also obtains funds from the issuance of unsecured non-convertible subordinated debt securities, which qualify as Tier II risk based capital based on Basel III guidelines. The following table sets forth the Bank's Tier II debt securities, for the periods indicated.

(in ₹ crore, except percentages)

Type	Series	Date of Issue	Date of Maturity	Tenure (Months)	Coupon Rate (in %)	Call Date	Step up coupon rate if call option is not exercised	Amount (₹ in *crore*)
BASEL III COMPLIANT TIER II BONDS	SERIES V	20.03.2020	20.05.2030	122	9.20	20.05.2025	9.20	₹500
	SERIES VI	30.08.2023	30.08.2033	120	8.80	30.08.2028	8.80	₹1,500

INFRA Bond

(in ₹ crore, except percentages)

Type	Series	Date of Issue	Date of Maturity	Tenure (Months)	Coupon Rate (in %)	Call Date	Step up coupon rate if call option is not exercised	Amount (₹in *crore*)
NIL								

Interest Coverage Ratio

The following table sets forth the Bank's interest coverage ratios, for the periods indicated.

(In ₹ crore, except percentages)

Particulars	Year ended March 31, 2022	2023	2024
Net Profit (A) for the year	1,045	1,580	2,549
Interest expended (B)*	467	467	918
Depreciation (C)^	297	386	500
Other amortisation – investment (D)#	0	0	0
Sub Total (A+B+C+D=E)	1,809	2,433	3,967
Interest Coverage Ratio (E/B)	3.87	5.21	4.32

(In ₹ crore, except percentages)

Particulars	Nine month period ended December 31, 2024
Net Profit/Loss (A) for the Period	2,752
Interest expended (B)*	875
Depreciation (C)^	396
Other amortisation – investment (D)#	0
Sub Total (A+B+C+D=E)	4,023
Interest Coverage Ratio (E/B)	4.60

**For this purpose: interest expended means interest expended other than interest on deposits as per schedule forming part of Annual Financial Statements*
#For this purpose: amortisation of investments as reduced in Schedule 13
^Depreciation in Bank's property

Asset Liability Gap

The following table sets forth, for the periods indicated, our Bank's asset-liability gap position:

As on December 31, 2024

(in ₹ crore, except percentages)

S. N.	Outflows	Upto 30 days	31 days to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
1	Capital	0	0	0	0	0	0	8,680.94	8,680.94
2	Reserves & Surplus	0	0	0	0	0	0	25,276.41	25,276.41
3	Deposits	15,435.50	24,334.27	37,956.51	93,102.09	91,833.03	67,209.87	65,715.57	3,95,586.80
4	Borrowings	3,040.11	180.17	720.68	286.26	3,524.60	1,505.98	4.08	9,261.88
5	Other Liabilities & Provisions	1,003.49	375.45	1,712.86	149.28	969.34	495.55	2,662.41	7,368.39
6	Lines of Credit committed to	2,593.05	0	0	0	0	0	0	2,593.05
7	Un-availed portion of CC / OD/ Demand Loan component of Working Capital	164.43	286.9	758.35	15,567.89	0	0	0	16,777.55
8	LC / Guarantees	146.53	140.96	178.33	1,320.97	0	0	0	1,786.78
9	Repos/Market Repo	17,953.80	0	0	0	0	0	0	17,953.80
10	Bills Rediscounted (DUPN)	0	0	0	0	0	0	0	0
11	Swaps (Buy/sell)/ maturing forwards	0	0	0	0	0	0	0	0
12	Interest payable	168.64	260.95	53.61	100.56	186.97	0.22	0	770.96
13	Others	0	0	0	0	0	0	96.95	96.95
A.	**Total Outflow**	40,505.56	25,578.69	41,380.33	1,10,527.05	96,513.94	69,211.62	10,2436.36	4,86,153.56
B.	**Cumulative Outflow**	1,05,465.75	1,18,139.68	1,07,464.60	2,17,991.64	3,14,505.58	3,83,717.20	4,86,153.56	
S. N.	**INFLOWS**								
1	Cash	1,601.30	0	0	0	0	0	0	1,601.30
2	Balance with RBI	1,84,66.24	0	0	0	0	0	0	18,466.24
3	Balance with other banks	31.70	0	0	0	1.53	0	0	33.22
4	Performing Investments (Including Repos but excluding reverse Repos)	30,098.20	6,250.89	7,494	8,287.81	21,524.63	17,176.37	58,762.40	1,49,594.31
5	Advances (performing)	12,235.28	13,861.41	15,188.38	21,710.05	1,05,435.92	20,747.11	70,465.35	25,9643.50

S. N.	Outflows	Upto 30 days	31 days to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
6	NPAs (Advances and Investments)	0	0.02	0	0	0	870.84	803.11	1,673.97
7	Fixed Assets	0	0	0	0	0	0	5,175.96	5,175.96
8	Other Assets	2,359.95	2,213.73	3,916.01	4,429.89	0	1,152.96	154.20	14,226.74
9	Reverse Repos/CBLO Lending	20.33	0	0	0	0	0	0	20.33
10	Swaps (Sell/buy) / maturing forwards	0	0	0	0	0	0	0	0
11	Bills rediscounted	0	0						0
12	Interest receivable	228.80	333.12	1,933.26	37.42	0	0	0	2,532.59
13	Committed Line of Credit	0	0	0	0	0	0	0	0
14	Export Refinance from RBI(un-availed)	0	0						0
15	Others (specify)	0	0	0	0	0	0	0	0
C.	**Total Inflows**	65,041.81	22,659.17	28,531.65	34,465.17	1,26,962.07	39,947.28	1,35,361.03	4,52,968.18
D.	Mismatch (C-A)	24,536.24	(2,919.52)	(12,848.67)	(76,061.88)	30,448.13	(29,264.34)	32,924.67	(33,185.38)
E.	Mismatch as % to Outflow	60.57	(11.41)	(31.05)	(68.82)	31.55	(42.28)	32.14	(6.83)
F.	**Cumulative Mismatch**	24,536.24	2,1616.72	8,768.05	(67,293.83)	(36,845.7)	(66,110.04)	(33,185.37)	(66,370.75)
G.	Cum. Mismatch as % to Cum. Outflows (F as a % to B)	23.26	18.30	8.16	(30.87)	(11.72)	(17.23)	(6.83)	

Advances Portfolio

As at December 31, 2024, the Bank's gross advances portfolio was ₹ 2,70,779 crore and the Bank's gross non-fund based exposure which includes guarantees given on behalf of constitutes and acceptances, endorsements and obligations was ₹ 26,792.17 crore. Our Bank's gross loans and credit substitutes are to borrowers given in India.

The Bank makes loans to a wide range of customers in the public and private sectors, including commercial and industrial customers, agricultural customers and individual customers, in each case within the guidelines issued by the RBI. Working capital facilities consist of revolving cash credit facilities and short-term loans. Revolving cash credit facilities, based on a traditional overdraft system of lending, have been the most common form of working capital financing in India. Pursuant to RBI guidelines, only a specified percentage of a working capital facility can be accessed as cash credit, with the balance being short-term loans having a minimum maturity of one year. Loans are classified into retail based on the criteria of orientation, the nature of the product, granularity of the exposure and quantum thereof as laid down by the Basel committee. For a description of our Bank's retail and wholesale loan products, see the "*Business*" section.

The following table sets forth, for the periods indicated, our Bank's gross advance portfolio (including advances made by our overseas branches) classified by product group.

(in ₹ crore, except percentages)

Gross Advances	Year ended March 31,		
	2022	2023	2024
Agriculture	38,635	42,110	46,063
MSME	34,139	39,899	49,870
Retail	52,226	62,726	71,193
Corporate and Others	64,712	73,044	84,619
Total gross advances	1,89,712	2,17,779	2,51,745

(in ₹ crore, except percentages)

Gross Advances	Nine month period ended December 31, 2024
Agriculture	51,274
MSME	58,102
Retail	79,927
Corporate and Others	81,476
Total gross advances	2,70,779

* Including PSLC Sold and excluding Investments

External rating wise advances (Above ₹25 crore)

The following tables set forth, the details of total eligible borrowings for external ratings:

(in ₹ crore, except percentages)

Particulars	As at December 31, 2024			As at March 31, 2024		
	No of borrowers	Outstanding amount (in ₹ crore)	% of outstanding amount	No of borrowers	Outstanding amount (in ₹ crore)	% of outstanding amount
Total Eligible Exposure for External Rating	315	80,342	100	268	80,156	100
AAA	31	34,301	43	29	35,139	44
AA	58	19,329	24	56	22,450	28
A	71	9,197	11	63	7,717	10
BBB	68	8,100	10	58	6,586	8
BB & Below	22	1,409	2	31	2,403	3
Total Rated	250	72,336	90	237	74,295	93
Govt. Guaranteed Exposure	15	5,346	7	12	4,745	6

Particulars	As at December 31, 2024			As at March 31, 2024		
	No of borrowers	Outstanding amount (in ₹ crore)	% of outstanding amount	No of borrowers	Outstanding amount (in ₹ crore)	% of outstanding amount
(Unrated)						
Total Rated plus Govt. Guarantee	265	77,682	97	249	79,040	99
Other Unrated	50	2,660	3	19	1,116	1

Maturity and Interest Rate Sensitivity of Loans

The following tables set forth, the maturity and interest rate sensitivity of our loans:

(in ₹ crore, except percentages)

Particulars	Year ended March 31,		
	2022	2023	2024
Interest rate classification of loans by maturity:			
Fixed Rates	26,232.31	28,290.02	30,045.58
Variable Rates	1,63,479.69	1,89,488.98	2,21,699.42
Gross Advances	1,89,712.00	2,17,779.00	2,51,745.00

(in ₹ crore, except percentages)

Particulars	Nine-month period ended December 31, 2024
Interest rate classification of loans by maturity:	
Fixed Rates	32,106.14
Variable Rates	2,38,672.86
Gross Advances	2,70,779.00

The following table sets forth the interest rate sensitivity analysis of the Bank's assets for the Bank's Indian operations as at December 31, 2024:

(in ₹ crore, except percentages)

Assets	Up to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Non-Sensitive	Total
Cash and balances with RBI	0	0	0	0	20,065.44	20,065.44
Balances with other banks	0	0	0	0	0	0
Advances	1,84,377.37	69,895.24	1,320.03	4,050.86	0	2,59,643.50
Investments	9,888.66	15,781.81	38,651	83,519.58	1,753.26	1,49,594.30
Fixed Assets	0	0	0	0	5,175.96	5,175.96
Other Assets	641.08	243.91	837.71	100.63	13,086.65	14,909.98
Total Assets	1,94,907.10	85,920.96	42,482.68	87,671.07	40,114.55	4,51,096.40

The following table sets forth the interest rate sensitivity analysis of the Bank's liabilities for the Bank's Indian operations as at December 31, 2024:

(in ₹ crore, except percentages)

Liabilities	Up to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Non-Sensitive	Total
Capital and reserve	0	0	0	0	33,957.35	33,957.35
Deposits	42,507.28	1,32,445.81	1,56,032.40	64,601.36	0	3,95,586.90
Borrowings	3,220.28	506.94	3,530.58	4.08	0	7,261.88
Other liabilities	59.30	0	3.97	0	7,305.12	7,368.39
Repos	17,953.80	0	0	0	0	17,953.80
Total liabilities	63,740.66	1,32,952.75	1,59,566.95	64,605.44	41,262.47	4,62,128.27

Concentration of Advances

From April 2020, in accordance with the Large Exposure Framework ("LEF"), our exposure limits for single and group borrowers are 18.81 % and 112.10% of our Tier 1 capital funds, respectively. These limits may be subjected to further changes and revisions in future.

The following table sets forth, for the periods indicated, our Bank's gross loans outstanding by the borrower's industry or economic activity and as a percentage of our Bank's gross loans (where such percentage exceeds 2.00% of the total). Our Bank does not consider retail loans a specific industry for this purpose. For further information, see "*Regulations and Policies in India*" on page 233.

(in ₹ crore, except percentages)

Industry	2022	% of Total Advances	2023	% of Total Advances	2024	% of Total Advances
Mining and Quarrying (Inclusive coal)	444.33	0.23	391.35	0.18	156.78	0.06
Iron and Steel	2,189.51	1.15	2,709.89	1.24	6,962.48	2.77
Other metal and metal products	1,311.96	0.69	1,700.46	0.78	763.79	0.30
All engineering	5,102.59	2.69	1,854.45	0.85	1,756.34	0.70
Cotton Textile	1,219.54	0.64	553.61	0.25	548.94	0.22
Jute Textile	79.62	0.04	61.94	0.03	127.88	0.05
Man made textile	161.23	0.08	134.08	0.06	189.46	0.08
Food processing	2,482.76	1.31	2,295.74	1.05	3,013.20	1.20
Sugar	599.60	0.32	549.85	0.25	424.35	0.17
Tea	18.83	0.01	95.23	0.04	97.67	0.04
Vegetable Oil	342.17	0.18	396.07	0.18	355.98	0.14
Paper and Paper Products	285.42	0.15	347.54	0.16	184.39	0.07
Rubber, plastics and their products	943.77	0.50	953.37	0.44	344.69	0.14
Chemical, dyes, Paints and Pharmaceuticals	1,087.15	0.57	1,612.83	0.74	658.79	0.26
Fertilizer	46.48	0.02	44.25	0.02	30.41	0.01
Perto Chemical	173.08	0.09	220.67	0.10	35.89	0.01
Drug and Pharmaceuticals	487.32	0.26	646.27	0.30	221.83	0.09
Cement and Cement Products	699.24	0.37	1,258.72	0.58	404.78	0.16
Leather and Leather Products	137.35	0.07	134.42	0.06	106.55	0.04
Gem and Jewellery	1,216.42	0.64	953.83	0.44	1,065.08	0.42
Construction	2,700.27	1.42	2,756.44	1.27	1,519.49	0.60
Petroleum, Coal Products and Nuclear Fuel	584.20	0.31	2,523.37	1.16	387.90	0.15
Vehicles, Vehicles Parts and Transport Equipment's	508.74	0.27	1,282.33	0.59	1,022.07	0.41
Computer Software	90.60	0.05	25.92	0.01	21.12	0.01
Infrastructure	19,208.15	10.12	22,955.26	10.54	24,325.30	9.66

Industry	2022	% of Total Advances	2023	% of Total Advances	2024	% of Total Advances
Power	8,501.40	4.48	12,486.99	5.73	13,404.46	5.32
Communication	450.00	0.24	23.28	0.01	4.59	0.00
Water and Sanitation	770.57	0.41	648.42	0.30	437.68	0.10
Social and Commercial Structure	1,847.89	0.97	2,046.23	0.94	2,025.50	0.80
NBFCs	19,509.72	10.28	28,336.98	13.01	28,798.29	11.44
Trading	4,659.48	2.46	5,995.50	2.75	7,316.09	2.91
Beverage and Tobacco	50.31	0.03	136.55	0.06	210.49	0.08
Wood and Wood Products	208.25	0.11	230.89	0.11	127.30	0.05
Other Industries	26,055.55	13.73	16,063.28	7.38	10,047.13	3.99
Total	67,330.07	35.49	62,199.93	28.56	55,875.28	22.20
Total Gross Advances	1,89,712.20	**100.00**	**2,17,778.71**	**100.00**	2,51,744.70	**100.00**

(in ₹ crore, except percentages)

Industry	As at December 31, 2024	% of Total Advances
Mining and Quarrying (Inclusive coal)	258.97	0.10
Iron and Steel	6,795.26	2.51
Other metal and metal products	831.24	0.31
All engineering	2,356.34	0.87
Cotton Textile	851.17	0.31
Jute Textile	43.63	0.02
Man made textile	186.18	0.07
Food processing	3,702.31	1.37
Sugar	383.98	0.14
Tea	131.72	0.05
Vegetable Oil	933.92	0.34
Paper and Paper Products	180.81	0.07
Rubber, plastics and their products	812.50	0.30
Chemical, dyes, Paints and Pharmaceuticals	832.24	0.31
Fertilizer	31.11	0.01
Perto Chemical	47.45	0.02
Drug and Pharmaceuticals	238.90	0.09
Cement and Cement Products	430.44	0.16
Leather and Leather Products	73.85	0.03
Gem and Jewellery	765.25	0.28
Construction	1,400.33	0.52
Petroleum, Coal Products and Nuclear Fuel	860.86	0.32
Vehicles, Vehicles Parts and Transport Equipment’s	1,178.35	0.44
Computer Software	20.53	0.01
Infrastructure	20,192.72	7.46
Power	9,958.59	3.68
Communication	4.59	0.00
Water and Sanitation	468.05	0.17
Social and Commercial Structure	2,597.02	0.96
NBFCs	22,686.69	8.38

Industry	As at December 31, 2024	% of Total Advances
Trading	6,123.40	2.26
Beverage and Tobacco	183.95	0.07
Wood and Wood Products	229.53	0.08
Other Industries	20,265.36	7.48
Total	65,144.46	24.06
Total Gross Advances	2,70,779.33	**100.00**

The following table sets forth the Bank's top 10 largest loan exposures by sectors as at the dates indicated.

(in ₹ crore, except percentages)

Industry wise top 10 (Funded + Non-Funded Exposure)	As at December 31, 2024
Infrastructure	9,526.92
Agriculture & Allied Activities	
Housing	
Trading	886.73
NBFC	8,517.24
Professional and Other Services	68.69
Basic Metal & Metal Product	6,416.74
All Engineering	2,591.57
Commercial Real Estate	1,738.87
Textiles	1,456.76

(in ₹ crore, except percentages)

Industry wise top 10 (Funded + Non-Funded Exposure)	As at March 31, 2024
Infrastructure	13,026.90
Agriculture & Allied Activities	
Housing	
Trading	90.96
NBFC	12,351.29
Professional and Other Services	65.34
Basic Metal & Metal Product	5,678.18
All Engineering	1,697.72
Commercial Real Estate	1,754.72
Textiles	849.08

(in ₹ crore, except percentages)

Industry wise top 10 (Funded + Non-Funded Exposure)	As at March 31, 2023
Agriculture & Allied Activities	
Housing	
Infrastructure	10,087.19
Trade	
Non-Banking Financial Companies (NBFCs) other than Public Financial Institutions (PFIs)	15,040.96
Power	10,158.23
Professional and Other Services	161.85
Basic Metal & Metal Product	4,200.16
All Engineering	1,699.37
Loans against gold jewellery	

(in ₹ crore, except percentages)

Industry wise top 10 (Funded + Non-Funded Exposure)	As at March 31, 2022
Infrastructure	9,827.04
Housing	
Agriculture & Allied Activities	

Industry wise top 10 (Funded + Non-Funded Exposure)	As at March 31, 2022
Other Services	
Trade	
Non-Banking Financial Companies (NBFCs) other than Public Financial Institutions (PFIs)	10,684.02
Power	4,654.03
Professional and Other Services	137.26
Other Personal Loans	
All Engineering	5,101.16

Priority Sector Lending

The RBI has issued guidelines requiring Indian banks to lend 40% of their adjusted net bank credit (ANBC), as computed in accordance with such guidelines, or the credit equivalent amount of off-balance sheet exposures (CEOBE), whichever is higher, as of March 31 of the previous fiscal year to certain sectors called "priority sectors." Priority sectors are broadly comprised of agriculture, micro small and medium enterprises (MSMEs), export credit, education, housing, social infrastructure, renewable energy and others subject to certain limits.

Our Bank is required to comply with the priority sector lending requirements as of March 31, in each fiscal year. Any shortfall in the amount required to be lent to the priority sector may be required to be deposited with government sponsored Indian developmental banks such as NABARD under the Rural Infrastructure Development Fund Scheme or funds with other financial institutions as specified by RBI, which generate lower levels of interest compared to advances made to the priority sector.

The following table sets forth, for the periods indicated, our Bank's directed lending broken down by sector:

(in ₹ crore, except percentages)

Particulars	As at March 31,					
	2022		2023		2024	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Directed lending:						
Agriculture (Including RIDF, PTC PSLCs & IBPC)	35,700.37	21.30	40,717.09	21.98	45,761.75	20.57
Micro and small enterprises – PS	16,979.59	10.13	21,162.08	11.42	28,862.74	12.97
Other	13.14	0.01	6.64	0.00	1.21	0.00
Total directed lending	52,693.10	31.44	61,885.81	33.40	74,625.70	33.54

 # After deduction of ₹200 crore up to 31.03.2023 under PSLC sale transaction
After deduction of ₹500 crore up to 31.03.2023 under PSLC sale transaction
After deduction of ₹700 crore up to 31.03.2023 under PSLC sale transaction

(in ₹ crore, except percentages)

Particulars	Nine-month period ended December 31, 2024	
	Amount	% of Total
Directed lending:		
Agriculture (Including RIDF, PTC PSLCs & IBPC)	52,208.16	21.26
Micro and small enterprises – PS	34,204.41	13.93
Other	0.85	0.00
Total directed lending	86,413.42	35.19

Regional Concentration

The Bank's widespread branch network enables the Bank to diversify its lending risks geographically. The following table presents an analysis of the Bank's gross credit by region as of the dates indicated.

(in ₹ crore, except percentages)

Particulars	Nine month period ended December 31, 2024	
	Amount	% of Total
Andaman & Nicobar	18	0.01

Particulars	Nine month period ended December 31, 2024	
	Amount	% of Total
Andhra Pradesh	7,757	2.86
Arunachal Pradesh	85	0.03
Assam	3,169	1.17
Bihar	9,959	3.68
Chandigarh	981	0.36
Chhattisgarh	5,567	2.06
Dadra And Nagar Haveli & Daman And Diu	61	0.02
Delhi	31,872	11.77
Goa	1,067	0.39
Gujarat	15,707	5.80
Haryana	6,443	2.38
Himachal Pradesh	1,610	0.59
Jammu And Kashmir	397	0.15
Jharkhand	5,378	1.99
Karnataka	5,651	2.09
Kerala	6,610	2.44
Madhya Pradesh	22,960	8.48
Maharashtra	79,829	29.48
Manipur	136	0.05
Meghalaya	183	0.07
Mizoram	31	0.01
Nagaland	138	0.05
Orissa	2,561	0.95
Pondicherry	176	0.06
Punjab	4,576	1.69
Rajasthan	7,624	2.82
Sikkim	674	0.25
Tamil Nadu	14,260	5.27
Telangana	6,970	2.57
Tripura	63	0.02
Uttar Pradesh	18,244	6.74
Uttaranchal	1,273	0.47
West Bengal	8,746	3.23
Gross Advances	**2,70,779**	**100**

(in ₹ crore, except percentages)

Particulars	As at March 31,					
	2022		2023		2024	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Andaman & Nicobar	4	0.00	4	0.00	10	0.00
Andhra Pradesh	4,858	2.56	5,673	2.60	6,695	2.66
Arunachal Pradesh	64	0.03	72	0.03	77	0.03
Assam	2,125	1.12	2,475	1.14	2,772	1.10
Bihar	7,681	4.05	8,515	3.91	8,924	3.54
Chandigarh	922	0.49	1,143	0.52	913	0.36
Chattisgarh	4,202	2.22	4,678	2.15	5,086	2.02
Dadra And Nagar Haveli & Daman And Diu	52	0.03	55	0.03	54	0.02
Delhi	14,591	7.69	20,528	9.43	35,081	13.94
Goa	678	0.36	828	0.38	953	0.38
Gujarat	11,768	6.20	12,414	5.70	13,879	5.51
Haryana	4,551	2.40	5,359	2.46	5,986	2.38
Himachal Pradesh	1,078	0.57	1,229	0.56	1,409	0.56
Jammu And Kashmir	226	0.12	265	0.13	354	0.15

Particulars	As at March 31,					
	2022		2023		2024	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Jharkhand	1,607	0.85	3,029	1.39	3,477	1.38
Karnataka	4,860	2.56	5,838	2.68	5,478	2.18
Kerala	6,204	3.27	6,483	2.98	6,461	2.57
Madhya Pradesh	17,679	9.32	19,547	8.98	20,681	8.21
Maharashtra	53,819	28.37	62,034	28.48	75,083	29.83
Manipur	100	0.05	118	0.05	108	0.04
Meghalaya	75	0.04	113	0.05	154	0.06
Mizoram	23	0.01	26	0.01	27	0.01
Nagaland	96	0.05	114	0.05	127	0.05
Orissa	1,845	0.97	2,062	0.95	2,220	0.88
Pondicherry	119	0.06	137	0.06	157	0.06
Punjab	4,089	2.16	4,226	1.94	4,426	1.76
Rajasthan	6,580	3.47	7,185	3.30	7,271	2.89
Sikkim	511	0.27	546	0.25	569	0.23
Tamilnadu	12,984	6.84	14,045	6.45	12,679	5.04
Telangana	6,546	3.45	6,843	3.14	6,203	2.46
Tripura	42	0.02	46	0.02	52	0.02
Uttar Pradesh	11,820	6.23	13,249	6.08	15,660	6.22
Uttaranchal	791	0.42	866	0.40	1,088	0.43
West Bengal	7,121	3.75	8,035	3.69	7,632	3.03
Gross Advances	1,89,712	100	2,17,779	100	2,51,745	100

Non-Performing Assets

The Bank has in the past suffered losses through impairment of loans as some borrowers were impacted by negative trends in the global market place, recessionary conditions in the domestic economy, increased competition and volatility in industrial growth and commodity prices. The Bank has adopted several measures to refine its credit selection processes and appraisal capabilities.

The Management of NPAs has been one of the focus areas of the Bank. Towards this goal Bank has formulated Recovery Policy & Standard Operating Procedures which are useful and helpful to field level functionaries in the matter of NPA Management. Bank's Recovery Policy is centered around dignity and respect to customers, built on fostering customer confidence, long term relationship, by extending courtesy, fair treatment and judicious persuasion. The transparent policy of the Bank aims at resorting to collection, covering following strategies for NPA Management:

1. SARFAESI Act 2002,
   - Immediate action under SARFAESI Act, 2002 is being initiated in all NPA accounts wherein enforceable movable fixed assets and/or immovable securities are available.
   - Bank uses E-Bkray portal to put up properties/ assets for e-auction, for selling properties in transparent manner.

2. One Time Settlements –
   - Bank offers One Time Settlement (OTS) option for NPA accounts
   - Bank has two schemes for one time settlements 1. Special OTS Scheme for accounts having o/s upto 10 crores.2. NPV approach for all NPA accounts.
   - Bank has launched, a well-designed e-OTS scheme, which offers significant advantages to borrowers and bank, promoting efficiency, transparency and faster processing. e-OTS will also minimize the need for borrowers to visit bank branches and making the process more user friendly, convenient and accessible.

3. Insolvency & Bankruptcy Code, 2016
   - Dedicated NCLT Cell has been formed at Central Office to deal with accounts admitted in NCLT.
   - CoC meetings & hearings at NCLT are being attended by Senior Officials & Law Officers from Central Office.
   - We are ensuring that no adjournment are taken in NCLT from bank side.

- Simultaneously we are approaching NCLT for invoking Personal Guarantee (PG)/Corporate Guarantee (CG)

4. Suit Filing-
   - DRT suit is filed in eligible NPA accounts within six months of account turning to NPA.
   - Decreed accounts are vigorously followed up for execution of Recovery Certificate.
   - Bank uses digital platform "Pro-vakil" for following suit filed cases.
   - We ensure that no adjournments are taken from Bank side.

5. Out Sourcing –
   - Services of Enforcement Agencies / Resolution Agencies are being used for recovery /resolution of NPAs.
   - Competitive charges are being paid to Enforcement Agencies for their services for recovery / resolution.
   - Services of Detective Agencies are used for tracing out personal properties of borrower/ guarantor/ director.
   - Services of Real Estate Agencies/supporting agencies are used for finding purchaser / buyer for the properties put on auction by the Bank.

6. ARC Sale / NARCL -
   - Bank explores possibility of sale of NPA A/Cs to ARCs/ NARCL on individual or on portfolio basis to Asset Reconstruction Companies (ARCs) through various methods like normal auction or SWISS Challenge Method for transparent price discovery. Bank opts for ARC Sale / transferring account to NARCL for following reasons
     a. Quick disposal
     b. It saves on time value of recovery, since no litigations are involved
     c. Quick realization (if sold under 100% cash basis.)

7. Restructuring-
   - Bank offers restructuring options for accounts under stress.

8. Wilful Defaulter / Non Cooperative Borrowers–
   - Bank has laid down policy guidelines and procedure for declaration of Wilful Defaulters in line with RBI guidelines.

Initiative taken by SAM & Recovery Department -

1. Digitization –
   - Bank has approved, a well-designed e-OTS scheme, which offers significant advantages to borrowers and bank, promoting efficiency, transparency and faster processing. e-OTS will also minimize the need for borrowers to visit bank branches and making the process more user friendly, convenient and accessible.

2. Advanced Collection Management –
   - Using AI Model, reports on SMA accounts are generated by CBS system and further classified into Low, Medium, High risk by Data Analytics team.
   - Treatment strategy and selection of channel for follow up of accounts will be based on model output.
   - Communication channels for follow up are broadly classified as under
     a. Digital Mode – SMS , IVR and BOT
     b. Call Centre Agents
     c. Feet on Street (FoS) – Agent visits.
   - Freshly slipped accounts have also been allotted to vendors under Advanced Collection Management.

3. Outsourcing –
   - Bank is leveraging the services of RERA-Registered Property Dealers/Real Estate Agents/ Supporting Agencies to enhance the success rate of selling secured assets possessed under SARFAESI Act 2002.
   - The Charges being paid to Enforcement Agencies for securing physical possession of assets have been revised for greater competitiveness.

4. Property Expo-
   - The Bank is organizing quarterly property EXPOs where secured assets are showcased for wide publicity, ensuring effective realization and attracting prospective buyers

Our Bank's gross NPA ratio decreased from 8.44 % as of March 31, 2023 to 4.50 % as of March 31, 2024. Our Bank's net NPA ratio decreased from 1.77 % as of March 31, 2023 to 1.23 % as of March 31, 2024.

See "*Risk Factors — Risks Relating to the Bank's Business — If we are not able to control or reduce the level of non-performing assets in our portfolio or any increase in our NPA portfolio, RBI mandated provisioning requirements could adversely affect our business, financial conditions and results of operations*" on page 42.

The following table sets forth, for the periods indicated, information about the Bank's NPA portfolio.

(in ₹ crore)

Non-Performing Assets	As at March 31,		
	2022	2023	2024
Gross NPAs	28,156	18,386	11,340
Specific provisions (NPA and NPV provisions)	21,481	14,794	8,338
Floating provisions	0	0	0
NPA net of provisions and net table credits	6,675	3,592	3,002
Gross customer assets	1,89,712	2,17,779	2,51,745
Net customer assets	1,68,174	2,02,984	2,43,406
Gross NPAs/gross customer assets (%)	14.84	8.44	4.5
Net NPAs/net customer assets (%)	3.97	1.77	1.23
Specific provision as a percentage of gross NPAs	76.29	80.46	73.53
Total provisions as a percentage of gross NPAs	76.29	80.46	73.53
Slippage Ratio (%)	3.2	2.52	2.57
Delinquency Ratio(%)	7.87	5.91	6.32
NNPA/Net-worth	0.28	0.14	0.11
Provision cover (including prudential write-offs)	86.69	92.48	93.58

(in ₹ crore)

Non-Performing Assets	Nine month period ended December 31, 2024
Gross NPAs	10,460
Specific provisions (NPA and NPV provisions)	8,905
Floating provisions	
NPA net of provisions and net table credits	1,555
Gross customer assets	2,70,779
Net customer assets	2,61,874
Gross NPAs/gross customer assets (%)	3.86
Net NPAs/net customer assets (%)	0.59
Specific provision as a percentage of gross NPAs	85.13
Total provisions as a percentage of gross NPAs	85.13
Slippage Ratio (%)	0.98
Delinquency Ratio (%)	5.64
NNPA/Net-worth	0.05
Provision cover (including prudential write-offs)	96.54

The Bank's net provisioning coverage ratio as of March 31, 2022, March 31, 2023, and March 31, 2024, and December 31, 2024 computed as per RBI guidelines, was 86.69%, 92.48%, 93.58%, and 96.54% respectively.

The following table sets forth, for the periods indicated, information about Bank's provisions against NPAs.

(in ₹ crore)

Particulars	Year ended March 31,		
	2022	2023	2024
Specific provisions:			
Specific provisions at the beginning of the period	19,149.48	2,04,65.86	13,654.91
Additions during the period	3,723.97	3,962.29	3,783.17
Reductions during the period on account of recovery and write-offs	2,407.59	10,773.24	10,281.47
Specific provisions at the end of the period	20,465.86	13,654.91	7,156.61
Floating provisions:			

Particulars	Year ended March 31,		
	2022	2023	2024
Floating provisions at the beginning of the period	0	0	0
Additions during the period	0	0	0
Utilizations during the period	0	0	0
Floating provisions at the end of the period	0	0	0
Total specific and floating provisions at the end of the period	0	0	0

(in ₹ *crore*)

Particulars	Nine month period ended December 31, 2024
Specific provisions:	
Specific provisions at the beginning of the period	7,156.61
Additions during the period	2,033.36
Reductions during the period on account of recovery and write-offs	1,372.30
Specific provisions at the end of the period	7,817.67
Floating provisions:	
Floating provisions at the beginning of the period	0
Additions during the period	0
Utilizations during the period	0
Floating provisions at the end of the period	0
Total specific and floating provisions at the end of the period	0

The following table sets forth the classification of gross loan assets of the Bank at the dates indicated.

(in ₹ *crore*)

Particulars	As at March 31,		
	2022	2023	2024
Standard	1,61,555.99	1,99,392.59	2,40,404.33
Non-performing assets	28,156.22	18,386.12	11,340.34
Sub-standard assets	3,098.30	2,346.23	2,294.96
Doubtful assets	22,185.95	10,408.00	7,559.02
Loss assets	2,871.97	5,631.89	1,486.36
Total	**1,89,712.21**	**2,17,778.71**	**2,51,744.67**

(in ₹ *crore*)

Particulars	Nine month period ended December 31, 2024
Standard	2,60,319.44
Non-performing assets (Gross)	10,459.89
Sub-standard assets	1,942.58
Doubtful assets	7,504.31
Loss assets	1,013.00
Total	**2,70,779.33**

The following table sets forth the Bank’s NPAs for its ten largest accounts, broken down by industry, as of December 31, 2024.

(in ₹ *crore*)

Borrower’s Industry	Gross Principal Outstanding
Transport Operator - Air	1,927.40
Food Processing	336.31
Manufacturing	127.50
Manufacturing	86.03
Construction	72.96

Borrower's Industry	Gross Principal Outstanding
Textile	72.19
Real Estate	63.44
Retail Trade	61.66
Infrastructure	51.71

The following table sets forth the movement of the Bank's NPAs as of the periods indicated:

(in ₹ *crore*)

Movement of NPAs	Year ended March 31		
	2022	2023	2024
Gross NPA – opening	29,277	28,156	18,386
Additions	4,718	4,076	5,124
Reductions of which:	5,839	13,846	12,170
Recovery + Upgrades	4,590	3,575	2,167
Write-off	1,236	10,258	10,001
Transfer to ARCs	13	13	2
Gross NPA – closing	28,156	18,386	11,340
Provisions, ECGC claim settled			
Net NPA	6,675	3,592	3,002
Provision cover – specific (%) (NPA accounts only)			
Provision cover – including technically written-off (%)			

(in ₹ crore)

Movement of NPAs	Nine month period ended December 31, 2024
Gross NPA – opening	11,340
Additions	2,368
Reductions of which:	3,248
Recovery + Upgrades	1,852
Write-off	1,352
Transfer to ARCs	44
Gross NPA – closing	10,460
Provisions, ECGC claim settled	
Net NPA	1,555
Provision cover – specific (%) (NPA accounts only)	
Provision cover – including technically written-off (%)	

The following table sets forth the Bank's segment-wise NPA Position

(in ₹ crore)

Sector NPA	December 31, 2024
Total Retail Segment	858
Housing	529
Education	126
Vehicle	50
Others	153
Total MSME Segment	2,943
Micro	1,738
Small	850
Medium	355
Agriculture Segment	3,283
Corporate Segment	3,376
Grand Total	10,460

Recognition of NPAs and Provisioning

RBI Classification and Provisioning Requirements

The Bank classifies its assets in accordance with the RBI guidelines. The RBI guidelines require Indian banks to classify their NPAs into three categories, as described below, based on the period for which the asset has remained non performing and the estimated realization of amounts due in relation to such asset. Further, the NPA classification is at the borrower level, rather than at the facility level and, accordingly, if one of the advances granted to a borrower becomes non-performing, such borrower is classified as non-performing and all advances due from it are so classified.

A non-performing asset is a loan or an advance where: (i) interest and/or instalment of principal remains overdue for a period of more than 90 days in respect of a term loan; (ii) the account remains "out of order" in respect of an overdraft or cash credit; (iii) the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted; (iv) the instalment of principal or interest thereon remains overdue for two crop seasons for short duration crops; (v) the instalment of principal or interest thereon remains overdue for one crop season for long duration crops; (vi) the amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitization transaction undertaken in terms of Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021; or (vii) 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. According to guidelines specified by RBI in July 2013, an account should be classified as an NPA on the basis of the record of recovery and not merely on deficiencies which are temporary in nature, such as non-renewal of limits on the due date or non-submission of stock statements.

Further, RBI requires the banks to classify an account as a non-performing asset only if the interest due and charged during any quarter is not serviced fully within 90 days from the end of the quarter

Assets are classified as below:

Standard asset	Performing assets are Standard Assets which do not disclose any problem and which do not carry more than the normal risk attached to the business. The performing asset is one which generates income for the bank.
Sub-standard asset	With effect from March 31, 2005, a Sub-standard Asset would be one which has remained a NPA for a period less than or equal to 12 months.
Doubtful asset	With effect from March 31, 2005, an asset would be classified as doubtful if it had remained in the sub-standard category for 12 months. Further, these doubtful assets are to be classified into the following three categories, depending on the period for which such assets have been classified as doubtful: • assets which have remained in the doubtful category for a period of up to one year; • assets which have remained in the doubtful category for a period of more than one year but less than three years; and • assets which have remained in the doubtful category for a period of more than three years.
Loss asset	In accordance with RBI guidelines, a loss asset is one where the loss has been identified by the bank, internal auditor, external auditors or the RBI at the time of inspection, but the amount has not been written off wholly. In cases of serious credit impairment, an asset is required to be immediately classified as doubtful or as a loss asset, as appropriate. Further, erosion in the value of the security provided may also be considered significant when the realizable value of the security is less than 50.00% of the value as assessed by the bank or as accepted by RBI at the time of the last inspection of the security, as the case may be. In such a case, the assets secured by such impaired security may immediately be classified as doubtful, and provisioning should be made as applicable to doubtful assets. If the realizable value of the security, as assessed by the bank or approved valuation agents or by RBI, is less than 10.00% of the outstanding amount in the borrower's accounts, the existence of security should be ignored and the asset should be immediately classified as a loss asset and it may be either written off or fully provided for by the bank.

The following table provides a summary of the Bank's gross loan assets as of the periods indicated, in accordance with RBI classifications.

(in ₹ crore)

Asset Category	As of March 31,		
	2022	2023	2024
Standard assets	1,61,555.99	1,99,392.59	2,40,404.33
Sub-standard assets	3,098.30	2,346.23	2,294.96
Doubtful assets	22,185.95	10,408.00	7,559.02
Loss assets	2,871.97	5,631.89	1,486.36
Total	**1,89,712.21**	**2,17,778.71**	**2,51,744.67**

(in ₹ crore)

Asset Category	As of December 31, 2024
Standard assets	**2,60,319.00**
Sub-standard assets	1,943
Doubtful assets	7,504
Loss assets	1,013
Total	**2,70,779.00**

The following table sets forth the Bank's provisions for possible credit losses at the dates indicated.

(in ₹ crore)

Asset Category	As of March 31,		
	2022	2023	2024
Provision held	20,465.86	13,654.91	7,156.61
Provision held as percentage of gross advances	10.79	6.27	2.84
Provision held as percentage of gross NPAs	72.69	74.27	63.11

(in ₹ crore)

Asset Category	As of December 31, 2024
Provision held	7,817.67
Provision held as percentage of gross advances	2.89
Provision held as percentage of gross NPAs	74.74

Restructured Assets

The RBI has issued separate guidelines for restructured assets. A fully secured standard asset can be restructured by rescheduling principal repayments and/or the interest element, but it must be separately disclosed as a restructured asset. The amount of sacrifice, if any, in the element of interest, measured in present value terms, is either written-off, or provision is made to the extent of the sacrifice involved. Similar guidelines apply to substandard assets. The sub-standard assets which have been subjected to restructuring as per earlier guidelines of RBI, whether in respect of a principal instalment or an interest amount, are eligible to be upgraded to the standard category only after the specified period, which is a period of one year after the date when first payment of principal or interest, whichever is earlier, falls due, subject to satisfactory performance during the period.

The following table sets forth a summary of the Bank's restructured assets as of and for the Fiscal year ended March 31, 2024 and nine months ended December 31, 2024.

(in ₹ crore)

Particulars	Standard	NPAs	Total
Restructured assets as of April 01, 2023	6765.83	9302.38	16068.21
New restructured assets during Fiscal 2024	688.56	224.08	912.64
Asset upgraded to restructured assets during Fiscal 2024	436.68	(436.68)	0.00
Restructure assets downgraded during Fiscal 2024	(713.03)	713.03	0.00
Change in outstanding/write off/recovery/closures during Fiscal	(723.46)	(1067.87)	(1791.33)
Restructured assets as of March 31, 2024	**6454.58**	**8734.94**	**15189.52**

(in ₹ crore)

Particulars	Standard	NPAs	Total
Restructured assets as of April 01, 2024	6455.58	8734.92	15190.52
New restructured assets during Fiscal 2025 (till December 31, 2024)	5.86	0.27	6.13
Asset upgraded to restructured assets during Fiscal 2025 (till December 31, 2024)	347.42	(347.42)	0.00
Restructure assets downgraded during Fiscal 2025 (till December 31, 2024)	(310.48)	310.48	0.00
Change in outstanding/write off/recovery/closures during Fiscal (till December 31, 2024)	(982.04)	(827.44)	(1809.48)
Restructured assets as of December 31, 2024	**5515.34**	**7870.83**	**13386.17**

Note:

(1) Restructured assets amount is inclusive of GECL and FITL accounts.

(2) Restructured standard advances which no longer required higher provisioning and therefore not required to be classified as a restructured asset.

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024
Standard Restructured Advances (in ₹ crore)	8793.81	6756.83	6454.58
Standard Restructured Advances (as a % of Standard credit)	5.54	3.39	2.68
SMA*(I & II), as a % of Standard credit	0.53	1.06	0.71
Standard Adv. / Total Adv. (%)	4.64	3.10	2.56

Particulars	Nine month Period ended December 31, 2024
Standard Restructured Advances (in ₹ crore)	5515.34
Standard Restructured Advances (as a % of Standard credit)	2.12
SMA*(I & II), as a % of Standard credit	0.41
Standard Adv. / Total Adv. (%)	2.04

The following table sets forth restructured standard assets of the Bank by industry, as of March 31, 2024 and December 31, 2024.

(in ₹ crore, except percentages)

Business segment	As of March 31, 2024	
	Amount	Percentage of Total
Agri and Agri processing	499.38	7.74
Auto and Auto anciliary	10.87	0.17
Cement	8.43	0.13
Education Trusts	0.00	0.00
Engineering	128.39	1.99
Hotel	63.24	0.98
Infrastructure- other than power	459.74	7.12
Iron and Steel	18.47	0.29
Oil Exploration	0.00	0.00
Others	4506.54	69.82
Pharmaceuticals	0.00	0.00
SME	676.87	10.49
Textile	82.66	1.28
Grand Total	**6454.59**	**100.00**

(in ₹ crore, except percentages)

Business segment	As of December 31, 2024	
	Amount	Percentage of Total
Agri and Agri processing	314.63	5.70
Auto and Auto anciliary	10.20	0.18

Business segment	As of December 31, 2024	
	Amount	Percentage of Total
Cement	6.87	0.12
Education Trusts	0	0
Engineering	94.51	1.71
Hotel	49.87	0.90
Infrastructure- other than power	537.15	9.74
Iron and Steel	20.06	0.36
Oil Exploration	0	0
Others	3919.64	71.07
Pharmaceuticals	0	0
SME	513.33	9.31
Textile	49.08	0.89
Grand Total	**5515.34**	**100**

Provisioning and Write-Offs

RBI guidelines on provisioning and write-offs are as follows~~:~~

Standard asset	A general provision on Standard Assets with a minimum of 0.40% is to be made with the exception of direct advances to agriculture, individual housing loans and MSME sectors for which a provision of 0.25% will be made, and for residential housing loans under "teaser" loan category, a provision of 2.00% will be made. For commercial real estate loans, a provision of 1.00% will be made. Further in case of advance restructured with effect from June 1, 2016 and prior to June 1, 2016, a provision of 5.00% and 3.50% respectively is done for a period covering moratorium and two years thereafter if the account remains standard.
Sub-standard asset	A general provision of 15.00% on total outstanding loans should be made without making any allowance for Export Credit Guarantee Corporation of India (ECGC) guarantee cover and securities available. The unsecured outstanding i.e. ab initio which are identified as sub-standard would attract an additional provision of 10.00% (*i.e.* a total of 25.00% on the outstanding balance).
Doubtful asset	Provisioning at 100.00% is to be made for the deficit portion i.e. to the extent to which advances are not covered by the realizable value of the security. With regard to the secured portion, as per the revised guidelines of the RBI, provision is to be made at rates ranging from 25.00% to 100.00% of the secured portion depending upon the period for which the advance has remained in the doubtful category. In regard to the secured portion, provision is to be made in accordance with the table below: Period for which advance remained in "Doubtful" category — Provision Requirement (%) Up to one year — 25.00% One to three years — 40.00% More than three years — 100.00%
Loss asset	The entire asset is written off or 100.00% provision is made on outstanding amount.

Floating Provisions

In June 2006, the RBI issued prudential norms on creation and utilization of floating provisions (i.e., provisions which are not made in respect of specific non-performing assets or are made in excess of regulatory requirements for provisions for Standard Assets). The norms state that floating provisions can be used only for contingencies under extraordinary circumstances for making specific provisions in impaired accounts after obtaining approval from the Board of Directors and with the prior permission of the RBI. These extraordinary circumstances would broadly fall under three categories: (i) general, wherein the bank is put unexpectedly to loss due to events such as civil unrest, collapse of currency in a country, natural calamities, pandemics etc; (ii) market, wherein there is a general meltdown in the markets affecting the entire financial system; and (iii) credit, wherein exceptional credit losses are encountered. Floating provisions for advances and investments would be held separately and cannot be reversed by credit to the profit and loss account. Until utilization of such provisions, they can be netted out from gross non-performing assets to arrive at disclosure of net non-performing assets. Alternatively, floating provisions can be treated as part of Tier II capital within the overall ceiling of 1.25% of total risk-weighted assets.

Analysis of Non-Performing Loans by Industry Sector

The following tables set forth, for the periods indicated, the Bank's NPAs, by borrowers' industry or economic activity and as a percentage of its loans in the respective industry or economic activities sector. These figures do not include credit substitutes.

(in ₹ crore, except percentages)

Borrower industry or economic activity	March 31, 2022			March 31, 2023			March 31, 2024		
	Gross Loans	NPA	% of NPA in Industry	Gross Loans	NPA	% of NPA in Industry	Gross Loans	NPA	% of NPA in Industry
Basic Metal and Metal Products	3,501.48	1,472.11	42.04	4,410.35	920.65	20.87	7,726.27	496.61	6.43
Coal and Mining	444.33	205.96	46.35	391.35	24.99	6.39	156.78	3.66	2.33
All Engineering	5,102.59	3,354.83	65.75	1,854.45	324.45	17.50	1,756.34	267.86	15.25
Textiles	1,992.32	1,120.23	56.23	1,970.24	531.72	26.99	2,691.53	340.50	12.65
Infrastructure	19,208.15	3,888.30	20.24	22,955.26	2,142.63	9.33	24,325.30	675.25	2.78
Of which power and distribution companies	3,678.44	807.55	21.95	4,842.15	263.49	5.44	3,576.71	71.04	1.99
Construction & Contractors	2,700.27	629.34	23.31	2,756.44	207.58	7.53	1,519.49	139.96	9.21
Other Industries (Including other sectors)	26,055.55		0.00	16,063.28		0.00	10,047.13	703.82	7.01
Total	**62,683.13**	**13,207.80**	**21.07**	**55,243.50**	**5,917.68**	**10.71**	**51,799.55**	**2,698.70**	**5.21**

(in ₹ *crore*, except percentages)

Borrower industry or economic activity	December 31, 2024		
	Gross Loans	NPA	% of NPA in Industry
Basic Metal and Metal Products	7,626.50	183.81	2.41
Coal and Mining	258.97	3.66	1.41
All Engineering	2,356.34	292.08	12.40
Textiles	3,540.32	317.69	8.97
Infrastructure	20,192.72	321.78	1.59
Of which power and distribution companies	2,786.35	68.87	2.47
Construction & Contractors	1,400.33	135.34	9.66
Other Industries (Including other sectors)	20,265.36	894.90	4.42
Total	**58,426.88**	**2,218.13**	**2.41**

Business segment analysis of the Bank's domestic NPA portfolio as of December 31, 2024:

(in ₹ crore)

Business segment	**As of December 31, 2024**
Corporate	3,376
Small and Medium Enterprises	2,943
Retail	858
Agriculture	3,283
Total	**10,460**

Business segment analysis of the Bank's retail sector NPA portfolio as of December 31, 2024:

(in ₹ crore)

Particulars	**Advances (in ₹ crores)**	**Sector NPA (in ₹ crore)**	**Sector NPA%**
Total Retail Credit	79,927.08	858	1.07
(Of which)			
Housing	50,312.48	529	1.05
Education	3,840.77	126	3.28
Vehicle	5,296.01	50	0.94
Others	20,477.83	153	0.75

Business segment analysis of the Bank's MSME sector NPA portfolio as of December 31, 2024:

(in ₹ *crore*)

Particulars	**Advances (in ₹ crore)**	**Sector NPA (in ₹ crore)**	**Sector NPA%**
Total MSME Credit	58102.10	2,943	5.07
(Of which)			
Micro	34204.41	1,738	5.08
Small	16454.33	850	5.17
Medium	7443.36	355	4.77

Top Five Non-Performing Industries/Sectors

The following table sets forth information regarding the Bank's five largest NPAs, classified by industry sector, as well as the value of the collateral securing the loan, as of December 31, 2024. However, the net realizable value of such collateral may be substantially less.

(in ₹ crore, except percentages)

Industry	**Type of Banking Arrangement**	**Gross Principal Outstanding**	**Provisions**	**Principal Outstanding Net of Provisions for Credit Losses**
Transport Operator	Consortium	1,927.40	1927.40	0
Food Processing	Sole	181.20	12.46	168.74
Food Processing	Sole	155.11	149.89	5.22
Engg & Mfg	Consortium	127.50	127.50	0
Rubber, Plastic & Products	Sole	86.03	22.39	63.64

Management of Stressed Assets

An integrated approach to review and manage stressed assets including rehabilitation and restructuring has been put in place. The primary intent in the approach is to ensure that a Special Managed Account ("SMA") (account showing sign of trouble) does not slip into an NPA. Identification, determination of the cause of the problem and initiation of remedial measures on a proactive basis are the hallmarks of this approach.

A separate vertical, stressed assets management vertical has been established in order to review the stressed assets on an ongoing basis. The appropriate reviewing authority would give necessary directions on the recommended action plan. Based on a detailed viability study, if the unit is found viable, it is put on a rehabilitation package. Borrowers accounts may also be referred to the NCLT on a selective basis for resolution.

NPA Management

Our Bank's NPA management consists of the following aspects:

(a) Initiating recovery action on slippage of accounts, including taking non-legal recovery actions or initiating legal action.

(b) Conducting recovery meetings at regional and zonal levels to arrive at settlements which are both cost effective and mutually beneficial. Recovery meetings involve inviting defaulting borrowers of the Bank in order to negotiate and reach mutually agreeable settlement proposals.

(c) Compromise settlements through Lok Adalats ("people's courts"), established by the Government to facilitate the efficient settlement of disputes by way of mutual agreement. While any claim can be brought to a Lok Adalat, given that the Lok Adalats do not charge any fees and their decisions are binding on the parties, it is often quicker to resolve disputes through a Lok Adalat than through regular courts. In light of this, the Bank strives to recover NPAs through the Lok Adalats as much as practicable.

(d) Follow up of NCLT cases- All the NCLT cases were thoroughly followed up for early resolutions. Follow up with Resolution Professionals are done on regular basis to speed up the resolution process. Section 7 application of IBC 2016 is being initiated against the eligible corporate debtors. Under Sec 95 of IBC- PIRP is being initiated against the personal guarantor.

(e) Reporting of wilful defaulters with outstanding amounts equal to a ₹ 0.25 crore and more to the RBI. The RBI then consolidates the data of such wilful defaulters and disseminates this information amongst banks for their use. While the Bank does not rehabilitate or restructure NPAs of a wilful defaulter, it enters into an acceptable mutual settlement with such a borrower.

(f) Close monitoring of "compromise settled accounts" for recovery in accordance with the terms of settlement. By maintaining open dialogue with borrowers of the compromise settled accounts, the Bank seeks to recover its NPAs within specified periods and with minimum costs.

(g) Aggressively pursuing and achieving substantial progress in respect of measures allowed to be implemented by the Bank under the SARFAESI Act.

(h) Monitoring the recovery of overdue amounts under any account by law officers subject to a court ruling. The role of such law officers is to liaise with the advocate, branch and debtor and the Debt Recovery Tribunal during the relevant debt recovery action, and to take timely action

(i) Invoking the provision of Insolvency and Bankruptcy Code, sale of assets to ARCs and restructuring of the assets are some of the other NPA management tools applied based on consideration including security available and viability of the unit upon restructuring.

(j) Strict adherence to rehabilitation packages under the CDR (for both normal and SME accounts) and monitoring the accounts closely for early recovery.

See "*Risk Factors - Risks Relating to our Business — If we are not able to control or reduce the level of non-performing assets in our portfolio or any increase in our NPA portfolio, RBI mandated provisioning requirements could adversely affect our business, financial conditions and results of operations." on page 42.*

Capital Adequacy

The following table sets forth, for the periods indicated, our Bank's capital adequacy ratios computed as per applicable RBI guidelines:

(in ₹ crore, except percentages)

Particulars	As at March 31,		
	2022	2023	2024
Common equity tier I (CET I)	17,049.44	20,099.54	23,966.45
Additional tier I capital			
Tier I capital	17,049.44	20,099.54	23,966.45
Tier II capital	3,510.43	3,334.76	5,037.52
Total capital	20,559.87	23,434.30	29,003.97
Risk weighted assets	1,48,506.28	1,65,934.44	1,92,320.01
CET I ratio (%)	11.48	12.11	12.46
Tier I capital ratio	11.48	12.11	12.46
Tier II capital ratio	2.36	2.01	2.62
Total capital ratio	13.84	14.12	15.08

Notes:
Tier I and Tier II capital, risk weighted assets and capital adequacy ratios have been calculated in accordance with RBI guidelines (Basel III Capital Regulations, generally referred to as Basel III). See the section *"Regulation and Policies in India" on page 233.*

(in ₹ crore, except percentages)

Particulars	As at December 31, 2024
Common equity tier I (CET I)	28,838.45
Additional tier I capital	NIL
Tier I capital	28,838.45
Tier II capital	4,499.38
Total capital	33,337.83
Risk weighted assets	2,02,956.12
CET I ratio (%)	14.21
Tier I capital ratio	14.21
Tier II capital ratio	2.22
Total capital ratio	16.43

Notes:
Tier I and Tier II capital, risk weighted assets and capital adequacy ratios have been calculated in accordance with RBI guidelines (Basel III Capital Regulations, generally referred to as Basel III). See the section *"Regulation and Policies in India" on page 233.*

The following table sets forth, for the periods indicated, our risk weighted assets (RWA) pertaining to credit risk, market risk and operational risk computed as per applicable the RBI guidelines in accordance with Basel III:

(in ₹ crore, except percentages)

Particulars	As at March 31,		
	2022	2023	2024
Credit risk RWA	1,19,000.01	1,38,521.32	1,58,858.25
Market risk RWA	11,109.87	8,172.68	11,404.44
Operational risk RWA	18,396.40	19,240.44	22,057.32
Total risk weighted assets	1,48,506.28	1,65,934.44	1,92,320.01

(in ₹ crore, except percentages)

Particulars	As at December 31, 2024
Credit risk RWA	1,74,020.04
Market risk RWA	3,571.72
Operational risk RWA	25,364.36
Total risk weighted assets	2,02,956.12

Liquidity

(in ₹ crore)

Particulars	As at March 31,		
	2022	2023	2024
HQLA (Amount)	1,26,579.26	105568.86	98589.15
Total Asset (Amount)	3,86,565.56	406165.48	4,46,672.68
HQLA/ Total Asset (%)	32.74	25.99	22.07
Liquid Asset (Cash & Investments)/Deposits (%)	24.58	18.76	16.26
Cash/ Total Asset (%)	0.38	0.37	0.32
LCR(%)	327.20	288.02	175.20
NSFR(%)	168.67	161.50	154.93

(in ₹ crore)

Particulars	As at December 31, 2024
HQLA (Amount)	97,156.42
Total Asset (Amount)	4,67,219.84
HQLA/ Total Asset (%)	20.79
Liquid Asset (Cash & Investments)/Deposits (%)	17.09
Cash/ Total Asset (%)	0.34
LCR(%)	181.30
NSFR(%)	140.44

Digital and Technology initiatives

Particulars	As at December 31, 2024	As at March 31, 2024
Debit Card Base (crore)	2.82	2.92
Digital transaction (%)	84.93	81.04
UPI/BHIM Transactions (crore)	264.03	269.31
Mobile Banking Users (crore)	0.89	0.76
UPI/BHIM Users (crore)	0.40	0.33
Internet Banking Users (crore)	1.13	1.08
QR Merchant Onboarding (crore)	0.19	0.13

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available documents from various sources and has not been prepared or independently verified by our Bank, the Book Running Lead Managers or any of their affiliates or advisers. Data in this section may have been re-classified by us for the purposes of presentation. The accuracy and completeness of the industry sources and publications referred to by us, and the underlying assumptions on which such sources and publications are based, are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Further, statements in this section that are not statements of historical fact constitute "forward-looking statements". Such forward-looking statements are subject to various risks, assumptions and uncertainties and certain factors could cause actual results to materially differ. Accordingly, prospective investors should not base their investment decision, or otherwise place undue reliance, on this information. If one source is used for an entire paragraph, the source for the information in that paragraph is given at the end of that paragraph.

Global Macroeconomic Outlook

Global growth is expected to remain stable yet underwhelming at 3.2 percent in 2024 and 2025. However, notable revisions have taken place beneath the surface, with upgrades to the forecast for the United States offsetting downgrades to those for other advanced economies—particularly the largest European countries. Likewise, in emerging market and developing economies, disruptions to production and shipping of commodities, especially oil—conflicts, civil unrest, and extreme weather events have led to downward revisions to the outlook for the Middle East and Central Asia and that for sub-Saharan Africa. These have been compensated for by upgrades to the forecast for emerging Asia, where surging demand for semiconductors and electronics, driven by significant investments in artificial intelligence, has bolstered growth. The latest forecast for global growth five years from now—at 3.1 percent—remains mediocre compared with the pre-pandemic average. Persistent structural headwinds—such as population aging and weak productivity—are holding back potential growth in many economies. *(Source: IMF World Economic Outlook, October 2024).*

Cyclical imbalances have eased since the beginning of the year, leading to a better alignment of economic activity with potential output in major economies. This adjustment is bringing inflation rates across countries closer together and on balance has contributed to lower global inflation. Global headline inflation is expected to fall from an annual average of 6.7 percent in 2023 to 5.8 percent in 2024 and 4.3 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. As global disinflation continues to progress, broadly in line with the baseline, bumps on the road to price stability are still possible. Goods prices have stabilized, but services price inflation remains elevated in many regions, pointing to the importance of understanding sectoral dynamics and of calibrating monetary policy accordingly. *(Source: IMF World Economic Outlook, October 2024)*

Global financial conditions remain largely accommodative, again with some differentiation across jurisdictions. Equities in advanced economies have rallied on expectations of more business- friendly policies in the United States. In emerging market and developing economies, equity valuations have been more subdued, and a broad-based strengthening of the US dollar, driven primarily by expectations of new tariffs and higher interest rates in the United States, has kept financial conditions tighter. *(Source: IMF World Economic Outlook Update, January 2025).*

Global growth is expected to remain stable, albeit lackluster. At 3.3 percent in both 2025 and 2026, the forecasts for growth are below the historical (2000–19) average of 3.7 percent and broadly unchanged from October. The overall picture, however, hides divergent paths across economies and a precarious gas fields. Nonfuel commodity prices are expected to increase by 2.5 percent in 2025, on account of upward revisions to food and beverage prices relative to the October 2024 WEO, driven by bad weather affecting large producers. Monetary policy rates of major central banks are expected to continue to decline, though at different paces, reflecting variations in growth and inflation outlooks. The fiscal policy stance is expected to tighten during 2025–26 in advanced economies including the United States and, to a lesser extent, in emerging market and developing economies. *(Source: IMF World Economic Outlook Update, January 2025).*

Global disinflation continued as oil and gas prices fell in August and early September amid robust supply and concerns of slowing demand. Partly because of geopolitical tensions, gold prices have reached record highs in October. *(Source: World Bank Global Monthly October 2024).* In addition, one-year ahead policy rate expectations in EMDEs edged slightly higher amid a slower-than-expected disinflation process. After headline inflation (y/y) slowed in three- quarters of EMDEs in September, incoming data suggest that this disinflation process may have slowed somewhat in October, contributing to a slight rise in one-year-ahead policy interest rate expectations. *(Source: World Bank Global Monthly November-December 2024).*

Portfolio flows to emerging markets have been positive on net in recent months. Several countries, notably Egypt and Türkiye, have experienced large inflows into local currency bonds amid renewed investor optimism about the outlook despite lingering debt challenges and elevated inflation, and flows into Indian markets have benefited from India's inclusion in global bond indices. (*Source: IMF- Global Financial Stability Report, October 2024*).

Indian Economy

In emerging market and developing economies, growth performance in 2025 and 2026 is expected to broadly match that in 2024. With respect to the projection in October, growth in 2025 for China is marginally revised upward by 0.1 percentage point to 4.6 percent. This revision reflects carryover from 2024 and the fiscal package announced in November largely offsetting the negative effect on investment from heightened trade policy uncertainty and property market drag. In 2026, growth is projected mostly to remain stable at 4.5 percent, as the effects of trade policy uncertainty dissipate and the retirement age increase slows down the decline in the labor supply. In India, growth is projected to be solid at 6.5 percent in 2025 and 2026, as projected in October and in line with potential. *(Source: IMF World Economic Outlook Update*, *January 2025).*

The global economy remains stable with growth holding up amidst waning inflation, albeit at a slow pace. Geopolitical risks and policy uncertainty, especially with respect to trade policies, have imparted heightened volatility to global financial markets. On the domestic front, real gross domestic product (GDP) registered a lower than expected growth of 5.4 per cent in Q2:2024-25 as private consumption and investment decelerated even while government spending recovered from a contraction in the previous quarter. On the supply side, the growth in gross value added (GVA) during Q2 was aided by resilient services and improving agriculture sector, but weakness in industrial activity – manufacturing, electricity and mining – tempered overall growth. Looking ahead, robust kharif foodgrain production and good rabi prospects, coupled with an expected pickup in industrial activity and sustained buoyancy in services augur well for private consumption. Investment activity is expected to pick up. Resilient world trade prospects should provide support to external demand and exports. Headwinds from geo-political uncertainties, volatility in international commodity prices, and geo-economic fragmentation continue to pose risks to the outlook. Taking all these factors into consideration, real GDP growth for 2024-25 is projected at 6.6 per cent with Q3 at 6.8 per cent; and Q4 at 7.2 per cent. Real GDP growth for Q1:2025-26 is projected at 6.9 per cent; and Q2 at 7.3 per cent. The risks are evenly balanced. *(Source: Minutes of the Monetary Policy Committee Meeting of the RBI, December 4 to 6, 2024).* The Indian economy is exhibiting steady growth, underpinned by solid macroeconomic fundamentals and strong domestic growth drivers. The domestic financial system is demonstrating resilience, supported by healthy balance sheets of banks and non-banks, and fortified by strong capital buffers, robust earnings and improving asset quality. (*Source: RBI – Financial Stability Report December 2024*).

Headline CPI inflation surged above the upper tolerance level to 6.2 per cent in October from 5.5 per cent in September and sub-4.0 per cent prints in July-August, propelled by a sharp pick-up in food inflation and an uptick in core (CPI excluding food and fuel) inflation. Going forward, food inflation is likely to soften in Q4 with seasonal easing of vegetables prices and kharif harvest arrivals; and good soil moisture conditions along with comfortable reservoir levels auguring well for rabi production. Adverse weather events and rise in international agricultural commodity prices, however, pose upside risks to food inflation. Even though energy prices have softened in the recent past, its sustenance needs to be monitored. Businesses expect pressures from input costs to remain elevated and growth in selling prices to accelerate from Q4. Taking all these factors into consideration, CPI inflation for 2024-25 is projected at 4.8 per cent with Q3 at 5.7 per cent; and Q4 at 4.5 per cent. CPI inflation for Q1:2025-26 is projected at 4.6 per cent; and Q2 at 4.0 per cent. The risks are evenly balanced. *(Source: Minutes of the Monetary Policy Committee Meeting, December 4 to 6, 2024)*

Inflationary pressures moderated albeit unevenly during Fiscal 2024, reflecting the combined impact of calibrated monetary tightening, easing of input cost pressures and supply management measures. Headline inflation softened to 5.4% during Fiscal 2024 from 6.7% in the previous year, driven by the fall in core inflation (CPI excluding food and fuel) to 4.3% from 6.1%. *(Source: RBI, Annual Report 2023-2024).* Inflation is gradually moving towards target from its multi-decadal highs, prompting several central banks to embark on policy pivots. Global trade remains resilient with increasing volumes confined within geopolitical blocs. Since the last MPC meeting, financial markets have remained edgy amidst rising US dollar and hardening bond yields, resulting in large capital outflows from emerging markets and volatility in equity markets. Going forward, the outlook is clouded by rising tendencies of protectionism which have the potential to undermine global growth and push inflation higher. The CPI food inflation surged to 8.4 per cent in September and firmed up further to 9.7 per cent in October 2024 from an average of 5.2 per cent in during July-August. *(Source: RBI Bulletin December 2024)*

Growth Outlook

The global economy remains stable with growth holding up amidst waning inflation, albeit at a slow pace. Geopolitical risks and policy uncertainty, especially with respect to trade policies, have imparted heightened volatility to global financial markets. On the domestic front, real gross domestic product (GDP) registered a lower than expected growth of 5.4 per cent in Q2:2024-25 as private consumption and investment decelerated even while government spending recovered from a contraction in the previous quarter. On the supply side, the growth in gross value added (GVA) during Q2 was aided by resilient services and improving agriculture sector, but weakness in industrial activity – manufacturing, electricity and mining – tempered overall growth. Looking ahead, robust kharif foodgrain production and good rabi prospects, coupled with an expected pickup in industrial activity and sustained buoyancy in services augur well for private consumption. Investment activity is expected to pick up. Resilient world trade prospects should provide support to external demand and exports. Headwinds from geo-political uncertainties, volatility in international commodity prices, and geo-economic fragmentation continue to pose risks to the outlook. Taking all these factors into consideration, real GDP growth for 2024-25 is projected at 6.6 per cent with Q3:2024-25 at 6.8 per cent; and Q4:2024-25 at 7.2 per cent. Real GDP growth for Q1:2025-26 is projected at 6.9 per cent; and Q2:2025-26 at 7.3 per cent. The risks are evenly balanced. (*Source: Reserve Bank of India, Resolution of the Monetary Policy Committee ("**MPC**") December 4 to 6, 2024*).

In India, strong growth has been driven by investment and private consumption. Growth in 2024 for India has been revised up by 0.2 percentage point to 7.0 percent relative to the April forecast, as rural consumption is benefiting from an improved agricultural season, and as public infrastructure investment continues to expand. These trends are expected to continue in 2025. With this, India remains the world's fastest growing major economy. (*Source: IMF: Regional Economic Outlook for Asia and Pacific, November 2024).*

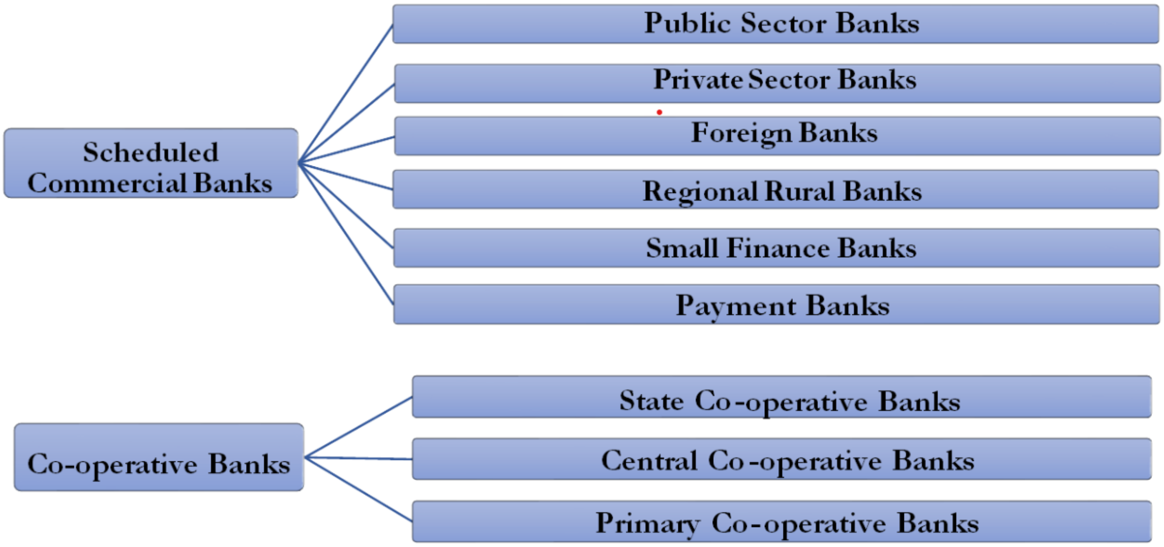
Indian Banking Authority

The RBI was established on April 1, 1935 in accordance with the provisions of the Reserve Bank of India Act, 1934. The central office of the RBI was initially established in Kolkata but was permanently moved to Mumbai in 1937. The central office is where the Governor sits and where policies are formulated. Though originally privately owned, since nationalization in 1949, the RBI has been fully owned by the Government of India ("**GoI**"). The RBI performs a supervisory function under the guidance of the Board for Financial Supervision. The Board was constituted in November 1994 as a committee of the Central Board of Directors of the RBI. *(Source: RBI Manual on Financial and Banking Statistics, https://www.rbi.org.in/Scripts/AboutusDisplay.aspx)*

The banking system in India comprises commercial and cooperative banks, of which the former accounts for more than 90 per cent of banking system's assets. Besides a few foreign and Indian private banks, the commercial banks comprise nationalized banks (majority equity holding is with the Government). These banks, along with regional rural banks, constitute the public sector (state owned) banking system in India. A diagrammatic structure of Indian banking, including cooperatives. Banking statistics in India is predominantly compiled and disseminated by the RBI and National Bank for Agriculture and Rural Development ("**NABARD**"). *(Source: "Department of Financial Services" https://www.mospi.gov.in/sites/default/files/publication_reports/financial_and_bank_0.pdf)*

The banking system in India, which evolved over several decades, is well established and has been serving the credit and banking needs of the economy. The banking ecosystem is providing impetus to economic growth and development of the country and catering to the specific and varied financial requirements of different customers and borrowers. Presently, 137 scheduled commercial banks are providing banking services in India. In addition, co-operative banks and local area banks are also providing banking services in various segments in different locations of the country. For the purpose of lending to specific sectors/segments, around 9,516 Non-Banking Financial Companies and 5 All India Financial Institutions are also catering to the needs of the borrowers. *(Source: https://financialservices.gov.in/beta/en/banking-overview)*

Banks that are included in the Second Schedule of the Reserve Bank of India Act, 1934 are considered to be scheduled commercial banks. Other than public sector banks and regional rural banks, all other scheduled commercial banks are granted banking licenses by RBI under Banking Regulation Act, 1949. In addition, RBI also gives licenses to Co-operative Banks for providing banking services under Banking Regulation Act, 1949. *(Source: "Department of Financial Services", https://financialservices.gov.in/beta/en/banking-overview)*



Scheduled Commercial Banks—

Scheduled Commercial banks (SCBs) is commercial bank which has been included in the Second Schedule of the Reserve Bank of India Act, 1934 (RBI Act). Conditions for inclusion in the Second Schedule of the RBI Act are as stated in section 42(6)(a) of the RBI Act. It includes public sector, private sector, foreign banks, Regional Rural Banks (RRB), Small Finance Banks and Payment Banks. *(Source: https://financialservices.gov.in/beta/en/banking-overview)*

Public sector banks (PSBs) are SCBs with significant government shareholding. PSBs constitute the largest category of banks in the Indian banking system. These include the 12 nationalised banks, as of August 2024 (Source: RBI, List of Scheduled Commercial Banks (SCBs)) In Fiscal 2020, the GoI announced several additional amalgamations of public banks: the amalgamation of Canara Bank with Syndicate Bank; the amalgamation of Andhra Bank and Corporation Bank with Union Bank; and the amalgamation of Allahabad Bank with Indian Bank, all of which were effective from April 1, 2020. Following these amalgamations, the number of PSBs is 12 as at April 1, 2020, down from 27 as at March 31, 2017. *(Source: Reserve Bank of India: Report On Trend And Progress Of Banking In India 2020-21,"https://website.rbi.org.in/web/rbi/-/publications/operations-and-performance-ofcommercialbanks20944?p_l_back_url=%2Fweb%2Frbi%2Fsearch%3Fq%3Damalgamation%2BAllahabad%2BBank%26type%3Dcom.liferay.journal.model.JournalArticle%26type%3Dcom.liferay.portal.kernel.model.Layout%26togs%3Dall_keywords%26orderBy%3Dnewest")*

Further, the government's focus has now also shifted towards disinvestment and promoting privatisation of state-owned commercial banks. As per the Securities Contract (Regulation) Rules, 1957 as amended read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015 as amended also read with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 as amended and other applicable law, every listed company shall have to maintain public shareholding of at least 25%. Any listed company (be it public sector company) which has public shareholding below 25%, on the commencement of the Securities Contracts (Regulation) (Amendment) Rules, 2010, shall have to increase its public shareholding to at least 25%, within a period of three years from the date of their commencement.

With respect to the same, the central government came out with the decision to reduce its shareholding to less than 75% in five Public Sector Banks including Punjab & Sind Bank, Indian Overseas Bank, UCO Bank, Central Bank of India, and Bank of Maharashtra in order to comply with SEBI's minimum public shareholding ("MPS") norms. *(Source: RBI Notification on Merger March 30, 2020)*

Foreign Banks is a bank that has its headquarters outside India but runs its offices as a private entity at any other locations in India. Such banks are under an obligation to operate under the regulations provided by the Reserve Bank of India as well as the rule prescribed by the parent organization located outside India. *(Source: ("Department of Financial Services, https://financialservices.gov.in/beta/en/banking-overview)*

Private Sector Banks are banking companies licensed to operate under Banking Regulation Act, 1949. *(Source: https://financialservices.gov.in/beta/en/banking-overview).* However, when most large banks in India were nationalized in 1969, PSB made up the largest portion of Indian banking system. The GOI's focus on PSB was maintained throughout the 1970s and 1980s. During that period, the existing private sector banks that showed signs of an eventual default were merged with state-owned banks. In 1991, India's economic system underwent a series of reform following which in July 1993, as part of the banking reform process and as a measure to induce competition in the banking sector, the RBI permitted entry of the private sector into the banking system.

Regional Rural Banks (RRB) are the banks established under the Regional Rural Banks Act, 1976 with the aim of ensuring sufficient institutional credit for agriculture and other rural sectors. The area of operation of RRBs is limited to the area notified by the Central Government. RRBs are owned jointly by the Government of India, the State Government and Sponsor Banks. *(Source: ("Department of Financial Services", https://financialservices.gov.in/beta/en/banking-overview)*

Small Finance Banks (SFB) licensed under Banking Regulation Act, 1949 and created with an objective of furthering financial inclusion by primarily undertaking basic banking activities to un-served and underserved sections including small business units, small and marginal farmers, micro and small enterprises and other underserved sections. Payment Banks are public limited companies licensed under Banking Regulation Act, 1949, with specific licensing conditions restricting its activities mainly to acceptance of demand deposits and provision of payments and remittance services. *(Source: ("Department of Financial Services", https://financialservices.gov.in/beta/en/banking-overview)*

Co-operative Banks

Co-operative Banks means State Co-operative Banks, Central Co-operative Banks and Primary Co-operative Banks. Primary Co-operative Banks are also known as Urban Cooperative Banks and over the years, it has registered a significant growth in number, size and volume of business handled. State Cooperative Banks are the highest-level cooperative banks in each of the states. They raise funds and assist in their proper allocation among various sectors. Individual borrowers receive funds from state cooperative banks via central cooperative banks and primary credit societies. *(Source: https://financialservices.gov.in/beta/en/banking-overview)*

Co-operative Banks are registered under State Co-operative Societies Act of the State concerned or the Multi State Cooperative Societies Act, 2002 and its banking business is licensed and regulated by Reserve Bank of India. These banks are the financial entities that belong to its members, who are also the owners as well as the customers of their bank. Cooperative banks primarily support the agricultural activities, some small-scale industries and self-employed workers. *(Source: https://financialservices.gov.in/beta/en/banking-overview)*

In addition to Scheduled Commercial Banks and co-operative banks, All India Financial Institutions and Non- Banking Financial Companies also plays an important role in promoting inclusive growth in the country. *(Source: https://financialservices.gov.in/beta/en/banking-overview)*

All India Financial Institutions —

Financial Institutions plays an important role in the Indian financial system as they provide medium to long term finance to different sectors of the economy. These institutions have been set up to meet the growing demands of particular sectors, such as export, import, rural, housing and small industries. These institutions have been playing a crucial role in channelizing credit to these sectors and addressing the challenges / issues faced by them. *(Source: ("Department of Financial Services", https://financialservices.gov.in/beta/en/banking-overview)*

Export-Import Banks of India, Small Industries Development Bank of India, National Bank for Agriculture and Rural Development, National Housing Bank and National Bank for Financing Infrastructure and Development, are operating as All India Financial Institutions in India. *(Source: ("Department of Financial Services", https://financialservices.gov.in/beta/en/banking-overview)*

Non-Banking Financial Companies (NBFCs)

NBFCs are playing an important role in sustaining consumption demand as well as capital formation in small and medium industrial segment of the country. The reach and last mile advantages of NBFCs have empowered them with agility and innovation with cutting edge technology in providing formal financial services to under banked and unserved sections of the society. *(Source: ("Department of Financial Services", https://financialservices.gov.in/beta/en/banking-overview)*

Depending upon the line of activity, NBFCs are categorised into different types such as asset finance company, loan company, infrastructure finance company, securitisation/asset reconstruction companies, investment company, (systemically important) core investment company, infrastructure debt fund – NBFC, NBFC – micro finance institution, NBFC – factors, mortgage guarantee companies, NBFC – non-operative financial holding company. *(Source: RBI, Discussion Paper on Wholesale & Long-Term Finance Banks, April 2017)*

Housing Finance Companies

Housing finance companies are specialised institutions which extend housing credit, along with SCBs. Effective August 9, 2019 Housing finance companies are being regulated as a category of NBFCs, after the transfer of regulation of HFCs to the Reserve Bank by amendment of the National Housing Bank Act, 1987.

Furthermore, with a view of harmonising the regulations between HFCs and NBFCs in a phased manner, HFCs have undergone several legislative/regulatory changes. As of September 2024, there were 94 HFCs, of which only 12 were deposit taking entities. *(Source: NHB, List of HFCs in India, available, accessed in September 2024, https://www.nhb.org.in/en/supervision/list-of-hfcs-in-india/)*

Microfinance Institutions

Microfinance institutions form a distinct sub-group of non-banking financial companies. They focus on providing access to small-scale financial services, especially to the poor, and play an important role in delivering credit to people at the bottom of the economic pyramid. Microfinance institutions differ from other financial service providers as they do not depend on grants or subsidies to provide unsecured loans to borrowers with low incomes and no access to the mainstream banking system. They encompass a host of financial institutions engaged in advancing loans to low-income groups. The essential features of microfinance loans are that they are of small amounts, have short tenures, are extended without collateral, and require a frequency of loan repayments that is greater than that for traditional commercial loans. These loans are generally taken for income-generating activities but are also provided for consumption, housing and other purposes. *(Source: RBI Bulletin, Microfinance: Reaching out to the Bottom of the Pyramid dated September 11, 2020)*

Regional Rural Banks

Regional rural banks were formed under the Regional Rural Bank Act, 1976 with a view towards developing the rural economy by providing, for the purpose of developing agriculture, trade, commerce, industry and other productive activities in the rural areas, credit and other facilities, particularly to the small and marginal farmers, agricultural labourers, artisans and small entrepreneurs, and for matters connected therewith and incidental thereto. *(Source: Banking, Regional Rural Banks, Department of Financial Services)* In Fiscal 2022, ₹10,890 crore was allocated for the recapitalisation of RRBs to help in greater adoption of technology, accompanied by operational and governance reforms *(Source: Key Statistics & Financial Statements of Regional Rural Banks, March 31, 2023, NABARD)*

As of March 2023, there were 43 RRBs sponsored by 12 SCBs, with 21,995 branches, and operations extending to 30.5 crore deposit accounts and 2.9 crore loan accounts *(Source:https://www.nabard.org/auth/writereaddata/WhatsNew/0109235107final-key-statistics-of-rrbs-2022-23.pdf, accessed in September 2024)*

Long-Term Lending Institutions

Long-term lending institutions were established to provide medium-term and long-term financial assistance to various industries for setting up new projects and expanding and modernising existing facilities. These institutions provided fund-based and non-fund-based assistance to industries in the form of loans, underwriting and direct subscription to shares, debentures and guarantees.

Long-term lending institutions were expected to play a critical role in Indian industrial growth and, accordingly, had access to concessional government funding. However, in recent years, the operating environment of long-term lending institutions has changed substantially. Although the initial role of these institutions was largely limited to providing a channel for government funding to industries, the reform process required such institutions to expand the scope of their business activities, including into fee-based activities like investment banking and advisory services and into short-term lending activities including corporate finance and working capital loans.

Pursuant to the recommendations of the Narasimham Committee II and the Khan Working Group in 1998, a working group was created in 1999 to harmonise the role and operations of long-term lending institutions and banks. The RBI, in its mid-term review of monetary and credit policy for Fiscal 2000, announced that long-term lending institutions would have the option of transforming themselves into banks subject to compliance with the prudential norms applicable to banks. In April 2001, the RBI issued guidelines on several operational and regulatory issues which were required to be addressed in evolving a path for conversion of a long-term lending institution into a universal bank. (*Source: RBI Report of the working group for harmonising the role & operations of DFIs and Banks – May 1998*)

Small Finance Banks

The objective of small finance banks is to further financial inclusion by providing savings vehicles and supplying credit to small business units, small and marginal farmers, micro and small industries and other unorganized sector entities through high technology-low cost operations. The RBI granted in-principle approvals to ten small finance banks in September 2015 pursuant to which all ten small finance banks have started operations. *(Source: Draft Guidelines for 'on tap' Licensing of Small Finance Banks in the Private Sector and RBI – RBI grants "In-principle" Approval to 10 Applicants for Small Finance Banks)*

Payment Banks

The RBI has liberalised the licensing regime for banks in India and intends to issue licences on an ongoing basis, subject to meeting the RBI's criteria. The RBI is supportive of creating more specialised banks and granting differentiated banking licences, e.g., for payment banks and small finance banks. The RBI also plans to create wholesale and long-term finance banks in the near future. In November 2014, the RBI released guidelines for licensing payment banks and for licensing of small finance banks in the private sector. On August 19, 2015 the RBI granted in-principle approval to 11 applicants to set up payment banks. (*Source: RBI Press Release dated August 19, 2015)*. As of September 2024, there are six (6) payments banks in India *(Source: RBI. List of Payment Banks, accessed in September 2024)*

Recent Developments in the Banking Sector

The RBI from time to time also comes out with regulations and guidelines for the above mentioned institutions to ensure overall effectiveness and supervision of the banking system:

- The RBI in November 2023 had come out with a notification wherein it increased the risk weights on consumer loans and NBFCs by 25 percentage points (from 100% to 125%). For AAA-rated loans to NBFCs, the risk weight has been increased to 45% from the existing 20% (25 percentage point increase). These guidelines are applicable to Commercial Banks (including Small Finance Banks, Local Area Banks and Regional Rural Banks) and Non-Banking Financial Companies (including HFCs). *(Source: RBI Circular Regulatory measures towards consumer credit and bank credit to NBFCs)*

- The Reserve Bank recently came out with draft guidelines on the financing of Projects under Implementation. The existing prescribed provisions for standard Project assets is 0.40% which the RBI has proposed to increase to 5%. This is expected to substantially increase the provisioning requirements for banks in India. These guidelines are applicable to all Commercial Banks (including Small Finance Banks but excluding Payments Banks), Local Area Banks and Regional Rural Banks, all Primary (Urban) Co-operative Banks, all All-India Financial Institutions, and all Non-Banking Financial Companies. *(Source: RBI Circular Draft Prudential Framework for Income Recognition, Asset Classification and Provisioning pertaining to Advances – Projects Under Implementation, Directions, 2024)*

- RBI in its notification dated June 7, 2024 revised the definition of bulk deposits for all Scheduled Commercial Banks (excluding RRBs), Small Finance Banks and Local Area Banks. The term "Bulk Deposit" would now mean:

  i. Single Rupee term deposits of Rupees three crore and above (earlier Rupees two crore) for Scheduled Commercial Banks (excluding RRBs) and Small Finance Banks.

ii.Single Rupee term deposits of Rupees one crore and above for Regional Rural Banks and Local Area Banks. *(Source: RBI notification, dated June 7, 2024)*

Other Financial Institutions

Specialised Financial Institutions

In addition to the long-term lending institutions, there are various specialised financial institutions which cater to the specific needs of different sectors. These include the National Bank for Agriculture and Rural Development ("**NABARD**"), the Export-Import Bank of India ("**EXIM Bank**"), the Small Industries Development Bank of India ("**SIDBI**"), Risk Capital and Technology Finance Corporation Limited, Tourism Finance Corporation of India Limited, the NHB, Power Finance Corporation Limited, Infrastructure Development Finance Corporation Limited, the Industrial Investment Bank of India, the North Eastern Development Finance Corporation and the India Infrastructure Finance Company. *(Source: Report on Trend and Progress of Banking in India, 2003-2004). To provide financial support to the diversified growth of Industries across the sectors Industrial Finance Corporation of India as a statutory organisation was set up in 1948.* To support the long-term infrastructure financing in India, the Government set-up the National Bank for Financing Infrastructure and Development ("**NaBFID**") in 2021. *(Source: RBI Press Release dated March 9, 2022)*

State Financial Institutions

State financial corporations ("**SFCs**") operate at the state level and form an integral part of the institutional financing system. State financial corporations were set up to finance and promote small and medium-sized enterprises. State financial institutions are expected to achieve balanced regional socio-economic growth by generating employment opportunities and widening the ownership base of industries. At the state level, there are also state industrial development corporations, which primarily finance medium-sized and large enterprises. *(Source: Report on Trend and Progress of Banking in India, 2003-2004)*

Insurance Companies

The General Insurance Corporation of India, a re-insurance company, the Life Insurance Corporation of India and other public sector general insurance companies provide long-term financial assistance to the industrial sector.

The insurance sector in India is regulated by the Insurance Regulatory Development Authority of India ("**IRDAI**"). In December 1999, the Indian Parliament passed the Insurance Regulatory and Development Authority Act, 1999, which amended the Insurance Act, 1938 and opened up the Indian insurance sector for foreign and private investors. The Insurance Act, 1938 was further amended by the Insurance Law (Amendment) Act, 2015 which raised permitted foreign equity participation in new insurance companies from 26.00% to 49.00%. Insurance companies are required to be Indian-owned and controlled. In this context, "Control" includes the right to appoint a majority of the Directors or control management or policy decisions by virtue of shareholding, management rights, shareholders' agreements or voting agreements. Therefore, both ownership and control are required to remain in Indian hands. Further, the amendment permitted insurers to raise capital through instruments other than equity. (*Source: DPIIT, Consolidated FDI Policy (Effective from October 15, 2020))*

As announced in the Union Budget for Fiscal 2022, the limit of foreign investment in Indian insurance companies has been raised from the existing 49% to 74%. This brings the insurance sector at par with the private banking sector. The act will enable global insurance companies to take more strategic and long-term view on the Insurance sector in India, thereby bringing in greater inflow of long-term capital, global technology, processes, and international best practices. (*Source: Monthly Economic Review, March 2021, Economic Division, Department of Economic Affairs, Government of India*)

IRDAI has operationalized a series of regulatory changes in 2024 regarding health coverage. These changes include the removal of the upper age cap and the introduction of new features such as a customer information sheet to enhance transparency and the option to distribute claim amounts across multiple policies held with different companies. Also Health insurance companies have to do final authorisation for cashless claims within three hours of receiving a patient discharge request from the hospital and policy holders cannot be kept waiting to be discharged from hospital under any circumstances. (*Source: Press release IRDAI*)

The amendment to the Expenses of Management ("**EOM**") regulations grants significant greater flexibility and autonomy to industry players. This provision supports the industry in multiple ways as now they can determine how to manage their fixed costs and commissions according to the model that best suits their needs. As stakeholders gain better control over managing their expenses and reducing distribution costs, this will lead to improved pricing structures, ultimately benefiting the end consumer. This approach will harmonize the industry's diverse efforts towards the overarching goal of closing India's protection gap. (*Source: IRDAI Amendment dated March https://irdai.gov.in/document-detail?documentId=3230806")*

Mutual Funds

The mutual funds industry was opened up to the private sector in 1993. The industry is regulated by the Securities and Exchange Board of India ("**SEBI**") (Mutual Funds) Regulations, 1996.

In June 2009, the SEBI removed the entry load, up-front charges deducted by mutual funds for all mutual fund schemes and required that the up-front commission to distributors should be paid by the investor to the distributor directly. In November 2009, to enhance the reach and marketability of mutual fund schemes, the SEBI permitted the use of stock exchange terminals to facilitate transactions in mutual fund schemes, as a result of which mutual fund units can now be traded on recognized stock exchanges. In February 2010, the SEBI introduced guidelines for the valuation of money market and debt securities with a view to ensure that the value of money market and debt securities in the portfolio of mutual fund schemes reflect the current market value. The valuation guidelines were effective from August 1, 2010.

In the month ended December 2024, the aggregate average assets under management for mutual funds (excluding fund of funds – domestic but including fund of funds – overseas) was ₹ 69,32,959.05 crore, and aggregate average assets under management for mutual funds (domestic fund of funds) was ₹ 91,082.27 crore. The total number of schemes as of December 2024 was 1700. (*Source: Association of Mutual Funds in India, Monthly Report for the Month of December 2024).* On April 27, 2020, the RBI opened a special liquidity facility for mutual funds with a view to ease liquidity pressures on mutual funds. Under such a facility, the RBI would conduct repo operations of 90 days' tenor at the fixed repo rate in an on-tap and open-ended manner, starting April 27, 2020 and up to May 11, 2020 or up to the full usage of the allocated amount, whichever is earlier. Funds availed under this facility are to be used by banks exclusively for meeting mutual funds' liquidity requirements by extending loans and outright purchase of, and/ or repos against, the collateral of investment grade corporate bonds, commercial papers, debentures and certificates of Deposit held by mutual funds. Liquidity support availed under this facility will be classified as HTM even in excess of 25.0% of the total investment permitted to be included in the HTM portfolio. Exposures under this facility will also not be considered under the large exposure framework or for computation of adjusted non-food bank credit for determining priority sector targets/ sub-targets, and they will be exempt from banks' capital market exposure limits. *(Source: RBI, Press Release dated April 27, 2020)*

Key Banking Industry Trends in India

The soundness and resilience of India's banking sector has been underpinned by ongoing improvement in asset quality, enhanced provisioning for bad loans, sustained capital adequacy and rise in profitability. Credit growth remains robust, mainly driven by lending to services and personal loans. Deposit growth has also gained momentum due to transmission of previous rate increases resulting in repricing of deposits and higher accretion to term deposits. Pace of growth in advances by non-banking financial companies ("**NBFCs**") moderated during the second half of Fiscal 2024, reflecting the impact of regulatory prescription of higher risk weights on NBFC lending to certain categories of consumer credit and bank lending to NBFCs. Overall, the NBFC sector maintained large capital buffers boosted by improving asset quality and robust earnings. On an incremental basis, bank lending to NBFCs declined in the second half of Fiscal 2024. (Source: RBI – Financial Stability Report Issue No. 29, June 2024)

Financial intermediation by banks and other financial institutions supports private sector funding needs as well as public finance requirements in a growing economy. Even as banking business has expanded at a strong pace, asset quality and profitability have both witnessed sustained improvement, and capital positions have been strengthened. After the post-pandemic acceleration, however, credit by both banks and non-banking financial companies (**NBFCs**) in India has recorded some moderation across major sectors during 2024 so far. Against the backdrop of the recent monetary policy tightening cycle in India, bank deposits continue to exhibit double digit growth but their profile has gradually shifted towards schemes offering higher returns. While term deposit growth moderated for both PSBs and PVBs, they continue to outpace current and savings account (**CASA**) deposit growth. As on December 13, 2024, aggregate deposits of SCBs rose (y-o-y) by 11.4 per cent. The growth in bank credit has converged towards deposit growth - as on December 13, 2024, bank credit increased by 11.3 per cent (y-o-y). Bank group-wise break-up shows a moderation in credit growth for both PSBs and PVBs in September 2024; foreign banks (**FBs**) recorded a rise after a period of low growth. Industrial credit has been accelerating from low levels but remains below the growth in loans to other major sectors, viz., agricultural, services and personal loans segments. Services and personal loans led the overall credit growth; within personal loans, credit card receivables continued to post robust growth. Growth in personal loans has halved from high levels on the back of both high base and lower originations, but its expansion continued to be broad-based, with housing loans as the standout contributor. (*Source: RBI – Financial Stability Report, December 2024*).

Asset quality of SCBs improved further, with their GNPA ratio declining to a 12-year low of 2.6 per cent in September 2024. The NNPA ratio remained at around 0.6 per cent. The half-yearly slippage ratio, measuring new accretions to NPAs as a share of standard advances at the beginning of the half-year, increased marginally to 0.7 per cent. The provisioning coverage ratio (PCR) of SCBs improved further to 77.0 per cent in September 2024, largely due to proactive provisioning by PSBs. The write-off to GNPA ratio for FBs increased in September 2024 while that of PSBs and PVBs declined marginally. Disaggregation of NPA movements reveals that write-offs remain a significant component of NPA reduction. The improvement in asset quality of SCBs was broad based across sectors and bank groups. In the personal loans segment, asset quality remained largely stable, except for a marginal uptick in respect of credit card receivables across bank groups, which recorded the highest credit growth within the personal loans segment and may require careful monitoring. Within the industrial sector, asset quality exhibited sustained improvement across the major sub-sectors. (*Source: RBI – Financial Stability Report December 2024*).

The share of large borrowers in GNPA of SCBs has steadily declined over the past two years, faster than the reduction in their share in overall credit. The asset quality of banks' large borrower portfolios has improved considerably, with the GNPA ratio falling from 4.5 per cent in March 2023 to 2.4 per cent in September 2024. SMA-1 and SMA-2 loans have, however, risen sequentially (q-o-q) in the September 2024 quarter. Furthermore, the SMA-2 ratio for large borrowers increased significantly for PSBs in September 2024 from a year ago, warranting close monitoring. In the large borrower segment, the share of standard assets in total funded amount has consistently improved over the past two years. Within the large borrowers' cohort, the share of top 100 borrowers has decreased to 34.6 per cent in September 2024, reflecting a growing credit appetite among medium-sized borrowers. Notably, none of the top 100 borrowers are classified as NPAs in September 2024. In terms of value, investment grade advances (rated BBB and above) constituted 91.5 per cent of the funded advances to large borrowers with long-term external ratings. (*Source: RBI – Financial Stability Report December 2024*).

Deposit growth during this period stood at 11.7%. Deposits growth (y-o-y) of public sector banks inched up to 9.0 per cent in September 2024 (8.1 per cent in June 2024), which, however, remained well below that for other bank groups at above 15 per cent. *(Source: RBI Deposits with Scheduled Commercial Banks, September, 2024, "https://rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=59186")*

Although recent regulatory measures, such as the increase in risk weights for exposure to unsecured loans and non-banking financial companies, and the impending transition to the estimated credit loss ("**ECL**")-based framework, could negatively affect reported capitalization levels, the capital positions of most constituent banks remain robust. These banks are well-equipped to absorb these impacts while continuing to grow their portfolios at a reasonable pace.

Performance – Assets and Earnings

Bank deposits growth (y-o-y) at 11.7 per cent in September 2024 remained close to that in the previous quarter. Deposits of all population groups (viz., rural/semi-urban/urban/metropolitan) recorded double-digit annual growth; during Q2:2024-25, 66.5 per cent of the total incremental deposits contributed by the metropolitan branches, which have 54.7 per cent share in total deposits. Of the total deposits, 51.4 per cent was held by individuals; female depositors owned nearly 40 percent of the deposits by individuals. A substantial amount of deposits has shifted to higher interest rate bucket during the latest monetary policy tightening cycle; term deposits bearing over 7 per cent interest rate has increased to 68.8 per cent from 54.7 per cent a year ago and 33.7 per cent in March 2023. As term deposits offered more attractive return, they also outpaced the growth in CASA (current account and savings account) deposits, and their share in total deposits rose to 61.4 per cent in September 2024 from 59.8 per cent a year ago. Deposits growth (y-o-y) of public sector banks inched up to 9.0 per cent in September 2024 (8.1 per cent in June 2024), which, however, remained well below that for other bank groups at above 15 per cent. The share of senior citizens' deposits increased to 20.1 per cent in September 2024 from 19.7 per cent a year ago. (*Source: RBI – BSR 2: Deposits with Scheduled Commercial Banks - September 2024 dated Nov 26, 2024*).

Bank credit growth (y-o-y) moderated to 12.6 per cent in September 2024 from 15.3 per cent, net of merger, in March 2024; metropolitan branches of banks, which accounted for 60.6 per cent of loans, recorded lower growth of 11.6 per cent. Agriculture, industry, housing and personal (non-housing) loans had 11.5 per cent, 23.7 per cent, 16.5 per cent and 14.9 per cent shares, respectively, in credit by non-RRB SCBs; they recorded 13.2 per cent, 10.4 per cent, 13.2 per cent and 17.5 per cent growth (y-o-y), respectively. Credit to private corporate sector exceeded the headline credit growth and stood at 16.5 per cent (y-o-y) in September 2024; working capital loans accelerated to 15.3 per cent from 14.1 per cent a year ago. The share of female borrowers' loans to individuals has been rising gradually and it stood at 23.6 per cent in September 2024. Public sector banks (PSBs) and private sector banks (PVBs) which have 53.2 per cent and 41.8 per cent shares, respectively, in credit by non-RRB SCBs, recorded 13.0 per cent and 11.9 per cent increase (y-o-y), respectively, in September 2024. (*Source: RBI – BSR -1: Outstanding Credit of Scheduled Commercial Banks – September 2024 dated Nov 26, 2024*).

The banks' net interest margins (NIM) and profitability also remained solid. Consequently, their returns on assets (RoA) and returns on equity (RoE) rose to 1.4 per cent and 14.1 per cent, respectively, in September 2024. (*Source: RBI – Financial Stability Report December 2024*).

A growing net interest income ("**NII**") and other operating income ("**OOI**") and coupled with a decline in the need for additional provisions due to declining NPAs, resulted in their profit after tax ("**PAT**") rising year-on-year by 32.5 % in March 2024, despite an increase in operating expenses. The NIM of PVBs stood at 4.3% as of March 2024. On the back of significant increase in NII and OOI, PVBs registered higher PAT growth vis-à-vis PSBs. A significant fall in OOI of FBs, however, led to moderation in their PAT despite a steep fall in provisioning. (*Source: RBI – Financial Stability Report Issue No. 29, June 2024)*

Profitability indicators remained strong: The banks' net interest margins (NIM) and profitability also remained solid. Consequently, their returns on assets (RoA) and returns on equity (RoE) rose to 1.4 per cent and 14.1 per cent, respectively, in September 2024. Both return on equity (RoE) and return on assets (RoA) ratios have improved in September 2024. The soundness of scheduled commercial banks (SCBs) has been bolstered by strong profitability, lower non-performing assets and adequate capital and liquidity buffers. Return on assets (RoA) and return on equity (RoE) are at decadal highs, while gross non-performing assets (GNPA) ratio has fallen to a multi-year low. The yield on assets remained broadly stable. Profitability of SCBs improved during H1:2024-25, with profit after tax (PAT) surging by 22.2 per cent (y-o-y). PSBs and PVBs recorded PAT growth of 30.2 per cent and 20.2 per cent, respectively, while FBs experienced single digit growth (8.9 per cent). The rise in other operating income (OOI) contributed significantly to the rise in profits of PSBs and PVBs. (*Source: RBI – Financial Stability Report , December 2024)*

Asset Quality and Capital Adequacy

CRAR and CET1 ratios of SCBs displayed similar movements and stood at 16.7 per cent and 14.0 per cent, respectively, in September 2024, which were much higher than the regulatory minimum. The overall Tier 1 leverage ratio 10 remained stable. The asset quality of SCBs recorded sustained improvement and their GNPA ratio improved in March 2024 to a 12-year low level (2.8% as on March 2024). Their NNPA ratio too has improved to a record low (0.6% as on March 2024). Among bank groups, PSBs' GNPA ratio recorded substantial reduction (76 basis points) in the second half of Fiscal 2024. With the stock of GNPA coming down, requirement of provisions also reduced; however, active and deep provisioning by SCBs was reflected in their improved PCR in March 2024 (76.4% as on March 2024). The GNPA ratio for PVBs stood at 1.8% in March 2024. The NNPA ratio for PVBs stood at 0.5% in March 2024. The half-yearly slippage ratio (viz., new NPA accretions as a share of standard advances), decreased across bank groups. It stood at 0.5% for PSBs and 0.8% for PVBs as on March 2024, compared to 0.7% and 1.2% in September 2023 respectively. Though the amount of write-offs declined during the year, the write-off ratio remained almost at the same level as a year ago (28.9% as on March 2024), due to reduction in GNPA stock. Overall, the sustained reduction in the GNPA ratio since March 2020 has been primarily due to a persistent fall in new NPA accretions and increased write-offs. (*Source: RBI – Financial Stability Report, December 2024, RBI – Financial Stability Report Issue No. 29, June 2024, RBI – Financial Stability Report Issue No. 28, December 2023)*

For PVBs CRAR stood at 17.8% in March 2024. The Tier I leverage ratio remained close to its September 2023 level, with additional Tier I capital accretion matching incremental total exposure during the second half of Fiscal 2024 (7.8%). The Tier I leverage ratio for PVBs stood at 9.7% in March 2024. During the second half of the year CRARs of PSBs increased but they declined for PVBs and FBs that had higher shares of certain categories of loans for which risk weights were increased under regulatory measures. (*Source: RBI – Financial Stability Report Issue No. 29, June 2024*)

The RBI increased the risk weights for banks i.e. the capital that banks need to set aside for every loan by 25 percentage points to 125% on retail loans. Moreover, risk weights on credit card exposures have been increased by 25 percentage points to 150% for banks. *(Source: RBI Circular – Regulatory measures towards consumer credit and bank credit to NBFCs dated November 16, 2023*) A higher risk weight implies a higher capital requirement for a given exposure, potentially leading to a lower Capital Adequacy Ratio ("**CAR**") which could lead banks to raise additional capital to meet regulatory requirements. Higher RWAs will keep a check on unsecured lending by the banks instilling suitable safeguards in banks' own interest.

Sectoral Asset Quality

The asset quality of SCBs recorded sustained improvement and their GNPA ratio moderated to a 12-year low in March 2024. Among major sectors, the impairment ratio in agriculture remained the highest with 6.2%, but it has recorded persistent improvement during the second half of Fiscal 2024 down from 7.0% from the first half of Fiscal 2024. At an overall level, asset quality in the personal loans segment has improved across bank groups. Even, the credit card receivables category, which has the highest GNPA ratio in the personal loans segment has shown improvement from 13.3% in September 2023 to 11.3% as of March 2024. Within the industrial sector, asset quality improved across all major sub-sectors barring the vehicles and transport equipment sector that accounts for 3.0 % share in bank credit to industry. (*Source: RBI – Financial Stability Report Issue No. 29, June 2024*)

Credit Quality of Large Borrowers

The improvement in asset quality of SCBs was broad based across sectors and bank groups. In the personal loans segment, asset quality remained largely stable, except for a marginal uptick in respect of credit card receivables across bank groups, which recorded the highest credit growth within the personal loans segment and may require careful monitoring. Within the industrial sector, asset quality exhibited sustained improvement across the major sub-sectors. The share of large borrowers in GNPA of SCBs has steadily declined over the past two years, faster than the reduction in their share in overall credit. The asset quality of banks' large borrower portfolios has improved considerably, with the GNPA ratio falling from 4.5 per cent in March 2023 to 2.4 per cent in September 2024. SMA-1 and SMA-2 loans have, however, risen sequentially (q-o-q) in the September 2024 quarter. Furthermore, the SMA-2 ratio for large borrowers increased significantly for PSBs in September 2024 from a year ago, warranting close monitoring. In the large borrower segment, the share of standard assets in total funded amount has consistently improved over the past two years. Within the large borrowers' cohort, the share of top 100 borrowers has decreased to 34.6 per cent in September 2024, reflecting a growing credit appetite among medium- sized borrowers. Notably, none of the top 100 borrowers are classified as NPAs in September 2024. In terms of value, investment grade advances (rated BBB and above) constituted 91.5 per cent of the funded advances to large borrowers with long-term external ratings. (*Source: RBI - Financial Stability Report, December 2024*)

Resilience – Macro Stress Tests

Macro stress tests are performed to assess the resilience of SCBs' balance sheets to unforeseen shocks emanating from the macroeconomic environment. The framework for macro stress testing has been revised from this issue of the FSR. The macro stress tests attempt to project capital ratios of banks under a baseline and two adverse macro scenarios over a one-and-half year horizon, i.e., till end-March 2026 incorporating credit risk, interest rate risk in the banking book and market risk. The baseline scenario is derived from the forecasted path of macroeconomic variables. The two adverse scenarios are stringent conservative hypothetical stress scenarios. (Adverse Scenario 1: This scenario assumes persisting geopolitical risks and escalation of global financial market volatility. Due to supply chain disruptions percolating to commodity prices, domestic inflation soars. Consequently, domestic monetary policy tightens and the spread between policy rate and lending rate widens. Adverse Scenario 2: This scenario assumes that global and idiosyncratic risk factors blend to trigger a synchronized sharp growth slowdown in key economies. Spillovers through trade and financial channels as well as market fragmentation impact domestic GDP growth. The scenario further assumes that although the central bank eases monetary policy, incomplete monetary policy transmission due to high uncertainty widens the spread between policy rate and lending rate.) The paths of the macro variables under the adverse scenarios are derived by performing simulations that are based on a vector autoregression model with exogenous variables (VARX). The stress test results reveal that the aggregate CRAR of 46 major SCBs may fall from 16.6 per cent in September 2024 to 16.5 per cent by March 2026 under the baseline scenario and to 15.7 per cent under adverse scenario 2. No bank would fall short of the minimum capital requirement of 9 per cent under both the scenarios. However, under adverse scenario 1, SCBs' aggregate CRAR may deplete to 14.3 per cent and four banks may breach the minimum capital requirement of 9 per cent. The

CET1 capital ratio of the select 46 banks may marginally rise from 13.9 per cent in September 2024 to 14.1 per cent by March 2026 under the baseline scenario, but it may worsen to 13.2 per cent under adverse scenario 2. Under adverse scenario 1, the ratio may fall to 11.9 per cent and one bank may breach the minimum capital requirement of 5.5 per cent, although none of the banks would fail under the baseline scenario and adverse scenario 2. The aggregate GNPA ratio of the 46 banks may rise from 2.6 per cent in September 2024 to 3.0 per cent in March 2026 under the baseline scenario and further to 5.0 per cent and 5.3 per cent, respectively, under adverse scenario 1 and adverse scenario 2. Credit risk is comparatively severe under adverse scenario 2; the GNPA ratios of PSBs may rise from 3.3 per cent in September 2024 to 7.3 per cent in March 2026, whereas it may go up from 1.9 per cent to 2.9 per cent for PVBs and from 0.9 per cent to 1.4 per cent for FBs. (*Source: RBI - Financial Stability Report, December 2024*)

Shift towards a Digital and Cashless Economy

The GoI is taking steps to promote a cashless economy such as its flagship 'Digital India' program, which envisions transforming India into a digitally empowered society and knowledge economy. As part of promoting cashless transactions, various modes of digital payment are available, including debit cards, credit cards, mobile banking, point of sale, unified payment interface and forex cards. *(Source: RBI Annual Report – 2019-20)*

For instance, the volume (in terms of number of transfers) of Real Time Gross Settlement ("**RTGS**"), immediate payment service ("**IMPS**"), National Electronic Funds Transfer ("**NEFT**") and United Payment Interface ("**UPI**") transfers were 7.00 crore, 600.53 crore, 726.40 crore, and 13,112.95 crore, respectively, in Fiscal 2024, up from 24.26 crore, 565.33 crore, 528.47 crore and 8,371.44 crore, respectively in Fiscal 2023. The value of RTGS, IMPS, NEFT and UPI transfers were ₹ 7,08.9 lakh crore, ₹ 65.0 lakh crore, ₹ 391.4 lakh crore and ₹ 200.0 lakh crore, respectively, in Fiscal 2024, compared to ₹ 1,499.46 lakh crore, ₹ 55.85 lakh crore, ₹337.20 lakh crore and ₹ 139.15 lakh crore, respectively, in Fiscal 2023. *(Source: RBI Annual Report – 2023-2024).*

The RBI is also engaged in introduction of Digital Rupee ("**e₹**"), the central bank digital currency ("**CBDC**") in India. It is similar to the physical currency in terms of being a legal tender, accepted as a medium of payment and a safe store of value. The e₹ will provide an additional form of money to be used by the public. *(Source: RBI – Financial Stability Report Issue No. 26, December 2022*). Additionally, the RBI plans to expand access to Central Bank Digital Currency ("**CBDC**") wallets to a broader customer base by allowing non-bank payment system operators to offer them.

Recently, the RBI has also proposed to set up a Digital Payments Intelligence Platform which will harness advanced technologies to mitigate payment fraud risks, and to bring recurring payments such as Fastag, NCMC, UPI Lite, etc. within the ambit of the e-mandate framework by introducing an auto-replenishment facility for such payments. *(Source: RBI Statement on Developmental and Regulatory Policies, June 19, 2024).*

To mitigate the attendant risks like algorithmic bias, explainability of decisions, data privacy, etc., it proposed to constitute a committee to develop a Framework for Responsible and Ethical Enablement of AI (FREE-AI) in the Financial Sector. The Committee will comprise of experts from diverse fields and shall recommend a robust, comprehensive, and adaptable AI framework for the financial sector. The details of the committee will be notified separately. Furthermore, the Reserve Bank has been taking various measures in coordination with banks and other stakeholders to prevent and mitigate digital frauds in the financial sector. These include RBI guidelines to regulated entities for strengthening cybersecurity, cyber fraud prevention and transaction monitoring. Use of money mule accounts is a common method adopted by fraudsters to channel proceeds of frauds. The Reserve Bank is currently running a hackathon on the theme "Zero Financial Frauds" which includes a specific problem statement on mule accounts, to encourage development of innovative solutions to contain the use of mule accounts. Another initiative in this direction is the AI / ML based model called MuleHunter.AI™, being piloted by Reserve Bank Innovation Hub (RBIH), a subsidiary of Reserve Bank. This model enables detection of mule bank accounts in an efficient manner. A pilot with two large public sector banks has yielded encouraging results. Banks are encouraged to collaborate with RBIH to further develop the MuleHunter.AI™ initiative to deal with the issue of mule bank accounts being used for committing financial frauds. *(Source: RBI Statement on Developmental and Regulatory Policies, December 06, 2024)*

While the adoption of new and emerging technology for supervisory processes (known as SupTech) continues to trend upward, the adoption rates between advanced economies and emerging market and developing economies are uneven (Cambridge SupTech Lab 2023). Periodic upskilling and upgrading should help financial sector authorities identify AI use–specific issues like models designed to "game the regulation" and detect algorithmic coordination. Finally, existing cross-sectoral thematic reviews could reveal potential herding or material interconnectedness among market participants and also help identify best practices in the use of AI (Securities and Exchange Board of India 2019). (*Source: IMF-Global Financial Stability Report, October 2024*)

Certain Key Banking Business Sectors

MSME Sector

Both public and private sector banks increased their lending to the MSME sector in Fiscal 2024. The strong growth, despite the expiry of the Emergency Credit Line Guarantee Scheme ("**ECLGS**"), introduced during the COVID-19 pandemic, points to the underlying growth momentum of the sector.

In the Union Budget for Fiscal 2024, the government announced the revamping of credit guarantee scheme for micro and small enterprises with effect from April 1, 2023, with an infusion of ₹9,000 crore to the corpus to enable additional collateral-free guaranteed credit of ₹ 2 lakh crore and the reduction in the cost of the credit by about 1 %. Besides, the limit on ceiling for guarantees has been enhanced from ₹2 crore to ₹ 5 crore *(Source: RBI Annual Report - 2023-2024)*

Priority Sector - I

The priority sector lending ("**PSL**") for SCBs stood at 45.1% as on March 31, 2024. All bank groups achieved the prescribed PSL target of 40% during Fiscal 2024. In case any bank falls short in achieving priority sector targets/sub-targets, they are advised to contribute towards the Rural Infrastructure Development Fund ("**RIDF**") and other funds administered by the National Bank for Agriculture and Rural Development ("**NABARD**"), Small Industries Development Bank of India, Micro Units Development & Refinance Agency Ltd. and National Housing Bank. (*Source: RBI Annual Report 2023-2024*)

Performance in Achievement of Priority Sector Lending Targets			
Financial Year	**Public Sector Banks**	**Private Sector Banks**	**Foreign Banks**
2023	28.4	19.5	2.3
	(43.7)	(45.3)	(42.8)
2024*	32.2	24.7	2.3
	(43.4)	(48.1)	(41.5)
*: *Provisional* *Note: Figures in parentheses are percentages to ANBC or CEOBE, whichever is higher.*			

(₹ in lakh crore, except parentheses)
(Source: RBI Annual Report 2023-2024)

Developments and Reforms in the Banking Sector

Implementation of the Basel III Capital Regulations

The RBI has issued guidelines based on the Basel III reforms on Capital Regulation to the extent applicable to banks operating in India. These guidelines require, among other things, higher levels of Tier I capital and common equity, a capital conservation buffer ("**CCB**"), maintenance of a minimum prescribed leverage ratio on a quarterly basis, higher deductions from common equity and Tier I capital for investments in subsidiaries and changes in the structure of non-equity instruments eligible for inclusion in Tier I and Tier II capital.

In December 2010, the Basel Committee on Banking Supervision issued a comprehensive reform package for capital regulations (Basel III). The objective of the reform package is to improve the banking sector's ability to absorb shocks arising from financial and economic stress, thus reducing the risk of spill over from the financial sector to the real economy. *(Source: RBI – Guidelines on Implementation of Basel III Capital Regulations in India)*

The RBI's Basel III Capital Regulations, which are more stringent than the requirements prescribed by earlier RBI guidelines, have been implemented in India in phases since April 1, 2013. The Basel III Capital Regulations were expected to be fully implemented by March 31, 2019. Banks shall maintain a minimum Pillar 1 capital to risk-weighted assets ratio of 9% on an on-going basis (other than capital conservation buffer and countercyclical capital buffer amongst others). Common Equity Tier 1 capital must be at least 5.5% of risk-weighted assets ("**RWAs**"). Tier 1 capital must be at least 7% of RWAs on an ongoing basis. Thus, within the minimum Tier 1 capital, Additional Tier 1 capital can be admitted maximum at 1.5% of RWAs. Banks are also required to maintain a capital conservation buffer ("**CCB**") of 2.5% of RWAs in the form of Common Equity Tier 1 capital. *(Source: RBI Master Circular - Basel III Capital Regulations, April 1, 2024)*

The RBI has advised ECAIs to disclose the name of the banks and the corresponding credit facilities rated by them in the Press Releases issued on rating actions. A bank loan rating without this disclosure by the ECAI shall not be eligible for being reckoned for capital computation by banks. *(Source: RBI Master Circular - Basel III Capital Regulations, April 1, 2024)*

In addition, the Basel III liquidity framework introduced the net stable funding ratio ("**NSFR**"), which measures the ratio between the available stable funding with maturities greater than one year and the required stable funding with maturities greater than one year to support long-term lending and other long-term assets. For banks in India, the RBI had released the final guidelines and prescribed an NSFR of at least 100% from April 1, 2020. However, in view of exceptional conditions due to COVID-19, the RBI, by way of its notifications dated March 27, 2020 and September 29, 2020, deferred its NSFR implementation to April 1, 2021. In view of the economic stress on account of COVID-19, it was decided to defer the implementation of NSFR guidelines by a further period of six months. Accordingly, the NSFR Guidelines came into effect from October 1, 2021. *(Source: RBI – Basel III Framework on Liquidity Standards – Net Stable Funding Ratio, February 5, 2021)*

Leverage Ratio Framework

In June 2019, as a part of the 'Leverage Ratio Framework', the RBI announced that the minimum Leverage Ratio would be 4% for Domestic Systemically Important Banks and 3.5% for other banks. Both the capital measure and exposure measure along with Leverage Ratio are to be disclosed on a quarter-end basis. However, banks must meet the minimum Leverage Ratio requirement at all times. These guidelines were effective from the quarter commencing October 1, 2019. *(Source: RBI Master Circular – Basel III Capital Regulations, April 1, 2024)*

Domestic Systemically Important Banks

In August 2015, the RBI designated the State Bank of India ("**SBI**"), ICICI Bank and later in September 2017, the HDFC Bank as Domestic Systemically Important Banks ("**D-SIBs**"). Based on the methodology provided in the D-SIB framework and data collected from banks as of March 31, 2018, the RBI, in its release dated March 14, 2019, required SBI, ICICI Bank and HDFC Bank to provide Additional CET1 requirements as a percentage of RWAs of 0.6%, 0.2% and 0.2%, respectively. In accordance with the RBI's press release dated March 14, 2019, these CET1 requirements were applicable to D-SIBs from April 1, 2016 in a phased manner and became fully effective from April 1, 2019 onwards. The additional CET1 requirements were in addition to the CCB. As per the RBI press release dated December 28, 2023, SBI and HDFC Bank are required to maintain additional CET1 requirements as a percentage of RWAs of 0.8% and 0.4% respectively, which will be effective from April 1, 2025. The additional Common Equity Tier 1 ("**CET1**") requirement will be in addition to the capital conservation buffer. *(Source: RBI releases 2018 List of Domestic Systemically Important Banks dated March 14, 2019 and RBI releases 2020 List of Domestic Systemically Important Banks dated January 19, 2021 and RBI releases 2022 List of Domestic Systemically Important Banks dated January 2, 2023 and RBI releases 2023 List of Domestic Systemically Important Banks dated December 28, 2023*)

The Insolvency and Bankruptcy Code (Amendment) Act, 2017

The Insolvency and Bankruptcy Code ("**IBC**") (Amendment) Act, 2017 bars willful defaulters, defaulters whose dues have been classified as NPAs for more than one year, and all connected persons ('connected persons' refers only to persons who are connected to the resolution applicant's business activity) from submitting resolution plans and purchasing the assets of corporate debtors in liquidation. An enabling provision is in place to provide a cure for ineligibility conditions and help in meeting the corporate insolvency resolution process timeline. It also empowers the insolvency professional to lay down qualifying criteria for resolution applicants familiar with the complexity and scale of the corporate debtor's operations. *(Source: The Gazette of India – The Insolvency and Bankruptcy Code (Amendment) Act, 2017)*

The Insolvency and Bankruptcy Code (Second Amendment) Act, 2020

The Insolvency and Bankruptcy Code (Second Amendment) Act, 2020 (effective June 5, 2020) provides a time-bound process for resolving insolvency in companies and among individuals. The Act seeks to temporarily suspend initiation of the corporate insolvency resolution process ("**CIRP**") under the IBC. The Act provides that, for defaults arising during the six months from March 25, 2020, CIRP can never be initiated by either the company or its creditors. The central government may extend this period to one year by way of a notification. The Act clarifies that, during this period, CIRP can be initiated for any defaults arising before March 25, 2020. Under the IBC, a Director or Partner of the corporate debtor may be liable to make personal contributions to the assets of the company in certain situations. This liability can occur if, despite knowing that the insolvency proceedings could not be avoided, the person did not exercise due diligence in minimizing potential loss to the creditors. The resolution professional may apply to the National Company Law Tribunal to hold such persons liable. The resolution professional is appointed to manage the resolution process upon the acceptance of an application for initiation of the CIRP. The Bill prohibits the resolution professional from filing such an application in relation to the defaults for which initiation of the CIRP has been prohibited. *(Source: The Gazette of India – The Insolvency and Bankruptcy Code (Second Amendment) Act, 2020 dated September 23, 2020)*

The Insolvency and Bankruptcy Code (Amendment) Act, 2021

The Insolvency and Bankruptcy Code (Amendment) Act, 2021 (effective April 4, 2021) introduced an alternate insolvency resolution process called the Pre-packaged Insolvency Resolution Process ("**PPIRP**") for MSMEs with minimum amount of default is Rs. 1 lakh and maximum no ceiling. It also allows Distressed Corporate Debtors ("**CDs**") to initiate a PPIRP with the approval of two-thirds of their creditors to resolve their outstanding debt under the new mechanism. The management of the affairs of the corporate debtor shall continue to vest in the board of directors or the partners who shall make every endeavour to protect and preserve the value of the property of the corporate debtor, and manage its operations as a going concern. (*Source: The Gazette of India – The Insolvency and Bankruptcy Code (Amendment) Act, 2021 dated August 11, 2021*)

Amendments to the Banking Regulation Act

The Banking Regulation (Amendment) Act, 2017 was enacted with a view to give the RBI extensive powers to issue directions to banks for the resolution of stressed assets. The amendment introduced two new sections to the Banking Regulation Act: Section 35AA, which enables the RBI, with the authorisation of the Central Government, to direct banks to commence the insolvency resolution process against the defaulting company under the IBC and Section 35AB, which enables the RBI to issue directions to any banking company or group of banking companies for the resolution of stressed assets. *(Source: The Gazette of India – The Banking Regulation (Amendment) Act, 2017)*

The Banking Regulation (Amendment) Act, 2020 was enacted with a view to expand the RBI's regulatory control over co-operative banks in terms of management, capital, audit and liquidation. The Bill makes two changes: (i) extending previously omitted provisions of the Banking Regulation (Amendment) Act, 2017 to co-operative banks, and (ii) amending certain provisions of the Banking Resolution Act, 1949 applying to all banks. *(Source: The Gazette of India – The Banking Regulation (Amendment) Act, 2020)*

Recent Policy Measures Undertaken by the RBI

<u>SLR Holdings in Held-to-Maturity Category</u>

On September 1, 2020, the RBI increased the limits under the HTM category from 19.5% to 22% of NDTL in respect of SLR-eligible securities acquired on or after September 1, 2020 and on or before March 31, 2021. This dispensation was made available up to March 31, 2022. In order to provide certainty to the market participants in the context of the borrowing programme of the centre and states for 2021-22, it has been decided to extend the dispensation of enhanced HTM of 22 per cent up to March 31, 2023 to include securities acquired between April 1, 2021 and March 31, 2022. (*Source: RBI - Statement on Developmental and Regulatory Policies dated February 5, 2021)* . With a view to enable banks to better manage their investment portfolios, it has now been decided to extend the dispensation of the enhanced HTM limit of 23% from 22% up to March 31, 2024 to include securities acquired between September 1, 2020 and March 31, 2024. The HTM limit will be restored from 23% to 19.5% in a phased manner starting from the quarter ending June 30, 2024. *(Source: RBI Annual Report – 2023-2024)*

<u>Individual Housing Loans – Rationalisation of Risk Weights</u>

On October 12, 2020, the RBI had rationalized the risk weights for individual housing loans by linking them only with loan to value ratios for all new housing loans sanctioned up to March 31, 2022. Taking importance of the housing sector into consideration along with its multiplier effects and its role in supporting the overall credit growth, it was decided that the risk weights as prescribed in October 2020 circular shall continue for all new housing loans sanctioned up to March 31, 2023. *(Source: RBI – Statement on Developmental and Regulatory Policies dated April 8, 2022)*

Introduction of the Standing Deposit Facility

In 2018, RBI introduced Standing Deposit Facility ("**SDF**") – an additional tool for absorbing liquidity without any collateral. On April 8, 2022, it was decided to institute SDF with an interest rate of 3.75% with immediate effect. The SDF will replace the fixed rate reverse repo ("**FRRR**") as the floor of the liquidity adjustment facility ("**LAF**") corridor. Both the standing facilities viz., the marginal standing facility ("**MSF**") and the SDF will be available on all days of the week, throughout the year. The FRRR rate was retained at 3.35%. The FRRR along with the SDF will impart flexibility to the RBI's liquidity management framework. *(Source: RBI – Statement on Developmental and Regulatory Policies dated April 8, 2022)*

Restoration of the Symmetric LAF Corridor

With effect from April 8, 2022, the RBI restored width of LAF corridor to pre-pandemic level. With the introduction of the SDF at 3.75%, the policy repo rate being at 4.00% and the MSF rate at 4.25%, the width of the LAF corridor is restored to its pre-pandemic configuration of 50 basis points. *(Source: RBI – Statement on Developmental and Regulatory Policies dated April 8, 2022)*

Guidelines on Acquisition and Holding of Shares or Voting Rights in Banking Companies

On January 16, 2023, the RBI issued Master Directions and guidelines for major shareholders (Acquisition and Holding of Shares or Voting Rights in Banking Companies) consolidating the earlier directions. The major changes made in the guidelines include updates in the limits on permissible shareholding by different categories of shareholders, introduction of reporting requirements for encumbrance of shares by promoter and strengthening of arrangements for continuous monitoring of the 'fit and proper' status of major shareholders of a banking company. *(Source: RBI Notifications on 'Master Directions and Guidelines on Acquisition and Holding of Shares or Voting Rights in Banking Companies' dated January 16, 2023. Available at https://www.rbi.org.in)*

Securities Lending and Borrowing in Government Securities

The RBI proposed to permit lending and borrowing of Government securities which will augment the existing market for 'special repos'. The system is expected to facilitate wider participation in the securities lending market by providing investors an avenue to deploy idle securities and enhance portfolio returns. (*Source: RBI – Statement on Developmental and Regulatory Policies dated February 8, 2023*). The eligible securities for Government Securities Lending ("**GSL**") are – (a) Government securities issued by the Central Government excluding Treasury Bills shall be eligible for lending/borrowing under a GSL transaction. Securities obtained under a repo transaction, including through Reserve Bank's Liquidity Adjustment Facility, or borrowed under another GSL transaction shall also be eligible to be lent under a GSL transaction; (b) Government securities issued by the Central Government (including Treasury Bills) and the State Governments shall be eligible for placing as collateral under a GSL transaction. Securities obtained under a repo transaction, including through Reserve Bank's Liquidity Adjustment Facility, or borrowed under another GSL transaction shall also be eligible to be placed as collateral under a GSL transaction.

The use of security borrowed and substitution of collateral is (a) Securities borrowed under a GSL transaction may be – (1) Sold either through an outright or a repo transaction or used for meeting a delivery obligation in a short sale; or (2) Used for availing Reserve Bank's Liquidity Adjustment Facility; or; (3) Lent under another GSL transaction; or; (d) Placed as collateral under another GSL transaction; (b) Securities placed as collateral may be substituted by the borrower with other eligible securities in terms of the rules of the central counterparty.

The computation of Statutory Liquidity Ratio ("**SLR**") – (1) SLR eligible securities borrowed under a GSL transaction shall be eligible to be reckoned for SLR by the borrower. Accordingly, such securities lent under a GSL transaction shall not be eligible to be reckoned for SLR by the lender; (2) SLR eligible securities received as collateral under a GSL transaction shall be eligible to be reckoned for SLR by the lender. Accordingly, such securities placed as collateral under a GSL transaction shall not be eligible to be reckoned for SLR by the borrower (*Reserve Bank of India (Government Securities Lending) Directions, 2023 dated December 27, 2023*)

Recovery of Penal Charges on Loans

The extant regulatory guidelines on levy of penal interest have been reviewed by the RBI. It has been decided that any penalty for delay/default in servicing of the loan or any other non-compliance of material terms and conditions of loan contract by the borrower shall be in the form of 'penal charges' in a reasonable and transparent manner and shall not be levied in the form of 'penal interest' that is added to the rate of interest being charged on the advances. Further, there shall be no capitalization of penal charges (i.e., the same shall be recovered separately and shall not be added to the principal outstanding). However, in case of any deterioration in credit risk profile of the borrower, Regulated Entities ("**REs**") shall be free to alter the credit risk premium under extant guidelines on interest rate. *(Source: RBI – Statement on Developmental and Regulatory Policies dated February 8, 2023)*

Governance, measurement, and management of Interest Rate Risk in Banking Book

On February 17, 2023, the RBI issued final guidelines on Interest Rate Risk in Banking Book ("**IRRBB**"), in line with revised framework issued by the Basel Committee on Banking Supervision ("**BCBS**"). The IRRBB arises from banking activities and is encountered by all banks. It arises because interest rates can vary significantly over time, while the business of banking typically involves intermediation activity that produces exposure to both maturity mismatch and rate mismatch. The date of implementation will be communicated in due course. *(Source: RBI Notifications on 'Governance, measurement and management of Interest Rate Risk in Banking Book' dated February 17, 2023)*

Operation of Pre-Sanctioned Credit Lines at Banks through the Unified Payments Interface

Unified Payments Interface ("**UPI**") is a robust payments platform supporting an array of features. Presently it handles 75% of the retail digital payments volume in India. The UPI system has been leveraged to develop products and features aligned to India's payments digitization goals. Recently, RuPay credit cards were permitted to be linked to UPI. It is now proposed to expand the scope of UPI by enabling transfer to / from pre-sanctioned credit lines at banks, in addition to deposit accounts. Currently, savings account, overdraft account, prepaid wallets and credit cards can be linked to UPI. (*Source: RBI – Statement on Developmental and Regulatory Policies dated April 6, 2023 and RBI – Statement on Developmental and Regulatory Policies dated September 4, 2023*)

Framework for acceptance of Green Deposits

On April 11, 2023, the RBI notified framework for acceptance of green deposits to enable financial sector mobilising resources and their allocation thereof in green activities/projects. The framework to come in effect from June 1, 2023. *(Source: RBI Notifications on 'Framework for acceptance of Green Deposits' dated April 11, 2023)*

₹ 2,000 Denomination Banknotes – Withdrawal from Circulation

On May 19, the RBI decided to withdraw ₹ 2,000 denomination banknotes from circulation in pursuance of the "Clean Note Policy". The ₹ 2000 denomination banknotes will remain legal tender. The facility for deposit and/or exchange of ₹ 2,000 banknotes shall be available for members of the public up to September 30, 2023. *(Source: RBI Circular)* As the period specified for the withdrawal has come to an end, based on a review, it has been decided to extend the current arrangement for deposit / exchange of ₹ 2,000 banknotes until October 7, 2023. With effect from October 8, 2023, banks shall stop accepting ₹2000 banknotes for credit to accounts or exchange to other denomination banknotes. ₹2,000 banknotes shall continue to be allowed to be presented at the 19 Regional Offices of RBI having Issue Departments (RBI Issue offices) for credit to the bank accounts in India or exchange *(Source: RBI Circular)*

Guidelines on Default Loss Guarantee in Digital Lending

The RBI decided to permit arrangements between **REs** and Lending Service Providers ("**LSPs**") or between two REs involving default loss guarantee ("**DLG**"), commonly known as FLDG, subject to the guidelines laid down in the Annex to the referred circular. DLG arrangements conforming to these guidelines shall not be treated as 'synthetic securitisation' and/or shall also not attract the provisions of 'loan participation'. *(Source: RBI Notifications dated June 8, 2023)*

Requirement for maintaining additional Cash Reserve Ratio ("**CRR**")

On August 10, 2023, while reviewing the monetary policy for Fiscal 2024, the RBI announced incremental CRR ("**I-CRR**") of 10 % on the increase in net demand and time liabilities ("**NDTL**") between May 19, 2023, and July 28, 2023. (*Source: RBI Notifications dated August 10, 2023*)

As announced in the RBI Press Release dated September 08, 2023, on a review, it has been decided to discontinue the I-CRR in a phased manner. Based on an assessment of current and evolving liquidity conditions, it has been decided that the amounts impounded under the I-CRR would be released in stages so that system liquidity is not subjected to sudden shocks and money markets function in an orderly manner. As on September 9, September 23 and October 7, 2023 amount to be released are 25%, 25% and 50% of the ICRR maintained. (*Source: RBI Notifications dated September 8, 2023*)

<u>Regulatory measures towards consumer credit and bank credit to NBFCs</u>

On November 16, 2023, RBI has announced the following regulatory measures towards consumer credit and bank credit to NBFCs:

A. *Consumer credit exposure*

   (a) The risk weight for commercial banks towards consumer credit (outstanding as well as new) including personal loan, but excluding housing loans, education loans, vehicle loans and loans secured by gold and gold jewellery has been increased by 25% points from 100% to 125%; and

   (b) The risk weight for credit card receivables of SCBs has been increased by 25% points from 125% to 150%.

B. *Bank credit to NBFCs*

   Increase the risk weight on exposure of SCBs to NBFCs (excluding core investment companies) by 25% points in all cases where the extant of risk weight as per external rating of NBFCs is below 100%. For this purpose, loans to HFCs, and loans to NBFCs which are eligible for classification as priority sector shall be excluded.

C. Strengthening credit standards

   The REs shall review their extant sectoral exposure limits for consumer credit and put in place, if not already there, Board approved limits in respect of various sub-segments under consumer credit as may be considered necessary by the Boards as part of prudent risk management. In particular, limits shall be prescribed for all unsecured consumer credit exposures. The limits so fixed shall be strictly adhered to and monitored on an ongoing basis by the Risk Management Committee.

All top-up loans extended by REs against movable assets which are inherently depreciating in nature, such as vehicles, shall be treated as unsecured loans for credit appraisal, prudential limits and exposure purposes. *(Source: RBI notifications dated November 16, 2023)*

<u>Revised definition of "Bulk Deposits":</u>

Revised definition of bulk deposits for all Scheduled Commercial Banks (excluding RRBs), Small Finance Banks and Local Area Banks. The term "Bulk Deposit" would now mean:

1. Single Rupee term deposits of Rupees three crore and above for Scheduled Commercial Banks (excluding RRBs) and Small Finance Banks
2. Single Rupee term deposits of Rupees one crore and above for Local Area Banks as applicable in case of Regional Rural Banks

(*Source: Amendment to Master Direction – Reserve Bank of India (Interest Rate on Deposits) Directions, 2016 dated June 7, 2024*)

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward Looking Statements" on page 18 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read sections "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", on pages 41 and 88, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the twelve months ended March 31 of that year. Unless otherwise specified or unless the context otherwise requires, financial information herein for Fiscals 2022, 2023 and 2024 is derived from our Audited Consolidated Financial Statements, and the financial information for the nine months ended December 31, 2023, and December 31, 2024 is derived from our Unaudited Limited Reviewed Consolidated Financial Results included in this Preliminary Placement Document.

The degree to which the financial information prepared in accordance with Indian GAAP will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, and includes extracts from publicly available documents from various sources, including officially prepared materials from the Government of India (the "GoI") and its various ministries, the Reserve Bank of India and Ministry of Statistics and Programme Implementation, and has not been prepared or independently verified by our Bank, the Book Running Lead Managers or any of their affiliates or advisers.

Unless otherwise stated, references to "the Bank" or "our Bank", are to Central Bank of India on a standalone basis and references to "we", "us", "our", are to Central Bank of India on a consolidated basis

Overview

We are a scheduled public sector commercial bank in India, catering to the overall banking needs across customer segment. Having been in operation for more than 114 years, we offer a variety of retail banking products and services customized to cater the needs of our retail and corporate customers, services to large and mid-corporates, micro small and medium enterprises ("**MSME**") and agricultural sectors. We also offer third party insurance and mutual fund plans on an agency basis to our customers and provide services like lockers, collection of taxes as well as other banking products and services. As on December 31, 2024, we have a wide presence through a network of 4,541 branches, with 13 zonal offices, 90 regional offices, two sponsored RRBs, five extension counters, 4,085 ATMs, 11,889 Business Correspondents and five satellite offices with customer accounts of around 8.21 crore banking customers. As of December 31, 2024, our branch network is present in 28 States and seven Union Territories in India and is spread over 805 branches in metropolitan cities, 774 branches in urban areas, 1,347 branches in semi-urban areas and 1,615 branches in rural areas, constituting 17.74%, 17.04%, 29.66% and 35.56% of the total branch network, respectively, which we believe provides us a potentially large business opportunity from unbanked segments in rural India.

Established on December 21, 1911. We are one of the 13 banks, which were nationalised in 1969 and became a public sector bank. The range of products offered by us includes fund-based products, non-fund based products, fee and commission-based products and services, deposits and foreign exchange and derivative products. The details of our financial performance as of December 31, 2024, March 31, 2024, December 31, 2023, and March 31, 2023, are below:

As of	Total Business *(in ₹ crore)*	Total Deposits *(in ₹ crore)*	Gross Advances *(in ₹ crore)*
December 31, 2024	6,67,501.91	3,96,722.58	2,70,779.33
March 31, 2024	6,35,553.44	3,83,808.76	2,51,744.68
December 31, 2023	6,16,428.47	3,76,782.31	2,39,646.16
March 31, 2023	5,76,618.68	3,57,839.97	2,17,778.71

The details of our capital adequacy ratio as of December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, are set forth below:

As of	Capital Adequacy Ratio
December 31, 2024	16.43%
March 31, 2024	15.08%
March 31, 2023	14.12%
March 31, 2022	13.84%

The details of our NPAs and provision coverage ratio as of December 31, 2024, and March 31, 2024, are presented below:

As of	Gross NPAs *(in ₹ crore)*	Gross NPAs (%)	Net NPAs *(in ₹ crore)*	Net NPAs (%)	Provision Coverage Ratio (%)
December 31, 2024	10,459.89	3.86%	1,554.98	0.59%	96.54%
March 31, 2024	11,340.34	4.50%	3,001.95	1.23%	93.58%

The range of products and services offered by the Bank includes loans and advances, deposits, foreign exchange products, retail lending and deposits. Our principal banking operations include:

- *Retail Banking*: Our retail banking business offers a wide range of financial products and services to retail customers. Retail banking products principally comprise of retail banking accounts (e.g., savings accounts and time deposits) and retail loans (e.g., home loan, loan against property, vehicles loan, education loan, and personal loan) Our total revenue from our retail banking business stood at ₹79,927.08 crore as on December 31, 2024, and ₹71,193.11 crore as on March 31, 2024.

- *MSME Banking*: Our MSME banking business offers a wide range of products at different interest rates to suit the specific needs of MSME borrowers. As a part of our offering, we extend credit facilities, including term loans, working capital and non-fund based facilities, to MSME involved in manufacturing and service /trade activities. Our total revenue from our MSME banking business stood at ₹58,002.10 crore as on December 31, 2024, and ₹49,870.32 crore as on March 31, 2024.

- *Agricultural Banking:* Our agricultural banking business offers direct financing to farmers for production , as well as indirect financing for infrastructure development and credit to suppliers of agricultural inputs through agencies. In consonance with national policies and priorities, we have given considerable thrust to lending to the priority sector, including the agriculture sector. Our agricultural advances stood at ₹51,274.23 crore as on December 31, 2024 and ₹46,063.46 crore as on March 31, 2024.

- *Corporate/ Wholesale Banking:* Our corporate/wholesale banking business caters to corporate and institutional clients. Our total advances towards corporate/ wholesale banking stood at ₹ 81,575.92 crore as on December 31, 2024 and ₹84,617.79 crore as on March 31, 2024.

- *Other Banking Services:* Under other banking services, we provide range of offerings. Our treasury operations manage market risk and liquidity in line with Board-approved policies, aiming to optimize returns. Through bancassurance, we provide life, non-life, and health insurance products. We serve as an agency for the collection of central and state government revenues and have implemented a centralized system for pension payments. We distribute mutual funds. In the capital markets, we provide ASBA services, demat accounts, and a "3 in 1" e-trading facility. Our card services include debit cards in collaboration with major card networks. Our deposit services include time, savings, and current accounts, with specialized products for different customer segments.

The Bank is also present, through its Subsidiaries, Joint Venture and Associates, in diverse segments of the Indian financial sector, including housing finance, and trusteeship services. The Bank contributed 99.73% of our total consolidated assets as of December 31, 2024.

The Bank has a presence throughout India with a total of 4,541 branches, of which 65.22 % are located within rural and semi-urban areas in India, 4,085 ATMs, 11,889 banking correspondents, as of December 31, 2024. The Bank also has an overseas presence in Zambia through its Joint Venture. The President of India, acting through the Ministry of Finance, Government of India ("**GoI**") owned 93.08% of the Bank's share capital as of December 31, 2024.

The Bank's branch network is further complemented by its online and mobile banking solutions that enable it to provide its customers with access to banking services. Our direct banking platforms enable us to connect with our customers through alternate channels by improving customer growth and supporting the increase in the volume of customer transactions.

As of December 31, 2024, the Bank had gross deposits, gross advances and a total asset base of ₹ 3,97,907 crore, ₹2,70,779 crore and ₹49,68,479 crore, respectively. In addition, the Bank's retail term deposits (deposits less than ₹ 3.00 crore) accounted for 46.03% of the Bank's domestic deposits.

Presented below are the details of the Bank's total CASA deposits, domestic CASA deposits, and the ratio of domestic CASA deposits to total domestic deposits as of December 31, 2024, December 31, 2023, March 31, 2024, March 31, 2023, and March 31, 2022:

As of	Total CASA Deposits *(in ₹ crore)*	Domestic CASA Deposits *(in ₹ crore)*	Ratio of Domestic CASA to Total Domestic Deposits (%)
December 31, 2024	1,95,106.66	1,95,106.66	49.18%
December 31, 2023	1,84,541.91	1,84,541.91	48.98%
March 31, 2024	1,91,969.46	1,91,969.46	50.02%
March 31, 2023	1,80,311.95	1,80,311.95	50.39%
March 31, 2022	1,72,480.13	1,72,480.13	50.58%

Under the Priority Sector Guidelines, under the applicable RBI circular for priority sector lending targets and classification (the "**Priority Sector Circular**"), which sets out that 40% of the adjusted net bank credit ("**ANBC**") should be provided to the priority sector ("**Priority Sector Credit**"), with 18% and 10% of such Priority Sector Credit provided to the agriculture sector and the weaker sections (as identified in the Priority Sector Circular), respectively. Our achievement under Total Priority Sector, Agriculture and Weaker Section was 53.03%, 20.75% and 16.34%, respectively for the nine months period ended December 31, 2023, and was 54.23%, 21.26% and 16.44%, respectively for the nine months period ended December 31, 2024. We have achieved the goals set for priority sector lending for each of Fiscal 2022, Fiscal 2023, Fiscal 2024 and the nine months period ended December 31, 2023 and December 31, 2024.

For further information, see "*Regulations and Policies—Priority sector lending*" on page 240.

The table below sets forth summaries of certain of the Bank's key operating and financial performance parameters, as of and for the periods indicated below:

(₹ in crores, unless otherwise mentioned)

	As of and for the years ended March 31,			As of and for the nine months period ended December 31	
	2022	**2023**	**2024**	**2023**	**2024**
Average interest- earning assets	2,95,345.08	3,37,269.97	3,79,337.18	3,74,345.38	4,01,263.26
Net interest income	9,486.76	11,686.79	12,896.33	9,355.47	10,498.33
Average total assets	3,99,251.00	3,65,139.00	4,07,995.00	4,00,535.00	4,37,701.00
Average yield (%)(1)	7.72	7.57	8.10	7.97	8.32
Average Working Funds - AWF	3,42,948.43	3,61,456.80	4,04,370.56	3,96,903.59	4,33,720.20
Average cost of funds / borrowings (%) (excluding Current Deposits)	4.10	4.15	4.89	4.88	5.01
Average cost of Deposits (%) (excluding Current Deposits)	4.03	4.10	4.81	4.77	4.93
Spread(2) (bps)	362 bps	342 bps	321 bps	309 bps	331 bps
Cost of Funds(3) (%) includes current account	3.92	3.97	4.70	4.64	4.82
Net interest margin(4) (%)	3.21	3.47	3.40	3.33	3.49
Profit After Tax	1,045.00	1,582.00	2,549.00	1,742.00	2,752.00
Return on average equity(%)	4.49	6.42	9.53	8.81	12.64
Return on average assets(%)	0.30	0.44	0.63	0.59	0.85
Earnings per share (Annualised) (in ₹)	1.27	1.82	2.94	2.68	4.23
Book value per share (in ₹)	27.42	29.32	32.32	31.37	34.54

Tier I capital adequacy ratio (in %)	11.48	12.11	12.46	12.17	14.21
Tier II capital adequacy ratio (in %)	2.36	2.01	2.62	2.57	2.22
Total capital adequacy ratio (in %)	13.84	14.12	15.08	14.74	16.43
Net NPAs(5)	6,675.00	3,592.00	3,002.00	2,956.00	1,555.00
Net NPAs ratio(6) (in %)	3.97	1.77	1.23	1.27	0.59
Credit to deposit ratio(7) (in %)	55.63	60.86	65.59	63.60	68.25
Cost to income ratio(8) (in %)	53.90	56.35	58.18	58.29	57.90
Staff cost to income ratio (in %)	31.53	35.53	35.85	36.13	36.68
Other cost to income ratio (in %)	22.37	20.82	22.34	22.16	21.22
Provisioning coverage ratio(9) (in %)	86.69	92.48	93.58	93.73	96.54
Credit cost (Annualised) (in %)	1.4	1.8	1.5	1.73	1.06
CASA ratio(10) (in %)	50.58	50.39	50.02	48.98	49.18
Slippage ratio(11) (in %)	3.2	2.52	2.57	2.07	0.98
Total business	5,30,748.1	5,75,618.7	6,35,553.4	6,16,428.47	6,67,501.91
Gross total advances	1,89,712.2	2,17,778.7	2,51,744.7	2,39,646.16	2,70,779.33
Gross Deposits	3,41,035.9	3,57,839.4	3,83,808.8	3,76,782.31	3,96,722.58

Notes:

(1) Average balances are daily averages for deposits/ advances/investments and all others are based on monthly averages as reported to the RBI.

(2) Spread is the difference between the yield on average interest earning assets and yield on average interest bearing liabilities excluding current deposits.

(3) Cost of Fund is the ratio of interest expense to average interest-bearing liabilities.

(4) Net interest margin is the difference between interest earned and interest expended divided by the average working funds (AWF).

(5) Net NPAs reflect the Bank's gross NPAs less provisions for NPAs.

(6) Net NPAs ratio is the ratio of net NPAs divided by net advances.

(7) Credit to deposit ratio is calculated as a ratio of total gross advances to total deposits.

(8) Cost to income ratio is calculated as a ratio of operating expenses divided by total operating income (total of net interest income and non-interest income).

(9) PCR (including technical write-off) comprises provisions plus technical write off as percentage to Gross NPA plus technical write off.

(10) Ratio of domestic current account deposits and savings account deposits to domestic deposits (including inter-bank deposits).

(11) Slippages are fresh accretion to NPAs during a period. Slippage Ratio is fresh NPAs divided by Standard Advances at the beginning of the period.

Competitive Strengths

We believe that our success can be attributed to a combination of the following competitive strengths:

Pan India presence via wide network of branches and ATMs along with digital platform

Having been in operation for over 114 years, we offer a broad array of wholesale and retail banking products and services cater to the needs of our customers.

As of December 31, 2024, our multi-channel distribution network comprises over 8.21 crore customers, with operations spanning 28 states and 7 union territories, supported by 4,541 total branches, including 1,615 in rural areas, 1,347 in semi-urban areas, 774 in urban locations, and 805 in metro regions. Our network is further bolstered by 4,085 ATMs and 11,889 business correspondent outlets ("**BC outlets**"), bringing our total customer touch points to 20,515. Under the government financial inclusion scheme, as of December 31, 2024, we have established 1,228 Urban Financial Inclusion centres. Additionally, leveraging our Business Correspondents ("**BCs**"), we have established 25 BC MAXX Centers.

We have expanded its digital footprint through various platforms, including internet banking, mobile banking apps, and other digital services. Our internet banking platform offers various services, allowing customers to perform various transactions from their homes, including fund transfers, fee payments, and account management. Our mobile banking app, notably the CentPay, has revolutionized how customers interact with the Bank. It supports UPI payments, enabling money transfers between accounts using a mobile device. The app also provides features such as balance inquiries, mini statements, and transaction history,. These platforms have improved customer satisfaction and loyalty by offering round-the-clock access to banking services. Moreover, the data collected through these digital channels provides valuable insights into customer behaviours and preferences, enabling the Bank to better tailor its products and services to meet customer needs.

Diversified asset base with a focus on retail and MSME segment

Our loan products are designed to suit and cater to the financing needs of our customers across geographic locations, varied business segments as our branches are spread across metropolitan cities, urban, semi urban and rural areas. We offer retail credit, products suitable for financial requirements of agriculture, and MSME for their domestic, and business requirements. We have focused on growing our advances to the retail, agriculture and MSME sectors (the "**RAM sectors**"). As of December 31, 2024, our Bank's advances to retail, agriculture and MSME sectors represented 29.51%, 18.94% and 21.46% of our Bank's total advances, respectively, and together the RAM sectors represented 69.91% of our Bank's total advances. In comparison, as at December 31, 2023, our Bank's advances to retail, agriculture and MSME sectors represented 27.53%, 20.36 % and 18.00% of our Bank's total advances, respectively, and together the RAM sectors represented 65.89 % of our Bank's total advances.

Under the Priority Sector Guidelines, 40.00% of the ANBC should be provided to the priority sector, with 18% and 10% of such priority sector credit provided to the agriculture sector and weaker sections (as identified in the Priority Sector Guidelines), respectively. We have achieved the goals set for priority sector lending for each of Fiscal 2022, Fiscal 2023, Fiscal 2024 and the nine months ended December 31, 2024.

Set out below are details of our financial inclusion targets.

Parameter	**National Goals (based on Priority Sector Circular)**	**Achieved**	**Outstanding Balance as of December 31, 2024** ***(in ₹ crore)***
Priority Sector			
Priority Sector (% of ANBC)	40.00%	54.23%	1,26,889.83
Total agriculture advances (% of ANBC)	18.00%	21.26%	NIL
Small and marginal farmers (% of ANBC)	9.50%	10.55%	NIL
Micro enterprises accounts (year on year growth) (%)	7.50%	13.94%	NIL
Credit to micro enterprises (% of ANBC)	7.50%	13.93%	NIL

As of March 31, 2022, March 31, 2023 and March 31, 2024 and as of December 31, 2024, we had achieved the targets set out for us by the RBI for lending to the priority sector, amounting to 44.08%, 54.48%, 53.14% and 54.23% of our ANBC, respectively.

We believe our array of loan products and other related banking services have helped us in maintaining the bond with our customers. Our retail credit portfolio consists of a range of products to meet various financial needs like housing loans, vehicle loans, education loans, personal loans, other retail loans, gold loans and loans for pensioners. We extend financial support to priority sectors as identified by the Government of India and the regulator that includes agriculture, MSME, affordable housing and education. We also cater to the banking needs of the corporate sectors across various industries..

Our Bank supports SMEs and MSMEs with specialised solutions like business loans, working capital finance, and trade finance to enhance business operations. Corporate clients benefit from comprehensive services to meet complex financial needs, including corporate loans, cash management, and treasury services. The agricultural sector is provides various loans and credit facilities designed to support farming activities. Our Bank also partners with government bodies and PSUs, providing services such as transaction processing This approach ensures financial empowerment and economic growth across all customer segments.

We have driven our operations towards a balanced asset portfolio with a focus on our retail operations, and selective attention to our corporate operations, determined by our ability to match the risk appetite of such corporate credit. The retail policy seeks to ensure profitable deployment of resources keeping in view the ALM requirement . Below are the details of our Bank's loan growth in the retail, agriculture, and MSME sectors:

Sector	Fiscal 2023 *(in ₹ crore)*	Fiscal 2024 *(in ₹ crore)*	% Increase	Nine months period ended December 31, 2023 *(in ₹ crore)*	Nine months period ended December 31, 2024 *(in ₹ crore)*	% Increase
Retail	62,726.35	71,193.11	13.50%	68,797.86	79,927.08	16.18%
Agriculture	42,110.35	46,063.46	9.39%	44,654.33	51274.23	14.83%
MSME	42,869.66	49,870.32	24.99%	46994.22	58,002.10	23.64%

We believe our strategically diversified asset portfolio across the RAM sectors will lead to better risk diversification, increased revenue and improved margins.

Technology infrastructure

Our Bank believes that it is well-positioned to build its digital capabilities, and has made significant investments in technology and digital analytics to underwrite and manage risks and optimize costs. By establishing an IT system that effectively integrates customer service channels, internet banking, customer service systems and telephone banking including personalized mobile banking and information platforms, we are able to provide our management team with relevant financial and operational data on a real-time basis and serve our customers in an efficient and effective manner. We have invested in technological platforms like mobility and other new-age technologies. The Bank implemented an AI-based Chatbot named Cent Chanakya to assist branch staff in responding to customer queries more effectively. Additionally, the Bank launched a Digital Lending Platform. king.

As of December 31, 2024, our Bank had approximately 1.13 crore internet-banking users and 8.91 crore mobile banking users generating over 180.53 crore internet banking transactions and 180.22 crore mobile banking transactions.

The details of the Bank's digital transactions and UPI BHIM mobile payment customers as of December 31, 2024, December 31, 2023, March 31, 2024, March 31, 2023, and March 31, 2022, are set forth below:

As of	% of Total Transactions Through Digital Channels	UPI BHIM Mobile Payment Customers *(in crore)*	UPI BHIM Transactions *(in crore)*
December 31, 2024	84.93%	0.40	264.02
December 31, 2023	80.30%	0.29	196.58
March 31, 2024	81.04%	0.33	269.31
March 31, 2023	78.12%	0.24	198.83
March 31, 2022	78.05%	0.15	142.50

Of the total number of our Bank's transactions, 15.07% were branch transactions and 84.93% were digital transactions as of December 31, 2024.

This integration is important for ensuring all branches operate on a unified platform, providing consistent and efficient customer service. The implementation of CBS has resulted in numerous operational efficiencies. Its capability helps us to adhere to regulatory requirements and promptly detect potential fraud or irregularities, safeguarding the Bank's and its customers' interests.

As of December 31, 2024, the overall resolution rate is approximately 86% for FOS and 85% for call centers. Additionally, we have set up Integrated Customer Care ("**ICC**") centers in Mumbai and Hyderabad, with a phased launch of various initiatives to resolve complaints received through multiple channels such as branches, email, mobile banking, internet banking, social media and whatsapp messenger ("**WhatsApp**"). Currently, the ICC offers voice/call, customer relationship management ("**CRM**"), WhatsApp, social media servicing for our customer service capabilities.

We have also launched Cent eeZ, the Omni-Channel app by Central Bank of India, which redefines convenience with 200+ features by combining banking, investments, shopping, and insurance into a single, seamless platform. The app offers an easy registration process for new users, OTP-based authentication, and complaint status. Users can track, their wealth, and access assistance through a toll-free number.

The Digital Lending Platform currently offers convenient online loan applications in both digital and assisted modes for a variety of loans including retail and agri gold loan, KCC, mudra-shishu/kishore/tarun loans, saral msme, and cent business. The platform adheres to best industry practices, streamlining the process, reducing paperwork, and ensuring a seamless experience for borrowers. This approach will enable the Bank to reduce turnaround times, simplify loan processing, enhance customer service, and create improved business opportunities.

Risk management practices leading to enhanced credit management procedures and improved asset quality

Our Bank has developed a risk management framework to manage Credit, Market, Operational, and Pillar II risks. The Risk Management Committee (“**RMC”**) of the Board of Directors plays a key role in overseeing the Bank's policies and practices to mitigate these risks. At the operational level, various committees such as the the Credit Risk Management Committee (“**CRMC”**), and the Operational Risk Management Committee (“**ORMC”**) have been established with top management participation. These committees regularly assess and monitor risk levels across different Bank operations and implement necessary mitigation measures. Moreover, the Bank has designated officers as 'Risk Managers' in regional and zonal offices, as well as 'Nodal Officers' in central functional departments, to strengthen risk control and management efforts. The Bank has set a strong provision coverage ratio (“**PCR**”) of 93.58%, exceeding the target of more than 92%, and maintains a low slippage ratio of 0.57%, below the target range of less than 1%.

In managing market risk, our Bank conducts thorough reviews of market positions, funding patterns, and compliance with various limits, including exposure and counterparty limits. Tools such as Value-at-Risk (VaR) and Modified Duration analysis are employed to measure and mitigate potential risks to short-term profitability and long-term equity value. The Bank has also developed a model aligned with Basel III guidelines to estimate the capital charge on its trading portfolio, ensuring a dynamic and regulatory-compliant risk management approach. The Board-approved Market Risk Management Policy provides a framework for monitoring and controlling market risk within the Bank's portfolio, and the Asset & Liability Committee oversees market risk developments and mitigation actions. As on December 31, 2024, the Bank has also deployed 1,194 self-service passbook printing kiosks nationwide, reducing branch congestion and improving customer service efficiency. The adoption of video KYC has further streamlined the account opening process.

To manage operational risks, our Bank has implemented a Board-approved Operational Risk Management Policy and established ORMC to oversee its framework. The ORMC ensures that appropriate methodologies and tools for risk assessment, identification, and reporting are in place. Additionally, the Bank has established a business continuity plan. The ORMC, led by the MD & CEO, ensures that the operational risk management practices align with the Bank’s overall risk management objectives, regulatory requirements, and business continuity goals. Our risk management function is described in further detail under “*Our Business—Risk Management*” on page 211.

Our Bank’s net NPA was 0.59% of net advances as of December 31, 2024. Our Bank’s restructured standard assets and SMA were 2.11% and 3.86% of gross advances respectively as of December 31, 2024. Please find below the details of the Bank’s key financial metrics as of nine months period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Metric	Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Gross NPAs (% of gross advances)	3.86%	4.50%	8.44%	14.84%
Net NPAs (% of net advances)	0.59%	1.23%	1.77%	39.97%
Provision Coverage Ratio (%)	96.54%	93.58%	92.48%	86.69%
Slippage Ratio (%)	1.11%	2.57%	1.62%	3.20%
Credit Cost (%)	0.49%	1.50%	1.80%	1.41%

Our Bank continued its conservative provision strategy, and its provision coverage ratio stood at 93.58% on March 31, 2024 as against 92.48% on March 31, 2023.

We believe that our Bank has been able to reduce NPA levels and improve our asset quality by implementing a well-defined Recovery Policy that covers various aspects, including monitoring NPAs, follow-up measures, compromise settlements, adherence to the SARFAESI Act, appointing enforcement agencies, allocating recovery portfolios, selling assets to ARCs through the Swiss Challenge Method, and addressing cases of wilful default. During the Fiscal 2024, the Bank achieved notable success in reducing Gross NPA and Net NPA. To further aid NPA resolution, we implemented a Special One Time Settlement Scheme under which proposals amounting to ₹1,467.93 crore and ₹1,061.32 crore were settled for ₹988.08 crore and ₹711.23 crore, respectively, during Fiscal 2024 and the nine-month period ended December 31, 2024. As of December 31, 2024, we also successfully transferred 3 NPA accounts to NARCL, resulting in a recovery of ₹198.51 crore and reducing the NPAs by ₹184.55 crore. Under the SARFAESI Act, in Fiscal 2024 and the nine-month period ended December 31, 2024, the Bank conducted auctions for 1,729 and 2,735 properties, selling 284 and 311 properties, and generating ₹218.17 crore and ₹272.14 crore, respectively. We have also signed Inter-Creditor Agreements ("**ICA**") in 15 accounts with a total outstanding amount of ₹4,716.54 crore as of December 31, 2024, and set aside a total provision of ₹3,616.46 crore for these accounts. To strengthen NPA resolution efforts, the Bank signed ICAs for accounts with banking exposure of ₹1,500 crore and above, following RBI guidelines. These efforts have contributed y to the reduction of NPA levels and the improvement of our asset quality.

The Bank is in compliance with Basel II and Basel III requirements and has implemented credit risk assessment models, independent validation of internal ratings and increased use of IT to improve and maintain the quality of loan data. Our Bank's capital adequacy ratio was 16.43% as at December 31, 2024, which is higher than the statutory requirement of 11.50%.

Stable and growing deposit base

Please find below the details of the Bank's deposit growth across various periods:

Period	Deposits (₹ Crore)	Growth (%)
Fiscal 2022 to Fiscal 2023	₹3,41,035.90 crore to ₹3,57,839.97 crore	4.85%
Fiscal 2023 to Fiscal 2024	₹3,57,839.97 crore to ₹3,83,808.76 crore	7.16%
December 31, 2023, to December 31, 2024	₹3,76,782.31 crore to ₹3,96,722.58 crore	5.34%

We offer a wide range of deposit products to our retail customers like "Cent Salary (Elevate/Empower/Esteem)"," Cent Queen"," Cent Yuva"," Cent Premium" "Cent Param"," Cent Samarth-Salary Product", "Cent Samvridhi Premium", "Cent Vyavsaay", "Cent RERA Current Account" and "Cent Platinum". Our Bank's ratio of retail deposits (CASA+ Retail term Deposits) to total deposits in Fiscal 2022 Fiscal 2023, Fiscal 2024 and nine-month period ended December 31, 2024, was 96.63% 95.60%, 95.44% and 95.06% respectively. The Bank's ratio of domestic CASA deposits to its total domestic deposits was 50.58%, 50.39%, 50.02% and 49.18% as of March 31, 2022, March 31, 2023, March 31, 2024 and December 31, 2024, respectively. The proportion of CASA deposits in total deposits remained stable at 50.02%, underscoring the Bank's emphasis on low-cost deposit growth. Our savings deposits have also been growing over the years and grew from ₹1,55,965.20 crore as of March 31, 2022 to ₹1,62,531.45 crore as of March 31, 2023 and ₹1,73,720.92 crore as of March 31, 2024. Our savings deposits grew from ₹1,67,085.38 crore as of the nine months ended December 31, 2023 to ₹1,76,303.91 crore as of the nine months ended December 31, 2024. Deposits constituted 85.16% of our total liabilities as of December 31, 2024 and contributed 4.82% to our average cost of funds as of and for the nine months ended December 31, 2024. Our Bank continues to maintain capital position which is well above regulatory thresholds. The Total Basel III Capital Adequacy Ratio (CRAR) was 15.08%, while the Common Equity Tier 1 Ratio stood at 12.46% for Fiscal 2024.

Professional and highly experienced board of directors and senior management team

We have a management team with knowledge in the Indian banking and financial sector. We believe the quality of our management team has been critical in achieving our business results. We are guided by our Bank's Managing Director and Chief Executive Officer, Matam Venkata Rao, along with our Executive Directors Vivek Wahi, Malladi Venkat Murali Krishna and Mahendra Dohare who bring with them extensive experience in the banking sector. Our Board is also supported by other Directors such as Directors who are representatives of GoI, RBI and shareholders with experience in banking, finance and strategic planning.

We believe that the experience of our Board and professionalism of the senior management team complements each other to understand the industry dynamics and set a strong platform for successful banking business. Our management's experience helps us make timely strategic and business decisions in response to evolving customer needs and market conditions. We believe in continuous development and have invested in our employees through regular training programmes to improve skills and service standards, enhance loyalty, reduce attrition rates and increase productivity. For further information, see "*Board of Directors and Senior Managerial Personnel*" on page 216.

Our Strategies

The objectives that form our business strategies are described below:

Sustained credit growth with emphasis on retail, agriculture and MSME ("RAM") lending

Our retail loans portfolio amounted to ₹79,927.08 crore or approximately 29.51% of our total advances, as of December 31, 2024. Further our agriculture loans and MSME loans portfolio amounted to ₹ 51,274.23 crore or approximately 18.93% and ₹ 58,002.10 crore or approximately 21.45% of our total advances, respectively as of December 31, 2024. We believe that strategic partnerships with leading automotive manufacturers, construction companies, central and state government departments, along with festive season campaigns, will contribute significantly to the continued expansion of our retail loans.

With a growing retail base, we believe that we will be able to generate significant opportunities for cross-selling. Furthermore, we are committed to maintaining a strong focus on the MSME segment by offering various products and services, including new schemes such as cent hotel, cent energy efficiency scheme, cent CA/CS/CMA and cent export schemes. To enhance the ease of doing business for MSMEs, we have implemented the digi auto renewal scheme for MSME loans, resulting in the digital renewal of 36,349 accounts amounting to ₹1,776.09 crore, as of December 31, 2024. Additionally, we have partnered with vendors to provide supply chain finance

As of December 31, 2024, we have 1,615 branches in rural areas and 1,347 branches in semi urban areas, constituting 35.56% and 29.66% of our total branch network. We believe that there is a potentially large business opportunity from unbanked segments in rural India that it plans to tap by offering simple products customized to suit the needs of this previously unbanked segment.

We also aim to maintain an appropriate mix of RAM to Corporate credit ratio, which as of December 31, 2024, stands at 70:30.

Maintaining CASA deposits through enhanced convenience and technology

CASA is the prime source of low-cost funds for our Bank. Our share of CASA deposits to total deposits have decreased from 50.39%, as of March 31, 2023 to 50.02% as of March 31, 2024. Our aggregate CASA deposits increased at a CAGR of 5.50% from ₹1,72,480.13 crore as of March 31, 2022 to ₹1,80,312 crore as of March 31, 2023, and were at ₹1,91,964.46 crore as of March 31, 2024.. We believe that leveraging CBS, internet, and mobile banking systems, along with integrating UPI Lite into CentPay and Interoperable Cardless Cash Withdrawal ("**ICCW**"), will help us increase our customer base and CASA deposits.

Arresting delinquency and recovery of NPAs

Though a reduction in impaired assets and an improvement of the quality of our assets through recovery and due diligence measures have been our key focus area in the recent past, we intend to continue to focus on reducing our impaired assets with the objective of reducing our NPA levels, while improving the quality of our assets. One of our Bank's key priorities is the recovery of assets and effective management of NPAs. Our Bank's gross NPAs as a percentage of gross advances were 14.84%, 8.44 %, 4.50 % and 3.86 % in Fiscal 2022, Fiscal 2023, Fiscal 2024 and nine-month period ended December 31, 2024, respectively, and our Bank's net NPAs as a percentage of net advances were 3.97%, 1.77%, 1.23% and 0.59% in Fiscal 2022, Fiscal 2023, Fiscal 2024 and nine month period ended December 31, 2024, respectively. We will also utilise technology-driven credit underwriting, delivery and monitoring structures to improve risk evaluation and loan quality, which would concurrently strengthen and utilise our call center as a collection channel.

We had implemented a special one-time settlement platform for resolving NPA accounts. Additionally, we sell NPA assets to Asset Reconstruction Companies ("**ARCs**").

Digital transformation and technology enhancement

We currently offer different options for customers to access their accounts, including internet banking and mobile banking. As of December 31, 2024, the Bank had 11.34 crore internet banking users and 0.89 crore mobile banking users, respectively. The Bank's internet banking transactions have grown from 1.46 crore during Fiscal 2022 to 1.71 crore during Fiscal 2024, while mobile banking transactions have grown from 1.31 crore during Fiscal 2022 to 1.70 crore during Fiscal 2024. Additionally, digital transactions increased from 203.14 crore during Fiscal 2022 to 331.05 crore during Fiscal 2024.

Our customers can also access their bank accounts through mobile applications based on the Unified Payment Interface ("**UPI**") developed by the National Payments Corporation of India, called Bharat Interface for Money ("**BHIM**"). As of December 31, 2024, we have 0.40 crore customers on Cent Pay, and a total of 1.08 crore customers registered on third-party UPI platforms.

Key initiatives include the Cent eeZ App, an Omni-Channel platform with over 200 features that integrates banking, investments, shopping, and insurance into a seamless experience.

Integrated risk management and resilience

Our Bank has established a risk management framework to ensure management of various risks. The Risk Management Committee ("**RMC**") of the Board of Directors oversees policies and practices for managing credit, market, operational, and Pillar II risks. At the operational level, specialized committees such as the Asset Liability Management Committee ("**ALCO**"), Credit Risk Management Committee ("**CRMC"**), and Operational Risk Management Committee ("**ORMC"**) regularly assess and monitor risk levels, initiating necessary mitigation measures. The Bank employs advanced tools like value-at-risk ("**VaR**") and Modified Duration analysis for market risk and rating models for credit risk. Additionally, the Fraud Risk Management Cell ("**FRMC"**) ensures fraud prevention, detection, and mitigation. Through this approach, the Bank maintains a risk management strategy that aligns with regulatory requirements and supports the Bank's overall resilience and sustainability objectives.

Focus on developing fee-based income including treasury operations

Our integrated branch and electronic banking network and our increasingly diversified product and service portfolio have enabled us to develop our fee and commission-based business. We have also obtained a corporate insurance agency license from Insurance Regulatory and Development Authority under the Insurance Act, 1938 for acting as a corporate agent and have tied up with various insurance companies for distribution of life and non life insurance products to our customers.

Our treasury profit from trading was ₹1,018 crore, ₹965 crore, ₹586 crore and ₹421 crore in nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. We believe that our increased focus on retail and SME customers, integrated branch network, technology led channels and increasingly diversified product mix will enable us to increase our fee and non-fund based revenues.

For our retail customers, we provide our third party product offerings including mutual fund and insurance products, wealth management services.

Focus on Co-Lending Business Development

We have significantly enhanced our co-lending capabilities, as of December 31, 2024, through the establishment of strategic partnerships with 30 Non-Banking Financial Companies ("**NBFCs**") and Housing Finance Companies ("**HFCs**"). Through these strategic partnerships, we aim to extend our reach, particularly within the retail, agriculture, and MSME sectors. The details of our assets under management in this segment as of December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, are as follows:

As of	**Assets Under Management** ***(in ₹ crore)***
December 31, 2024	₹13,757.92
March 31, 2024	₹11,370.38
March 31, 2023	₹6,303.68
March 31, 2022	₹1,500.24

Our Bank has been recognized with prestigious awards, including the "Outstanding Public Sector Bank in Co-Lending" and "Outstanding Social Impact in Co-Lending".

Enhancing Liquidity and Growth through Strategic TReDS Partnerships

Our Bank has collaborated with three partners under the Trade Receivables Discounting System ("**TReDS**"). Through TReDS, we facilitate financing for MSMEs by discounting trade receivables. The following table highlights our bank's turnover and total income earned from TReDS for the nine months period ended December 31, 2024, Fiscal 2024 and Fiscal 2023:

	Nine months ended December 31, 2024	**Fiscal 2024**	**Fiscal 2023**
Turnover from TReDS *(in ₹ crore)*	10,711.28	11,210.84	6,098.94
Total Income Earned from TReDS *(in ₹ crore)*	120.20	114.34	52.29

The total outstanding amount under TReDS increased from ₹ 1,205.00 crore as on March 31, 2023, to ₹ 2,011.44 crore as on March 31, 2024 and to ₹ 2,603.81 crore as on December 31, 2024. Through these collaborations, the bank continues to strengthen its commitment to providing efficient financial solutions and driving economic development.

Banking Operations

We offer products and services to corporate and commercial customers, as well as agricultural and retail customers. As of December 31, 2024, we had total gross outstanding loans of ₹2,70,779.00 crore. In Fiscals 2024, 2023 and 2022, we had total outstanding total gross loans amounting to ₹2,51,745.00 crore, ₹2,17,779.00 crore and ₹1,789.29 crore, respectively.

The table below sets forth the composition of our loan assets by business divisions for nine months period ended December 31, 2024 and Fiscals 2024, 2023 and 2022:

(in ₹ crore, except percentage)

Particulars	**As of December 31, 2024**		**As of March 31**					
			2024		**2023**		**2022**	
	Amount	**% of total credit**	**Amount**	**% of total credit**	**Amount**	**% of total credit**	**Amount**	**% of total credit**
Retail	79,927.08	29.52	71,193.11	28.28	62,726.35	28.80	52,225.68	27.53
MSME	58,002.10	21.46	49,870.32	19.81	42,869.66	18.32	34,139.04	18.00
Agriculture	51,274.23	18.93	46,063.46	18.29	42,110.35	19.34	38,635.40	20.36
Corporate/ wholesale/ others	81,575.92	30.09	84,617.79	33.62	70,072.35	33.54	64,712.08	34.11
Gross Advances	**2,70,779.33**		**2,51,744.68**		**2,17,778.71**		**1,89,712.20**	

Products And Services

We offer a variety of products and services to corporate and commercial customers, including MSMEs, and as well as retail and agricultural customers. We provide a full range of financial products (fund based and non-fund based) and services to our customers. We provide housing, automobile, education, and other personal loans and deposit services. We also provide products such as remittance services, mobile banking, and internet banking services.

The following is a description of our principal products that we offer to our customers:

Retail Banking

Our retail banking operations are targeted primarily at individuals (salaried, self-employed persons, professional, any other person having a legal, identified and regular source of income) for meeting their personal financial requirements. Retail banking services include housing loans, education loans, vehicle loans, personal loans, loan against property, and debit card services and contribute to our operating income. We offer these services and products to our retail customers through our branch outlets as well as our multichannel electronic banking system that includes ATMs as of December 31, 2024 comprising 2,619 onsite and 1,466 offsite ATMs, internet banking and mobile banking (available 24 hours a day / 7 days a week). Our Retail Loans increased to ₹71,193.11 crore as on March 31, 2024 from ₹62,726.35 crore as on March 31, 2023.

Our CASA ratio (Domestic), comprised primarily of retail demand and savings deposits, was at 45.51% as of March 31, 2022, 45.23% as of March 31, 2023, 45.12% as of March 31, 2024 and 44.30% as of December 31, 2024. As a percentage of total deposits, core deposits accounted for 99.52%, 99.59%, 99.68% and 99.70% as of March 31, 2022, March 31, 2023, March 31, 2024 and December 31, 2024, respectively. As a percentage of total net advances, retail advances accounted for 63.08%, 63.61%, 63.10% and 64.27% as of March 31, 2022, March 31, 2023, March 31, 2024 and December 31, 2024.

The following table sets forth details on our retail credit across segments:

(in ₹ crore)

Particulars	As of December 31, 2024	As of March 31		
		2024	2023	2022
Housing Loans	50,312.48	44,057.04	38,792.86	30,163.16
Vehicle Loans	3,840.76	3,343.22	3,247.95	3,006.17
Personal Loans	4,604.89	4,513.59	3,644.20	2,862.94
Education Loans	5,296.01	4,283.95	3,625.35	3,434.73
Other Retail Loans	15,872.94	14,995.31	13,415.99	12,758.68
Total Retail Loans	**79,927.08**	**71,193.11**	**62,726.35**	**52,225.68**

Housing Loans

Our Bank extends housing loans under various schemes such as cent home loan scheme ("**CHL Scheme**"), cent grih lakshmi scheme ("**CGL Scheme**"), cent home loan scheme for purchasing 3rd or 4th house/flat, cent top up scheme and Cent Home Double Plus Scheme ("**CHD Plus Scheme**"). The brief features of the schemes, *inter alia,* provided by us are as follows:

1. The CHL Scheme offers various financing options for purchasing plots, constructing or purchasing new houses/flats, buying existing houses/flats (not older than 40 years with a remaining life of 10 years beyond the loan tenure), and repairing or renovating existing properties. It also supports the takeover of home loans from other financial institutions, and reimbursement of investments made from own sources within the preceding six months. Eligible individuals over 18 years of age with a steady income, including those in agriculture and allied activities, can apply. Co-borrowers may be included if the property holder lacks an independent income source. The quantum of the loan is based on the property's cost, with a Loan-to-Value ratio and minimum margin requirements, depending on the loan amount. EMI/NMI ratios are determined based on net annual income, and the maximum loan tenure is 30 years, or up to the borrower's age of 75 years. The interest rate ranges from 8.50% to 9.50%, depending on the CIC score

2. The CGL scheme requires a woman to be the sole borrower or the first named borrower on the loan. The interest rate for the loan ranges from 8.35% to 9.25%, based on the CIC Score and is calculated using the RBLR (Repo Rate + Spread) plus CRP (Credit Risk Premium). All other terms and conditions of the CHL Scheme apply.

3. The cent home loan scheme for purchasing a third or fourth house/flat provides financing for the construction or acquisition of new houses/flats or existing properties that are not older than 40 years and have at least 10 years more than the loan tenure in remaining life. The scheme specifically targets the purchase of third or fourth properties. Eligible applicants include individuals or groups of individuals with a legal, regular source of income, either singly or jointly, with family members. For salaried borrowers, the margin requirements depending on the loan amount and purpose, with similar requirements for non-salaried borrowers. The interest rate ranges from 9.35% to 9.85%, based on the CIC score, and the loan repayment tenure is a maximum of 30 years for salaried borrowers and 25 years for non-salaried borrowers, or until the borrower reaches the age of 70 years, whichever is earlier.

4. The cent top up scheme provides financing for all personal needs, excluding speculative real estate and capital market activities, or any activity prohibited by law. Eligible individuals, including staff members and NRIs jointly with relatives who are resident citizens of India, must have housing loan ("**HL**") accounts with the bank. The housing loan should have been running for at least one year after the commencement of repayment. The loan quantum ranges from a minimum of ₹2 lakh to a maximum of ₹100 lakh, with up to 200% of the HL for loans running for more than two years and up to 125% for loans running for more than one year, but both capped

at ₹100 lakh. The repayment period cannot exceed the remaining period of the underlying housing loan as per the original sanction. This scheme offers a term loan facility with an interest rate ranging from 9.00% to 9.70%, depending on the CIC score.

5. The Cent Home Double Plus Scheme offers financing for the construction or acquisition of new or existing homes/flats, as well as the extension of existing houses. Eligible applicants include individual salaried employees, self-employed persons, professionals, and any other person with a legal and regular source of income who is at least 18 years old at the time of application. This scheme provides a home loan with an overdraft facility. The maximum loan tenor is 30 years for salaried individuals and 25 years for non-salaried individuals for properties not older than 10 years, or until the borrower reaches 70 years of age, whichever is earlier. The interest rate is based on a risk rating score. The loan must be secured by an equitable mortgage of property.

Our housing loan portfolio constitutes 61.88% of the total Retail Portfolio as on March 31, 2024. Further housing loan portfolio increased at CAGR of 20.86% from ₹30,163.16 crore as of March 31, 2022 to ₹44,057.04 crore as of March 31, 2024 and stood at ₹50,312.48 crore as of December 31, 2024.

Vehicle Loans

Our Bank offers vehicle loans under various schemes. The brief features of the schemes, *inter alia*, provided by us are as follows:

1. The Cent Vehicle Scheme offers term loans for purchasing new two-wheelers and four-wheelers for personal use. Eligible individuals aged 18 to 65, including salaried employees, self-employed persons, independent entrepreneurs, farmers, and NRIs jointly with Indian residents, can apply. The scheme provides up to ₹10 lakh for two-wheelers and ₹200 lakh for four-wheelers, with interest rates based on the CIC score. The scheme requires a minimum annual income of ₹3,00,000 for four-wheelers and ₹1,80,000 for two-wheelers, with a margin of 10% for loans up to ₹25 lakh and 20% for higher amounts. The loan covers the vehicle's on-road price, excluding fancy numbers. Hypothecation of the purchased vehicle is required as security.

2. The Cent EV 2W for Females scheme is designed to facilitate the purchase of new electric two-wheelers for personal use only. This term loan is available to girl students aged 18 to 28 years. The electric vehicle must be registered in the name of the girl student, who should hold a valid driving license or learner's license for a two-wheeler at the time of loan sanction. A co-borrower is compulsory in all cases, with specific criteria for girl students and earning females. The maximum loan amount is ₹2.50 lakh with a minimum margin of 10%. The repayment period is up to 72 months, ensuring full repayment before the borrower's retirement date for salaried employees. The interest rate ranges from 9.95% to 10.50%, based on the CIC score.

Our vehicle loan portfolio increased at CAGR of 5.46% from ₹ 3,006.17 crore as of March 31, 2022 to ₹3,343.22 crore as of March 31, 2024 and stood at ₹3,840.76 crore as of December 31, 2024.

Personal Loans

We offer schemes such as Cent Personal Loan Scheme and Cent Gold Loan to meet various personal and domestic expenses during their service. Personal loan portfolio increased at CAGR of 33.19% from ₹2,862.94 crore as of March 31, 2022 to ₹ 4,514.59 crore as of March 31, 2024 and stood at ₹ 4,604.89 crore as of December 31, 2024.

Education Loans

We offer education loan under various schemes to a student, who has secured admission in recognized institutions in India or abroad after completion of higher secondary or equivalent course to pursue graduation and post-graduation courses. Education loan portfolio increased at CAGR of 11.68% from ₹3,434.73 crore as of March 31, 2022, to ₹4,283.95 crore as of March 31, 2024, and stood at ₹5,296.01 crore as of December 31, 2024.

Other Retail Loans

We also offer loans to pensioners under the cent pension loan scheme and loans against property under the cent mortgage scheme and cent rental (personal) scheme. In addition to above, we offer other banking services to our retail customers such as lockers. We offer customers a means to pay their electricity and other utility bills such as mobile phone bills. Our lockers are available in different sizes, are protected by security measures and may be nominated to others

MSME Banking

Our Bank has formulated various schemes to suit the specific needs of MSME borrowers and these schemes extends credit facilities, including term loans, working capital and non-fund based facilities, to MSME involved in manufacturing and service /trade activities.

We have introduced various products to cater to the needs of various segments of MSME borrowers. Few such products are Cent Ceramic, Cent Textile, Cent-Contractor, Cent Warehouse Receipt scheme, Cent Stand up India, Cent Mudra etc. Furthermore, we provide working capital finance under the Cent GST Scheme, with a total outstanding amount of ₹3,816.62 crore as of December 31, 2024. This product is designed to help filed in assessment i.e. by linking the loan eligibility to the turnover as per GST returns. We also introduced the Cent Energy Efficiency Scheme, to facilitate and promote financing for energy efficiency projects Our Bank has entered into a MOU with Jain International Organization ("**JIO**"). As part of this collaboration, JIO will facilitate the submission of loan applications from its members under the Stand-Up India, Mudra, and other MSME and retail loan schemes. We have also entered into partnerships with vendors to provide supply chain finance.

As on December 31, 2024, we have 491 MSME branches and deployed specialized officers at MSME centric locations. We also offer loans Cent MUDRA Scheme, designed to meet the business needs of new or existing Micro Units or Enterprises, including those established under the Joint Liability Group ("**JLG**") framework, either individually or jointly, across sectors covered under the Pradhan Mantri Mudra Yojana. The scheme provides working capital and term loans with loan amounts categorized into shishu (up to ₹50,000), kishor (₹50,001 to ₹5,00,000), tarun (₹5,00,001 to ₹10,00,000), and tarun plus (₹10,00,001 to ₹20,00,000). the margin requirement is nil for shishu and 25% for kishor, tarun, and tarun plus. the term loan tenor is up to 84 months, including a 6-month moratorium period.

The following table represents our total revenue advance in MSME sector:

(in ₹ crore, except percentage)

Particulars	As on December 31, 2024		As of March 31, 2024		As of March 31, 2023		As of March 31, 2022	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
Micro Enterprises	34,204.41	58.87	28,862.74	57.88	21,862.08	54.79	16,980.10	49.74
Small Enterprises	17,747.12	30.72	15,908.59	31.90	15,908.59	35.58	14,104.87	41.31
Total (MSE)	51,951.53	89.59	44,771.33	89.78	37,770.67	90.37	31,084.97	91.05
Medium Enterprises	6,050.57	10.41	5,098.99	10.22	5,098.99	9.63	3,054.07	8.95
Total MSME	**58,002.10**		**49,870.32**		**42,869.66**		**34,139.04**	

Our MSME loan portfolio increased at a CAGR of 20.67% from ₹42,869.66 crore as of March 31, 2023 to ₹49,870.32 crore as of March 31, 2024 and stood at ₹58,002.10 crore as of December 31, 2024.

Agriculture Banking

We offer a variety of products and schemes under agricultural banking, including both direct and indirect advances to individual farmers, groups of farmers and corporates. The amount of funding available is based on the land holding, the crops the farmer cultivates, and cropping pattern.

To further promote agricultural lending, our bank organizes various credit campaigns to raise awareness among farmers.

The Central Kisan Credit Card ("**CKCC**") scheme provides short-term revolving credit to meet the diverse needs of farmers, including cultivation of crops, dairy animals, fisheries, poultry birds, and other small ruminants. CKCC also covers post-harvest expenses, produce marketing loans, and working capital for farm asset maintenance and allied agricultural activities. Eligible applicants include individual farmers, joint borrowers, tenant farmers, oral lessees, sharecroppers, Self Help Groups, and Joint Liability Groups. The cash credit limit is sanctioned for five years with a nil margin as it is inbuilt in the scale of finance. Security involves the hypothecation of crops and other assets created out of the bank's finance, with no collateral required for limits up to ₹2 lakh. For limits above ₹2 lakh, collateral security is required. The interest rate is in accordance with applicable RBI requirements.

As on December 31, 2024, we have disbursed 6,29,980 CKCC to the farmers. In Fiscal 2024 and the nine-month period ending December 31, 2024, we advanced ₹24,253.46 crore and ₹25,099.73 crore, respectively, under the CKCC scheme, constituting 49.17% and 46.17%, respectively, of the total Agriculture Advances.

As of December 31, 2024, our outstanding loan portfolio for the agriculture sector amounted to ₹51,274.23. Further, as of March 31, 2024, and March 31, 2023, our outstanding loan portfolio for the agriculture sector amounted to ₹46,063.46 crore and ₹42,110.35 crore, respectively, reflecting a year-on-year growth of 9.39%. Our agriculture finance portfolio helps us to meet our priority sector lending obligations, where we are required to lend 40% of our adjusted net bank credit or credit equivalent amount of off balance sheet exposure, whichever is higher, towards priority sectors and 18.00% of our adjusted net bank credit or credit equivalent amount of off balance sheet exposure, whichever is higher, towards agriculture.

Corporate/ Wholesale Banking

We offer commercial banking products and transactional services to our corporate and institutional clients.
Our segmental revenue from corporate / wholesale banking advances business was ₹ 64,712.08 crore for Fiscal 2022, ₹70,072.35 crore for Fiscal 2023, ₹ 84,617.79 crore for Fiscal 2024 and ₹81,575.92 crore for nine months period ended December 31, 2024.

Other Banking Services

Treasury Operations

Our treasury operations are the focal point for the management of our market risk. We undertake liquidity management by seeking to maintain an optimum level of liquidity while complying with SLRS and CRR. Treasury conducts its operations in accordance with the Board approved investment policy which sets limits, controls, accounting policies and general guidelines for the treasury operations, including the parameters of investments in securities. The overall objective of our treasury activities is to earn an optimal return on deployed investments.

The following table gives details of our Bank’s domestic investment portfolio as of the dates indicated.

(in ₹ crore)

Particulars	**As of March 31,**		
	2022	**2023**	**2024**
Held to Maturity	1,00,804.07	1,07,010.74	1,07,023.67
Available for sale	45,969.09	35,550.20	41,733.31
Held for Trading	(13.90)	91.96	781.14
Total	**1,46,759.26**	**1,42,652.13**	**1,49,538.13**

As per the revised RBI Guidelines applicable from April 1, 2024, Bank’s domestic investment portfolio as on nine-month period ended December 31, 2024.

<table>
<tr><th>Particulars</th><th>Nine-month period ended December 31, 2024</th><th>Nine-month period ended December 31, 2023</th></tr>
<tr><td>Held to Maturity</td><td>1,02,922.21</td><td>1,12,031.31</td></tr>
<tr><td>Available for sale</td><td>44,824.68</td><td>40,627.55</td></tr>
<tr><td>FVTPL Held for Trading</td><td rowspan="2">4,467.56</td><td>443.06</td></tr>
<tr><td>FVTPL Non Held for Trading</td><td></td></tr>
<tr><td>SAJV</td><td>855.27</td><td>-</td></tr>
<tr><td>Short Sale</td><td>-</td><td>-</td></tr>
<tr><td>Total</td><td>1,53,069.72</td><td>1,53,101.93</td></tr>
</table>

The following table sets forth the allocation of our Bank's net investment portfolio for the periods indicated therein.

Securities	As of March 31, 2022		As of March 31, 2023		As of March 31, 2024		As of nine-month period ended December 31, 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
SLR								
Government securities	1,05,841.66	72.11	1,03,203.62	72.35	1,12,881.49	75.49	1,20,801.76	78.92
Other approved Securities	-	-	-	-	-	-	-	-
Sub total	1,05,841.66	72.11	1,03,203.62	72.35	1,12,881.49	75.49	1,20,801.76	78.92
Subsidiaries and Joint Ventures	257.98	0.18	670.07	0.47	739.59	0.49	739.59	0.48
Debentures and Bonds	34,596.63	23.57	32,991.61	23.13	30,469.77	20.38	28,274.13	18.47
Special SDL Uday Bonds	-	-	-	-	-	-	-	-
Shares	2,987.53	2.04	2,844.17	1.99	2,142.61	1.43	2,053.51	1.34
Other	3,027.97	2.06	2,895..93	2.03	3,257.18	2.18	1,153.25	0.75
Sub total	40,870.12		39,401.78		36,609.15		32,220.47	
Investment outside India	47.49	0.03	47.49	0.03	47.49	0.03	47.49	0.03
Total	**1,46,759.30**		**1,42,652.89**		**1,49,538.13**		**1,53,069.72**	

Bancassurance

In order to provide a wide range of finance and investment products to its customers, we have entered into agreements with various insurance companies for distribution of life, non-life and health insurance products to our customers. We have obtained a corporate insurance agency license from Insurance Regulatory and Development Authority for acting as a corporate agent and tied up with organizations for providing life insurance products non-life insurance products. During Fiscal 2024, we have sold 68,225 life policies and 2,67,953 non-life policies. Our income from bancassurance was ₹74.36 crore, ₹91.13 crore, ₹129.20 crore and ₹105.23 crore for the Fiscal 2022, Fiscal 2023, Fiscal 2024 and the nine months period ended December 31, 2024, respectively.

Government Business

We have been designated for collection of Central Government Revenue viz. indirect taxes. We also act for various state governments and the Government of India on numerous matters including the collection of state revenue and taxes. We are authorized for collection of Indirect taxes. We have implemented a new centralized processing system for payments of multiple types of pensions.

Mutual Funds

We offer a range of mutual fund products. To facilitate this, our Bank has entered into distribution agreements with various asset management companies. Under these agreements, the Bank acts as a distributor, responsible for marketing and procuring subscriptions for the various schemes and products offered by the mutual funds.

Capital Markets Services

We are registered with SEBI as self – certified syndicate bank for providing Application Supported by Blocked Amount (ASBA) services to our customers. This provides the facility of blocking of amount to the extent of the bid amount of the customers investing. We also offer other capital market facilities such as Demat facility.

Depository Services

We are registered as a Depository Participant and provide depository services to our Bank's customers, which aims at providing transactions under depository environment. Our Bank has been extending Depository Services to its customers. The Bank has the capability to facilitate Demat account opening through the Online Account Opening ("**OLAO**") software provided by CDSL. Additionally, we have implemented a "3 in 1" E-trading facility, which integrates Trading, Demat, and Savings accounts, in collaboration with Motilal Oswal Financial Services Ltd. As on December 31, 2024, we have around 27,462 demat account holders.

Card Services

As on March 31, 2024, we have credit card base of 27,462. We also offer debit cards in association with certain partner. Further, we have an arrangement for marketing of Co- Branded credit cards since July 2019. In Fiscal 2024, 0.03 crore credit cards have been issued, and our Bank has earned a commission of ₹4.53 crore through this business.

Deposits

Our deposits are broadly classified into current (also known as demand) deposits, savings deposits and time deposits, which are briefly discussed as under:

Time deposits: As on December 31, 2024, the time deposits constituted 50.67% of the total deposits.

Savings Accounts: We offer savings accounts, which are interest bearing deposit accounts designed primarily for individuals and trusts. In addition to our regular savings account schemes, we offer specialized schemes such as Cent Param, Cent Yuva, and Cent Queen, to meet the needs of defence personnel, students, and women customers, respectively.

Current Accounts: We also offer current accounts which are non-interest-bearing accounts. Customers have a choice of regular and premium product offerings with different minimum average quarterly account balance requirements. In addition to our regular current account schemes, we offer the Cent RERA Account scheme, comprising three distinct accounts: the Collection account, the Project account, and the Operative account, all governed and operated in compliance with RERA guidelines.

As on December 31, 2024, the CASA deposits constituted 49.18% of the total deposits.

The average cost of term deposits was 6.80% for nine months period ended December 31, 2024, 5.23% in Fiscal 2024, 5.24% in Fiscal 2023 and 6.62% in Fiscal 2022. The average cost of total deposits was 4.81% for nine months period ended December 31, 2024, 4.61% in Fiscal 2024, 3.92% in Fiscal 2023 and 3.86% in Fiscal 2022.

The following table sets forth our outstanding deposits and the percentage composition on consolidated basis by each category of deposits for the periods indicated therein:

(in ₹ crore, except percentage)

Particulars	Nine months period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
I. Demand Deposits								
- From Banks	706	0.17	697	0.18	984	0.28	1,034	0.30
- From Others	1,95,107	49.03	1,91,969	50.03	1,80,312	50.40	1,72,480	50.33
Total Demand Deposits	1,95,813	49.20	1,92,666	50.21	1,81,296	50.68	1,73,514	50.63
II. Saving Bank Deposits	**1,76,304**	**44.31**	**1,73,721**	**45.12**	**1,62,531**	**45.24**	**1,55,965**	**45.51**
III. Term Deposits								
- From Banks	478	0.12	506	0.13	472	0.13	622	0.18
- From Others	2,01,616	50.67	1,91,839	49.83	1,77,528	49.41	1,68,481	49.17
Total Term Deposits	**2,02,094**	**50.79**	**1,92,345**	**49.96**	**1,78,000**	**49.54**	**1,69,178**	**49.37**
Total Deposits	**3,97,907**		**3,85,011**		**3,59,296**		**3,42,692**	

Foreign Exchange and Non-Resident Deposits

Our foreign exchange and derivative product offering to our customers covers a range of products, including forward exchange contracts, and currency swaps. These transactions enable our customers to transfer, modify or reduce their foreign exchange and interest rate risks.

In addition to providing remittance and portfolio investment services to NRIs, we allow them to open various types of deposit accounts. As of December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, our total NRI deposit portfolio was ₹7,660 crore, ₹7,372 crore, ₹7,185 crore and ₹7,212 crore, respectively.

We offer the following deposit products to NRIs:

- Foreign Currency Non-Resident Term Deposits: We offer foreign currency deposits in ten currencies, including the U.S. dollar, the Pound Sterling, the Euro and the Australian dollar. The principal as well as the interest on these deposits are fully repatriable outside of India and interest and principal are repaid in the currency of deposit.

- Non-Resident External Term Deposits: These deposits are established in Rupees and are maintained for periods from a minimum of one year to a maximum of ten years. The principal and interest from these accounts are fully paid outside India. Loans can be granted against these deposits for up to 10% margin.

- Special Non-Resident External Term Deposits**:** These deposits allow a person resident outside India, who has business interests in India, to open a Special Non-Resident Rupee with an authorized dealer in India or its branch outside India.

- Non-Resident External Savings Accounts: Non-Resident External Savings Accounts are maintained in Rupees.

- These products are offered as savings bank deposits as well as fixed deposits. The interest rates and structures are structured along the same lines as domestic deposits.

Delivery Channels

We serve a diverse customer base of over 8.41 crore individuals across metropolitan and rural areas through a network of delivery channels. Our customers can access our products and services through physical branches, as well as ATMs, internet banking, and mobile banking.

Branch Network

As of December 31, 2024, we had 4,541 branches (including overseas branch) across all states and union territories in India, 13 zonal offices and 90 regional offices.

The following table sets forth the number of our branches in metro, urban, semi-urban and rural locations:

Particulars	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Metropolitan	805	791	794	811
Urban	774	771	769	782
Semi-Urban	1,347	1,332	1,330	1,330
Rural	1,615	1,606	1,600	1,604
Total	**4,541**	**4,500**	**4,493**	**4,528**

Population group – wise composition of total branch network:

Particulars	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Northern Region	1,254	1,236	1,231	630
North Eastern Region	178	176	175	159
Eastern Region	943	938	935	955
Central/Western Region	1,506	1,500	1,503	2,129
Southern Region	660	650	649	655
Total	**4,541**	**4,500**	**4,493**	**4,528**

The following table represents the number of branches and offices in each state and union territory as of December 31, 2024:

State / UTs	Rural	Semi-Urban	Urban	Metro	Total
Northern Region					
Chandigarh (UT)	0	0	11	0	11
Haryana	44	39	50	6	139
Himachal Pradesh	40	15	2	0	57
Jammu & Kashmir (UT)	2	7	5	1	16
Ladakh (UT)	0	1	0	0	1
Delhi (UT)	3	4	0	90	97
Punjab	32	56	29	26	143
Rajasthan	44	59	32	35	170
North Eastern Region					
Arunachal Pradesh	2	6	0		8
Assam	59	33	28		120

State / UTs	Rural	Semi-Urban	Urban	Metro	Total
Manipur	5	2	2		9
Meghalaya	1	4	4		9
Mizoram		1	1		2
Nagaland	3	4	1		8
Tripura	2	3	1		6
Eastern Region					
Andaman and Nicobar (UT)			1		1
Bihar	198	141	63	31	433
Jharkhand	27	27	19	16	89
Odisha	38	38	28		104
Sikkim	12	2	2		16
West Bengal	137	65	69	45	316
Central Region					
Chhattisgarh	51	39	15	11	116
Madhya Pradesh	227	138	44	52	461
Uttar Pradesh	209	157	100	114	580
Uttarakhand	8	13	20		41
Western Region					
Dadra & Nagar Haveli (UT)		2			2
Daman & Diu (UT)		1			1
Goa	13	17			30
Gujarat	99	74	49	86	308
Maharashtra	233	151	58	146	588
Southern Region					
Andhra Pradesh	31	51	32	16	130
Karnataka	9	33	28	36	106
Kerala	5	81	32		118
Puducherry (UT)			1	2	3
Tamil Nadu	62	59	33	48	201
Telangana	19	23	13	46	101
Total					**4,541**

ATM Network

As on December 31, 2024, we have 4,085 ATMs across India. The table below represents the number of onsite and offsite ATMs:

State/ Union Territory	Offsite	Onsite	Total
Andaman And Nicobar	0	1	1
Andhra Pradesh	28	63	91
Arunachal Pradesh	0	4	4
Assam	25	58	83
Bihar	66	206	273
Chandigarh (UT)	2	9	11
Chhattisgarh	75	80	155
Dadra and Nagar Haveli & Daman and Diu (UT)	1	2	3
Delhi (UT)	11	76	87
Goa	0	20	20
Gujarat	63	224	287
Haryana	4	61	65
Himachal Pradesh	6	41	47
Jammu & Kashmir (UT)	0	7	7
Jharkhand	23	41	64
Karnataka	70	71	141
Kerala	14	80	94

State/ Union Territory	Offsite	Onsite	Total
Ladakh	0	1	1
Madhya Pradesh	242	237	479
Maharashtra	307	335	642
Manipur	0	3	3
Meghalaya	1	3	4
Mizoram	1	0	1
Nagaland	2	2	4
Odisha	36	68	104
Pondicherry (UT)	3	3	6
Punjab	13	80	93
Rajasthan	37	92	129
Sikkim	1	8	9
Tamil Nadu	162	144	306
Telangana	15	57	72
Tripura	0	1	1
Uttaranchal	4	21	25
Uttar Pradesh	211	344	555
West Bengal	43	176	219
Grand Total	**1,466**	**2,619**	**4,085**

Below are the details of classification of our ATMs as on December 31, 2024:

Classification	No of ATMs	Classification	No of ATMs
Metro	667	Urban	1,164
Rural	971	Semi urban	1,283

Digital Banking

Internet Banking

Internet Banking provides customers with access to various banking services such as account enquiries, fund transfers, online tax and utility payments, and more, all without visiting a bank branch. Our platform is integrated with several government websites, facilitating seamless e-payments for GST, Direct and Indirect Taxes and Licence Fees.

Customers can avail facilities under schemes such as Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Atal Pension Yojana (APY). The authorized customers can view their various accounts anytime (24x7) and anywhere besides making all the above transactions. The Internet Banking URL is https://www.centralbank.net.in/.

Unified Payment Interface (UPI) – CentPay

CentPay is the Bank's unified mobile banking application designed to facilitate a wide range of financial transactions. Available for both Android and Apple platforms, the UPI application enables customers to perform various transactions such as sending money, paying bills, and receiving money. Activation of this service is straightforward, requiring only the registered handset and Debit Card for setup. We have further enhanced the CentPay application by integrating UPI Lite functionality. UPI Lite enables customers to conduct transactions without needing a PIN, streamlining the payment process.

Real Time Gross Settlement System (“RTGS”)

RTGS is a system whereby the banks and Financial Institutions maintaining accounts with RBI can transfer funds to one another on an immediate, final and irrevocable basis during business hours.

National Electronic Funds Transfer (“NEFT”)

Reserve Bank of India has introduced a system called the Reserve Bank of India National Electronic Funds Transfer System which is an electronic payment system to facilitate transfer of funds by customers from one bank to another bank in India. Our bank is one of the participants in the above system.

Risk Management

A risk management framework is established by our Bank. The Risk Management Committee ("**RMC**") of the Board of Directors regularly oversees the Bank's policies and practices in managing Credit, Market and Operational risks, as well as Pillar II risks. The RMC reviews policies for product pricing, assesses risk models to align with market developments, and identifies and controls emerging risks. Regular monitoring of various risk parameters is conducted by the relevant corporate departments. At the operational level, various committees such as the Asset Liability Management Committee (ALCO) for Market Risk, the Credit Risk Management Committee (CRMC) for Credit Risk, and the Operational Risk Management Committee (ORMC) for Operational Risk have been formed, with members from the top management team. These committees meet regularly throughout the year to assess and monitor risk levels across different Bank operations, initiating necessary mitigation measures. The Bank has also appointed officers in the rank of Chief Manager, Senior Managers, and Managers to act as 'Risk Managers' at all Regional and Zonal Offices, serving the Risk Management Department. Additionally, senior officers in various functional departments at the CRO and GM act as 'Nodal Officers' to oversee risk control and management. The Bank's Integrated Risk Management Policy is thoroughly documented, ensuring a cohesive risk management strategy.

Market Risk Management

Our Bank conducts thorough reviews of market positions, funds and investments, and ensures compliance with exposure limits, duration limits, counterparty limits, and other sensitivity parameters. These reviews provide critical insights that are regularly presented to top management. To manage risk effectively, the Bank employs tools like Value-at-Risk (VaR) and Modified Duration analysis to measure and mitigate potential risks to the Bank's short-term profitability and long-term equity value. In line with Basel III guidelines for Market Risk, the Bank has developed a model to estimate the capital charge on its trading portfolio. The Bank has a board-approved Market Risk Management Policy that serves as a framework for monitoring and controlling market risk within the Bank's portfolio. Counterparty limits for treasury operations are regularly reviewed and adjusted as necessary. The Asset & Liability Committee, chaired by the MD & CEO, oversees developments in market risk, monitoring the Bank's exposure and taking necessary actions to mitigate potential risks.

Credit Risk Management

Our Bank has implemented a Rating Model for assessing the creditworthiness of borrowers across various sectors such as large corporates, infrastructure, NBFCs, SMEs, and agriculture. These models are crucial in evaluating credit risks associated with each borrower, ensuring prudent lending practices. Additionally, the Bank has developed Rating Models, known as scorecards, for grading retail loans, allowing for the assessment of creditworthiness among individual retail borrowers and determining appropriate risk ratings for their loans. The Credit Risk Management Committee, monitors developments in credit risk management, setting policies, reviewing practices, and making informed decisions to mitigate credit risk exposure. The Bank has also implemented advanced approaches for capital computation using a enhancing capital adequacy calculations and aligning with regulatory requirements to ensure risk management practices.

Operation Risk Management

Our Bank has implemented an Operational Risk Management framework, guided by a Operational Risk Management Policy. This policy ensures a system is in place to manage and measure operational risks according to the Bank's risk profile. The Operational Risk Management Committee (ORMC) oversees the framework's implementation and ensures its regular monitoring. The committee approves methodologies and tools for risk assessment, which include risk identification, assessment, and reporting methods. It also analyses frauds, near misses, non-compliance events, breaches, and systemic improvements, providing suitable controls and mitigations for managing operational risks. To address risks associated with new products, processes, or activities, the Bank has established a New Product Approval Policy Framework, offering guidelines for evaluating and managing these risks. Additionally, a Business Continuity Plan has been developed to ensure the uninterrupted delivery of products and services during disruptions. This plan outlines operating procedures and capacities to respond to and recover from disruptions, aligning with the Bank's business continuity objectives. The ORMC, led by the MD & CEO, plays a crucial role in overseeing the developments in operational risk management, ensuring the practices are effective, regulatory-compliant, and aligned with the Bank's overall risk management objectives.

Asset and Liability Risk Management

The Asset and Liability Management function manages the Bank's liquidity and interest rate risk. Focused on maximizing profitability while ensuring effective risk management, the Asset and Liability Committee (ALCO) meets regularly to review the Bank's liquidity position and other market-related matters.Besides regulatory reporting, the ALM function determines interest rates on deposits and sets the base rate, Marginal Cost of Funds Based Lending Rate (MCLR), Repo Rate Linked Rate (RBLR), and External Benchmark Linked Rate (EBLR). The Asset and Liability Committee, headed by the MD & CEO, oversees liquidity and interest rate risk management, ensuring an optimal balance between profitability and risk management while complying with regulatory guidelines and maintaining a strong liquidity position.

Fraud Risk Management

The Fraud Risk Management Cell (FRMC) operates with the objective to obviate fraud risks while the Bank's business accelerates, by strengthening internal controls to protect the Bank's brand, reputation, and assets from loss or damage due to suspected or confirmed fraud incidents. The FRMC fosters an environment of fraud prevention, detection, and mitigation. It gathers investigation reports on all suspected cases (except digital/ATM frauds), analyzes the root causes, compiles common characteristics, and suggests preventive measures. The FRMC reports declared fraud cases to the RBI. To raise awareness among employees, the cell shares the modus operandi of recently reported frauds and suggests necessary measures to avert future incidents.

Lead Bank Responsibility

As on December 31, 2024, our Bank is performing the functions of Lead Bank in 53 Districts spread over in 8 States viz. Madhya Pradesh, Bihar, Maharashtra, Uttar Pradesh, West Bengal, Rajasthan, Chhattisgarh, and Sikkim. More than 23.89 % and about 59%of our total branches are located in these States and the Lead Districts, respectively.

Information Technology

We plan to continue to invest in security technologies and practices to stay ahead of evolving cyber threats.

We have disaster recovery and business continuity capabilities through the establishment of a Disaster Recovery Centre and a Near-Site setup, modifying zero data loss. To further our digital banking experience, we integrated UPI Lite functionality into the CentPay.

The IT Strategy Committee ("**ITSC**") provides strategic direction, with expert advice from invitees from esteemed institutions like IIT.

Our Bank undertook numerous IT initiatives aimed at enhancing customer convenience and operational efficiency. Our projects included the implementation of Interoperable Cardless Cash Withdrawal ("**ICCW** and the introduction of Green Channel Cash Deposits. We also introduced Video KYC for digital customer onboarding Additionally, the launch of a Virtual Debit Card facility provided secure transactions.

Subsidiaries, Joint Venture and Associates

As of December 31, 2024, the Bank has 2 Subsidiaries, 1 Joint Venture and 2 Associates. The Bank currently provides financial services through its non-banking Subsidiaries and Associates, including housing finance and trusteeship services.

Our Subsidiaries collectively accounted for ₹1,254.35 crore, ₹ 1,551.47 crore, ₹ 1,679.73 crore, ₹1,654.39 crore and ₹1,778.51 crore in total assets as of March 31, 2022, March 31, 2023 and March 31, 2024 and as of December 31, 2023 and December 31, 2024, respectively. During Fiscal 2022, Fiscal 2023 and Fiscal 2024 and the nine months period ended December 31, 2023 and December 31, 2024, our Subsidiaries contributed ₹125.91 crore, ₹145.45 crore, ₹167.59 crore, ₹123.00 crore and ₹141.44 crore, respectively, of our total consolidated income and our Subsidiaries, Joint Venture and Associates collectively contributed ₹137.69 crore, ₹356.13 crore, ₹402.33 crore, ₹356.38 crore and ₹268.93 crore, respectively, of our total consolidated profit after tax, during the same period.

The following table sets forth information relating to the Bank's Subsidiaries, Joint Venture and Associates as at December 31, 2024.

Subsidiary/Joint Venture/ Associates	Business	Bank's Ownership Percentage (%)	Net Income (during the nine months period ended December 31, 2024) *(in ₹ crore)* [2]
Subsidiaries			
Cent Bank Home Finance Limited	Housing finance company	64.40	19.92
Centbank Financial Services Limited	Trusteeship services	100.00	5.14
Associates			
Uttar Bihar Gramin Bank	Rural banking	35.00	20.91
Uttarbanga Kshetriya Gramin Bank	Rural banking	35.00	60.23
Joint Venture			
Indo-Zambia Bank Limited [1]	Banking	20.00	162.73

Notes:

(1) These entities are incorporated outside India.

(2) In respect of Subsidiaries, the amount stated represents Total Profit earned by the entities as considered in the Unaudited Limited Review Financial Results for the nine months period ended December 31, 2024; in respect of Associates and Joint Venture, the amount stated represents our Bank's share in the profit as considered in the Unaudited Limited Review Financial Results for the nine months period ended December 31, 2024.

As at December 31, 2024, the Bank had two subsidiaries and a joint venture. A summary description of the Bank's subsidiaries, associates and joint venture is set forth below:

i. Centbank Financial Services Limited ("**Centbank Financial**") is engaged in the business of providing Trusteeship Services including Debenture/Security Trustee, Executor Trustee and Managing Charitable Trusts.

ii. Cent Bank Home Finance Limited ("**Cent Bank HF**") is engaged in the business of providing housing finance on the basis of prudential norms laid down by National Housing Bank.

iii. Indo-Zambia Bank Limited is an overseas joint venture promoted jointly by Government of Zambia and three Indian banks being our Bank, Bank of Baroda and Bank of India. Each of the Indian banks including us hold 20% equity ownership interest in this joint venture and the Government of Zambia hold balance 40% equity ownership in this joint venture. Indo-Zambia is formed for carrying on the business of banking.

iv. As on December 31, 2024, we have sponsored 2 RRBs in collaboration with the state governments of Bihar, and West Bengal.

Awards and Certifications

Year	Certification/ Award
Fiscal 2024	Best Organisation for Women 2024
	Best Consumer Delight Awards for FY2023-24,
	Best Data Quality Improvement Award FY2023-24,
Fiscal 2023	Gold Skoch Award for Strategic Digital HR Transformation
	Bank received the Ashirwad Rajbhasha Award

Recovery of NPAs

The Bank has implemented a Recovery Policy to manage non-performing assets (NPAs) effectively. This policy covers various aspects, including monitoring NPAs, follow-up measures, compromise settlements, adherence to the SARFAESI Act, appointing enforcement agencies, allocating recovery portfolios, selling assets to Asset Reconstruction Companies (ARCs) through the Swiss Challenge Method, and addressing cases of wilful default. To further aid NPA resolution, the Bank implemented a Special One Time Settlement (OTS) Scheme for the fiscal year 2023-24. This scheme applied to NPAs and overdrafts (OD) in savings bank (SB) and current deposit (CD) accounts (DA3/Loss) with customer exposure up to ₹2.00 lakh as of March 31, 2023, and to all accounts classified as NPAs as of the same date, including PWO/TWO accounts with customer exposure up to ₹10 crore. Additionally, an OTS Scheme under the Net Present Value (NPV) Approach was continued for all NPA accounts, regardless of security. Under these schemes, during Fiscal 2024 and the nine months period ended December 31, 2024, proposals amounting to ₹444.33 crore and ₹870.57 crore were settled for ₹230.42 crore and ₹520.56 crore, respectively. As of December 31, 2024, the Bank successfully transferred 3 NPA accounts to the National Asset Reconstruction Company Limited (NARCL), resulting in a recovery of ₹198.51 crore (including SRs/OCD) and reducing the NPAs by ₹184.55 crore. Moreover, during Fiscal 2024 and the nine months period ended December 31, 2024, 67 and 43 accounts, respectively, were declared as wilful defaulters. The Bank signed Inter-Creditor Agreements in 15 accounts with a total outstanding amount of ₹4,716.54 crore as of December 31, 2024.

Our gross NPA level has decreased from ₹18,386.12 crore as on March 31, 2023 to ₹11,340.35 crore as on March 31, 2024. Our gross NPA as on December 31, 2024, stood at ₹10,459.89 crore. Our cash recovery has decreased from ₹2,929.30 crore in March 31, 2023 to ₹1,710.24 crore in March 31, 2024.

Competition

The Indian banking industry is highly competitive, and we face competition in all our principal areas of business. Private sector banks, foreign banks and other public sector banks are our main competitors, followed closely by finance companies, insurance companies, asset and wealth management companies, development financial institutions, mutual funds and investment banks.

We may also face increased competition from foreign banks if the Indian retail market is further liberalized or if regulations and restrictions upon branch network growth by foreign banks are simplified or reduced, foreign banks may operate in India by establishing wholly owned subsidiaries which are allowed to raise Rupee resources through issue of non-equity capital instruments.

An increase in operations of existing competitors or entry of additional banks offering a similar or a wider range of products and services could increase competition. We seek to gain a competitive advantage by its innovative products and services, maximizing the functions of its extensive branch network, in particular in rural and semi-urban areas, investing in technology and building on relationships with our key customers.

Corporate Banking

Our corporate banking products and services face competition from public sector banks, foreign banks, private sector banks and financial institutions in areas such as pricing, rupee loans, foreign currency loans, foreign exchange transactions, trade finance services and cash management services.

Retail Banking

Our retail banking products and services primarily face competition from public sector banks, small finance banks, housing finance companies, as well as existing and new private sector banks and foreign banks.

Treasury Operations

We primarily face competition with respect to our treasury operations from foreign banks, private sector banks and public sector banks engaged in foreign exchange, derivatives and money market business.

Insurance

Our standard insurance policies cover for losses of or damage to property including premises, furniture, fixtures, computer hardware and ATMs. Cash-in-transit, cash, securities and precious metals and other valuables are covered against theft, forgery, burglary, house breaking and robbery, and natural calamities. We also have an all-risk policy and fire and allied perils policy. Our insurance policies include a banker's indemnity insurance policy, which is a comprehensive insurance policy that offers coverage for various forms of risk such as packaged policy covering cash and valuables, money in transit, forgery and alteration, dishonesty of staff, hypothecated goods, registered post parcel and appraisers. We believe that we carry insurance coverage commensurate with our level of operations and risk perception, including for business interruption.

Environment, Social and Governance

We consider ESG oversight and governance to be integral to our commitment to sustainable and responsible banking. We have established a governance structure to manage ESG-related risks and opportunities effectively. A dedicated Task Force on ESG was formulated to design the bank's ESG strategy. The top management conducts reviews of the implementation strategy. .

We are committed to enhancing environmental sustainability efforts by increasing the usage of renewable energy. As of December 31, 2024, solar rooftops have been installed at 6 out of 16 feasible sites/buildings, with a total capacity of 358 Kwp. To celebrate personal milestones and promote environmental sustainability, the Bank's green birthday initiative involves planting a sapling in an employee's name on their birthday, either by the Bank itself or in collaboration with local organizations/NGOs. Additionally, as on December 31, 2024, the Bank has mobilized over ₹ 72.15 crore under the Cent Green Deposit Scheme and around ₹0.47 crore under the MSME (GIFT) and MSME (SPICE) schemes.

To strengthen the connection between employees' family lives and their work lives, and to promote team spirit by showcasing the Bank's daily work style, culture, and commitment, the Bank has introduced the 'Bring Your Family to Workplace Day.' Under this scheme, employees' immediate family members are invited on a non-peak workday to experience firsthand the daily challenges and achievements that shape employees' professional lives. Furthermore, the Bank has utilized ₹2.01 crore worth of CSR funds as of December 31, 2024, on healthcare, education, and other social initiatives. The Bank also has a Crisis Management Plan in place to deal with industry-wide strikes lasting three days or more.

The Bank has been recognized for its excellence in risk and cyber security initiatives by ASSOCHAM in October 2024. The Bank upholds the highest standards of ethical business conduct through its zero-tolerance policy on bribery and corruption, supported by a system that ensures all transactions and decisions align with our customer-centric values and governance framework.

Human Resource

As of December 31, 2024, we had 31,610 permanent employees. Business per employee of our Bank stood at ₹19.94 crore in Fiscal 2024 as compared to ₹ 18.45 crore in Fiscal 2023In Fiscal 2024, approximately 87.47% of our employees and officers were members of the 8 unions.

Intellectual Property

Our logos, "" "", are registered under the Trademarks Act, 1999. For risk relating to our intellectual property, please refer to section titled "*Risk Factors*" beginning on page 41.

Properties

Our head office and corporate office is located at Chandermukhi, Nariman Point, Mumbai – 400 021, Maharashtra, India. Our principal network consisted of 4,541 branches and 4,085 ATMs as of December 31, 2024. Of the properties used by us, some are held by us on a freehold basis, and some are held on a leasehold basis.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Our Bank has been constituted as a body corporate under the Banking Companies Act. In terms of the provisions of the Banking Companies Act, the general superintendence and direction of the affairs and business of our Bank is entrusted to the Board constituted as per the provisions of the Banking Companies Act, the Nationalized Banks Scheme and the Central Bank Regulations.

As per sub-section 3 of section 9 of the Banking Companies Act, every board of directors of a corresponding new bank, constituted under any scheme made under sub-section 1 of section 9 of the Banking Companies Act shall include:

a) not more than five whole-time directors to be appointed by the Central Government after consultation with RBI, provided that the Central Government, may, after consultation with the RBI, vide a notification published in the official gazette, post a whole-time director so appointed to any other corresponding new bank;

b) one director who is an official of the Central Government to be nominated by the Central Government; provided that no such director shall be a director of any other corresponding new bank;

c) one director, possessing necessary expertise and experience in matters relating to regulation or supervision of commercial banks, to be nominated by the Central Government on the recommendation of RBI;

d) one director, from among such of the employees of the corresponding bank who are workmen (as defined under clause (s) of section 2 of the Industrial Disputes Act, 1947) to be nominated by the Central Government;

e) one director, from among the employees of the corresponding bank who are not workmen (as defined under clause (s) of section 2 of the Industrial Disputes Act, 1947) to be nominated by the Central Government after consultation with RBI;

f) one director who has been a chartered accountant for not less than 15 years to be nominated by the Central Government after consultation with RBI;

g) subject to directors elected by shareholders as provided under clause (i) of sub-section 3 of section 9 of the Banking Companies Act, not more than six directors to be nominated by the Central Government;

h) directors elected by shareholders of the bank (other than the Central Government) from amongst themselves where the capital raised by public issue or rights issue or by issue of bonus shares or preferential allotment or private placement, of equity shares or preference shares is:

   I. not more than 16.00% of the total paid-up capital, one director;
   II. more than 16.00% but not more than 32.00% of the total paid-up capital, two directors; and
   III. more than 32.00% of the total paid-up capital, three directors, to be elected by the shareholders, other than the Central Government, from amongst themselves.

   As on the date of this Preliminary Placement Document, we have eight (8) directors on our Board. Our Board has four (4) whole-time Directors, out of which, one (1) director is designated as the Managing Director and Chief Executive Officer, while three (3) directors are designated as Executive Directors appointed in accordance with Section 9(3)(a) of the Banking Companies Act. Other than four (4) whole-time Directors, we have one (1) Government of India Nominee Director, one (1) RBI Nominee Director, one (1) Part Time Non-Official Director under CA Category and one (1) Shareholder Director. All Directors are appointed/nominated/elected pursuant to the Banking Companies Act, the Nationalized Banks Scheme and the Central Bank Regulations.

The Non-Executive Directors who are on the Board of our Bank as on the date of this Preliminary Placement Document are mentioned below:

- One (1) Director (who is an official from the Central Government) nominated under section 9(3)(b) of the Banking Companies Act by the Government;

- One (1) Director (possessing necessary expertise and experience in matters relating to regulation or supervision of commercial banks) nominated under section 9(3)(c) of the Banking Companies Act by the Central Government on the recommendation of the RBI;

- One (1) Director (who has been a Chartered Accountant for not less than fifteen years) nominated under section 9(3)(g) of the Banking Acquisition Act by the Central Government after consultation with RBI; and

- One (1) Director elected under section 9(3)(i) of the Banking Acquisition Act by the shareholders (other than the Central Government).

The current composition of our Board is not in compliance with the provisions of the Banking Acquisition Act since one position each under section 9(3)(e) and 9(3)(f) to be nominated by the Central Government and five positions under section 9(3)(h) to be nominated by the Central Government are vacant.

Given that our Bank is a public sector undertaking, matters pertaining to, among others, appointment of our Directors are determined by the Government of India, Ministry of Finance or RBI except appointment of Shareholders' Directors under section 9(3)(i) of the Banking Companies Act. For further details please see "*Risk Factors – As on the date of this Preliminary Placement Document, the composition of our Board and the composition of certain committees does not have the full strength as prescribed in the Banking Companies Act and SEBI Listing Regulations.*" beginning on page 59.

The following table sets forth details regarding our Board as on the date of this Preliminary Placement Document:

Name, Address, Occupation, Term	Clause (as per Section 9(3) of the Banking Companies Act) under which appointed / nominated / elected	Age (in years)	Designation
Matam Venkata Rao **Occupation**: Service **Term**: Extension of term beyond February 29, 2024, till the date of superannuation i.e. July 31, 2025, or until further orders, whichever is earlier. **Nationality**: Indian	Clause (a)	59	Managing Director and Chief Executive Officer
Vivek Wahi **Occupation**: Service **Term**: Extension of term beyond March 09, 2024, till the date of superannuation i.e. September 30, 2025, or until further orders, whichever is earlier. **Nationality**: Indian	Clause (a)	59	Executive Director
Malladi Venkat Murali Krishna **Occupation**: Service **Term**: Three (3) years with effect from December 1, 2022 or until further orders, whichever is earlier. **Nationality**: Indian	Clause (a)	57	Executive Director

Name, Address, Occupation, Term	Clause (as per Section 9(3) of the Banking Companies Act) under which appointed / nominated / elected	Age (in years)	Designation
Mahendra Dohare **Occupation**: Service **Term**: Three (3) years with effect from date of assumption of office on October 9, 2023, or until further orders, whichever is earlier **Nationality**: Indian	Clause (a)	54	Executive Director
Hardik Mukesh Sheth **Occupation**: Service **Term**: From April 11, 2022 and until further orders. **Nationality**: Indian	Clause (b)	44	Government of India Nominee Director
Manoranjan Dash **Occupation**: Service **Term**: From December 12, 2024 and until further orders. **Nationality**: Indian	Clause (c)	59	RBI Nominee Director
Priavrat Sharma **Occupation**: Practicing Chartered Accountant **Term**: Three (3) Years with effect from the date of notification i.e. May 8, 2023, or until further orders, whichever is earlier. **Nationality**: Indian	Clause (g)	54	Part Time Non-Official Director under CA Category
Sarada Kumar Hota **Occupation**: Service **Term**: Three (3) years with effect from July 17, 2024 till July 16, 2027. **Nationality**: Indian	Clause (i)	58	Shareholder Director

Brief Profiles of our Directors

Matam Venkata Rao, aged 59, is the Managing Director and Chief Executive Officer of our Bank. He has been a Director on our Board since March 1, 2021. He has a rich and varied experience in Banking Sector. Prior to joining Central Bank of India, he was the executive director of Canara Bank and general manager of Indian Bank (erstwhile Allahabad Bank). He is also serving as the chairman of Indian Banks' Association (IBA) and director on the Board of Export Import Bank of India (EXIM Bank), United India Insurance Company Limited and NCGTC. He is a member on DEA Fund Committee set up by RBI, chairman of the Board of Trustees CGTMSE, the Governing Board of IBPS & President of IIBF.

Vivek Wahi, aged 59, is the Executive Director of our Bank. He has been a Director on our Board since March 10, 2021. He has a rich experience of 34 years in Banking Sector and worked in all important verticals of the bank like branch banking, overseas dealing room, corporate credit branch etc., He is a BSc (Civil Engineering) from Regional Engineering College, Kurukshetra and CAIIB. Prior to joining Central Bank of India, he was general manager, Bank of India. He is also director on the board of Indo-Zambia Bank.

Malladi Venkat Murali Krishna, aged 57, is the Executive Director of our Bank. He has been a Director on our Board since December 1, 2022. He has a vast Experience of over 30 years in all major areas of banking, including corporate credit, international banking, rural and agriculture banking, financial inclusion etc. He is an MBA in banking management and CAIIB. Prior to joining Central Bank of India, he was the chief general manager of Bank of Baroda. He is also Director on the Board of the Bank's Subsidiaries.

Mahendra Dohare, aged 54, is the Executive Director of our Bank. He has been a Director on our Board since October 9, 2023. He has a rich and varied experience in banking industry and worked in important verticals such as information technology, digital payments, transaction banking, recovery, MSME, resources, etc. He is MBA and CAIIB. Prior to joining Central Bank of India, he served at Punjab National Bank in the capacity of chief general manager. He also served as director of PNB Card and Services Ltd.

Hardik Mukesh Sheth, aged 44, is the Government of India Nominee Director of our Bank. He has been a Director on our Board since April 11, 2022. He has a rich Experience in Banking Industry. He is a MBA (Finance) and a US CPA. He is presently serving as a director with Department of Financial Services, Ministry of Finance, Government of India. He also has experience in areas such as banking operations, regulatory compliance, and administration.

Manoranjan Dash, aged 59, is the Reserve Bank of India Nominee Director of our Bank. He has been a Director on our Board since December 12, 2024. He has a rich banking experience over three decades of working with Reserve Bank of India. He has a bachelor's degree in Agriculture and also a certified associate of the Indian Institute of Bankers. He is presently serving as the chief general manager-in-charge of risk monitoring department, RBI. Prior to this, he served as the regional director of RBI, Guwahati.

Priavrat Sharma, aged 54, is the Part time non-official Director of our Bank. He has been a Director on our Board since May 8, 2023. He is a fellow chartered accountant (FCA).

Sarada Kumar Hota, aged 58, is the Shareholder Director of our Bank. He has been a Director on our Board since July 17, 2024. He is having a rich experience in banking and has worked across all geographies of the country branches in various capacities in human resources, strategic business planning and profit planning verticals at different locations with Canara Bank. He is a Postgraduate in Agriculture. Previously, he served as the managing director in National Housing Bank and Can Fin Homes Ltd.

Relationship between our Directors

None of our Directors are related to each other as on the date of this Preliminary Placement Document.

Remuneration details of our Directors

(i) Remuneration details of our Executive Directors

The details of the remuneration paid by our Bank to our present Executive/ whole-time Directors including all allowances, provident fund contribution for the nine-month period ended December 31, 2024 and the Fiscals 2024, 2023 and 2022, respectively are set forth below:

(₹ in crore)

Name of the Director	Remuneration			
	For the nine months period ended December 31, 2024	For Fiscal 2024	For Fiscal 2023	For Fiscal 2022
Matam Venkata Rao	0.41	0.44	0.41	0.32
Vivek Wahi	0.35	0.37	0.34	0.27
Malladi Venkat Murali Krishna#	0.35	0.34	0.10	N. A.
Mahendra Dohare*	0.35	0.16	N. A.	N. A.

#Fiscals 2022 are not applicable, as the appointment occurred in Fiscal 2023.
** Fiscals 2023 and 2022 are not applicable, as the appointment occurred in Fiscal 2024.*

(ii) Remuneration details of our Non-Executive Directors and Independent Directors

As per Government of India's directive F. No. 15/1/2011-BO.I dated January 18, 2019, all the directors other than the executive directors, Government's nominee director and RBI's nominee director, are to be paid a sitting fees amounting to ₹40,000 for attending each meeting of the board, ₹20,000 for attending each meeting of the sub-committee of the board, additional ₹10,000 for chairing the meeting of the Board and ₹5,000 for chairing the meeting of sub-committee of the Board.

Pursuant to the letter issued by the MoF No. F.No.15/1/2011-BO.I dated 18th January, 2019 non-executive chairman and part-time non-official directors nominated under clause I, (f) (g), (h) and (i) of sub-section (3) of section 9 of the Banking Companies Act, are to be paid a sitting fees for attending meeting of the Board and meeting of the committees of the Board, additional fees for chairing the meeting of the Board and for chairing the meeting of committees of the Board, as decided by the Board of Directors subject to overall ceiling of ₹ 0.15 crore.

Accordingly, the details of the sitting fees paid by our Bank to our present Non-Executive Directors for the nine month period ended December 31, 2024 and the Fiscals 2024, 2023 and 2022, respectively are set forth below:

(₹ in crore)

Name of the Director	Sitting fees paid*			
	For the nine months period ended December 31, 2024	For Fiscal 2024	For Fiscal 2023	For Fiscal 2022
Hardik Mukesh Sheth(i)	N.A.	N.A.	N.A.	N.A.
Manoranjan Dash(i)	N.A.	N.A.	N.A.	N.A.
Priavrat Sharma*(ii)*	0.09	0.10	N.A.	N.A.
Sarada Kumar Hota*(ii)*	0.05	N.A.	N.A.	N.A.

**The sitting fees mentioned above is including applicable taxes.*
(i) Fiscals 2024, 2023 and 2022 are not applicable, as the appointment occurred in Fiscal 2025.
(ii) Fiscals 2023 and 2022 are not applicable, as the appointment occurred in Fiscal 2024.

Performance Linked Incentive or Bonus or profit-sharing plan for our Directors

Government of India, Ministry of Finance, Department of Financial Services vide notification number F.No.12/1/2014 – BOA dated August 18, 2015 has set out broad parameters for payment of performance linked incentives to executive directors on the boards of public sector banks. Such performance linked incentives are given in accordance with scores obtained as per the performance evaluation matrix prescribed in the notification. The performance evaluation matrix consists of qualitative and quantitative parameters. Further, in accordance with the action point 16 of banking reforms set out in the Reforms Agenda for Responsive and Responsible PSBs ("**PSB Reforms Agenda**"), the board of directors of a public sector bank shall evaluate the performance of the bank's whole-time directors in terms of its implementation of the six-point action plan stated in the PSB Reforms Agenda. Further, in terms of 9th Joint Note/12th Bipartite Settlement dated March 08, 2024, as amended from time to time, the employees of our Bank are eligible for performance linked incentives which is payable to all eligible staff members annually over and above the normal salary payable to the employees depending on the annual performance of the Bank.

Shareholding details of our Directors in our Bank

Our Directors are not required to hold any qualification shares of our Bank in terms of the Banking Regulation Act. However, the directors elected under section 9(3)(i) of the Banking Acquisition Act by the shareholders (other than the Government), are required to hold a minimum of 100 Equity shares of our Bank in terms of regulation 65 of the Central Bank of India (Shares and Meetings) Regulations, 1998, as amended.

The following table sets forth details of shareholding of our Directors in our Bank, as on the date of this Preliminary Placement Document:

Name of the Director	No. of Equity Shares (pre-Issue)	Percentage shareholding (%)
Matam Venkata Rao	0	N.A.
Vivek Wahi	0	N.A.
Malladi Venkat Murali Krishna	12,025	Negligible
Mahendra Dohare	0	N.A.
Hardik Mukesh Sheth	0	N.A.
Manoranjan Dash	0	N.A.
Priavrat Sharma	0	N.A.
Sarada Kumar Hota	250	Negligible

Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of salary and remuneration paid to them for services rendered as Directors of our Bank, perquisites and reimbursement of expenses, if any, payable to them, as allowed in the ordinary course of business in terms of Central Government guidelines and RBI guidelines, as may be applicable.

Further, our Non-Executive Directors other than the Government's Nominee Director and RBI's Nominee Director, are entitled to receive sitting fees for attending each meeting of our Board and its sub-Committee thereof and are also entitled to reimbursement of expenses to attend such meeting as may be applicable.

Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Bank and dividend payable to them, if any. For details of Equity Shares held by our Directors in our Bank, see "*Shareholding details of our Directors in our Bank*" above.

Except as disclosed in this Preliminary Placement Document, and except to the extent of shareholding in our Bank, our Directors do not have any financial or other material interest in this Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Except as otherwise stated in this Preliminary Placement Document, we have not entered into any contract, agreement or arrangement during the preceding three years from the date of this Preliminary Placement Document in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Except as stated in "*Related Party Transactions*" in "*Financial Information*" starting on page 302, our Directors do not have any other interest in the business of our Bank

Other Confirmations

Our Directors have not been identified as Fraudulent Borrowers or wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on Fraudulent Borrowers or wilful defaulters issued by RBI.

None of our Directors have been declared as Fugitive Economic Offenders.

Neither our Bank nor any of our Directors have been debarred from accessing capital markets under any order or direction made by SEBI, the Stock Exchanges or any other regulatory or supervisory authority

Corporate Governance

Our Board has four (4) Whole-Time Directors, out of which one (1) is Managing Director and Chief Executive Officer, three (3) Executive Directors, one (1) Government of India Nominee Director, one (1) RBI Nominee Director, one (1) Shareholder Director and one (1) Part-Time Non-Official Directors on our Board. As on date of this Preliminary Placement Document, the composition of our Board and Audit Committee are not in compliance with the SEBI Listing Regulations. For further details please see "*Risk Factors – As on the date of this Preliminary Placement Document, the composition of our Board and the composition of certain committees does not have the full strength as prescribed in the Banking Companies Act and SEBI Listing Regulations.*" beginning on page 59.

RBI has issued a circular RBI/2021-22/24 DOR.GOV.REC.8/29.67.001/2021-22 dated April 26, 2021 pertaining to instructions with regard to the chairman and meetings of the board, composition of certain committees of the board, age, tenure and remuneration of directors, and appointment of the whole-time directors ("**RBI Circular**").

Committees of our Board

Our Board has constituted the following key Committees, as may be applicable on our Bank:

1. Management Committee;
2. Audit Committee;
3. Risk Management Committee;
4. Nomination and Remuneration Committee;
5. Stakeholders Relationship Committee;
6. Credit Approval Committee;
7. Special Committee of the Board for Monitoring and Follow-Up of Cases of Frauds;
8. Customer Service Committee;
9. IT Strategy Committee;
10. Vigilance Committee;
11. Performance Evaluation Committee;
12. Human Resource Committee;
13. Committee of the Board for Monitoring of Recovery;
14. Capital Raising Committee;
15. Committee to the Board to Review the Identification of Wilful Defaulter & Declaring of Non Cooperative Borrowers.

Details of key Committees are as follows:

1. Management Committee

The Management Committee of the Board has been constituted in pursuance of Clause 13 of Nationalized Banks Scheme read with the directives of the MoF, Government of India. The composition of Management Committee of the Board has been advised by Department of Financial Services, Ministry of Finance, Government of India vide communication F. No. 13/1/2006-BO.1/80061042 dated August 24, 2015, as may be amended by further communications. Our Management Committee comprises the following members:

Name of Director	Designation	Nature of Directorship
Matam Venkata Rao	Chairman	Managing Director and Chief Executive Officer
Vivek Wahi	Member	Executive Director
Malladi Venkat Murali Krishna	Member	Executive Director
Mahendra Dohare	Member	Executive Director
Manoranjan Dash	Member	RBI Nominee Director

2. Audit Committee of the Board

Our Audit Committee has been constituted in terms of RBI circular bearing No. RBI/2021- 22/24 DOR.GOV.REC.8/29.67.001/2021-22 dated April 26, 2021, such other circulars issued by RBI and Regulation 18 of the SEBI Listing Regulations. Our Audit Committee comprises the following members:

Name of Director	Designation	Nature of Directorship
Priavrat Sharma	Chairman	Part Time Non-Official Director under CA Category
Manoranjan Dash	Member	RBI Nominee Director
Sarada Kumar Hota	Member	Shareholder Director

3. *Risk Management Committee*

Our Risk Management Committee has been constituted in accordance with the RBI circular bearing No. RBI/2021- 22/24 DOR.GOV.REC.8/29.67.001/2021-22 dated April 26, 2021, as may be amended and Regulation 21 of the SEBI Listing Regulations, as may be amended. Our Risk Management Committee comprises the following members:

Name of Director	Designation	Nature of Directorship
Sarada Kumar Hota	Chairman	Shareholder Director
Vivek Wahi	Member	Executive Director
Hardik Mukesh Sheth	Member	Government of India Nominee Director
Priavrat Sharma	Member	Part Time Non-Official Director under CA Category

4. *Nomination and Remuneration Committee*

Our Nomination & Remuneration Committee has been constituted in terms of RBI circular bearing No. RBI/2021-22/24 DOR.GOV.REC.8/29.67.001/2021-22 dated April 26, 2021 and the Master RBI (Fit and Proper Criteria for Elected Directors on the Boards of PSBs) Directions, 2019 dated August 2, 2019, and SEBI Listing Regulations as may be amended. Our Nomination & Remuneration Committee comprises the following members:

Name of Director	Designation	Nature of Directorship
Priavrat Sharma	Chairman	Part Time Non-Official Director under CA Category
Sarada Kumar Hota	Member	Shareholder Director
Hardik Mukesh Sheth	Member	Government of India Nominee Director

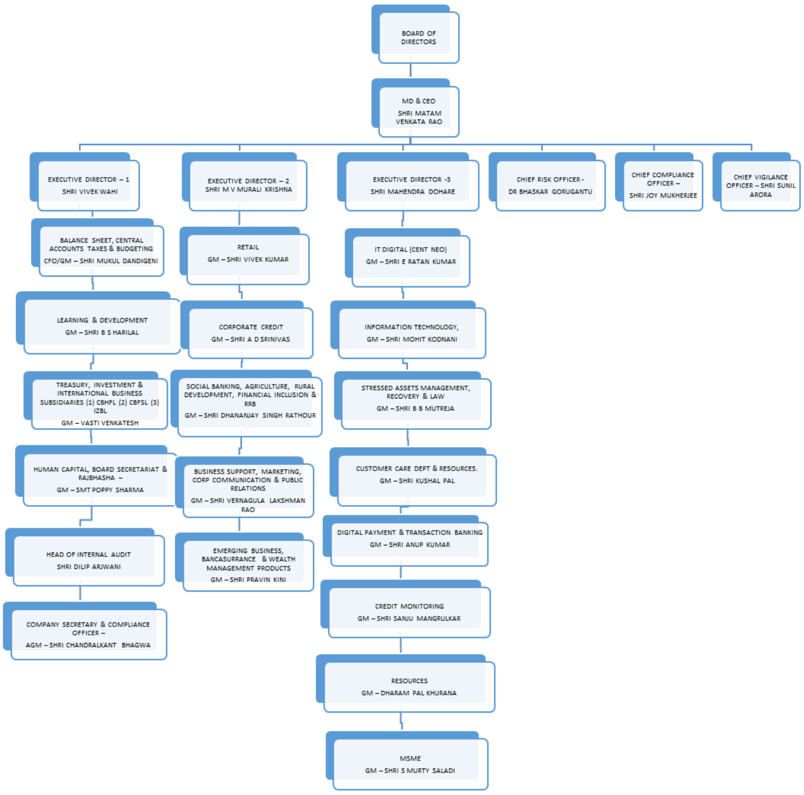
5. *Stakeholders Relationship Committee*

Our Stakeholders' Relationship Committee has been constituted pursuant to Regulation 20 read with Clause B of Part D of Schedule II of the SEBI Listing Regulations as amended and Central Bank Regulations. Our Stakeholders' Relationship Committee comprises the following members:

Name of Director	Designation	Nature of Directorship
Sarada Kumar Hota	Chairman	Shareholder Director
Vivek Wahi	Member	Executive Director
Malladi Venkat Murali Krishna	Member	Executive Director
Mahendra Dohare	Member	Executive Director

Management Organization Structure

Set forth is the organization structure of our Board and our senior management team:



Our Key Managerial Personnel

In addition to Matam Venkata Rao, Managing Director and Chief Executive Officer; Vivek Wahi, Executive Director; Malladi Venkat Murali Krishna, Executive Director; and Mahendra Dohare, Executive Director, whose details are provided in the section titled "*Brief Profiles of our Directors*" on page 218, the details of the Key Managerial Personnel of our Bank are as follows:

Mukul N Dandige is the Chief Financial Officer of our Bank.

Gorugantu Bhaskar is the Chief Risk Officer of our Bank.

Joy Mukherjee is the Chief Compliance Officer of our Bank.

Chandrakant Bhagwat is the Company Secretary and Compliance Officer of our Bank.

Our Senior Management

In addition to our Chief Financial Officer, Chief Risk Officer, Chief Compliance Officer and our Company Secretary and Compliance Officer whose details are provided in "*Key Managerial Personnel*" above, the details of the Senior Management of our Bank are as follows:

Umesh K. Singh is the General Manager of the central registrar, Managing Director and Chief Executive Officer in CERSAI department, appointed on February 16, 2023.

E. Ratan Kumar is the General Manager of the DIT- appointed on April 16, 2020.

B.S. Harilal is the General Manager of the Learning & Development department, appointed on April 4, 2022.

Mohit Kodnani is the General Manager of the DIT department, appointed on April 10, 2023.

Vivek Kumar is the General Manager of the Retail department, appointed on February 14, 2022.

A.D. Shrinivas is the General Manager of the Corporate Credit department, appointed on June 30, 2021.

Vasti Venkatesh is the General Manager of the Treasury department, appointed on October 1, 2022.

Bharat Bhushan Mutreja is the General Manager of the Recovery department, appointed on February 5, 2024.

Sohail Ahmad is the General Manager and Chaiman at Uttar Bihar Gramin Bank, Muzaffarpur since July 1, 2021.

Shishram Tundwal is the General Manager and zonal head at Delhi Zone since December 31, 2024.

Kushal Pal is the General Manager of the Customer Care Department, appointed on December 11, 2024.

Ajay Kumar Singh is the General Manager and Zonal Head at Pune zone since February 5, 2024.

Tarsem Singh Zira is the General Manager and Zonal Head at Bhopal zone since May 1, 2022.

Dhananjau Singh Rathour is the General Manager of the Agriculture & Social Banking department, appointed on December 10, 2024.

Poppy Sharma is the General Manager of the HCM department, appointed on March 31, 2023.

V Lakshman Rao is the General Manager of the Business Support department, appointed on December 10, 2024.

P. Anup Kumar is the General Manager of the Digital Payments & Transactions Banking appointed on March 1, 2023.

Kavita Thakur is the General Manager and zonal head at Ahmedabad Zone since April 1, 2023.

Sanju V Mangrulkar is the General Manager of the Credit Monitoring appointed on April 10, 2023.

K. Shashidhar is the General Manager in the Bank, appointed on September 1, 2023.

Pravin Kini is the General Manager of the Emerging Business Department, appointed on April 10, 2023.

Khimavath Dharasing Naik is the General Manager and zonal head at Hyderabad Zone since September 1, 2023.

Dharam Pal Khurana is the General Manager of the Resources Department, appointed on December 11, 2024.

Ashwani Dhingra is the General Manager and zonal head at Mumbai Zone since April 17, 2024.

Ajay Khanna is the General Manager and zonal head at Lucknow Zone since April 17, 2024.

Suryanarayana Murty Saladi is the General Manager of the MSME Department, appointed on May 1, 2024.

Dilip Arjwani is General Manager of the CA & ID appointed on April 17, 2024.

Relationships between Key Managerial Personnel, Senior Management and Directors

None of our Key Managerial Personnel and Senior Management are related to each other or with our Directors.

Bonus or a profit-sharing plan for Key Managerial Personnel and Senior Management

Our Bank does not have a performance linked bonus or a profit-sharing plan for the Key Managerial Personnel and Senior Management.

Shareholding of our Key Managerial Personnel and Senior Management

The following table sets forth details of shareholding of our Key Managerial Personnel and Senior Managerial Personnel in our Bank, as on the date of this Preliminary Placement Document:

Name of the Key Managerial Personnel and Senior Managerial Personnel	No. of Equity Shares (pre-Issue)	Percentage shareholding (%)
Mukul Dandige	8,427	Negligible
Bhaskar Gorugantu	10,000	Negligible
Joy Mukherjee	10,133	Negligible
Umesh Kumar Singh	9,000	Negligible
Vasti Venkatesh	5,700	Negligible
Harilal B S	10,000	Negligible
Suryanarayana Murty Saladi	9,500	Negligible
Sohail Ahmad	304	Negligible
Shishram Tundwal	9,911	Negligible
A.D. Srinivas	178	Negligible
Ashwani Kumar Dhingra	7,127	Negligible
Anil Kumar	8,500	Negligible
Sanju V Mangrulkar	5,953	Negligible
Dhananjay Singh Rathour	4,000	Negligible
Kushal Pal	10,400	Negligible
Tarsem Singh Zira	16,840	Negligible
Bharat Bhushan Mutreja	14,127	Negligible
Dharam Pal Khurana	9,107	Negligible
Poppy Sharma	9,625	Negligible
Kavita Thakur	9,267	Negligible
Vivek Kumar	12,035	Negligible
E. Ratan Kumar	21,920	Negligible
P Anup Kumar	90	Negligible
V Lakshmana Rao	9,000	Negligible
Ajay Kumar Singh	9,007	Negligible
Pravin Keshav Kini	9,000	Negligible
Dilip Arjwani	8,000	Negligible
Mohit Kodnani	8,050	Negligible

Interests of Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management have any interest in our Bank except to the extent of their remuneration, benefits and reimbursement of expenses incurred by them in the ordinary course of business, which they receive from our Bank, and loans availed from our Bank, if any.

Our Key Managerial Personnel and Senior Management may also be deemed to be interested to the extent of Equity Shares held by them in our Bank and any dividend or other distributions payable to them in respect of the said Equity Shares (if any). For details of Equity Shares held by our Key Managerial Personnel and Senior Management in our Bank, see "*Shareholding details of our Key Managerial Personnel and Senior Management*" above.

None of our Key Managerial Personnel and Senior Management have any financial or other material interest in this Issue and there is no effect of an interest by virtue of having a shareholding in our Bank, so far as it is different from the interests of other persons.

Other than as disclosed in this Preliminary Placement Document, there were no outstanding transactions other than in the ordinary course of business undertaken by our Bank in which the Key Managerial Personnel and Senior Management were the interested parties. For further details, please see "*Financial Information*" on page 302.

Policy on disclosures and internal procedure for prevention of insider trading

Regulation 8(1) and 9(1) of the SEBI Insider Trading Regulations applies to our Bank and its employees and requires our Bank to implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and to regulate, monitor and report trading by its employees and other connected persons towards achieving compliance with. Our Bank has implemented a code of conduct for prevention of insider trading in accordance with the SEBI Insider Trading Regulations.

Employee Stock Option Scheme/Employee Stock Purchase Scheme

As on the date of this Preliminary Placement Document, our Bank does not have any employee stock option scheme/employee stock purchase scheme

PRINCIPAL SHAREHOLDERS AND OTHER INFORMATION

The following table presents information regarding the ownership of Equity Shares by the Shareholders as of December 31, 2024:

Summary statement holding of Equity Shares

Category of Shareholder	No. of Shareholders	No. of fully paid-up equity shares held	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting Right	No. of equity shares held in dematerialized form
(A) Promoter & Promoter Group	1	8,08,03,91,687	8,08,03,91,687	93.08	8,08,03,91,687	93.08	8,08,03,91,687
(B) Public	6,71,005	60,05,47,745	60,05,47,745	6.92	60,05,47,745	6.92	60,03,92,003
(C1) Shares underlying DRs	-	-	-	0.00	-	0.00	-
(C2) Shares held by Employee Trust	-	-	-	0.00	-	0.00	-
(C) Non Promoter-Non Public	-	-	-	0.00	-	0.00	-
Grand Total	**6,71,006**	**868,09,39,432**	**868,09,39,432**	**100.00**	**868,09,39,432**	**100.00**	**8,68,07,83,690**

Note: *C = C1+C2*
Grand Total = A+B+C

Shareholding Pattern of the Promoter and Promoter Group of our Bank as on December 31, 2024

Category of Shareholder	Entity Type	Nos. of Shareholders	No. of fully paid-up equity shares held	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of equity shares held in dematerialized form
						Class eg: X	Total	
A1) Indian	-	-	-	-	0.00	-	0.00	-
Central Government/ State Government(s)	-	1	8,08,03,91,687	8,08,03,91,687	93.08	8,08,03,91,687	93.08	8,08,03,91,687
President of India	Promoter	1	8,08,03,91,687	8,08,03,91,687	93.08	8,08,03,91,687	93.08	8,08,03,91,687
Sub Total A1	-	1	8,08,03,91,687	8,08,03,91,687	93.08	8,08,03,91,687	93.08	8,08,03,91,687
A2) Foreign								
A=A1+A2		**1**	**8,08,03,91,687**	**8,08,03,91,687**	**93.08**	**8,08,03,91,687**	**93.08**	**8,08,03,91,687**

Shareholding Pattern of Public Shareholders as on December 31, 2024

Category of Shareholder	No. of Shareholders	No. of fully paid-up equity shares held	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting Right	No. of equity shares held in dematerialized form
B1) Institutions (Domestic)	0	0	-	0.00	-	0.00	-
Mutual Funds/	13	1,17,03,179	1,17,03,179	0.13	1,17,03,179	0.13	1,17,03,179
Alternate Investment Funds	1	424	424	0.00	424	0.00	424
Banks	3	33,264	33,264	0.00	33,264	0.00	33,264
Insurance Companies	7	23,39,45,240	23,39,45,240	2.69	23,39,45,240	2.69	23,39,45,240
Life Insurance Corporation of India	1	22,70,21,558	22,70,21,558	2.62	22,70,21,558	2.62	22,70,21,558
NBFCs registered with RBI	4	1,58,848	1,58,848	0.00	1,58,848	0.00	1,58,848
Sub Total B1	**28**	**24,58,40,955**	**24,58,40,955**	**2.83**	**24,58,40,955**	**2.83**	**24,58,40,955**
B2) Institutions (Foreign)							
Foreign Portfolio Investors Category I	42	3,55,51,942	3,55,51,942	0.41	3,55,51,942	0.41	3,55,51,942
Foreign Portfolio Investors Category II	4	22,94,234	22,94,234	0.03	22,94,234	0.03	22,94,234
Sub Total B2	**46**	**3,78,46,176**	**3,78,46,176**	**0.44**	**3,78,46,176**	**0.44**	**3,78,46,176**
B3) Central Government/ State Government(s)/ President of India	0	0	-	0.00		0.00	
State Government / Governor	2	1700	1,700	0.00	1,700	0.00	1,700
Sub Total B3	**2**	**1700**	**1,700**	**0.00**	**1,700**	**0.00**	**1,700**
B4) Non-Institutions							
Directors and their relatives (excluding independent directors and nominee directors)	2	12,987	12,987	0.00	12,987	0.00	12,987
Key Managerial Personnel	3	21,598	21,598	0.00	21,598	0.00	21,598
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	6,59,743	23,64,21,526	23,64,21,526	2.72	23,64,21,526	2.72	23,64,12,474

Category of Shareholder	No. of Shareholders	No. of fully paid-up equity shares held	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting Right	No. of equity shares held in dematerialized form
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	986	5,73,09,832	5,73,09,832	0.66	5,73,09,832	0.66	5,72,84,832
Non-Resident Indian (NRI)	3,082	52,50,436	52,50,436	0.06	52,50,436	0.06	51,28,836
Bodies Corporate	810	85,01,298	85,01,298	0.10	85,01,298	0.10	85,01,208
Any Other (specify)	6,303	93,41,237	93,41,237	0.11	93,41,237	0.11	93,41,237
Clearing Members	15	61,686	61,686	0.00	61,686	0.00	61,686
HUF	6,221	8,68,0813	86,80,813	0.10	86,80,813	0.10	86,80,813
Boady Corp Ltd Liabliity Partnership	48	4,36,658	4,36,658	0.01	4,36,658	0.01	4,36,658
Independent Director	1	250	250	0.00	250	0.00	250
Trusts	18	161830	1,61,830	0.00	1,61,830	0.00	1,61,830
Sub Total B4	**6,70,929**	**31,68,58,914**	**31,68,58,914**	**3.65**	**31,68,58,914**	**3.65**	**31,67,03,172**
B=B1+B2+B3+B4	**6,71,005**	**60,05,47,745**	**60,05,47,745**	**6.92**	**60,05,47,745**	**6.92**	**60,03,92,003**

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to disclose name of all holders holding more than 1% of total number of shares

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.

Shareholding Pattern of the Non Promoter – Non Public shareholder as on December 31, 2024

Category & Name of Shareholder (I)	No. of Shareholders (III)	No. of fully paid up equity shares held (IV)	Total no. of shares held (VII = IV + V + VI)	Shareholding as a % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of equity shares held in dematerialized form (XIV) (Not Applicable)
C1) Custodian/ DR Holder	0	0	-	0.00	-
C2) Employee Benefit Trust	0	0	-	0.00	-

Note

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to disclose name of all holders holding more than 1% of total number of shares

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.

Details of disclosure made by the Trading Members holding 1% or more of the Total Number of shares of our Bank as on December 31, 2024

S. No.	Name of the Trading Member	Name of the Beneficial Owner	No. of shares held	% of total no. of shares	Date of reporting by the Trading Member
-	NIL	NIL	NIL	NIL	NIL

REGULATIONS AND POLICIES

The following description is a summary of some of the relevant regulations and policies as prescribed by the central, state and regulatory bodies in India that are applicable to our Bank and its Subsidiaries. The following description is not meant to be exhaustive, and is only intended to provide general information to the investors on some of the key regulations and policies applicable to us.

The primary legislation governing banking companies in India is the Banking Regulation Act, 1949 (the "Banking Regulation Act") which applies to public sector banks such as our Bank, only to a limited extent. Sections 34A, 36AD and section 51 of the Banking Regulation Act, 1949 are applicable to corresponding new banks constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 ("Banking Companies Act"). In turn, section 51 of the Banking Regulation Act makes some of its sections applicable to corresponding new banks. Our Bank, as a corresponding new bank, is governed primarily by the provisions of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. The Nationalised Bank Scheme and the Bank Regulations also governs our operations. Other important laws governing banking companies including the Reserve Bank of India Act, 1934, the Negotiable Instruments Act the SARFAESI Act, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, Foreign Exchange Management Act, 1999 and the Bankers' Books Evidence Act. Additionally, the RBI, from time to time, issues guidelines, regulations, policies, notifications, press releases, circulars, etc. to be followed by us and supervises our compliance with these guidelines. Our Bank is listed on a Stock Exchanges in India and therefore, our Bank will be governed by various regulations of the SEBI.

Reserve Bank of India Act, 1934

RBI may, subject to certain conditions, direct the inclusion or exclusion of any bank from the second schedule of the RBI Act. Scheduled banks are required to maintain cash reserves with RBI. In this regard, RBI may stipulate an average daily balance requirement to be complied with, by such banks and may direct that such banks regard a transaction or class of transactions as a liability. RBI has the power to impose penalties against any person for inter-alia failure to produce any book, account or other document or furnish any statement, information or particulars which such person is duty-bound to produce or furnish under the RBI Act, or any order, regulation or direction thereunder.

Banking Regulation Act, 1949 ("Banking Regulation Act")

Commercial banks in India are required to obtain a license from the RBI to carry on banking business in India as per Section 22 of the Banking Regulation Act. Such license is granted to a bank subject to compliance with certain conditions including (i) that the bank has or will have the ability to pay its present and future depositors in full as their claims accrue; (ii) that the affairs of the bank are not or are not likely to be conducted in a manner detrimental to the interests of present or future depositors; (iii) bank has adequate capital structure and earnings prospects; (iv) any other condition, the fulfilment of which would, in the opinion of the RBI, be necessary to ensure that the carrying on of banking business in India by the company will not be prejudicial to the public interest or the interest of its depositors ; and (v) that public interest will be served if such license is granted to the bank.

RBI may cancel the license if the bank fails to meet the qualifications/ conditions imposed on it or if the bank ceases to carry on banking operations in India. Additionally, RBI has issued various reporting and record-keeping requirements for commercial banks. Further, the appointing, re-appointing or removing of auditor or auditors of the bank requires prior approval of RBI.

We have obtained a banking license since the date of nationalisation through Gazette of India and are regulated and supervised by the RBI as applicable to as a Corresponding New Bank. The RBI requires us to furnish statements, information and certain details relating to our business and it has issued guidelines for commercial banks on recognition of income, classification of assets, valuation of investments, maintenance of capital adequacy and provisioning for non-performing and restructured assets. The RBI has set up a board for financial supervision ("BFS"), under the chairmanship of the Governor of the RBI. The primary objective of BFS is to undertake consolidated supervision of the financial sector comprising of inter alia, commercial banks, financial institutions and non-banking finance companies. The RBI can direct a special audit in the interest of the bank or the depositors or in the public interest.

The Banking Regulation Act confers power on RBI (in consultation with the central government) in the public interest, or for preventing the affairs of the bank from being conducted in a manner detrimental to the interest of the depositors or interest of banking policy and to secure the interest of the depositors of the bank and the banking company, to pass orders to supersede the board of directors of a banking company for a period of up to six months, provided that the period of supersession may be extended from time to time, so, however, which period shall not exceed up to 12 months.

During the moratorium, the RBI may prepare a scheme: (i) for the reconstruction of the bank, or (ii) for the amalgamation of the banking company with any other banking institution, if it is satisfied that it is necessary to do so in:

(i) in the public interest; or
(ii) in the interests of the depositors; or
(iii) in order to secure the proper management of the banking company;
(iv) or in the interest of the banking system of the country as a whole.

The abovementioned scheme shall be in accordance with the provisions of the Banking Regulation Act.

When a bank fails to or omits to comply with the provisions of the Banking Regulation Act, the RBI may impose fine within prescribed limits on banks and its officers or punish with imprisonment for the term provided in the law, on the basis of the nature of the violation.

The Banking Regulation (Amendment) Act, 2017 had been promulgated by the President of India with a view to give extensive powers to RBI to issue directions to banks for resolution of stressed assets. The amendment introduced two new sections to the Banking Regulation Act, Section 35AA and Section 35AB which enables RBI to direct banks to commence the insolvency resolution process against the defaulting company under the Insolvency and Bankruptcy Code, 2016 ("**IBC**"). The RBI has also been granted the discretion to set up one or more advisory/supervisory committees to advise banks on resolution of stressed assets.

The Banking Regulation (Amendment) Ordinance, 2020, ("**Ordinance**") was promulgated by the President of India on June 26, 2020. The Ordinance amends the Banking Regulation Act as applicable to Cooperative Banks. It seeks to protect the interests of depositors and strengthen cooperative banks by improving governance and oversight by extending powers already available with RBI in respect of other banks to Co-operative Banks as well for sound banking regulation, and by ensuring professionalism and enabling their access to capital.

The Ordinance also amends Section 45 of the Banking Regulation Act, to enable making of a scheme of reconstruction or amalgamation of a banking company for protecting the interest of the public, depositors and the banking system and for securing its proper management, even without making an order of moratorium, so as to avoid disruption of the financial system.

The Banking Regulation (Amendment) Bill, 2020, introduced on September 14, 2020, replaced the Ordinance and amends the Banking Regulation Act to expand RBI's regulatory control over co-operative banks in terms of management, capital, audit and liquidation.

Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 ("Nationalised Banks Scheme")

In terms of the powers conferred under the Banking Companies Act, the Central Government, in consultation with the RBI framed the Nationalised Banks Scheme which governs the management of corresponding new banks incorporated under the Banking Companies Act, defined as the nationalised banks under the Nationalised Banks Scheme. The Nationalised Banks Scheme confers power on the Central Government to constitute the board of directors and designate the chairman and managing director of the board, in consultation with the RBI from a panel of names recommended by the bureau. Further, the Central Government has the right to decide the term and remuneration of the directors of the nationalised banks. The scheme also provides for constitution of different committees of the board including, inter alia, the management committee of the board, credit approval committee and advisory committees.

Central Bank of India (Shares and Meetings) Regulations, 1998 ("Central Bank of India Regulations")

Our Bank is governed by Central Bank of India Regulations which regulates matters including, inter alia, the transfer of shares, issuance of share certificates, voting rights and manner of voting of the shareholders of the Bank. Every shareholder registered on the register of shareholders prior to a general meeting has one vote on show of hand and in case of a poll has one vote for every share held by him. Further, the Central Bank of India

Regulations also govern the manner of elections of the Directors on the Board of the Bank. Every shareholder on the register of shareholders, except the Central Government, has the right to elect the Directors from amongst themselves.

Regulatory reporting and examination procedures

The RBI is empowered under the Banking Regulation Act to call for certain information from a bank as well as to inspect a bank. The RBI monitors prudential parameters at periodic basis.

RBI has introduced the Centralised Information Management System (CIMS) to revolutionize its data handling, analysis, and governance. The system leverages advanced technology to manage big data, enabling powerful data mining, text mining, visual analytics, and statistical analysis. Apart from CIMS, RBI has also launched Daksh– a new suptech initiative aimed at developing an Advanced Supervisory Monitoring System. The application allows for the collection and analysis of data from various sources and the automation of various steps of the supervisory process.

RBI has adopted a Risk Based Supervisory (RBS) approach, based on the recommendations of the High-Level Steering Committee (HLSC) for Review of Supervisory Processes of Commercial Banks. RBI's revised supervisory approach is called Supervisory Program for Assessment of Risk and Capital – SPARC. RBI conducts Inspection for Supervisory Evaluation (ISE) of the Bank under Section 35 of Banking Regulation Act, 1949 and shares Inspection & Risk Assessment Report (IRAR) as part of Supervisory Programme for Assessment of Risk and Capital (SPARC). This involves on-site inspection of the Banks on on matters relating to the bank's portfolio, risk management systems, governance & oversight, internal controls, credit allocation and regulatory compliance.

Maintenance of records

Extant Record Maintenance Policy of the bank, for the year 2024-25 circulated vide Operations (GB) Circular No. 17/2024 dated 20.03.2024. covers all aspects of maintenance of record at bank under guidelines of Banking Regulation Act 1934.

Further, as per RBI's KYC Policy dated February 25, 2016 and updated from time to time, also provide for certain records to be maintained for a minimum period of period of five years from the business relationship have ended- this is covered under POLICY FOR KNOW YOUR CUSTOMER as per KYC Cir. No 14/2023 dated November 14, 2023. For, further information on POLICY FOR KNOW YOUR CUSTOMER, HO: DPMD is the owner division.

Capital adequacy requirements

RBI had issued guidelines based on the Basel III reforms on capital regulation on May 2, 2012, to the extent applicable to banks operating in India. The Basel III capital regulations were implemented from April 1, 2013 in India in a phased manner and were fully implemented by October 1, 2021, as specified below. Banks have to comply with the regulatory limits and minima as prescribed under Basel III capital regulations on an ongoing basis. The table below summarizes the capital requirements under Basel III guidelines for banks in India:

Sr. No.	Regulatory Capital	As % of Risk Weighted Assets
1.	Minimum Common Equity Tier I Ratio	5.50%
2.	Capital Conservation Buffer (comprised of Common Equity)	2.50%
3.	Minimum Common Equity Tier I Ratio plus Capital Conservation Buffer (1)+(2)	8.00%
4.	Additional Tier I Capital	1.50%
5.	Minimum Tier I Capital Ratio (1)+(4)	7.00%
6.	Tier II Capital	2.00%
7.	Minimum Total Capital Ratio (MTC) (5)+(6)	9.00%
8.	Minimum Total Capital Ratio plus Capital Conservation Buffer (7)+(2)	11.50%

To ensure smooth transition to Basel III, appropriate transitional arrangements were provided for meeting the minimum Basel III capital ratios, full regulatory adjustments to the components of capital etc and accordingly, RBI had introduced the master circular on "Basel III Capital Regulations" dated July 1, 2015 (Master Circular No. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015). The Basel III capital regulations were implemented in India with effect from April 1, 2013 and have been fully implemented as on October 1, 2021. Banks have to comply with the regulatory limits and minima as prescribed under Basel III capital regulations, on an ongoing basis.

RBI has thereafter issued revisions to the Master Circular - Basel III Capital Regulations lastly dated April 1, 2024 vide its notification, namely, Master Circular – Basel III Capital Regulations (bearing number RBI/2024-25/08 DOR.CAP.REC.4/21.06.201/2024-25).

Liquidity coverage ratio

The Basel III framework on 'Liquidity Standards' includes 'Liquidity Coverage Ratio', 'Net Stable Funding Ratio' ('NSFR") and liquidity risk monitoring tools. In June, 2014, the RBI issued guidelines in relation to liquidity coverage ratio ("LCR"), liquidity risk monitoring tools and LCR disclosure standards pursuant to the publication of the 'Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools' in January, 2013 and the 'Liquidity Coverage Ratio Disclosure Standards' in January, 2014 by the Basel Committee which provided enhanced guidance on liquidity, risk governance, measurement, monitoring and reporting to the RBI on liquidity positions. The guidelines stipulate that banks were to ensure an LCR of 60% for the calendar year 2015 with effect from January 1, 2015, minimum 90% with effect from January 1, 2018 and were expected to make a transition to an LCR of 100% on January 1, 2019. In order to accommodate the burden on banks' cash flows on account of the Covid-19 pandemic, RBI vide notification dated April 17, 2020, permitted banks to maintain LCR as under:

From date of circular to September 30, 2020	80%
October 1, 2020 to March 31, 2021	90%
April 1, 2021 onwards	100%

The notification further provides that banks shall prepare LCR restoration plans upon breach of the LCR requirement set out above, for scrutiny by the RBI's Department of Supervision.

The LCR measures a bank's ability to manage and survive for 30 days under a significant stress scenario that combines idiosyncratic as well as market-wide shock situations that would result in accelerated withdrawal of deposits from retail as well as wholesale depositors, partial loss of secured funding, increase in collateral requirements and unscheduled drawdown of unused credit lines. 100% of the net cash outflows in the next 30 days, computed with these assumptions of a stressed scenario, are required to be supported by High Quality Liquid Assets ("**HQLA**").

The RBI has permitted banks to reckon Government securities as Level 1 HQLA under FALLCR within the mandatory SLR requirement up to 16 per cent of their NDTL. Accordingly, the total HQLA carve out from the mandatory SLR, which can be reckoned for meeting LCR requirement will be 18 per cent of NDTL (2 per cent MSF plus 16 per cent FALLCR).

Further, the Basel Committee on Banking Supervision issued the final rules on 'Net Stable Funding Ratio' on October 31, 2014 and RBI issued the guidelines on NFSR on May 17, 2018 with the objective to ensure that banks maintain a stable funding profile in relation to the composition of their assets and off- balance sheet activities.

RBI has vide circular dated November 29, 2018 notified that the NSFR guidelines shall come into effect from April 1, 2020. RBI had vide circular dated March 27, 2020, deferred the implementation of NSFR guidelines by six months i.e. till October 1, 2020 and vide notification dated September 29, 2020, has decided to defer the implementation of NSFR guidelines by a further period of six months i.e till April 1, 2021. The NSFR guidelines came into effect on October 1, 2021 pursuant to notification dated February 5, 2021.

Prudential framework for resolution of stressed assets

RBI has, pursuant to its circular dated June 7, 2019 established a new regulatory framework for resolution of stressed assets ("**Revised Framework**"). Pursuant to the Revised Framework, existing guidelines and schemes for debt resolution such as revitalising distressed assets, corporate debt restructuring scheme, flexible structuring of existing long term project loans, strategic debt restructuring ("**SDR**"), change in ownership outside SDR, and scheme for sustainable structuring of stressed assets have been withdrawn. In addition, the guidelines /framework for joint lenders' forum have also been discontinued. According to the Revised Framework, the lenders must identify incipient stress in loan accounts immediately on default by classifying stressed assets as special mention account.

Under the Revised Framework, RBI has introduced a revised framework for resolution of stressed assets, where banks are required to put in place a board approved policy for resolution of stressed assets. Upon the occurrence of a default, banks are required to, within a period of 30 days from the date of such default ("**Review Period**"), review the account of the borrower and determine a strategy for implementing a resolution plan or choose to initiate legal proceedings or recovery. If a resolution plan route is chosen by the lenders during the Review Period, the lenders are required to enter into an inter-creditor agreement to provide rules for finalisation and implementation of the resolution plan and also provide in such inter-creditor agreement that decisions by lenders representing 75% of outstanding facilities and 60% by number shall bind all lenders to the inter-creditor agreement. The resolution plan is to be implemented within 180 days from the end of the Review Period in respect of accounts with aggregate exposure above a threshold (as listed below) with the lenders. Depending on the aggregate exposure (including fund based and non-fund based) of the borrower towards the lender, the Review Period is required to commence by a specified date, as set out below:

1. ₹2,000 crore and above– June 7, 2019;
2. ₹1,500 crore and above but less than ₹2,000 crore– January 1, 2020; and
3. Less than ₹1,500 crore– To be announced.

The Revised Framework further clarifies that in the event a viable resolution plan in respect of the borrower is not implemented within the aforementioned timelines, all lenders (whether party to the inter-creditor agreement or not) are required to make additional provisions as set out below:

Timeline for implementation of viable resolution plan	**Additional provisions to be made as a percentage of total outstanding, if resolution plan not implemented within the timeline**
180 days from the end of Review Period	20%
365 days from the commencement of Review Period	15% (i.e., total additional provisioning of 35%)

As per the Revised Framework, the additional provisions shall also be required to be made in cases where the lenders have initiated recovery proceedings, unless the recovery proceedings are fully completed. The Revised Framework shall not be available for borrower entities in respect of which specific instructions have already been issued or are issued by the RBI to the banks for initiation of insolvency proceedings under the IBC. It may be noted that the certain sections of the Revised Framework (Implementation of Resolution Plan, Implementation Conditions of Resolution Plan, Delayed Implementation of Resolution Plan) is not applicable to MSMEs whose revival and rehabilitation is already mentioned RBI Circular on 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises (MSMEs)' dated March 17, 2016.

As part of the regulatory measures aimed at alleviating the lingering impact of Covid-19 pandemic, the RBI through its circulars dated April 17, 2020 and May 23, 2020 each titled "Covid-19 Regulatory Package – Review of Resolution Timelines Under the Prudential Framework on Resolution of Stressed Assets" extended the resolution timeline under the Revised Framework as follows:

i. within the Review Period as on March 1, 2020, the period from March 1, 2020 to August 31, 2020 shall be excluded from the calculation of the 30-day timeline for the Review Period. In respect of all such accounts, the residual Review Period shall resume from September 1, 2020, upon expiry of which the lenders shall have the usual 180 days for resolution; and

ii. in respect of accounts where the Review Period was over, but the 180-day resolution period had not expired as on March 1, 2020, the timeline for resolution shall get extended by 180 days from the date on which the 180-day period was originally set to expire.

Consequently, the requirement of making additional provisions as specified above shall be triggered as and when the extended resolution timeline expires. Further, the RBI directed that the lending institutions shall make relevant disclosures in respect of accounts where the resolution period was extended in the 'Notes to Accounts' while preparing their financial statements for the half year ending September 30, 2020, as well as the financial years 2020 and 2021

The Insolvency and Bankruptcy Code, 2016

The IBC was enacted and notified in the Gazette of India on May 28, 2016. The IBC covers individuals, companies, limited liability partnerships, partnership firms, proprietorship firms and other legal entities. The IBC has established an Insolvency and Bankruptcy Board of India to function as the regulator for all matters pertaining to insolvency and bankruptcy. The IBC prescribes a time limit of 180 days (extendable by up to a maximum of 90 days) for the insolvency resolution process to be completed ("Moratorium Period") during which period the entity shall be revived. The Insolvency and Bankruptcy (Amendment) Act, 2019 has provided a relief to the creditors wherein it has been stipulated that the corporate insolvency resolution process has to be mandatorily completed within 330 days from the insolvency commencement date, including the time taken in legal proceedings in relation to such resolution process. During the Moratorium Period, (i) the management of the debtor vests in favour of the resolution professional appointed by National Company Law Tribunal ("**NCLT**"); (ii) no assets of the debtor can be transferred, encumbered; (iii) there can no enforcement of security interest; (iv) no fresh proceedings can be initiated against the debtor and the continuation of pending proceedings are prohibited.

The resolution professional shall invite and verify claims of all creditors of the debtor and constitute a committee of creditors comprising of all creditors whose claims are verified and accepted. Thereafter a resolution plan is prepared for the revival of the entity which shall be approved by majority of the committee of creditors which is then sanctioned by the NCLT. In the event no resolution plan is approved by committee of creditor or the NCLT rejects the resolution plan for non-compliance, the NCLT directs the liquidation of the debtor.

The IBC was recently amended by the Insolvency and Bankruptcy Code (Amendment) Act, 2020 ("Amendment"), which received Presidential Assent on March 13, 2020 and is deemed to be effective from December 28, 2019. The Amendment has inter alia prescribed minimum thresholds for filing of the application in certain cases i.e. in terms of number, for instance, in case of homebuyers / allottees, at least 100 homebuyers/allottees under the same project or at least 10% of the total numbers of such allottees whichever is less.

The Amendment has introduced a non-obstante explanation stating that any permit, license, registration which has been provided by any local, central or state authority constituted under any law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in the payment of current dues arising for the use or continuation of such license, permit or registration during the IBC Moratorium Period.

The Amendment also clarifies that the effect of the approval of a resolution plan by the Adjudicating Authority should result in (i) the extinguishment of all liabilities of the corporate debtor existing at or pertaining to the period prior to the insolvency commencement date; and (ii) no action being taken against the property of the corporate debtor, in relation to the offences committed in the period prior to the insolvency commencement date. However, this immunity is only available in cases where the resolution plan specifically provides for a change in the management control of the corporate debtor to a person not being a promoter managing or controlling the corporate debtor / any related party or a person against whom a complaint has been made before the relevant authority in relation to the aforementioned offence.

The Insolvency and Bankruptcy Code (Second Amendment) Act, 2020 and the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2021

In terms of the Insolvency and Bankruptcy Code (Second Amendment) Act, 2020 (effective June 5, 2020) (the "2020 Act") Section 10 A was inserted in the IBC through of which an embargo was imposed on initiation of corporate insolvency resolution proceedings ("CIRP") against corporate debtors for any default arising on or after March 25, 2020 for a period of period of six months or such further period not exceeding one year ("Embargo Period"). Further, the Act also provided that initiation of CIRP, for defaults arising during the Embargo Period shall be barred in perpetuity. Subsequently, the Embargo Period was initially extended up till December 24, 2020 and thereafter up till March 24, 2021. Additionally, the 2020 Act also amended Section 66 of the IBC in terms of a resolution professional was authorised to apply to the National Company Law Tribunal against persons who were knowingly party to transactions undertaken to defraud the creditors of a Corporate Debtor or for any fraudulent purposes. In terms of the 2020 Act, Section 66 was amended to restrict resolution professionals from initiating actions under such persons provided the CIRP of the relevant corporate debtor is covered under the Embargo Period.

Subsequently, the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2021 was introduced on April 4, 2021 in terms of which, the pre-packaged insolvency framework was introduced, and the Embargo Period ended with effect from March 24, 2021. On July 26, 2021, the Insolvency and Bankruptcy Code (Amendment) Bill, 2021 ("Bill") was introduced. On the August 11, 2021, the Bill received the assent of the President thus enacting the Insolvency and Bankruptcy (Amendment) Act, 2021 ("Amendment") deemed to have come into force on the April 4, 2021**.**

The Recovery of Debts and Bankruptcy Act, 1993 as amended by the Enforcement of Security Interest and Recovery of Debts Laws and Miscellaneous Provisions (Amendment) Act, 2016 ("RDB Act")

The DRT Act prescribes the rules for establishment of DRTs, procedure for making application to Debt Recovery Tribunals ("DRTs"), powers of DRTs and modes of recovery of debts determined by DRTs, including attachment and sale of movable and immovable properties of defendants, arrest of defendants, defendants' detention in prison and appointment of receivers for management of the movable or immovable properties of defendants.

The DRT Act also provides that a bank or public financial institution, having a claim to recover its debt may join an ongoing proceeding filed by some other bank or public financial institution against its debtor at any stage of the proceedings before the final order is passed by making an application to the DRT. Pursuant to the recovery certificate being issued, the recovery officer of the respective DRT shall effectuate the final orders of the DRT in the application. Unless such final orders of the DRT have been passed with the consent of the parties to an application, an appeal may be filed against such final orders of the DRT before the debt recovery appellate tribunal ("DRAT"), which is the appellate authority constituted under the RDB Act.

Further, no court or other authority, except the Supreme Court of India or a high court exercising jurisdiction under Articles 226 and 227 of the Constitution of India, shall have, or is entitled to exercise, any jurisdiction, powers or authority in relation to the aforementioned matter.

Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 as amended by the Enforcement of Security Interest and Recovery of Debts Laws and Miscellaneous Provisions (Amendment) Act, 2016 ("SARFAESI Act")

The SARFAES1 Act, read with the Security Interest Enforcement Rules, 2002, as amended, governs securitization of assets in India. Any securitization or reconstruction company may acquire assets of a bank or financial institution by either entering into an agreement with such bank or financial institution for transfer of such assets to the company or by issuing a debenture or bond or other security in the nature of debentures, for consideration, as per such terms and conditions as may be mutually agreed. If a bank or financial institution is a lender in relation to financial assets acquired by the securitization/reconstruction company, such company shall be deemed to be the lender in relation to those financial assets.

The SARFAESI Act provides for sale of financial assets by banks and financial institutions to asset reconstruction companies. The SARFAESI Act provides for measures in relation to enforcement of security interests and rights of the secured creditor in case of default. The Prudential Norms issued by the RBI describe the process to be followed for sales of financial assets to asset reconstruction companies. The banks may not sell financial assets at a contingent price with an agreement to bear a part of the shortfall on ultimate realisation.

The SARFAESI Act provides for the enforcement of security interest without the intervention of the courts. Under the provisions of the SARFAESI Act, a secured creditor can recover dues from its borrowers by taking any of the measures as provided therein. Rights, with respect to the enforcement of security interest, under the SARFAESI Act cannot be enforced unless the account of the borrower has been classified as an NPA in the books of account of the secured creditor in accordance with the directions or guidelines issued by the RBI or any other applicable regulatory authority.

The secured creditors must serve a 60-days' notice on the borrower demanding repayment of the amount due and specifying the borrower's assets over which the bank proposes to exercise remedies. If the borrower still fails to pay, the secured creditors, on expiry of the 60-days' notice period, can: (i) take possession of the secured assets; (ii) take over the management of the secured assets along with the right to transfer by way of lease, assignment or sale of the secured assets; (iii) appoint any person to manage the secured assets; and (iv) require any person who has acquired any of the secured assets from the borrower to pay amounts necessary to satisfy the debt.

The security interests covered by the SARFAESI Act are security interests over immovable and movable property, existing or future receivables, certain intangible assets (such as know- how, patents, copyrights, trademarks, licenses, franchises) and any debt or any right to receive payment of money, or any receivable, present or future, and in which security interest has been created. Security interests over ships and aircraft, any statutory lien, a pledge of movables, any conditional sale, hire purchase or lease or any other contract in which no security interest is created, rights of unpaid sellers, any property not liable to attachment, security interest for securing repayment of less than ₹ 100,000, agricultural land and any case where the amount due is less than 20% of the principal amount and interest are not enforceable under the SARFAESI Act.

In the event that the secured creditor is unable to recover the entire sum due by exercise of the remedies under the SARFAESI Act in relation to the assets secured, such secured creditor may approach a debt recovery tribunal or the relevant court for the recovery of the balance amounts. A secured creditor may also simultaneously pursue its remedies under the SARFAESI Act as well as a debt recovery tribunal.

The Enforcement of Security Interest and Recovery of Debts Laws and Miscellaneous Provisions (Amendment) Act, 2016 ("ESIRDA Amendment Act") Priority sector lending

The ESIRDA Amendment Act received Presidential Assent on August 12, 2016. It seeks to amend certain provisions of the SARFAESI, RDB Act, the Indian Stamp Act, 1899 and the Depositories Act, 1996.

The key amendments to the SARFAESI include: (a) Debenture Trustees registered with SEBI have now been included in the definition of 'secured creditor' and can take enforcement action under Section 13 of the SARFAESI, as the remedies under SARFAESI have been extended to apply to listed debt securities. The scope of SARFAESI has been widened to include hire purchase, financial leasing and conditional sale transactions; (b) the process of taking possession over collateral against which a loan has been provided by a secured creditor, with the assistance of the Chief Metropolitan Magistrate or District Magistrate, has been made time-bound, requiring an order to be passed within 30 days from the date of the application by the secured creditor; and (c) amendments in relation to registration of security interest have been introduced, including inter alia setting up of a central database to integrate records of security registered under various registration systems.

The key amendments to the RDB Act include (a) Debenture Trustees registered with SEBI can initiate proceedings under the RDB Act regarding defaults in listed debt securities; (b) a bank or a financial institution has now been permitted to take proceedings under the RDB Act before a tribunal in whose jurisdiction where the defaulted account is maintained / located; (c) a defendant, upon service of summons under the RDB act, is restricted from transferring the secured assets or other assets disclosed in the application made by the bank of financial institution without the approval of the tribunal, except in the ordinary course of business; and (d) electronic filing of recovery application, documents and written statements has been introduced.

Prevention of Money Laundering Act, 2002 ("PMLA")

In order to prevent money laundering activities, the Government enacted the PMLA which seeks to prevent money laundering and to provide for confiscation of property derived from, or involved in money laundering, and for incidental matters connected therewith. Section 12 of the PMLA casts certain obligations on, inter alia, banking companies in regard to preservation and reporting of customer account information.

The RBI has advised all banks to go through the provisions of the PMLA and the rules notified thereunder and to take all steps considered necessary to ensure compliance with the requirements of Section 12 of the PMLA.

Master Circulars and Directions of Reserve Bank of India

Priority sector lending

The Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2020 dated September 04, 2020 ("**PSL Master Directions**"), as amended from time to time, sets out the broad policy in relation to priority sector lending. In accordance with this circular, the priority sectors for all scheduled banks include (i) agriculture; (ii) micro, small and medium enterprises; (iii) export credit; (iv) education; (v) housing; (vi) social infrastructure; (vii) renewable energy and (viii) others.

Further, it also prescribes the details of eligible activities under the aforesaid categories. Under the aforementioned master direction, the priority sector lending targets are linked to adjusted net bank credit as defined ("**ANBC**") or credit equivalent amount of off-balance sheet exposure ("**CEOBE**"), whichever is higher, as on the corresponding date of the preceding year. Currently, the total priority sector lending target for domestic banks is 40% of ANBC or CEOBE, whichever is higher. This has to be achieved in a phased manner by 2020 as prescribed in the directions. It also prescribed sub-targets for small and marginal farmers, micro-enterprises and weaker sections. By way of a notification dated September 20, 2019, the RBI has, in relation to export credit, enhanced the sanctioned limit, for classification of export credit under priority sector lending, from ₹250 million per borrower to ₹ 400 million per borrower and removed the existing criteria of 'units having turnover of up to ₹ 1 billion.

The RBI via circular reference FIDD.CO.Plan.BC.7/04.09.01/2019-20 dated August 13, 2019, decided that bank credit to registered NBFCs (other than MFIs) for on-lending will be eligible for classification as priority sector under respective categories, subject to the conditions laid out therein. This was to be applicable will March 31, 2020, and was subject to review thereafter. Therefore, RBI via FIDD.CO.

Plan. BC.No.19/04.09.01/2019-20 dated March 23, 2020 decided to extend the priority sector classification for bank loans to NBFCs for on-lending for FY 2020-21. Further, existing loans disbursed under the on-lending model will continue to be classified under Priority Sector till the date of repayment/maturity. The RBI via master circular reference FIDD.CO.Plan.BC.5/04.09.01/2020-21 dated September 4, 2020, amended the definition of MSME in line with amendment to MSME Act and also aligned guidelines to bring sharper focus on inclusive development and achieve sustainable development goals.

The PSL Master Directions requires the banks to furnish the data on priority sector advances on a quarterly and annual basis and also provides for measures to be taken in the event of non-achievement of the prescribed targets which includes Banks having any shortfall in lending to priority sector shall be allocated amounts for contribution to the Rural Infrastructure Development Fund established with National Bank For Agriculture And Rural Development ("**NABARD**") and other funds with NABARD /National Housing Bank / Small Industries Development Bank of India / Micro Units Development and Refinance Agency Limited, as decided by the RBI from time to time and such non-achievements shall also be taken into account while granting regulatory clearances/approvals for various purposes.

Exposure norms

As a prudent measure aimed at better risk management and avoidance of concentration of credit risk, RBI advised the banks to fix limits on their exposure to specific industry or sectors and has prescribed credit exposure limits for banks in respect of their lending to individual borrowers and to all borrowers belonging to a single group. In addition, banks are also required to observe certain statutory and regulatory exposure limits in respect of advances against / investments in shares, convertible debentures /bonds, units of equity-oriented mutual funds and all exposures to venture capital funds ("**VCFs**").

RBI pursuant to Master Circular on Exposure Norms dated July 1, 2015 has prescribed exposure ceiling for a single borrower as 15% of capital funds and group exposure limit as 40% of capital funds comprising of Tier I and Tier II capital. Relaxations are permitted in exceptional circumstances, with the approval of their boards or lending to infrastructure sector or lending to oil companies who have been issued oil bonds by Government of India. The total exposure (both lending and investment) to a single NBFC, NBFC-AFC (Asset Financing Companies) and infrastructure finance companies should not exceed 10%, 15% and 15%, respectively, of the bank's capital funds as per its last audited balance sheet. The limit may be increased by another 5% provided that the excess exposure is on account of funds on- lent to the infrastructure sector.

Section 19(2) of the Banking Regulation Act, 1949, restricts a banking company from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less, except as provided in sub-section (1) of Section 19 of the Act.

The aggregate exposure of a bank to the capital markets in all forms (both fund based and non-fund based) should not exceed 40% of its net worth, on both standalone and consolidated basis as on March 31 of the previous year. Within this overall ceiling, the bank's direct investment in shares, convertible bonds/debentures, units of equity oriented mutual funds and all exposures to VCFs (both registered and unregistered) should not exceed 20% of its net worth on both standalone and consolidated basis.

On August 25, 2016, RBI released guidelines on 'Enhancing Credit Supply for Large Borrowers through Market Mechanism' with the objective of mitigating the risk posed to the banking system on account of large aggregate lending to a single corporate. As per the framework, exposure to corporate with large borrowing from banking system beyond the prescribed limit would attract additional provisions and higher risk weights.

On June 3, 2019, the RBI released the guidelines on 'Large Exposures Framework to align the exposure norms for Indian banks' with the Basel Committee. As per the framework, the sum of all exposure values of a bank to a counterparty or a group of connected counterparties is defined as a ‘Large Exposure (LE)’, if it is equal to or above 10 percent of the bank’s eligible capital base (i.e., Tier 1 capital) and the bank is required to report their LE to the Reserve Bank of India (RBI) and Department of Banking Supervision, Central Office, (DBS, CO). Further, exposure limits to a single counterparty and group of connected counterparties will be 20% (extendable up to additional 5% exposure by the board of the banks during exceptional circumstances) and 25% of available eligible capital base respectively. Further, RBI vide its notification dated September 12, 2019 prescribes that bank’s exposure to a single NBFC (excluding gold loan companies) will be restricted to 20 percent of that bank’s eligible capital base. Banks’ exposures to a group of connected NBFCs or group of connected counterparties having NBFCs in the group will be restricted to 25 percent of their Tier I Capital.

Central Repository of Information on Large Credits

The RBI has vide its circular dated May 22, 2014, set up the Central Repository of Information on Large Credits (“**CRILC**”) to collect, store and disseminate data on all borrowers' credit exposures including ‘special mention accounts’ (SMA 0, 1 & 2) having aggregate fund-based and non-fund based exposure of ₹ 50 million and above. The CRILC is designed entirely for supervisory purposes and its focus is on the reporting entities’ exposure to the borrower (as individual and/or as a group) under various heads, such as bank’s exposure to a large borrower; the borrower’s current account balance; bank’s written-off accounts; and identification of non-cooperative borrowers, among others. Further, the CRILC system started with information on SMA2 (default for 61-90 days) to be submitted on as and when basis i.e., whenever repayment for a large borrower's account becomes overdue for 61 days it is to be reported by the bank immediately.

Further, in terms of RBI circular dated June 7, 2019, all banks are required to report to CRILC, on a monthly basis, exposures of individuals and entities having exposure (both fund and non-fund based) of more than ₹ 5 crore. Banks are also required to report to CRILC, on a weekly basis for all borrower entities in default, having aggregate exposure of more than ₹5 crore. In addition, banks are required to report to CRILC the classification of an account to ‘special mention account’ in respect of borrower entities having aggregate exposure of more than ₹ 50 million. Any non-submission of or incorrect reporting in these returns attracts penalties as specified in the Banking Regulation Act.

Short selling of Government securities

As per the Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023, Banks may undertake short sale transactions in Government securities provided it is in accordance with the requirements of Short Sale (Reserve Bank) Directions, 2018 as amended from time to time.

Regulations relating to Interest rates on Deposits and Advances

The RBI has issued Reserve Bank of India – (Interest rate on Deposits) Directions, 2016 dated March 3, 2016 (updated as of June 7,2024 Scheduled commercial banks are required to pay interest on deposits of money (other than current account deposits) accepted by them or renewed by them in their domestic, ordinary non-resident (NRO), non-resident (external) accounts (NRE) and foreign currency (non-resident) accounts (banks) scheme deposit account), subject to certain conditions prescribed in the directions. Further, certain additional restrictions have been prescribed to determine interest rates for savings deposits and term deposits.

Additionally, interest rates offered by banks on NRO and NRE deposits cannot be higher than those offered by them on comparable domestic rupee term deposits. The RBI has issued Reserve Bank of India – (Interest rate on Advances) Directions, 2016 dated March 3, 2016 (updated as of September 12,2023). Scheduled commercial banks shall charge interest on advances on the terms and conditions specified in these directions. Further, the bank shall have freedom to offer all categories of advances on fixed or floating rates. There shall be no lending below the benchmark rate for a particular maturity.

Deposit insurance

Demand and time deposits of up to ₹ 5,00,000 accepted by all commercial banks including branches of foreign banks functioning in India, local area banks and regional rural banks are insured by Deposit Insurance and Credit Guarantee Corporation, a wholly owned subsidiary of the RBI. Each depositor in a bank is insured up to a maximum of ₹ 500,000 for both principal and interest amount held by him in the same right and same capacity as on the date of liquidation/cancellation of bank's license or the date on which the scheme of amalgamation / merger

/ reconstruction comes into force. Banks are required to pay the insurance premium for the eligible amount to the Deposit Insurance and Credit Guarantee Corporation on a half yearly basis. The cost of the insurance premium cannot be passed on to the customer and is borne entirely by the bank.

Regulations relating to Know Your Customer ("KYC") and anti-money laundering

The RBI issued the Reserve Bank of India Master Direction-Know Your Customer (KYC) Directions, 2016 ("KYC Directions") on February 25, 2016, (as updated up to May 10, 2021), prescribing the guidelines for KYC and anti-money laundering procedures. Banks are required to formulate a KYC policy which shall include (i) customer acceptance policy, (ii) customer identification procedures, (iii) monitoring of transactions and (iv) risk management. In relation to each of the above, the master direction also specifies minimum procedures required to be followed by banks. Banks are not permitted to make payment of cheques/drafts/pay orders/banker's cheques if they are presented beyond the period of three months from the date of such instrument.

Banks have been advised to ensure that systems and procedures are in place to control financial frauds, identify money laundering or financing of terrorism activities and suspicious activities and monitor high value cash transactions. Banks shall carry out 'Money Laundering (ML) and Terrorist Financing (TF) Risk Assessment' exercise periodically to identify, assess and take effective measures to mitigate its money laundering and terrorist financing risk and our Bank is in the process of issuing RFP for outsourcing of the said risk assessment, suggesting mitigation measures. Further, banks have also been advised to ensure that adequate policies are formulated and adopted in relation to KYC and Anti Money Laundering.

RBI in its circular DOR.AML.REC 13/14.01.001/2021-22 dated May 5, 2021 advised the Regulated Entities (REs) who have to carry out periodic updation of KYC of existing customers as per Section 38 of the KYC Directions, that keeping in view the current Covid-19 related restrictions in various parts of the country, the customer accounts where periodic updation of KYC is due and pending as on date, no restrictions on operations of such account shall be imposed till December 31, 2021, for this reason alone, unless warranted under instructions of any regulator/ enforcement agency/court of law, etc. Further, RBI vide its circular DOR.AML.REC.74/14.01.001/2021-22 dated December 30, 2021 extended the aforementioned circular till March 31, 2022.

Regulations relating to maintenance of statutory reserves

A bank is required to maintain, on a daily basis, Cash Reserve Ratio ("CRR"), which is a specified percentage of its Net Demand and Time Liabilities ("**NDTL**"), excluding interbank deposits, by way of a balance in a current account with the RBI. The RBI does not pay any interest on CRR balances. The CRR has to be maintained on an average basis for a fortnightly period and the minimum daily maintenance of the CRR should be 90%of the requirement. The RBI may impose penal interest at the rate of 3% above the bank rate on the amount by which the reserve falls short of the CRR required to be maintained on a particular day and if the shortfall continues further, the penal interest charged shall be increased to a rate of 5% above the bank rate in respect of each subsequent day, during which the default continues.

In addition to the CRR, a bank is required to maintain Statutory Liquidity Ratio ("SLR"), a specified percentage of its NDTL, by way of liquid assets like cash, gold or approved unencumbered securities. The percentage of this liquidity ratio is fixed by the RBI from time to time, pursuant to Section 24 of the Banking Regulation Act. At present, the required SLR is 18%.

Further, the RBI has permitted banks to avail funds from the RBI on an overnight basis, under the Marginal Standing Facility ("MSF"), against their excess SLR holdings. Additionally, they can also avail themselves of funds, on an overnight basis below the stipulated SLR, up to 2% of their respective NDTL outstanding at the end of the second preceding fortnight.

Further, the RBI requires the banks to create a reserve fund to which it must transfer not less than 25 per cent of the net profit of each year before declaring dividends. Unless specifically allowed by extant regulations, the Bank is required to take prior approval from the Reserve Bank of India before any appropriation is made from the Statutory Reserve.

Regulations relating to authorized dealers for foreign exchange and cross-border business transactions

The foreign exchange and cross border transactions undertaken by banks, both on its own account and also on behalf of customers, are subject to the provisions of FEMA and rules/ regulations/ directions and notifications issued thereunder. The bank should monitor all non-resident accounts and cross border transactions to prevent money laundering. RBI may impose penalty for contravention of Foreign Exchange Management Act and regulations/ notifications issued there under, or for contravention of any conditions, subject to which an authorization is issued by the RBI.

The Master Direction on Risk Management and Interbank Dealings, dated July 5, 2016, (Updated as on May 03, 2024) states that-

(A) All categories of overseas foreign currency borrowings of AD Category I banks, (except for borrowings at point (B) below), including existing External Commercial Borrowings and loans/ overdrafts from their Head office, overseas branches and correspondents outside India, International/ Multilateral Financial Institutions [refer to point (C) below] or any other entity as permitted by RBI and overdrafts in nostro accounts (not adjusted within five days), shall not exceed 100% of their unimpaired Tier I capital or U.S. Dollar 10 million (or its equivalent), whichever is higher. The aforesaid limit applies to the aggregate amount availed of by all the offices and branches in India from all their branches/correspondents abroad and also includes overseas borrowings in gold for funding domestic gold loans. If drawals in excess of the above limit are not adjusted within five days, a report, should be submitted to the Chief General Manager, Financial Markets Regulation Department, Reserve Bank of India, Central Office, 9th Floor, Central Office Building, Shahid Bhagat Singh Road, Fort, Mumbai – 400 001, within 15 days from the close of the month in which the limit was exceeded. Such a report is not necessary if arrangements exist for value dating.

(B) The following borrowings would continue to be outside the limit of 100 per cent of unimpaired Tier I capital or USD 10 million (or its equivalent), whichever is higher:

(I) Overseas borrowings by AD Category I banks for the purpose of financing export credit subject to the conditions prescribed in DBOD Master Circular dated July 2, 2015 on Rupee / Foreign Currency Export Credit & Customer Service to Exporters

(II) Subordinated debt placed by head offices of foreign banks with their branches in India as Tier II capital.

(III) Capital funds raised/augmented by the issue of Innovative Perpetual Debt Instruments and Debt Capital Instruments, in foreign currency, in terms of Circulars DBOD. No. BP.BC.57/21.01.002/2005-06 dated January 25, 2006, DBOD. No. BP.BC.23/21.01.002/2006-07 dated July 21, 2006 and Perpetual Debt Instruments and Debt Capital Instruments in foreign currency issued in terms of circular DBOD.No.BP.BC.98/21.06.201/2011-12 dated May 2, 2012; and

(IV) Any other overseas borrowing with the specific approval of the Reserve Bank.

(C) AD Category-I banks may borrow only from International / Multilateral Financial Institutions in which Government of India is a shareholding member or which have been established by more than one government or have shareholding by more than one government and other international organizations.

(D) The borrowings beyond 50 per cent of unimpaired Tier I capital of AD Category – I banks will be subject to the following conditions:

(i) The bank should have a Board approved policy on overseas borrowings which shall contain the risk management practices that the bank would adhere to while borrowing abroad in foreign currency.

(ii) The bank should maintain a CRAR of 11.50 per cent; and

(iii) The borrowings beyond the existing ceiling shall be with a minimum maturity of three years.

(iv) All other existing norms (FEMA regulations, NOPL norms, etc) shall continue to be applicable.

(E) The funds so raised may be used for purposes other than lending in foreign currency to constituents in India and repaid without reference to RBI. As an exception to this rule, AD Category-I banks are permitted to use borrowed funds as also foreign currency funds received through swaps for granting foreign currency loans for export credit in terms of IECD Circular No 12/04.02.02/2002-03 dated January 31, 2003. Any fresh borrowing above this limit shall be made only with the prior approval of the Reserve Bank. Applications for fresh ECBs should be made as per the current ECB Policy.

(F) Interest on loans/overdrafts may be remitted (net of taxes) without the prior approval of Reserve Bank.

Secrecy obligations-

A bank's obligations relating to maintaining secrecy arise out of Section 13 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and common law principles governing its relationship with its customers. Subject to certain exceptions, a bank cannot disclose any information to third parties. Further, the RBI may, in the public interest, publish the information obtained from the bank.

Ownership restrictions

Under the current policy, the total foreign ownership in a private sector bank cannot exceed 74% (49% under the automatic route and above 49% and up to 74% under the government approval route) of the paid-up capital. At all times, at least 26% of the paid up capital will have to be held by residents, except in regard to a wholly owned subsidiary of a foreign bank.

The Banking Regulation Act requires any person to seek prior approval of the RBI to acquire or agree to acquire, directly or indirectly, shares or voting rights of a bank, by himself or with persons acting in concert, wherein such acquisition (taken together with shares or voting rights held by him or his relative or associate enterprise or persons acting in concert with him) results in aggregate shareholding of such person to be 5% or more of the paid up capital of a bank or entitles him to exercise 5% or more of the voting rights in a bank.

Further, the RBI may, by passing an order, restrict any person holding more than 5.00% of the total voting rights of all the shareholders of the banking company from exercising voting rights on poll in excess of the said 5%, if such person is deemed to be not 'fit and proper' by the RBI. Pursuant to Section 12(2) of the Banking Regulation Act, 1949, the RBI has, on July 21, 2016, notified that no shareholder in a bank can exercise voting rights on poll in excess of 26% of total voting rights of all the shareholders of the bank.

Further, the RBI may, by passing an order, restrict any person holding more than 5.00% of the total voting rights of all the shareholders of the banking company from exercising voting rights on poll in excess of the said 5%, if such person is deemed to be not 'fit and proper' by the RBI. In this regard, the RBI has issued master directions for prior approval for acquisition of shares or voting rights on January 16, 2023 (the "**Master Directions for Acquisitions**").

The Master Directions for Acquisitions are applicable to the existing and proposed "major shareholders" of all banking companies as defined under the Banking Regulation Act including local area banks, small finance banks and payment banks. The Master Directions for Acquisitions define a "major shareholding" as "aggregate holding" of five per cent or more of the paid-up share capital or voting rights in a banking company by a person. The term "aggregate holding" has been defined as the total holding, directly or indirectly, beneficial or otherwise, of shares or voting rights by a person along with his relatives, associate enterprises and persons acting in concert with him in a banking company.

Every person desirous of undertaking such acquisition shall seek prior approval of the RBI as per the procedure set out in the Master Directions for Acquisitions. Any person who intends to acquire shares or voting rights in a banking company beyond the limit for which approval was obtained from the Reserve Bank, is required to apply to the Reserve Bank for prior approval to increase their aggregate holding in the banking company. It is the responsibility of the concerned bank to ensure that all its major shareholders are 'fit and proper' and every bank shall make continuous monitoring arrangements to ensure that the major shareholders continue to be 'fit and proper' as per the Master Directions for Acquisitions.

Further, SEBI has, through a circular dated April 5, 2018, put in place a system for monitoring foreign investment limits in listed Indian companies, and, by a circular dated May 17, 2018, SEBI has directed that the system be made operational from June 1, 2018. Accordingly, each listed Indian company shall have to appoint any one depository as its designated depository to facilitate the monitoring of the foreign investment limits.

Additionally, the DIPP by way of press note no. 3 (2020 series) amended the FEMA Regulations by restricting foreign direct investments by an entity of any country which shares a border with India or where the beneficial owner of an investment into India is situated in or is a citizen of such country, only through the Government approval.

Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021

Securitisation involves transactions where credit risk in assets are redistributed by repackaging them into tradeable securities with different risk profiles which may give investors of various classes access to exposures which they otherwise might be unable to access directly. Keeping in view that complicated and opaque securitisation structures could be undesirable from the point of view of financial stability, prudentially structured securitisation transactions can be an important facilitator in a well-functioning financial market in that it improves risk distribution and liquidity of lenders in originating fresh loan exposures, the RBI issued the RBI (Securitisation of Standard Assets) Directions, 2021 *vide* its circular dated September 24, 2021(updated as on December 05, 2022),which are applicable to all the scheduled commercial banks in India.

Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021

Loan transfers are resorted to by lending institutions for multitude of reasons ranging from liquidity management, rebalancing their exposures or strategic sales. A robust secondary market in loans can be an important mechanism for the management of credit exposures by lending institutions and also create additional avenues for raising liquidity. Thus, RBI *vide* its circular dated September 24, 2021, notified RBI (Transfer of Loan Exposures) Directions, 2021 which is a comprehensive set of regulatory guidelines governing the transfer of loan exposures, which are applicable to all the scheduled commercial banks in India.

Master Direction on Transfer of Loan Exposure was amended to inter alia permit overseas branches of specified lenders to (a) acquire only 'not in default' loan exposures from a financial entity operating and regulated as a bank in the host jurisdiction; (b) transfer exposures 'in default' as well as 'not in default' pertaining to resident entities to a financial entity operating and regulated as a bank in the host jurisdiction; and (c) transfer exposures 'in default' as well as 'not in default' pertaining to non-residents, to any entity regulated by a financial sector regulator in the host jurisdiction. Amendments have also been made in certain provisions related to minimum holding period (MHP), valuation of security receipts (SRs), transfer of stressed loans to ARCs, and credit/ investment exposure of lenders. Additionally, the term 'Economic Interest' has now been explicitly defined as 'the risks and rewards that may arise out of loan exposure through the life of the loan exposure'.

Downstream investment by banks-

In accordance with Rule 23 of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, downstream investments made by a banking company, as defined in section 5(c) of the Banking Regulation Act, incorporated in India, which is owned or controlled by non-residents/non-resident entity, under corporate debt restructuring, or other loan restructuring mechanism, or in trading books, or for acquisition of shares due to defaults in loans, shall not count towards indirect foreign investment. However, their 'strategic downstream investment' shall count towards indirect foreign investment. For this purpose, 'strategic downstream investments' would mean investment by these banking companies in their subsidiaries, joint ventures, and associates.

Regulation of financial services provided by banks

The Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 dated May 26, 2016 as updated on August 10, 2021 require banks to comply with certain restrictions while undertaking financial services including in relation to risk mitigation measures, limits on investment that can be made by banks in companies undertaking financial services. The directions also provide for specific regulations for certain financial services such as, *inter alia*, setting of an infrastructure debt fund, underwriting activities, mutual fund business, insurance.

Guidelines on management of intra-group transactions and exposures

The RBI issued the "Guidelines on Management of Intra-Group Transactions and Exposures on February 11, 2014". Pursuant to the said guidelines, the RBI has prescribed quantitative limits on financial intra-group transactions and exposures and prudential measures for the non-financial intra-group transactions and exposures. These guidelines also require that all intra- group transactions to be at "arms-length".

The objective of these guidelines is to ensure that banks engage in intra-group transactions and exposures in safe and sound manner in order to contain concentration and contagion risks arising out of such transactions.

Capital and provisioning requirements for exposures to entities with unhedged foreign currency exposure

The RBI issued a circular relating to “Reserve Bank of India (Unhedged Foreign Currency Exposure) Directions, 2022” on October 11, 2022. Pursuant to these guidelines, the RBI has introduced incremental provisioning and capital requirements for bank exposures to entities with unhedged foreign currency exposures. The circular also lays down the method of calculating the incremental provisioning and capital requirements. The banks will be required to calculate the incremental provisioning and capital requirements at least on a quarterly basis. This framework became fully effective from January 1, 2023.

Revised Prompt Corrective Action (PCA) framework for banks

The RBI *vide* its circular dated April 13, 2017 had reviewed and revised the Prompt Corrective Action (PCA) framework for banks, which was effective from April 1, 2017. Further, RBI *vide* its circular dated November 2, 2021, stated that the existing PCA Framework has further been revised and the new provisions will be effective from January 1, 2022. The PCA framework sets out certain ‘risk thresholds’, the breach of which would mandate the relevant bank to implement certain mandatory and discretionary actions. The ‘risk thresholds’ take into consideration the capital adequacy ratio, net non-performing advances ratio and the leverage ratio of the relevant bank.

The Banking Ombudsman Scheme, 2006

The Banking Ombudsman Scheme, 2006 provides the extent and scope of the authority and functions of the Banking Ombudsman for redressal of grievances against deficiency in banking services, concerning loans and advances and other specified matters and has gone through various amendments to provide for revised procedures for redressal of grievances by a complainant under the scheme and to broaden the scope of complaints addressed by the Banking Ombudsman. RBI *vide* its circular dated November 12, 2021 being satisfied that it is in public interest to do so to make the alternate dispute redress mechanism simpler and more responsive to the customers of entities regulated by it integrated the three Ombudsman schemes – (i) the Banking Ombudsman Scheme, 2006, as amended up to July 01, 2017; (ii) the Ombudsman Scheme for Non-Banking Financial Companies, 2018; and (iii) the Ombudsman Scheme for Digital Transactions, 2019 into the Reserve Bank - Integrated Ombudsman Scheme, 2021 (the Scheme), thereby being applicable to commercial banks as well.

Declaration of dividend by banks

The payment of dividends by banks is subject to restrictions under the Banking Regulation Act. Section 15(1) of the Banking Regulation Act states that no banking company may pay any dividend on its shares until all its capitalized expenses (including preliminary expenses, organisation expenses, share-selling commissions, brokerage, amounts of losses incurred and any other item of expenditure not represented by tangible assets) have been completely written off. In addition, Section 17(1) of the Banking Regulation Act and RBI circular dated September 20, 2006 requires every banking company to create a reserve fund and, out of the balance of the profit of each year as disclosed in the profit and loss account, transfer a sum equivalent to not less than 20% of such profit to the reserve fund before declaring any dividend. If there is an appropriation from this account, the bank is required to report the same to the RBI within 21 days, explaining the circumstances leading to such appropriation.

Further, on May 4, 2005, the RBI issued guidelines on ‘Declaration of Dividends by Banks’, which prescribed certain conditions for declaration of dividends by banks.

Classification and Reporting of Fraud Cases

RBI has issued Master Directions on Fraud Risk Management in Commercial Banks (including Regional Rural Banks) and All India Financial Institutions vide circular no. RBI/ DOS/ 2024-25/ 118/ DOS.CO.FMG.SEC.No.5/ 23.04.001/ 2024-25 dated July 15th, 2024.The fraud cases have been classified into misappropriation and criminal breach of trust, fraudulent encashment through forged instruments, manipulation of books of account or through fictitious accounts and conversion of property, cheating by concealment of facts with the intention to deceive any person and cheating by impersonation, forgery with the intention to commit fraud by making any false documents/electronic records, wilful falsification, destruction, alteration, mutilations of any book, electronic record, paper, writing, valuable security or account with intent to defraud, fraudulent credit facilities extended for illegal gratification, cash shortages on account of frauds, fraudulent transactions involving foreign exchange, fraudulent electronic banking/ digital payment related transactions committed on banks; and other type of fraudulent activity not covered under any of the above.

The Senior Management shall be responsible for implementation of the fraud risk management policy approved by the Board of the bank. A periodic review of incidents of fraud shall also be placed before Board / Audit Committee of Board (ACB), as appropriate, by the Senior Management of the bank.

Issue of Long Term Bonds by Banks - Financing of Infrastructure and Affordable Housing

In order to ensure adequate credit flow to infrastructure sector also towards the affordable housing needs of the country, RBI issued guidelines on issue of long term bonds by banks on July 15, 2014 ("Infrastructure and Affordable Housing Guidelines"), amended from time to time. Banks can issue long-term bonds with a minimum maturity of seven years to raise resources for lending to (i) long term projects in infrastructure sub-sectors, and (ii) affordable housing. As a regulatory incentive, these bonds exempted from computation of net demand and time liabilities and would therefore not be subjected to CRR / SLR requirements subject to certain conditions. Eligible bonds will also get exemption in computation of ANBC for the purpose of priority sector lending ("**PSL**"). As on 31.03.2024, outstanding amount of bond raised by the bank under this category is Rs 2800 crore.

Marginal Cost of Funds based Lending Rate (MCLR)

Pursuant to the notification issued by RBI dated December 17, 2015, all rupee loans sanctioned and credit limits renewed w.e.f. April 1, 2016 were priced with reference to the MCLR which is the internal benchmark for such purposes. MCLR comprises of: (a) marginal cost of funds; (b) negative carry on account of CRR; (c) operating costs and; (d) tenor premium.

In terms of the notification, the board of directors of the banks is required to adopt a policy delineating the components of spread charged to a customer. Actual lending rates are to be determined by adding the components of spread to the MCLR.

External benchmark-based lending

The RBI *vide* circular dated September 04, 2019 (as amended from time to time) mandated that all new floating rate personal or retail loans (housing, auto, etc.) and floating rate loans extended by banks to Micro and Small Enterprises from October 01, 2019 and floating rate loans to Medium Enterprises from April 01, 2020 extended by banks shall be linked to external benchmarks. Banks are free to offer such external benchmark linked loans to other types of borrowers as well.

In furtherance of the same, the said new floating rate shall be benchmarked to one of the following: (1) RBI's policy repo rate; (2) Government of India 3-Months Treasury Bill yield published by the Financial Benchmarks India Private Limited ("**FBIL**"); (3) Government of India 6-Months Treasury Bill yield published by the FBIL; and (4) Any other benchmark market interest rate published by the FBIL.

The adoption of multiple benchmarks by the same bank is not allowed within a loan category.

Banks are free to decide the spread over the external benchmark, subject to the conditions specified in the aforesaid circular. The interest rate under external benchmark shall be reset at least once in three months.

Implementation of Indian Accounting Standards ("Ind AS")

The MCA notified the Companies (Indian Accounting Standards) Rules, 2015 on February 16, 2015, pursuant to which the banking companies were exempted to comply with Ind AS for preparation of financial statements. However, in terms of the MCA press release dated January 18, 2016, the scheduled commercial banks are required to prepare Ind AS based financial statements on consolidated and standalone basis in relation to accounting period beginning from April 1, 2018 onwards, with comparatives for the period ending March 31, 2018 or thereafter and not even voluntarily before that, which was deferred to financial year 2019-20 vide RBI's Press Release (2017-18/2642)dated 5 April 2018. Subsequently, Ind AS implementation has been deferred by RBI vide their notification dated 22.03.2019 till further notice. Further, as per RBI directive, the Audit Committee of the Board (ACB) shall oversee the progress of the Ind AS implementation process and report to the Board of Directors on quarterly basis. The Audit Committee of the Board& Board is being apprised of the progress made on quarterly basis.

RBI vide email dated 20.07.2018 advised the banks to submit Proforma Ind AS Financial Statements(PIFS) every quarter, starting from the quarter ended 30.06.2018 as per the format /template provided by them .RBI stated that these Proforma Financial Statements are for regulatory analysis purpose only and may not necessarily be completely Ind AS compliant or indicative of the final format to be specified in the Third Schedule to the Banking Regulation Act, 1949. RBI vide e-mail dated 08.08.2021, advised banks to submit Proforma Ind AS Financial Statements on half yearly basis. Bank is submitting the Proforma Ind AS Financial Statements to the RBI as per prescribed periodicity within stipulated time.

Master Circular on Prudential Norms on Income Recognition, Asset Classification and Provisioning Pertaining to Advances dated April 1, 2023 ("Prudential Norms")

An asset, including a leased asset, becomes non-performing when it ceases to generate income for the bank. The Prudential Norms further, specify the timeline within which specific assets are to be considered non-performing. Once the account has been classified as a non-performing asset, the unrealized interest and other income already debited to the account is derecognized and further interest is not recognized or credited to the income account unless collected in cash. The Prudential Norms require banks to further classify NPAs into the following three categories based on the period for which the asset has remained non- performing and the realisability of the dues (i) sub-standard assets; (ii) doubtful assets; and (iii) loss assets. These norms also specify provisioning requirements specific to the classification of the assets.

The banks should maintain provisioning coverage ratio, including floating provisions, of at least 70.00%. In case of restructuring, the accounts classified as 'standard' shall be immediately downgraded as non-performing assets. Scheduled commercial banks shall report credit information, including classification of an account as SMA to Central Repository of Information on Large Credits ("**CRILC**"), on all borrowers having aggregate exposure of ₹5 crore and above with them. Banks must put in place Board-approved policies for resolution of stressed assets, including the timelines for resolution. Since default with any lender is a lagging indicator of financial stress faced by the borrower, it is expected that the lenders initiate the process of implementing a resolution plan (RP) even before a default.

In any case, once a borrower is reported to be in default by any of the lenders, lenders shall undertake a prima facie review of the borrower account within thirty days from such default. Any action by the Banks with an intent to conceal the actual status of accounts or evergreen the stressed accounts, will be subjected to stringent supervisory / enforcement actions as deemed appropriate by the Reserve Bank, including, but not limited to, higher provisioning on such accounts and monetary penalties.

Master Regulations and Guidelines of the SEBI

SEBI was established in 1992 in accordance with the provisions of the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") to protect the interests of public investors in securities and to promote the development of, and to regulate, the Indian securities market including all related matters. The SEBI Act also provides for the registration and regulation of the function of various market intermediaries including stock brokers, depository participants, merchant bankers, portfolio managers, investment advisers, and research analysts. Pursuant to the SEBI Act, SEBI has formulated various rules and regulations to govern the functions and working of these intermediaries. SEBI also issues various circulars, notifications and guidelines from time to time in accordance with the powers vested with it under the SEBI Act.

SEBI has the power to impose (i) monetary penalty under the SEBI Act and the regulations made thereunder, and (ii) penalties prescribed under the SEBI Intermediaries Regulations including suspending or cancelling the certificate of registration of an intermediary and to initiate prosecution under the SEBI Act. Further, SEBI has the power to conduct inspection of all intermediaries in the securities market, including, stock brokers, sub brokers, investment advisers, merchant bankers, underwriters, research analysts, to ensure, amongst others, that the books of account are maintained in the manner required in accordance with applicable law.

We are subject to regulations prescribed by SEBI in respect of capital issuances as well as some of our activities, including acting as agent for collecting subscriptions to public offerings of securities made by other Indian companies, underwriting, custodial, depositary participant, and investment banking and because our Equity Shares are listed on Indian stock exchanges. These regulations provide for registering with SEBI the functions, responsibilities, and the code of conduct applicable for each of these activities.

Guidelines on digital lending issued by RBI on September 2, 2022 ("Guidelines on Digital Lending")

The guidelines issued by RBI on September 2, 2022 are applicable to digital lending extended by (a) all commercial banks, (b) primary (urban) co-operative banks, state co-operative banks, district central co-operative banks, and (c) non – banking financial companies (including house finance companies).

The Guidelines on Digital Lending require, among other things: (a) all loan disbursals and repayments to be executed only between the bank accounts of the borrower and the regulated entity without any pass-through/ pool account of the loan service provider or any third party; (b) all-inclusive costs of digital loans to be disclosed to the borrower; (c) a cooling-off period to be provided to borrowers, during which the borrowers can exit digital loans by paying the principal and the proportionate costs without any penalty; (d) the appointment of a nodal grievance redressal officer by loan service providers; and (e) reporting of loans to credit information companies. Additionally, the Recommendations have noted some issues for further examination by the RBI, which may be incorporated into the Guidelines on Digital Lending in the future.

In the Guidelines on Digital Lending, the RBI has also provided that regulated entities engaged in credit delivery through digital lending will have time until November 30, 2022 to comply with the lending norms for repeat and top up loans to existing digital lending customers.

Reserve Bank of India's Guidelines for Appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021

The RBI issued the guideline for appointment/re-appointment of SCAs/ SAs of the entities on April 27, 2021 superseding all the previous guidelines as annexed in the guidelines. The guidelines are applicable to commercial banks (excluding RRBs), UCBs and NBFCs including HFCs for financial year 2021-22 and onwards. UCBs and NBFCs shall have the flexibility to adopt the guidelines from second half of financial year 2021-22 in order to ensure that there is no disruption. Under the guidelines, Commercial Banks and UCBs will be required to take prior approval of RBI for the appointment of SCAs/ SAs on annual basis.

It also specifies the maximum number of SCAs/ SAs to be appointed by the board based on the asset size of the entity. Entities are required to appoint audit firms as it SCAs/ SAs fulfilling the eligibility norms and independence of auditors requirements as prescribed under these directions. Other criteria's including eligibility for appointment based on the asset size of the entity being audited (as on March 31 of the previous year), professional standards for discharge of audit responsibilities, tenure and rotation, and audit fees and expenses for SCAs/ SAs have been provided. Each entity is required to formulate a board approved policy to be hosted on its official website/ public domain and formulate necessary procedure thereunder to be followed for appointment of SCAs/ SAs.

Other laws

In addition to the above, our Bank is also required to comply with the provisions of other applicable statutes imposed by the Central or the State Government and other authorities for our day-to-day business and operations. Our Bank is also amenable to various central and state tax laws.

ISSUE PROCEDURE

Below is a summary, intended to provide a general outline of the procedures for the Bidding, payment of Bid amount, Allocation and Allotment of the Equity Shares to be issued pursuant to the Issue. The procedure followed in this Issue may differ from the one mentioned below, and prospective Bidders are presumed to have apprised themselves of the same from our Bank or the Book Running Lead Managers.

Our Bank, the Book Running Lead Managers and their respective directors, officers, agents, affiliates, shareholders, employees, counsel and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Bidders are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Bidders are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Bidders that apply in this Issue will be required to confirm and will be deemed to have represented to our Bank, the Book Running Lead Managers and their respective directors, officers, agents, affiliates, shareholders, employees, counsel and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Bank, the Book Running Lead Managers and their respective directors, officers, agents, affiliates shareholders, employees, counsel and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder is eligible to acquire the Equity Shares. For details, see the sections titled, "Selling Restrictions" and "Transfer Restrictions" beginning on pages 267 and 274.

Qualified Institutions Placement

THIS ISSUE IS MEANT ONLY FOR ELIGIBLE QIBS ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document has not been, and will not be, filed as a prospectus with the SEBI/RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

This Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations through the mechanism of a qualified institutions placement ("**QIP**"). Under Chapter VI of the SEBI ICDR Regulations, our Bank, being a listed entity in India may issue Equity Shares to Eligible QIBs, provided that:

- a special resolution approving the qualified institutions placement has been passed by its shareholders. Such special resolution must *inter alia* specify (a) that the allotment of Equity Shares is proposed to be made pursuant to the QIP and (b) the Relevant Date;

- approval from the Ministry of Finance, GoI has been obtained on the basis of the recommendation from RBI specifying that the allotment of Equity Shares is proposed to be made pursuant to the QIP;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Bank, which are proposed to be allotted through the Issue, are listed on the recognized Stock Exchanges that has nation-wide trading terminals, for a period of at least one year prior to the date of issuance of notice to our Shareholders for convening the meeting to adopt the above-mentioned special resolution;

- invitation to apply in this Issue must be made through a private placement offer-cum-application (i.e., this Preliminary Placement Document) and an application form serially numbered and addressed specifically to the Eligible QIBs to whom this Issue is made;

- in accordance with the SEBI ICDR Regulations, issuance and allotment of Equity Shares shall be made only in dematerialized form;

- our Bank shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue; and

- the Directors are not Fugitive Economic Offenders.

At least 10% of the equity shares issued to Eligible QIBs must be available for Allocation to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

The above approval is subject to the following conditions as provided in the approval letter dated October 15, 2024 from the Department of Financial Services, Ministry of Finance, Government of India (**"GoI Approval Letter"**):

i. FDI Policy conditionalities (including, inter alia, paragraph 5.2(a) of the Policy, which provides that the FDI allowed is subject to applicable laws/ regulations) and other Sectoral Regulations/ Guidelines.

ii. Claim of any tax relief under the Income-Tax Act, 1961 or the relevant Double Taxation Avoidance Agreement (DTAA) will be examined independently by the tax authorities to determine the eligibility and extent of such relief and the approval of the Department of Financial Services by itself will not amount to any recognition of eligibility for giving such relief.

iii. Department of Financial Services approval by itself does not provide any immunity from tax investigations to determine whether specific or general anti-avoidance rules apply.

iv. The fair market value of various payments, services, assets, shares etc., determined in accordance with extent guidelines shall be examined by the tax authorities under the tax laws and rules in force and may be varied accordingly for tax purposes; and

v. The taxation of dividend, future capital gains on alienation of shares by the foreign investor, interest income and income of any other nature shall be examined by the field formation in accordance with the provision of Income-Tax Act, 1961 and DTAA applicable to the facts of the case.

Bidders are not allowed to withdraw or revise downwards their Bids after this Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued pursuant to this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. However, a discount of not more than 5% of the Floor Price may be offered by our Bank in accordance with the provisions of the SEBI ICDR Regulations and pursuant to a resolution of the Shareholders passed in the AGM held on July 16, 2024, our Bank may offer a discount of not more than 5% on the Floor Price.

The "Relevant Date" referred to above means the date of the meeting in which the Board or this Capital Raising Committee decides to open this Issue and "stock exchange" means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

The Equity Shares will be Allotted within 365 days from the date of the shareholders' resolution approving the Issue, being July 16, 2024 and within 60 days from the date of receipt of Bid Amount from the Successful Bidders. For details of refund of Bid Amount, see "*– Pricing and Allocation – Designated Date and Allotment of Equity Shares*" on page 262.

Subscription to the Equity Shares offered pursuant to this Issue must be made by Eligible QIBs on the basis of this Preliminary Placement Document and the Placement Document that shall contain all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Bank with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document or the Placement Document addressed to you, you may not rely on this Preliminary Placement Document or the Placement Document uploaded on the website of the Stock Exchanges or our Bank for making an application to subscribe to Equity Shares pursuant to the Issue.

This Issue was authorized and approved by the Board on April 30, 2024, and approved by the Shareholders in the AGM held on July 16, 2024. The minimum number of Allottees with respect to a QIP shall at least be:

two, where the issue size is less than or equal to ₹250 crore; and

five, where the issue size is greater than to ₹250 crore.

No single Allottee shall be Allotted more than 50% of this Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "*—Bid Process—Application Form*" on page 257.

Equity Shares being Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on a recognised stock exchange.

We have applied for and received the in-principle approvals from BSE and NSE each on March 24, 2025, respectively under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares on the Stock Exchanges. We have filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchanges.

Allotments made to VCFs and AIFs in this Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue. AIFs and VCFs whose sponsor and manager are not Indian owned and controlled in terms of the FEMA Rules are not permitted to participate in the Issue.

The Equity Shares offered in this Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in this Issue are being offered and sold only outside the United States in "*offshore transactions*" as defined in, and in compliance with, Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "*Selling Restrictions*" on page 267. Also see, "*Transfer Restrictions*" on page 274 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue procedure

1. On the Bid / Issue Opening Date, our Bank in consultation with the Book Running Lead Managers shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to identified Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIB. Our Bank shall maintain records of the Eligible QIBs to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched.

2. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by our Bank in consultation with the Book Running Lead Managers, at their sole discretion. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be

treated as invalid and shall be rejected. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Bid/Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

3. Eligible QIBs are required to submit a duly completed Application Form, including any revisions thereof along with the Bid Amount (which is to be transferred to the Escrow Account specified in the Application Form) and a copy of the PAN card or PAN allotment letter and/or any other documents mentioned in the Application Form, during the Issue Period to the Book Running Lead Managers and their Bid Amount shall be deposited into the Escrow Account.

4. Bidders will be required to indicate the following in the Application Form:

   - full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details, phone number and bank account details;

   - number of Equity Shares Bid for;

   - price at which they are agreeable to subscribe for the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;

   - details of the beneficiary account maintained with the Depository Participant to which the Equity Shares should be credited;

   - that it has agreed to certain other representations set forth in the Application Form;

   - Equity Shares held by the Eligible QIBs in our Bank prior to the Issue

   - a representation that it is outside the United States acquiring the Equity Shares in an "offshore transaction" as defined in, and in compliance with, Regulation S and in accordance with the applicable laws of the jurisdiction where those offers and sales are madeand it has agreed to certain other representations set forth under the "*Representations by Investors*" on page 6 and "*Transfer Restrictions*" on page 274 and certain other representations set forth in the Application Form; and

   - an undertaking that they will deliver an offshore transaction letter to the Issuer prior to any sale of Equity Shares confirming that they will not re-offer, re-sell, pledge or otherwise transfer the Equity Shares, except in an offshore transaction on a recognized Indian stock exchange in compliance with Regulation S.

Note: *Eligible FPIs are required to indicate the SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.*

5. Eligible QIBs shall be required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of "*CBoI QIP 2025*" with the Escrow Agent, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Bank shall keep a record of the bank account from where such payment has been received. Bid Amount payable on Equity Shares to be held by joint

holders shall be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment, and receipt of final listing and trading approvals from the Stock Exchanges, Bid Amount received for subscription of the Equity Shares shall be kept by the Bank in a separate bank account with a scheduled bank. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Bid Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Bid Closing Date, the excess Bid Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "– *Refunds*" on page 263.

6. Once a duly completed Application Form is submitted by a Bidder and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, on or after the Issue Closing Date, our Bank shall, in consultation with the Book Running Lead Managers, determine the final terms, including the Issue Price of the Equity Shares and Allocation of Equity Shares to be issued pursuant to the Issue. Upon such determination, the Book Running Lead Managers will send the serially numbered CANs, along with serially numbered Placement Document, in electronic form only, to the successful Bidders who have been Allocated the Equity Shares. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Bank and will be in consultation with the Book Running Lead Managers.**

8. Upon dispatch of the serially numbered Placement Document and CAN, our Bank shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Bank will inform the Stock Exchanges of the details of the Allotment.

9. After passing the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Bank shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

10. After receipt of the listing approvals of the Stock Exchanges, our Bank shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

11. Our Bank will then apply for the final trading approvals from the Stock Exchanges.

12. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

13. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Bank may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Bank and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Bank.

14. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity

Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted, in the form and manner set out in the Refund Intimation Letter which will be dispatched to such Bidder.

Eligible Qualified Institutional Buyers

Currently, the definition of a QIB as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations includes:

(i) Mutual funds, venture capital funds and alternate investment funds (except AIFs and VCFs whose sponsor and manager are not Indian owned and controlled in terms of the FEMA Rules) registered with SEBI;
(ii) Eligible FPIs other than individuals, corporate bodies and family offices;
(iii) Public financial institutions;
(iv) Scheduled commercial banks;
(v) State industrial development corporations;
(vi) Insurance companies registered with IRDAI;
(vii) Provident funds with minimum corpus of ₹25 crore;
(viii) Pension funds with minimum corpus of ₹25 crore;
(ix) National Investment Fund set up by Government of India, set up by resolution no. F. No. 2/3/2005-DDII, dated November 23, 2005 of the Government published in the Gazette of India;
(x) Insurance funds set up and managed by army, navy or air force of the Union of India;
(xi) Insurance funds set up and managed by the Department of Posts, India; and
(xii) Systemically important non-banking financial companies.

Only QIBs as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations, and not otherwise restricted from participating in this Issue under the applicable laws, including the SEBI ICDR Regulations and are residents of India or are Eligible FPI participating through Schedule II of the FEMA rules are eligible to invest in the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules will be considered as Eligible QIBs and are eligible to invest in this Issue. AIFs or VCFs whose sponsor and manager are not Indian owned and controlled in terms of the FEMA Rules or FVCIs, multilateral or bilateral development financial institutions are not permitted to participate in this Issue.

ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA NON-DEBT RULES IN THIS ISSUE. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THIS ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF THE ELIGIBLE FPIs DOES NOT EXCEED SPECIFIED LIMIT AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.

Please note that participation by non-residents in this Issue is restricted to participation by Eligible FPIs through the portfolio investment scheme under Schedule II of the FEMA Rules, subject to the limits prescribed under the SEBI FPI Regulations and the FEMA Rules. Further, AIFs or VCFs whose sponsor and manager are not Indian owned and controlled in terms of the FEMA Rules or FVCIs, multilateral or bilateral development financial institutions are not permitted to participate in this Issue.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or more of the post-Issue equity share capital of our Bank, and the total holding of all FPIs, collectively, shall not exceed 20% of the paid-up equity share capital of our Bank. Further, if any FPI holds 10% or more of the Equity Share capital of our Bank, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in the company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable.

In terms of the approval of the GoI Approval Letters, prior approval of the GoI for the issuance of equity shares up to 20% of paid-up capital to FIIs/FPIs in the Issue, subject to provisions of the Banking Companies Act and other provisions of the Consolidated FDI Policy.

Allotments made to Eligible QIBs in this Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. In terms of FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all FPIs shall be included. In accordance with the Consolidated FDI Policy, the total foreign ownership in a public sector bank, subject to Banking Companies Act, cannot exceed 20% of the paid-up capital. In accordance with Section 3(2D) of the Banking Companies Act, shareholding of non-residents in a corresponding new bank cannot exceed 20.00% of its paid up capital and in accordance with Section 3(2E) of the Banking Companies Act, no shareholder, other than the Government shall be entitled to exercise voting rights in excess of 10.00% of the total voting rights of all the shareholders of the corresponding new bank;

As of December 31, 2024, the aggregate FPI shareholding in our Bank is 0.44% of our Bank's paid up Equity Share capital (on a fully diluted basis). For further details, see "*Principal Shareholders and Other Information*" beginning on page 228.

Restriction on Allotment

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being a Promoter, or any person related to, the Promoter. Eligible QIBs, which have all or any of the following rights, shall be deemed to be persons related to the Promoter:

(i) rights under a shareholders' agreement or voting agreement entered into with the promoter or members of the promoter group;
(ii) veto rights; or
(iii) a right to appoint any nominee director on our Board

Provided, however, that an Eligible QIB which does not hold any equity shares in our Bank and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

Our Bank, the Book Running Lead Managers and any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors, associates or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations, and ensure compliance with applicable laws.

A minimum of 10% of the Equity Shares offered in this Issue shall be Allotted to Mutual Funds. In case of under subscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: Affiliates or associates of the Book Running Lead Managers who are Eligible QIBs may participate in this Issue in compliance with applicable laws.

Bid process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are specifically addressed to them) supplied by our Bank and the Book Running Lead Managers in electronic form only for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document.

An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Bid/Issue Period, and in such case, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Eligible QIB will be deemed to have made the following representations, warranties, acknowledgements and undertakings given or made under "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 3, 6, 267 and 274, respectively:

1. The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India and is eligible to participate in this Issue;

2. The Bidder confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter or promoter group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoter;

3. The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Bid/Issue Closing Date;

4. The Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder and not an FVCI or a multilateral or bilateral development financial institution. Each Eligible QIB confirms that it is not an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules. Each Eligible QIB confirms that they have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets;

5. The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchanges. Additionally, this will be subject to the Selling and Transfer Restrictions under the applicable laws;

6. The Eligible QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The QIB further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB;

7. The Eligible QIB confirms that its Bid would not result in triggering an open offer under the SEBI Takeover Regulations;

8. The Eligible QIB agrees that although the Bid Amount is required to be paid by it along with the Application Form within this Issue Period, our Bank reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Managers. The Eligible QIB further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

9. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

a. QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other Eligible QIB ; and

b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

10. The Eligible QIBs acknowledge that no Allotment shall be made to them if the price at which they have

Bid for in this Issue is lower than the Issue Price.

11. The Eligible QIBs confirm that they shall not undertake any trade in the Equity Shares credited to their beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

12. You are aware that in accordance with Section 12B of the Banking Regulation Act and the Master Direction – Reserve Bank of India (Acquisition and Holding of Shares or Voting Rights in Banking Companies) Directions, 2023 issued by the RBI on January 16, 2023 read together with the Guidelines on Acquisition and Holding of Shares or Voting Rights in Banking Companies issued by the Reserve Bank of India on January 16, 2023, no person (along with his relatives, associate enterprises or persons acting in concert with you) can acquire or hold more than 5% of the total paid-up share capital of our Bank. Further, as per the provisions of sub-section (2) of Section 12 of Banking Regulation Act read with gazette notification DBR.PSBD.No.1084/16.13.100/2016-17 dated July 21, 2016, no shareholder in a banking company can exercise voting rights on poll in excess of 26 per cent of total voting rights of all the shareholders of the banking company. Accordingly, you hereby represent that your (direct or indirect) aggregate holding in the paid-up share capital of our Bank, whether beneficial or otherwise after subscription to the Equity Shares in this Issue by you, your relatives, your associate enterprises or persons acting in concert with you, aggregated with any pre-Issue shareholding in the Bank of you, your relatives, your associate enterprises or persons acting in concert (as applicable) shall not amount to more than 5%, as applicable limits of the total paid-up share capital of our Bank or would not entitle you to exercise more than the applicable limits of the total voting rights of our Bank, except with the prior approval of the RBI.

    In the event, your aggregate shareholding, whether direct or indirect, beneficial or otherwise, aggregating to more than 5% of the total paid-up share capital of our Bank, you are required to submit the approval obtained from the RBI with the Bank prior to the finalisation of the Allotment. Each Eligible QIB acknowledges that, prior RBI approval will be required in the event acquisitions made by such Eligible QIB exceeds the threshold prescribed under Master Direction for Acquisition. In case of a person permitted by the RBI to have a shareholding of 10% or more of the paid-up equity share capital of the banking company but less than 40% of the paid-up equity share capital, the shares acquired shall remain under lock-in for first five years from the date of completion of acquisition.

13. Each Eligible FPI, confirms that it will participate in this Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Bank does not exceed 10% of the post-Issue paid-up capital of our Bank on a fully diluted basis.

14. The Eligible QIB confirms that:

a. It is outside the United States it is subscribing to the Equity Shares in an "offshore transaction" as defined in, and in compliance with Regulation S and is not our affiliate or a person acting on behalf of such an affiliate.

b. It has read and understood, and by making a Bid for the Equity Shares through the Application Forms and pursuant to the terms of this Preliminary Placement Document, will be deemed to have made the representations, warranties and agreements made under the sections titled "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions*" beginning on pages 3, 6, 267 and 274, respectively.

ELIGIBLE QIBs MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBs MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT

REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGERS TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Bank (by itself or by the Book Running Lead Managers) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter. The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Book Running Lead Managers through electronic form at either of the following addresses:

Name of BRLM	Address	Contact person	Email	Phone
Systematix Corporate Services Limited	The Capital, A-Wing, No. 603-606, 6th Floor, Plot No. C-70, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, India	Jinal Sanghvi / Mohit Ladkani	mb.qip@systematixgroup.in	+91 -22-6704 8000
Batlivala & Karani Securities India Private Limited	11th Floor, Hallmark Business Plaza Sant Dnyaneshwar Marg, Bandra East Mumbai 400 051	Devesh Patkar	project_CR@bksec.com	+91-22-40076256
Emkay Global Financial Services Limited	7th Floor, The Ruby, Senapati Bapat Marg, Dadar (W), Mumbai – 400 028	Deepak Yadav/ Pooja Sarvankar	cr.qip@emkayglobal.com	Tel: +91 – 22 – 6612 1212
IDBI Capital Markets & Securities Limited	6th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400005, Maharashtra, India	Himanshu Shekhar Jha/ Harshit Mody	project_cr@idbicapital.com	Tel: +91 22 4069 1700
Motilal Oswal Investment Advisors Limited	Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai- 400 025, Maharashtra, India	Vaibhav Shah	project.cr@motilaloswal.com	Tel : +91 (22) 7193 4380

The Book Running Lead Managers shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

Bidders Bidding in this Issue shall pay the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

Payment of Bid Amount

Our Bank has opened the Escrow Account in the name of "*CBoI QIP 2025*" with the Escrow Agent, in terms of the arrangement among our Bank, the Book Running Lead Managers and the Escrow Agent. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be rejected.

Pending Allotment, our Bank undertakes to utilise the amount deposited in "*CBoI QIP 2025*" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Bank is not able to Allot Equity Shares in the Issue. In case of cancellations or default by the Bidders, our Bank and the Book Running Lead Managers have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, the excess Bid Amount will be refunded to the same bank account from which Bid Amount was remitted, in the form and manner set out in "*Issue Procedure – Refunds*" on page 263.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. For the purpose of determination of the Floor Price, 'stock exchange' shall mean any of the recognised stock exchanges in which the Equity Shares are listed and in which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. However, our Bank may offer a discount of not more than 5% of the Floor Price, in terms of Regulation 176(1) of the SEBI ICDR Regulations, in accordance with the approval of our Shareholders pursuant to resolution passed at AGM held on July 16, 2024.

The "Relevant Date" referred to above, for Allotment, will be the date of the meeting in which the Board or the Capital Raising Committee of the Board decides to open this Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

Build-up of the book

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Book Running Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

Price discovery and Allocation

Our Bank, in consultation with the Book Running Lead Managers, shall determine the Issue Price, which shall be at or above the Floor Price. However, our Bank may offer a discount of not more than 5% of the Floor Price, in terms of Regulation 176(1) of the SEBI ICDR Regulations, in accordance with the approval of our Shareholders pursuant to resolution passed at AGM held on July 16, 2024.

After finalisation of the Issue Price, our Bank shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Bank shall determine the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

THE DECISION OF OUR BANK IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBs. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR BANK, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE. NEITHER OUR BANK NOR THE BOOK RUNNING LEAD MANAGERS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON- ALLOCATION.

CONFIRMATION OF ALLOCATION NOTE OR CAN

Based on receipt of the serially numbered Application Forms and Bid Amount, our Bank, in consultation with the Book Running Lead Managers, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Successful Bidder ("**Designated Date**").

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Bank) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document in the electronic form, to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board or the Capital Raising Committee of the Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the Book Running Lead Managers.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to this Issue

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in section titled "*Notice to Investors*" on page 3 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to this Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Successful Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

Designated Date and Allotment of Equity Shares

Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Bank will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

Our Bank, at its sole discretion, reserves the right to cancel this Issue at any time up to Allotment without assigning any reasons whatsoever.

Following the Allotment of the Equity Shares pursuant to the Issue, our Bank shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Bank shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.

Following the credit of Equity Shares into the Successful Bidders' beneficiary accounts, our Bank will apply for the final listing and trading approvals from the Stock Exchanges.

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Bank.

After finalization of the Issue Price, our Bank shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document. Pursuant to a circular SEBI/CFD/DIL/LA/1/2010/05/03 dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Bank along with the Placement Document.

In accordance with Section 12B of the Banking Regulation Act, 1949 and the Master Direction – Reserve Bank of India (Acquisition and Holding of Shares or Voting Rights in Banking Companies) Directions, 2023 issued by the RBI on January 16, 2023 read together with the Guidelines on Acquisition and Holding of Shares or Voting Rights in Banking Companies issued by the Reserve Bank of India on January 16, 2023, no person (along with his relatives, associate enterprises or persons acting in concert with) can acquire or hold 5% or more of the total paid-up share capital of our Bank, or be entitled to exercise 5% or more of the total voting rights of our Bank, without prior approval of the RBI. Accordingly, a Bidder's aggregate holding in the paid-up share capital of our Bank, whether beneficial or otherwise: after subscription to the Equity Shares in this Issue by such Bidder, his or her relatives, associate enterprises or persons acting in concert with such Bidder, aggregated with any pre-Issue shareholding in the Bank of such Bidder, his or her relatives, associate enterprises or persons acting in concert; or after subscription to the Equity Shares in this Issue aggregated with any pre-Issue shareholding in our Bank of such Bidder, his or her relatives, associate enterprises or persons acting in concert; shall not amount to 5% or more of the total paid-up share capital of our Bank or would not entitle such Bidder to exercise 5% or more of the total voting rights of our Bank, except with the prior approval of the RBI.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or the Bidder has deposited the Bid Amount arrived at using a price higher than the Issue Price, or Equity Shares are not Allocated to a Bidder for any reasons, is cancelled prior to Allocation, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted (as set out in the Application Form). The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that our Bank is unable to issue and Allot the Equity Shares offered in this Issue or if this Issue is cancelled from the date of receipt of application monies, our Bank shall repay the application monies. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Depositories Act and other applicable laws

We, at our sole discretion, reserve the right to cancel this Issue at any time up to Allotment without assigning any reason whatsoever.

Release of Funds to our Bank

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Bank. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us or the BRLMs.

Other instructions

Permanent account number or PAN

Each Bidder should mention its PAN allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR Number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Right to reject applications

Our Bank, in consultation with the Book Running Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Bank in consultation with the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Bank, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder. For details see "*Bid Process" – "Refund*".

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to this Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to this Issue would be in dematerialised form only for all Eligible QIBs in the demat segment of the respective Stock Exchanges.

Our Bank and the Book Running Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to this Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT

Placement Agreement

The Book Running Lead Managers have entered into a placement agreement with the Bank dated March 24, 2025 (the "**Placement Agreement**"), pursuant to which the Book Running Lead Managers have agreed to manage this Issue and act as placement agents in connection with the proposed Issue and procure subscriptions for the Equity Shares on a reasonable efforts basis pursuant to Chapter VI of SEBI ICDR Regulations.

The Placement Agreement contains customary representations, warranties and indemnities from the Bank and it is subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Preliminary Placement Document has not been, and will not be, filed as a prospectus with RoC and, no Equity Shares issued pursuant to this Issue will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs.

In connection with the Issue, the Book Running Lead Managers (or their affiliates) may, for its own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to this Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of this Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers may subscribe to Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. See "*Offshore Derivative Instruments*" on page 12.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in, and in compliance, with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

The Book Running Lead Managers and their respective affiliates may engage in transactions with and perform services for the Bank and/or its Subsidiaries and/or Associates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with the Bank and/or Subsidiary and/or Associate, for which they have received compensation and may in the future receive compensation.

Lock-up

Under the Placement Agreement, the Bank will not, for a period commencing the date hereof and ending 90 days from the Closing Date, without the prior written consent of the Book Running Lead Managers, directly or indirectly:

(a) issue, offer, lend, sell, pledge, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any Equity Shares, or any securities convertible into or exercisable or exchangeable for the Equity Shares or publicly announce an intention with respect to any of the foregoing;

(b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Equity Shares or any securities convertible into or exercisable or exchangeable for the Equity Shares;

(c) deposit Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe to or purchase Equity Shares or which carry the right to subscribe to or purchase Equity Shares in depository receipt facilities or enter into any such transactions (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Equity Shares in any depository receipt facility; or

(d) publicly announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of the Equity Shares, or such other securities, in cash or otherwise,

The foregoing restrictions shall not apply to: (i) the issuance of any Equity Shares; and (ii) any issue or offer of Equity Shares by the Bank, to the extent such issue or offer is: (a) required to be undertaken pursuant to Applicable Law; or (b) required to be undertaken pursuant to the instructions, orders or guidelines as may be issued by the Government of India or an undertaking of the Government of India or such other authority acting on its behalf, in each case with the requisite authority to issue such instructions, orders or guidelines, as the case may be.

The Equity Shares held by the Promoter shall not be subject to any lock-up under the Placement Agreement

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document and the offer, sale or delivery of the Equity Shares is restricted by law in certain jurisdictions. Persons who come into possession of this Preliminary Placement Document are advised to take legal advice with respect to any restrictions that may be applicable to them and to subsequently observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or sale in any circumstance in which such offer or sale is not authorized or permitted.

General

No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to our Bank or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. This Issue will be made in compliance with the applicable SEBI ICDR Regulations, The Banking Companies Act, The Banking Regulation Act, 1949, as amended (The "**Banking Regulation Act**"), Central Bank Of India (Shares And Meetings) Regulations, 1998, as amended (The "**Central Bank Regulations**") and The Nationalised Banks (Management And Miscellaneous Provisions) Scheme, 1970 and the rules made thereunder.

Republic of India

This Preliminary Placement Document may not be distributed, directly or indirectly, in India or to residents of India and any Equity Shares may not be offered or sold, directly or indirectly, in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to eligible QIBs and is not an offer to the public. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, and will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Australia

This Preliminary Placement Document is not a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) ("**Corporations Act**") and has not been lodged with the Australian Securities and Investments Commission and it does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act.

No offer will be made under this Preliminary Placement Document to investors to whom disclosure is required to be made under Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to represent and warrant that it is either a "sophisticated investor" or a "professional investor" within the meaning of those terms in the Corporations Act.

The Equity Shares acquired in the Issue in Australia must not be offered for sale in Australia in the period of 12 months after the date of the Allotment, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under Section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to undertake to our Bank that it will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those Equity Shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act.

British Virgin Islands

The Equity Shares are not being and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on our behalf. The Equity Shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands) (each a "BVI Company"), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

This Preliminary Placement Document has not been, and will not be, registered with the Financial Services Commission of the British Virgin Islands. No registered document has been or will be prepared in respect of the Equity Shares for the purposes of the Securities and Investment Business Act, 2010 or the Public Issuers Code of the British Virgin Islands.

Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands to subscribe for any of the Equity Shares but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Act (the "SIBA"), high net worth persons (as defined in the SIBA) or otherwise in accordance with the SIBA. This Preliminary Placement Document does not constitute an invitation or offer to the public in the Cayman Islands of the Equity Shares, whether by way of sale or subscription. The Equity Shares are not being offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

People's Republic of China

This Preliminary Placement Document may not be circulated or distributed in the People's Republic of China (excluding, for the purposes of this paragraph, the Hong Kong and Macau Special Administrative Regions and Taiwan Province) and the Equity Shares may not be offered or sold directly or indirectly to any resident of the People's Republic of China, or offered or sold to any person for reoffering or re-sale directly or indirectly to any resident of the People's Republic of China.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that the Bank may make an offer to the public in that Relevant State of any Equity Shares at any time:

1. to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

2.to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the placement agent for any such offer; or

3. in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

Provided that no such offer of the Equity Shares shall require the Bank or placement agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 and includes any delegated regulations.

Hong Kong

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**CWUMPO**") or which do not constitute an offer to the public within the meaning of the CWUMPO.

No advertisement, invitation or document relating to the Equity Shares has been or will be issued for the purposes of the issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong), other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act (Act No. 25 of 1948 as amended) of Japan (the "**FIEA**") and disclosure under the FIEA has not been and will not be made with respect to the Equity Shares. No Equity Shares have, directly or indirectly, been offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949 as amended) of Japan (a "**Japanese Resident)** or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

In an offering of Equity Shares in Japan or to, or for the benefit of, a Japanese Resident, if an offeree does not fall under a "qualified institutional investor" (*tekikaku kikan toshika*), as defined in Article 2, Paragraph 3, Item 1 of the FIEA and Article 10, Paragraph 1 of the Cabinet Office Order on Definitions under Article 2 of the Financial Instruments and Exchange Act (Order of the Ministry of Finance No. 14 of 1993) of Japan (a "**Qualified Institutional Investor**"), Equity Shares will be offered to such offeree by a private placement to small number of investors (*shoninzu muke kan'yu*), as provided under Article 23-13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

In an offering of Equity Shares in Japan or to, or for the benefit of, a Japanese Resident, if an offeree falls under a Qualified Institutional Investor, Equity Shares will be offered to such offeree by a private placement to Qualified Institutional Investors (*tekikaku kikan toshika muke kan'yu*), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. To subscribe for any Equity Shares, such offeree will be required to agree that it will be prohibited from selling, assigning, pledging or otherwise transferring any of such Equity Shares other than to another Qualified Institutional Investor.

Republic of Korea

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "**FSCMA**"), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**FETL**"). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia ("**Commission**") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the Equity Shares, as principal, if the offer is on terms that the Equity Shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), provided that the net value of the primary residence of the individual (with his or her spouse) contribute not more than RM1 million of the total net assets; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Equity Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this Preliminary Placement Document is subject to Malaysian laws. This Preliminary Placement Document does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Mauritius

The Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither this Preliminary Placement Document nor any offering material or information contained herein relating to the offer of the Equity Shares may be released or offered to the public in Mauritius or used in connection with any such offer. This Preliminary Placement Document does not constitute an offer to sell the Equity Shares to the public in Mauritius and is not a prospectus as defined under the Securities Act 2005.

The Mauritius Financial Services Commission (the "**FSC**") does not assume any responsibility for the contents of this Preliminary Placement Document and makes no representation as to the accuracy or completeness of any of the statements made or opinions expressed in this Preliminary Placement Document and expressly disclaimsany liability whatsoever for any loss arising from or in reliance upon the whole or any part thereof. The FSC does not vouch for the financial soundness of the Issuer or for the correctness of any statements made or opinions expressed with regard to it.

Sultanate of Oman

The information contained in this Preliminary Placement Document does not constitute an offer of securities in Oman as contemplated by the Commercial Companies Law (Royal Decree 18/2019) or the Securities Law (Royal Decree 46/2022) or the Executive Regulations of the Capital Market Law (Decision No. 1/2009, as amended) or an offer to sell or the solicitation of any offer to buy non-Omani securities in Oman.

This Preliminary Placement Document and the Equity Shares to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in Oman without the prior consent of the Oman Capital Market Authority ("**CMA**") (or its successor, the Financial Services Authority ("**FSA**"), and any reference to the CMA shall include the reference to the FSA in accordance with Royal Decree 20/2024) and then only in accordance with any terms and conditions of such consent. In connection with the offering of Equity Shares, no prospectus has been filed with the CMA (or any successor entity thereof, such as the FSA). The offering and sale of Equity Shares described in the Preliminary Placement Document will not take place inside Oman. The Preliminary Placement Document is strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any person other than the intended recipient hereof.

Additionally, this Preliminary Placement Document is not intended to lead to the making of any contract within the territory or under the laws of Oman.

The CMA (or any successor entity thereof, such as the FSA) takes no responsibility for the accuracy of the statements and information contained in this Preliminary Placement Document or for the performance of the Bank with respect to the Equity Shares, nor shall it have any liability to any person for damage or loss resulting from reliance on any statement or information contained herein.

Qatar (excluding the Qatar Financial Centre)

This Preliminary Placement Document did not, and was not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Preliminary Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (b) neither the Bank nor the Book Running Lead Managers are authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Preliminary Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Preliminary Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. The persons representing the Book Running Lead Managers are, by distributing this document, not advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this Preliminary Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar Financial Centre

Nothing in this Preliminary Placement Document is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of securities or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre other than in compliance with any laws applicable in the State of Qatar or in the Qatar Financial Centre governing the issue, offering and sale of securities under the laws of the State of Qatar and the Qatar Financial Centre.

This Preliminary Placement Document and any underlying instruments or securities have not been and will not be filed with, reviewed or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Exchange or any other relevant Qatar governmental body or securities exchange. The Bank has not been authorised or licenced by any Qatari governmental body or regulator to market, offer or sell the Equity Shares in the State of Qatar or in the Qatar Financial Centre.

This Preliminary Placement Document is strictly private and confidential. This Preliminary Placement Document is provided on an exclusive basis to the specifically intended recipient of such document, upon that person’s request and initiative, and for the recipient’s personal use only. It is being distributed to a limited number of qualified investors and must not be provided to any person other than the original recipient. It is not for general circulation in the State of Qatar or the Qatar Financial Centre and may not be reproduced or used for any other purpose. Any distribution of this document by the recipient to third parties in the State of Qatar or the Qatar Financial Centre is not authorised and shall be at the liability of such recipient.

Recourse against the Bank and/or its affiliates may be limited or difficult and may have to be pursued in a jurisdiction outside the State of Qatar and/or the Qatar Financial Centre.

Singapore

This Issue is made in reliance on the exemption under sections 274 and 275(1) and (1A) of the Securities and Futures Act 2001, of Singapore as modified and amended from time to time (the "**SFA**"). It is not made in or accompanied by a prospectus that is registered by the Monetary Authority of Singapore (the "**MAS**"). This Preliminary Placement Document has not been registered as a prospectus with the MAS. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Equity Shares, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA, or (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA.

It is a condition of the Issue that where the Equity Shares are subscribed for or acquired pursuant to an offer made in reliance on sections 274 or 275 of the SFA by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six (6) months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person defined in section 275(2) of the SFA, or (in the case of such corporation) where the transfer arises from an offer referred to in section 276(3)(c)(ii) of the SFA or (incase of a trust) where the transfer arises from an offer referred to in section 276(4)(c)(ii) of the SFA;
(ii) where no consideration is or will be given for the transfer;
(iii) where the transfer is by operation of law;
(iv) as specified in Section 276(7) of the SFA; or
(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Preliminary Placement Document does not constitute or contain an offer of securities to the general public in the United Arab Emirates (the "**UAE**"). No offering, marketing, promotion, advertising or distribution (together, "**Promotion**") of this Preliminary Placement Document or the Equity Shares may be made to the general public in the UAE unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Decision No. (13/R.M) of 2021 (the "**Rulebook**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted under one of the exemptions from licensing set out in the Rulebook or otherwise in accordance with the laws and regulations of the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this Preliminary Placement Document nor does any such entity accept any liability for the contents of this Preliminary Placement Document.

Dubai International Financial Centre

This Preliminary Placement Document relates to an Exempt Offer in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority ("**DFSA**") Rulebook. This Preliminary Placement Document is intended for distribution only to persons of a type specified in the Markets Rules Module of the DFSA Rulebook. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Preliminary Placement Document nor taken steps to verify the information set forth herein and has no responsibility for this Preliminary Placement Document. The securities to which this Preliminary Placement Document relates may be illiquid and/ or subject to restrictions on their resale. Prospective purchasers of the securities offered may be required to bear the financial risks of this investment for an indefinite period of time and should conduct their own due diligence on the securities. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorized financial advisor. In relation to its use in the DIFC, this Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the FCA, except that the Equity Shares may be offered to the public in the United Kingdom at any time:

1. to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
2. to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Managers for any such offer: or
3. in any other circumstances falling within Section 86 of the FSMA.

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended).

United States

The Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in, and in compliance with Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For further information, see "*Representations By Investors*", "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 6, 267 and 274 respectively.

Other Jurisdictions

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult their legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of the Equity Shares.

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares, except on the Stock Exchanges, is not permitted for a period of one year from the date of Allotment. Investors are advised to consult legal counsels prior to making any resale, pledge or transfer of our Equity Shares. In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in this Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "*Selling Restrictions*" on page 267.

Purchaser Representations and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

By accepting delivery of this Preliminary Placement Document, submitting a bid to purchase the Equity Shares and/or accepting delivery of Equity Shares, you will be deemed to have represented and agreed as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations and will comply with all laws, regulations and restrictions (including the selling restrictions contained in this Preliminary Placement Document) which may be applicable in its jurisdiction and it has obtained or will obtain any consent, approval or authorization required for it to purchase and accept delivery of Equity Shares, and it acknowledges and agrees that none of our Bank or the Book Running Lead Managers and their respective affiliates shall have any responsibility in this regard.

- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in "offshore transactions" as defined in, and in compliance with, Regulation S, and such Equity Shares have not been and will not be registered under the U.S. Securities Act.

- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares and is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, (ii) such customer is located outside the United States (within the meaning of Regulation S), and (iii) such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.

- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any "directed selling efforts" as defined in Regulation S. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any "directed selling efforts" as defined in Regulation S

- It understands and agrees (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer understands and agrees) that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred in compliance with the U.S. Securities Act and other applicable securities laws only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the U.S. Securities Act and, in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdictions in which such offers or sales are made.

- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Bank or the Book Running Lead Managers for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) is seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares, (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. It is seeking to subscribe to the Equity Shares in this Issue for its own investment and not with a view to distribution. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- It has been provided access to this Preliminary Placement Document and will be provided access to the Placement Document which it has read in its entirety.

- It agrees to indemnify and hold our Bank and the Book Running Lead Managers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold our Bank or the Book Running Lead Managers liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by our Bank.

If such person is a dealer (as such term is defined under the U.S. Securities Act), it may not resell the Equity Shares in the United States prior to 40 days from the commencement of the offering of the Equity Shares. It acknowledges that our Bank and the Book Running Lead Managers and its respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify our Bank and the Book Running Lead Managers. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by our Bank, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes our Bank to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the websites of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Bank or the Book Running Lead Managers or any of their affiliates or advisors.

The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SECC Regulations**"), which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SECC Rules along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, protect the interests of investors in securities, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buybacks of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of a company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognised stock exchange.

Further, the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 in relation to the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 requires all listed companies to maintain a minimum public shareholding of 25%, subject to certain time bound exceptions.

Minimum Level of Public Shareholding

Pursuant to an amendment to SCRR in June 2010 and Regulation 38 of SEBI Listing Regulations, all listed companies are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of the public shareholding having fallen below the 25% threshold. However, every listed public sector company whose public shareholding falls below 25% at any time on or after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such fall, respectively, in the manner specified by

SEBI. Further, pursuant to Securities Contract (Regulations) (Second Amendment) Rules, 2020 every listed public sector company is required to increase its public shareholding to at least 25% within a period of three years from the date of commencement of the amendment i.e., August 3, 2018. Also, pursuant to the budget 2019-2020, SEBI has been authorised to consider increase in minimum public shareholding to 35%. Pursuant to the Securities Contract (Regulations) (Amendment) Rules, 2022, the Central Government may, in public interest, exempt any listed entity in which the Central Government or State Government or public sector company, either individually or in any combination with other, hold directly or indirectly, majority of the shares or voting rights or control of such listed entity, from any or all of the provisions of this rule.

Disclosures under the SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The Stock Exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of BSE or the NIFTY 50 of NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of up to 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available. The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

Established in 1875, BSE is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005, BSE was incorporated as a company under the Companies Act, 1956 in 2005. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. NSE became the first exchange to grant approval to its members for providing internet based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of NSE.

Trading Hours

Trading on both NSE and BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). BSE and NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, BSE replaced its open outcry system with BSE On-line Trading (or "**BOLT**") facility in 1995. This totally automated screen-based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform BOLT Plus.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading (or "**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provides specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

The SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer. The SEBI Takeover Regulations were further amended on June 22, 2020 to exempt any acquisitions by way of preferential issue from the obligation to make an open offer. Subsequently, the SEBI Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. Further, the amendment has also removed certain disclosure obligations for acquirers/promoters, pertaining to acquisition or disposal of shares aggregating to 5% and any change of 2% thereafter, annual shareholding disclosure and creation/invocation/release of encumbrance registered in depository systems under the SEBI Takeover Regulations. These relaxations have been given on account of implementation of the System Driven Disclosures (SDD).

SEBI Insider Trading Regulations

SEBI had earlier notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 to prohibit and penalise insider trading in India. The regulations, among other things, prohibited an 'insider' from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("UPSI").

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the regulations of 1992. The SEBI Insider Trading Regulations, *inter alia,* impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the

SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.

Initial disclosures are required from promoters, key managerial personnel, directors as well as continual disclosures by every promoter, employee or director in case value of trade exceed monetary threshold of 10 lakh rupees over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfers in book-entry form. Further, SEBI framed regulations in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets. Further, on July 17, 2020, SEBI amended the SEBI Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database be maintained, containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details person with whom information is shared.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

DESCRIPTION OF THE EQUITY SHARES

Set forth below are certain provisions relating to our Bank's share capital and the Equity Shares, including brief summaries of certain provisions of the Central Bank of India (Shares And Meetings) Regulations, 1998, as amended. Our Bank follows the RBI Dividend Circular in relation to declaration of dividends.

(i) General

The authorized share capital of our Bank is ₹ 10,000 crore consisting of 1,000 crore equity shares of ₹ 10 each.

As on the date of this Preliminary Placement Document, the issued, subscribed and paid-up share capital of our Bank is ₹ 8,680.94 crore divided into 868,09,39,432 Equity Shares. The Equity Shares are listed on NSE and BSE.

(ii) Capital

The shares of our Bank are movable property, transferable in the manner provided under the Central Bank Regulations. Our Bank is permitted to raise capital by public issue or preferential allotment or private placement of equity shares in accordance with provisions of the Banking Companies Act. Our Bank is required to formulate a proposal to raise capital in accordance with the guidelines, rules or regulations of the SEBI, relating to raising of such capital. In accordance with the Central Bank Regulations, our Bank is required to submit the proposal to the RBI and consider the views of the RBI before finalizing the proposal. Further, the final proposal is required to be submitted to the Government for its sanction and the Government may grant sanction subject to such terms and conditions as it may deem fit.

(iii) Register of Shareholders

Our Bank is required to keep, maintain and update a share register of its shareholders. The particulars required to be entered in the share register are required to be maintained in the form of books or data stored in magnetic / optical / magneto-optical media by way of diskettes, floppies, cartridges or otherwise in computers to be maintained by the Bank's registrar and transfer agent and back up at such location as may be decided from time to time by the Chairman or Managing Director or any other designated official. The register of the beneficial owners is maintained by a depository under Section 11 of the Depositories Act, 1996 shall be maintained in the electronic form in a manner and form prescribed therein. Our Bank is required to maintain the register in electronic format subject to safeguards stipulated in the Information Technology Act, 2000, as amended.

(iv) Share Certificate

Each share certificate in respect of shares of our Bank is required to bear a distinctive share certificate number; the number of shares in respect of which it is issued and the name of the shareholder to whom it is issued and it should be in such form as may be specified by the Board. Every share certificate should be issued under the common seal of our Bank in pursuance of a resolution of the Board and it should be signed by two Directors and some other officer not below the rank of Scale-II or the company secretary appointed by the Board for the purpose.

No share certificate is valid unless and until it is so signed. Share certificate so signed will be valid and binding notwithstanding that, before the issue thereof, any person whose signature appears thereon may have ceased to be a person authorized to sign the share certificates on behalf of our Bank.

(v) Issue of Share Certificates

Under the provisions of the Central Bank Regulations, a shareholder who has been registered as a shareholder shall be entitled to one certificate for each hundred shares or multiples thereof registered in his name on any one occasion and one additional share certificate for the number of shares in excess thereof but less than hundred. Further, if the number of shares to be registered is less than hundred, one certificate shall be issued for all the shares. In the case of shares held jointly by several persons, delivery of the relative certificate or certificates to one of such joint holders shall be sufficient delivery to all such holders.

(vi) Transfer of Shares

Upon receipt by the Bank of an instrument of transfer along with a share certificate with a request to register the transfer, the Board or the committee designated by the Board shall forward the said instrument of transfer along with share certificate to the Registrar or Share Transfer Agent for the purposes of verification that the technical requirements are complied within their entirety.

The Registrar or Share Transfer Agent shall return the instrument of transfer along with the share certificate, if any, to the transferee for resubmission unless the instrument of transfer is presented to the bank, duly stamped and properly executed for registration and is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may require to show the title of the transferor to make such transfer.

Transmission of shares in the event of death, insolvency, etc.

The executors or administrators of a deceased shareholder in respect of a share, or the holder of letter of probate or letters of administration with or without the will annexed or a succession certificate issued under Part X of the Indian Succession Act, 1925, or the holder of any legal representation or a person in whose favour a valid, instrument of transfer was executed by the deceased sole holder during the latter's lifetime shall be the only person who may be recognised by our Bank as having any title to such share.

In the case of shares registered in the name of two or more Shareholders, the survivor or survivors and on the death of the last survivor, his executors or administrators or any person who is the holder of letters of probate or letters of administration with or without will annexed or a succession certificate or any other legal representation in respect of such survivor's interest in the share or a person in whose favour a valid instrument of transfer of share was executed by such person and such last survivor during the latter's lifetime, shall be the only person who may be recognised by our Bank as having any title to such share.

Our Bank shall not be bound to recognise such executors or administrators unless they shall have obtained probate or letters of administration or succession certificate, as the case may be, from a court of competent jurisdiction.

Any such person becoming entitled to share/s in consequence of death of a shareholder and any person becoming entitled to share/s in consequence of the insolvency, bankruptcy or liquidation of a shareholder shall upon production of such evidence, as the Board may require, have the right: (a) to be registered as a shareholder in respect of such share/s; (b) to make such transfer of share/s as the person from whom the derives title could have made.

(vii) **Forfeiture of shares**

Our Bank can by a resolution of the Board forfeit the shares, if the calls on such shares are unpaid. Any share so forfeited will be deemed to be the property of our Bank and may be sold, re-allocated or otherwise disposed of to any person upon such terms and in such manner as the Board may decide.

(viii) **Call on shares**

The Board may, from time to time, make such calls as it thinks fit upon the shareholders in respect of all monies remaining unpaid on the shares held by them, which are by the conditions of allotment not made payable at fixed times, and each shareholder shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board. A call may be payable by the instalments.

(ix) **Lien**

The Bank has a first and paramount lien on (i) every share (not being a fully-paid share), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share; (ii) on all shares (not being fully paid shares) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the Bank; and (iii) upon all the shares registered in the name of each person (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities, and engagements, solely or jointly with any other person to or with the Bank, whether the period for the payment, fulfillment, or discharge thereof shall have actually arrived or not and no equitable interest in any share should be authorized by the Bank over its lien. However, the Board may at any time declare any share to be wholly or in part exempt from the said provisions. The Bank's lien, if any, on a share extends to all dividends payable thereon.

The Bank may sell, in such manner as the specified by the Board, any shares on which the Bank has a lien if a sum in respect of which the lien exists is presently payable and, after the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency to give effect to any such sale, the Board may authorize some officer to transfer the shares sold to the purchaser thereof.

(x) **Meeting of Shareholders**

There are two types of general meetings of shareholders: AGM and extra ordinary general meeting. For convening an AGM, a notice signed by the chairman and the managing director or the executive director or any officer not below the rank of scale VII or the company secretary should be published at least twenty-one clear days before the meeting in not less than two daily newspapers having wide circulation in India. Every such notice is required to state the time, date and place of such meeting, and also the business that should be transacted at that meeting.

An extraordinary general meeting of shareholders can be convened by the chairman and managing director or in their absence by the Executive Director or in their absence by any one of the other Directors, or on a requisition for such a meeting having been received either from the Government or from other shareholders holding an aggregate of shares carrying not less than 10.00% of the total voting rights of all the shareholders. The requisition should state the purpose for which such extraordinary general meeting is required to be convened. The time, date and place of an extraordinary general meeting shall be decided by the Board, provided that a special general meeting convened on requisition by other shareholders will be convened not later than forty five days of the receipt of the requisition.

No business shall be transacted at any meeting of the shareholders unless a quorum of at least five shareholders entitled to vote at such meeting in person are present at the commencement of such business. If within half an hour after the time appointed for the holding of a meeting, a quorum is not present in the case of a meeting called by a requisition of shareholders other than the Government, the meeting shall stand dissolved. In any other case, if within half an hour after the time appointed for the holding of a meeting, a quorum is not present, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and such other time and place as the Chairman may determine. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the shareholders who are present in person or by proxy or by duly authorized representative at such adjourned meeting shall be quorum and may transact the business for which the meeting was called.

(xi) **Voting rights of Shareholders**

The Central Bank Regulations read with the Banking Companies Act provide that no shareholder other than the Government shall be entitled to exercise voting rights in respect of any shares held by them in excess of 10.00% of the total voting rights of all the shareholders of our Bank. In addition, Section 3(2D) of the Banking Companies Act mandates that shareholding of non-residents in a corresponding new bank cannot exceed 20.00% of its paid up capital. Each shareholder who has been registered as a shareholder on the date of closure of the register prior to the date of a general meeting shall, at such meeting, have one vote on show of hands and in case of a poll shall have one vote for each share held by him. Shareholders of our Bank entitled to attend and vote at a general meeting shall be entitled to appoint another person (whether a shareholder or not) as their proxy to attend and vote instead of them, but a proxy so appointed shall not have any right to speak at the meeting.

(xii) **Right to elect Directors**

A director, under sub-section (1) of Regulation 63 of the Central Bank Regulations, is to be elected by the shareholders on the register, other than the Government, from amongst themselves in a general meeting of our Bank. Where an election of a director is to be held at any general meeting, the notice thereof should be included in the notice convening the meeting. Every such notice should specify the number of directors to be elected and the particulars of vacancies in respect of which the election is to be held.

(xiii) **Declaration of Dividend**

As per the RBI Dividend Circular, our Bank can declare dividends only if our Bank has a (i) CRAR of at least 9.00% for the preceding two completed years and the accounting year for which it proposes to declare a dividend; and (ii) net NPA less than 7.00%. In case our Bank does not meet the said CRAR norm, but has a CRAR of at least 9.00% for the accounting year for which it proposes to declare dividend, it would be eligible to declare dividend provided its net NPA ratio is less than 5.00%.

Our Bank is required to comply with certain provisions of the Banking Regulation Act including Section 15; Section 10(7) of the Banking Companies Act and the prevailing regulations / guidelines issued by the RBI, including creating adequate provisions for impairment of assets and staff retirement benefits, transfer of profits to statutory reserves. See, "*Dividend Policy*" on page 87. The proposed dividend should be paid out of the current year's profit. Also, the RBI should not have placed any explicit restrictions on our Bank for declaration of dividends. The rate of dividend shall be determined by the Board.

TAXATION

A R & CO. Chartered Accountants, A-403, Gayatri Apartments, Airlines Groups Housing Society, Plot No. 27, Sector -10 Dwarka, New Delhi – 110075	**A D B & COMPANY**, Chartered Accountants, First Floor, Mahavir Gaushala Complex, K.K Road, Moudhapara, Raipur, Chattisgarh-492001
AMIT RAY & CO. Chartered Accountants, 5-B, Sardar Patel Marg, Prayagraj, Uttar Pradesh 211001	**JAIN PARAS BILALA & CO.** Chartered Accountants, 50 Ka 2, Jyoti Nagar, Jaipur, Rajasthan 302005

Date: March 24, 2025

To,

Board of Directors
Central Bank of India
9th Floor, Chandermukhi Building,
Nariman Point, Mumbai – 400 021
Maharashtra, India

Systematix Corporate Services Limited
The Capital, A Wing 603-606,
6th Floor, Plot No. C-70, G Block,
Bandra Kurla Complex Bandra East
Mumbai – 400051
Maharashtra, India

Batlivala & Karani Securities India Private Limited
11th Floor,
Hallmark Business Plaza,
Bandra (E), Mumbai - 400 051,
Maharashtra, India

Emkay Global Financial Services Limited
7th Floor, The Ruby,
Senapati Bapat Marg,
Dadar (West), Mumbai – 400028,
Maharashtra, India

IDBI Capital Markets & Securities Limited
6th Floor, IDBI Tower,
WTC Complex, Cuffe Parade
Colaba, Mumbai – 400005,
Maharashtra, India

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower,
Rahimtullah Sayani Road,
Prabhadevi, Mumbai – 400025
Maharashtra, India

(*Systematix Corporate Services Limited, Batlivala & Karani Securities India Private Limited, Emkay Global Financial Services Limited, IDBI Capital Markets & Securities Limited and Motilal Oswal Investment Advisors Limited*, collectively referred to as the **"Lead Managers"** or **"LMs"**)

Sub: Proposed Qualified Institutions Placement of equity shares of face value ₹ 10 each ("Equity Shares") (such placement, the "Issue") by Central Bank of India (the "Bank" or "Issuer") under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations").

We, A.R. & Co., Chartered Accountants (Firm Registration Number: 002744C , ADB & Company (Firm Registration Number: 005593C , Amit Ray & Co., Chartered Accountants (Firm Registration Number: 177655 and Jain Paras Bilala & Co., Chartered Accountants (Firm Registration Number: 011046C statutory auditor of the Bank (hereinafter collectively referred as "**Statutory Central Auditors**") hereby confirm that the enclosed **Annexure A**, prepared by the Bank and initialled by us for identification purpose ("**Statement**") for the Issue, outlines the possible special tax benefits available to the Bank and its shareholders under applicable direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, the Income-tax Rules, 1962, the Central Goods and Services Tax Act, 2017 (CGST Act) , the Integrated Goods and Services Tax Act, 2017 (IGST Act), the Union Territory Goods and Services Tax Act, 2017 (UTGST) , respective State Goods and Services Tax Act, 2017 (SGST Acts), Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, the Union Territory Goods and Services Tax Rules, 2017 (UTGST Acts), respective State Goods and Services Tax Rules, 2017 (collectively referred to as '**GST Laws**'), the Customs Act, 1962, the Customs Tariff Act, 1975 and the Foreign Trade Policy (collectively referred to as "**Taxation Laws**"), the rules, regulations, circulars and notifications issued thereon, as amended by the Finance Act, 2024, and the Finance (No.2) Act, 2024, and applicable to the assessment year 2025-26 relevant to the financial year 2024-25. Several of these benefits are dependent on the Bank and its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Bank and its shareholders, as identified under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended, to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Bank faces in the future, the Bank and its shareholders may or may not choose to fulfil. Accordingly, this Certificate has been issued in accordance with our Arrangement Letter dated 24-03-2025.

This statement of possible special tax benefits is provided in accordance with the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Bank and its shareholders, the same would include those benefits as enumerated in **Annexure A**. Any benefits under the taxation laws other than those specified in **Annexure A** are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in **Annexure A** have not been examined and covered by this statement.

The benefits discussed in the enclosed Statement are not exhaustive. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

We do not express any opinion or provide any assurance as to whether:

the Bank and, its shareholders will continue to obtain these benefits in the future; or

the conditions prescribed for availing of the benefits, where applicable have been/would be met with.

the revenue authorities / courts will concur with the views expressed herein

The contents of the enclosed Statement are based on information, explanations and representations obtained from the Bank and on the basis of our understanding of the business activities and operations of the Bank.

We have conducted our review in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the "**Guidance Note**") issued by the Institute of Chartered Accountants of India ("**ICAI**") which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We hereby confirm that while providing this statement we have complied with the Code of Ethics issued by the ICAI.

This certificate alongwith annexures is for both information and inclusion (in part or full) in the preliminary placement document, placement document or any other document in relation to the Issue (collectively, "**Issue Documents**").

We hereby consent to be named an "expert" under the Companies Act, 2013, as amended, and our name may be disclosed as an expert to any applicable legal or regulatory authority insofar as may be required, in relation to the statements contained therein. We further confirm that we are not and have not been engaged or interested in the formation or promotion or management of the Bank.

We have carried out our work on the basis of Audited Financial Statements and other documents, public domain and information made available to us by the Bank, which has formed substantial basis for this Statement.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We hereby consent to our name and the aforementioned details being included in the Issue Documents and/or consent to the submission of this certificate as may be necessary, to any regulatory/ statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the Lead Managers in connection with the Issue and in accordance with applicable law.

We confirm that the information in this certificate is true, fair and accurate in all material respects and is in accordance with the requirements of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, Banking Regulation Act, 1949, Nationalised Banks (Management and Miscellaneous Provisions) Scheme 1970, Central Bank of India (Shares and Meetings) Regulations, 1998 ("**Central Bank of India Regulations**"), as amended, Reserve Bank of India Directives/ Government of India Guidelines, each as amended (the **"Central Bank Of India - Corporate Governance Legislations"**), the SEBI ICDR Regulations and other applicable laws, and based on our examination of information and documents provided by management, nothing material has come to our attention that may lead to and we confirm that there is no untrue statement or omission which would render the consents of this certificate misleading in its form or context.

This certificate alongwith all annexures may be relied on by the Lead Managers, their affiliates (as disclosed in "**Issue Documents"**) and legal counsels in relation to the Issue and to assist the Lead Managers in conducting and documenting their investigation of the affairs of the Bank in connection with the Issue.

We hereby consent to this certificate being disclosed by the Lead Managers, their affiliates, if required, to any regulatory/ statutory authority including SEBI and the Stock Exchanges as may be necessary if required, (i) by reason of any law, regulation or order of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation. (iii) for the records to be maintained by the Lead Managers in respect of the Issue and in accordance with applicable law.

We agree to immediately communicate, in writing, any changes to the above information/ confirmations to the Lead Managers, the legal counsels and the Bank until the equity shares allotted in the Issue commence trading on the stock exchanges. In the absence of any such written communication from us, the Bank, the Lead Managers and the legal counsels appointed with respect to Issue can assume that there is no change to the information/ confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

Nothing in the preceding paragraph shall be construed to (i) limit our responsibility for or liability in respect of, the reports we have issued, covered by our consent above and are included in the Issue Documents; or (ii) limit our liability to any person which cannot be lawfully limited or excluded under applicable laws or regulations or guidelines issued by applicable regulatory authorities.

Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Issue Documents.

Signed by the Statutory Central Auditors of the Bank

For A.R. & Co., Chartered Accountants
A-403, Gayatri Apartments
Airlines Group Housing Society Plot No 27,
Sector -10, Dwarka, New Delhi – 110075
Firm Registration Number: 002744C
Peer Review Number: 014737

____
CA Mohd Azam Ansari
Partner
Membership Number: 511623
Place: Mumbai
UDIN: 25511623BMGYMF6108

For ADB & Company, Chartered Accountants
First Floor, Mahavir Gaushala Complex
K.K. Road, Moudhapara,
Raipur – 492001 (C.G.)
Firm Registration Number: 005593C
Peer Review Number: 016436

____
CA Shikhar Chand Jain
Partner
Membership Number: 074411
Place: Mumbai
UDIN: 25074411BMTCZT6211

For Amit Ray & Co., Chartered Accountants
5-B, Sardar Patel Marg, Prayagraj,
Uttar Pradesh– 211001
Firm Registration Number:000483C
Peer Review Number: 014040

____
CA Jitendra Pandey
Partner
Membership Number: 177655
Place: Mumbai
UDIN: 25177655BMMGZQ9262

For Jain Paras Bilala & Co., Chartered Accountants
50 KA 2, Jyoti Nagar, Jaipur,
Rajasthan – 302005
Firm Registration Number:011046C
Peer Review Number: 013307

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CA Piyush Goyal
Partner
Membership Number: 466010
Place: Mumbai
UDIN: 25466010BMGYCR4963

Annexure A

STATEMENT OF POSSIBLE DIRECT AND INDIRECT TAX BENEFITS AVAILABLE TO THE BANK AND ITS SHAREHOLDERS

THE STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO THE BANK AND ITS SHAREHOLDERS UNDER THE DIRECT TAX LAWS IN INDIA

The information provided below summarizes the possible direct tax benefits available to the Bank and its Shareholders and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares under the Income-tax Act, 1961 (hereinafter referred to as the "the Act") as amended vide Finance Act 2024 presently in force in India. This statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Several of these benefits are dependent on the equity shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the equity shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on commercial imperatives a shareholder faces, may or may not choose to fulfill. We do not express any opinion or provide any assurance as to whether the Bank or its shareholders will continue to obtain these benefits in future.

Shareholders are advised to consult their own tax consultant with respect to the tax implications of an investment in the equity shares, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

A. SPECIAL TAX BENEFITS AVAILABLE TO THE BANK UNDER THE ACT

The bank is entitled to a special tax benefit in the form of non-applicability of MAT u/s. 115JB of the Act, from assessment year 2013-14 by means of ITAT Mumbai Special Bench judgment dated 6th September 2024 in the bank's own case. However, that may be subject to the outcome of the upper forum in future.

B. GENERAL TAX BENEFITS AVAILABLE TO THE BANK UNDER THE ACT

The following benefits are available to the Bank after fulfilling conditions as per the applicable provisions of the Act:

1. Applicable Income Tax Rate:

Currently, the Bank is subject to income-tax rate of 30% (plus 12% Surcharge and 4% Health & Education Cess) under the normal provisions of the Act. However, Section 115BAA is effective from 1st day of April 2020 which provides for an option to domestic companies to opt for a reduced income-tax rate of 22% (plus 10% Surcharge and 4% Health & Education Cess) subject to the condition that they will not avail specified tax exemptions or incentives available under the Act. The Bank is eligible to exercise the option for concessional income-tax rate u/s. 115BAA, which is intended to do so immediately after adjustment of brought forward losses.

Further, the bank has already paid taxes under MAT in earlier years which is eligible to get either a refund or set off against subsequent tax payable as MAT is no more applicable to this bank as mentioned in Para A of Special Tax Benefits above.

2. Benefits available while computing Profits and Gains of Business or Profession:

The income of the Bank under the head "Profits and Gains of Business or Profession" is computed in accordance with applicable provisions of the Act read with Income Computation and Disclosure Standards (ICDS) notified u/s. 145(2) of the Act. Some of the important deductions available specifically to scheduled banks for computation of income of the Bank under the head "Profits and Gains of Business or Profession" as well as total income are detailed below:

C. TAX BENEFIT TO THE BANK

1. **<u>Section 36(1)(vii) of the Act– Allowance of bad debts written off</u>**

In view of Section 36(1)(vii) of the Act, the bank is eligible to claim a deduction for bad debts, or part thereof that has been written off as irrecoverable in the accounts of the Bank for the previous year, subject to the provisions of sections 36(2) of the Act. However, the amount of the deduction relating to any such debt or part thereof shall be limited to the amount by which such debt or part thereof exceeds the credit balance in the provision for bad and doubtful debts account (including provisions towards rural advances) maintained u/s. 36(1)(viia) of the Act

The Bank will be eligible for this deduction even if it opts for the benefit of a lower rate of tax u/s. 115BAA of the Act.

If the amount subsequently recovered in respect of such written off debt thereof, which was allowed as deduction u/s 36(1)(vii) of the Act, the recovery shall be deemed to be profits and gain of business or profession and accordingly chargeable to tax in accordance with section 41(4) of the Act in the year in which it is recovered.

2. **<u>Section 36(1)(viia) of the Act – Allowance of Provision for bad & doubtful debts</u>**

As per the provision of Section 36(1)(viia) of the Act, the Bank is eligible to claim a deduction for any provision made for bad and doubtful debts up to 8.5% of the total income (computed before making any deduction under this clause and Chapter VIA of the Act) and 10% of the aggregate average advances made by rural branches computed in the manner prescribed under Rule 6ABA of the Income-tax Rule. The Bank will be eligible for this deduction even if it opts for the benefit of the lower rate of tax u/s. 115BAA of the Act as discussed at para1 above.

3. **<u>Section 36(1)(viii) of the Act – Deduction in respect of Special Reserve</u>**

As per Section 36(1)(viii) of the Act the bank is eligible for a deduction in respect of any special reserve created and maintained by it. The amount of deduction shall not exceed 20% of the profits (before making any deduction under this clause) derived from the business of long-term finance as defined in the relevant provisions of the Act. However, if the aggregate amount carried to the Special Reserve account from time to time exceeds twice the paid-up capital and general reserves of the bank, no deduction shall be allowed on the excess amount under this section.

Furthermore, any amount withdrawn from such a Special Reserve Account would be chargeable to income tax in the year of withdrawal, in accordance with the provisions for Section 41(4A) of the Act. The Bank will be eligible for this deduction even if it opts for the benefit of lower rate of tax u/s. 115BAA of the Act as discussed at para 1 above.

4. **<u>Section 36(1)(xv) of the Act – Deduction in Securities Transaction Tax</u>**

Under Section 36(1)(xv) of the Act, securities transaction tax paid by the bank in respect of taxable securities transactions entered into in the course of its business, shall be allowed as a deduction, provided that the income arising from such taxable securities transactions is included in the income computed under the head "Profits and gains of Business or Profession".

5. **<u>Section 43D of the Act – Interest on bad & doubtful debts</u>**

As per the section 43D of the Act in case of bank, income by the way of interest on certain categories of bad and doubtful debts as specified in Rule 6EA of the Income-tax Rules, 1962, having regard to the guidelines issued by the Reserve Bank of India in relation to such debts shall be chargeable to tax only in the previous year in which such interest is received or credit to Profit and Loss Account, whichever is earlier.

D. STATEMENT OF GENERAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

1. The gains/losses arising from sale of shares will assume the character of Capital Gains or Business Income depending on the nature of holding in the hands of the shareholder and various other factors. Taxability of income on regular trading of securities will depend on facts and circumstances of each case.

2. From FY 2020-21, the provisions relating to taxability of dividend are as under:

   a) Dividend income from equity shares has been made taxable in the hands of shareholders at the applicable tax rates and the domestic company declaring / distributing / paying such dividends is no longer required to pay any DDT u/s 115O of the Act. However, the bank shall be liable to withhold taxes at 10% on dividend income exceeding Rs. 5000 paid to resident shareholders in terms of section 194 of the Act. In case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge would be restricted to 15%, if the income exceeds INR 1 crore. However, if the income is between INR 50 lakhs to INR 1 crore, surcharge at the rate of 10% shall apply. The shareholders would be eligible to claim the credit of such tax in their return of income.

   b) The bank declaring/distributing/paying dividends shall be liable to withhold taxes at the rates in force on dividend income paid to non-resident shareholders. Thus, the non-resident shareholders are liable to tax on dividend income received from domestic company u/s. 115A at 20% of gross dividend income (plus applicable surcharge and cess) subject to the provisions of the relevant DTAA read with the MLI (wherever applicable).

   c) A deduction of expenses u/s 57 of the Act shall be allowed against such dividend income only in respect of interest expense up to a maximum of 20% of such dividend.

3. As per Section 112A of the IT Act, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 12.5% (plus applicable surcharge and cess) (without indexation) of such capital gains subject to fulfilment of prescribed conditions under the IT Act as well as per Notification No. 60/201.8/F.No.370142/9/2017-TPL dated 1st October 2018. Income-tax on long term capital gains is levied where such capital gains exceed Rs.1,25,000 in an AY.

4. As per Section 111A of the Act, short term capital gains arising from transfer of a listed equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 20% (plus applicable surcharge and cess) subject to fulfilment of prescribed conditions under the IT Act.

5. A non-resident shareholder can offer the income to tax under the beneficial provisions of the Double Taxation Avoidance Agreement, if any, subject to eligibility and furnishing of requisite documents such as tax residency certificate, electronically filed Form 10F, No Permanent Establishment Certificate, etc. (as applicable). Further, a non-resident shareholder is eligible to claim foreign tax credit, based on the local laws of the country of which the shareholder is the resident.

   In case of income arising to a shareholder on account of buyback of shares (listed or unlisted) by a Company will be taxable 56(2)(i) “Dividends” as defined u/s 2(22)(f) of the act at the applicable tax rates on the proceeds as income from other sources. Shareholders can treat the cost of acquisition as capital loss, which may be carried forward for eight subsequent financial years. Consequently, companies will be responsible for deducting tax at source (TDS) at a rate of 10% u/s. 194 of the Act, for resident shareholders and at applicable rates for non-residents.

E. STATEMENT OF GENERAL DIRECT TAX BENEFITS AVAILABLE TO THE NON-RESIDENTSHAREHOLDERS INCLUDING FOREIGN PORTFOLIO INVESTORS (“FPI”) / FOREIGN INSTITUTIONAL INVESTORS(“FII”):

1. Under the provisions of Section 90(2) of the Act a non-resident will be governed by the provisions of the Double Taxation Avoidance Agreement ("DTAA") between India and the country of tax residence of the non-resident [as modified by the Multilateral convention to implement Tax treaty related measures to prevent Base Erosion and Profit Shifting (MLI) or the provisions of the Act to the extent they are more beneficial to the non-resident.

2. From FY 2020- 21, the provisions relating to taxability of dividend are as under:

   a) Dividend income from equity shares has been made taxable in the hands of shareholders at the applicable tax rates and the domestic company declaring/distributing/paying such dividends is no longer required to pay any DDT u/s. 115-O of the Act.

   b) A deduction of expenses u/s. 57 of the Act shall be allowed against such dividend income only in respect of interest expense up to a maximum of 20% of such dividend.

   c) The domestic company declaring/distributing/paying dividends shall be liable to withhold taxes at the rates in force on dividend income paid to non-resident shareholders. Thus, the non-resident shareholders are liable to tax on dividend income received from domestic company u/s. 115A at 20% of gross dividend income (plus applicable surcharge and cess) subject to the provisions of the relevant DTAA read with the MLI (wherever applicable).

3. Income arising from the transfer of shares held for more than 12 months and subject to STT, shall be considered as long-term capital assets. Assets not considered as long-term capital assets shall be considered as short-term capital assets. The characterization of gains/losses arising from sale of shares, as Capital Gains or Business Income would depend on the nature of holding in the hands of the shareholder and various other factors. The Central Board of Direct Taxes (CBDT) in a circular has clarified that income arising from transfer of listed shares and securities, which are held for more than 12 months would be taxed as "Capital Gains" unless the shareholder itself treats these as its stock-in-trade and income arising from transfer thereof as its business income.

4. Section 112A of the Act provides for a special tax rate of 12.5% (plus applicable surcharge and cess) on long term capital gains (exceeding ₹1,25,000) arising on transfer of equity shares, if STT has been paid on both acquisition and transfer in case of equity shares. The requirement of chargeability to STT is not applicable to transactions undertaken on a recognized stock exchange located in International Financia Services Centre where the consideration for such transactions is payable in foreign currency.

5. In accordance with, and subject to Section 48 of the Act read with Rule 115A of the Rules, capital gains arising on transfer of shares which are acquired in convertible foreign exchange and not covered under point E.4 above shall be computed by converting the cost of acquisition, expenditure in connection with such transfer and full value of the consideration received or accruing as a result of the transfer into the same foreign currency as was initially utilized in the purchase of shares and the capital gains computed in such foreign currency shall be reconverted into Indian currency, such that the aforesaid manner of computation of capital gains shall be applicable in respect of capital gains accruing/ arising from every reinvestment thereafter.

6. Short-term capital gains arising on transfer of the shares will be chargeable to tax at the rate of 20% (plus applicable surcharge and cess) as per the provisions of Section 111A of the Act if such a transaction is chargeable to STT. The requirement of chargeability to STT is not applicable to transactions undertaken on a recognized stock exchange located in the International Financial Services Centre where consideration for such transactions is payable in foreign currency.

7. The rate of surcharge on capital gains u/s. 111A and u/s. 112A arising on sale of equity shares for all taxpayers and capital gains on securities u/s. 115AD(1)(b) for FIIs will not exceed 15% on the income-tax.

8. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement ("DTAA"), if any, between India and the country of residence of the non-resident. As per the provisions of section 90(2) of the Act, the provisions of

the Act would prevail over the provisions of the DTAA to the extent they are more beneficial to the non-resident. As per section 90(4) of the Act, the non-residents shall not be entitled to claim relief under section 90(2) of the Act, unless a certificate of their being a resident in any country outside India, is obtained by them from the government of that country or any specified territory. As per section 90(5) of the Act, the non-residents shall be required to provide such other documents and information, as has been notified.

F. Specific Provisions Applicable to FPIs and FIIs:

1. As per Section 2(14) of the Act transfer of any shares/securities by FPIs/FIIs being invested in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 shall be treated as Capital Assets.

2. As per the amended provisions of Section 115AD of the Act:
   (i) Income by way of short-term capital gains arising to an FPI/FII on transfer of shares shall be chargeable at a rate of 30% (plus applicable surcharge and cess) where such transactions are not subjected to STT and at the rate of 20% (plus applicable surcharge and cess) if such transaction of sale is entered on a recognized stock exchange in India and is chargeable to STT;
   (ii) Income by way of long-term capital gains arising to an FPI/FII from transfer of long-term capital asset referred to in Section 112A of the Act shall be liable to tax at the rate of 12.50% (plus applicable surcharge and cess) on such income exceeding Rs.1,25,000;
   (iii) Income by way of long-term capital gains arising to a FPI/FII from the transfer of shares held in the Company (other than those taxable u/s.112A of the Act) shall be taxable at the rate of 12.50% (plus applicable surcharge and cess).

3. As per Section 196D(2) of the Act, no tax is required to be deducted from any income, by way of capital gains arising from the transfer of shares, payable to FIIs. Further, TDS on dividend shall be withheld at the rate of 20% u/s. 196D. There is a provision u/s. 196D to apply the rates as per DTAA at the time of withholding tax on dividend income payable to FIIs.

G. SPECIFIC PROVISIONS APPLICABLE TO NON-RESIDENT SHAREHOLDER BEING NON RESIDENT INDIANS (NRIs):

1. Besides the above benefits available to non-residents, NRIs have the option of being governed by the provisions of Chapter XII-A of the Act which, inter alia, entitles them to the following benefits in respect of income from shares of an Indian Company acquired, purchased or subscribed to in convertible foreign exchange:

   a) Section 115E of the Act provides that NRIs will be taxed at 12.5% (plus applicable surcharge and cess) on long-term capital gains arising on sale of shares of the Company which are acquired in convertible foreign exchange. However, as per section 115F of the act, long-term capital gains are exempt if the net consideration is reinvested in specified assets within six months subject to the conditions and to the extent specified therein.

   b) In accordance with the provisions of Section 115G of the Act, NRIs are not obliged to file a return of income u/s. 139(1) of the Act if their only source of income is income from investments or long-term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.

H. Specific provisions applicable to Mutual Funds:

Section 10(23D) of the Act provides that any income earned by a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992, or a Mutual Fund set up by a public sector bank or a public financial institution, or a Mutual Fund authorized by the Reserve Bank of India would be exempt from income-tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf. As per Section 196 of the Act, no tax is to be deducted from any income payable to a Mutual Fund specified u/s. 10(23D) of the Act.

I. Specific provisions applicable to Venture Capital Companies/Funds:

Section 10(23FB) of the Act provides that any income of Venture Capital Company or Venture Capital Fund, to whom the certificate of registration is granted under SEBI (Venture Capital Funds) Regulations, 1996 before May 21, 2012 or has been granted a certificate of registration as Venture Capital Fund as a sub-category I Alternative Investment Fund and is regulated under SEBI (Alternative Investment Funds Regulations) 2012, under the SEBI Act, 1992, from a Venture Capital Undertaking would be exempt from income tax, subject to conditions specified therein. As per Section 115U of the Act any income derived by a person from his investment in Venture Capital Company/Venture Capital Fund would be taxable in the hands of the person making an investment in the same manner as if it were the income accruing or arising to or received by such person had the investments been made directly in the Venture Capital Undertaking.

J. Specific provisions applicable to Investment Funds:

1. As per section 10(23FBA), income (other than business income) of an Investment Fund, registered as Category I or II AIF, is exempt from tax. However, under Section 115UB, business income of an Investment Fund is taxed at the applicable rate based on its legal status (Trust, LLP, Company, or Body Corporate), while other income is taxed in the hands of the unit holders. Category III AIFs are taxed based on the legal status of the fund. In case the fund is set up as a 'Trust' principles of trust taxation should apply.

K. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS UNDER THE ACT

There are no Special Tax benefits are available to the shareholders of the bank for investing in the shares of the bank.

Notes:

The above statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of shares of the bank under the current direct tax laws presently in force in India. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law. Several of these benefits are dependent on the company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.

THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE BANK AND ITS SHAREHOLDERS UNDER THE INDIRECT TAX LAWS IN INDIA

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962, and the Customs Tariff Act, 1975 (collectively referred to as "Indirect tax laws").

A) To the Company

• As per the GST law (vide GST notification no 12/2017- Central Tax (Rate) dated 28 June 2017), income earned out of extending deposits, loans, or advances, insofar as the consideration is represented by way of interest or discount, is exempted from the payment of GST. Thus, interest income earned by the company is exempted from the payment of GST.

• Further, in accordance with the provisions of the GST law, every registered person is required to reverse input tax credit attributable to the exempt income (arrived at by determining the ratio of exempt income over total income). However, the Bank is given an option to reverse merely 50% of their total eligible input tax credit.

B) To the Shareholders

There are no special indirect tax benefits available to the shareholders of the company.

Notes:

We do not express any opinion or provide any assurance as to whether the bank or its shareholders will continue to obtain these benefits in future. The above overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the securities, particularly since certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. This Statement is prepared on the basis of information available with the management of the Bank and there is no assurance that:

i. The Bank or its shareholders or material subsidiaries will continue to obtain these benefits in future.

ii. The conditions prescribed for availing the benefits have been/ would be met with; and

iii. The revenue authorities/courts will concur with the view expressed herein. Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of the Act and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards investors who may or may not invest in the proposed issue relying on this statement. This statement has been prepared solely in connection with the Issue under the Regulations as amended.

POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND THE SHAREHOLDERS UNDER INDIRECT TAX LAWS

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962, and the Customs Tariff Act, 1975 (collectively referred to as "Indirect tax laws").

A) To the Company

• As per the GST law (vide GST notification no 12/2017- Central Tax (Rate) dated 28 June 2017), income earned out of extending deposits, loans, or advances, insofar as the consideration is represented by way of interest or discount, is exempted from the payment of GST. Thus, interest income earned by the company is exempted from the payment of GST.

• Further, in accordance with the provisions of the GST law, every registered person is required to reverse input tax credit attributable to the exempt income (arrived at by determining the ratio of exempt income over total income). However, the Bank is given an option to reverse merely 50% of their total eligible input tax credit.

B) To the Shareholders

There are no special indirect tax benefits available to the shareholders of the company.

LEGAL PROCEEDINGS

Our Bank and its Subsidiaries are involved in various legal proceedings from time to time, mostly arising in the ordinary course of business. Our Bank believes that the number of proceedings and disputes in which our Bank are involved is not unusual for a bank of our size doing business in India and in international markets. These legal proceedings are primarily in the nature of tax proceedings, recovery proceedings, consumer disputes, regulatory and statutory proceedings, criminal complaints and other civil proceedings, pending before various adjudicating forums. Further, certain regulatory and statutory authorities such as the Reserve Bank of India, the banking ombudsman, various tax authorities and other authorities have, in the past, taken action and/or imposed penalties against our Bank and its Subsidiaries, including those during routine inspections undertaken in the ordinary course of business.

*This section discloses outstanding legal proceedings which have been considered material in accordance with our Bank's periodically published disclosure policies framed and approved vide the Board of Directors vide its resolution dated March 22, 2025 in accordance with Regulation 30 of the SEBI Listing Regulations ("**Policy of Materiality**")*

*Additionally, solely for the purpose of the Issue, our Bank has also disclosed in this section, to the extent applicable, (i) all outstanding criminal proceedings involving our Bank, its subsidiaries and its Directors; (ii) all outstanding actions by statutory or regulatory authorities (such as SEBI, RBI, Stock Exchanges or such similar authorities) against our Bank, its subsidiaries and its Directors, and all notices and actions by regulatory authorities against our Bank in the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the period till the date of this Preliminary Placement Document, in each case other than in the ordinary course of business; (iii) any other outstanding civil litigation involving our Bank, its subsidiaries and its Directors, where the amount involved in such proceeding is exceeding ₹ 90.37 crore (approximately 5% of the average of absolute value of profit after tax, as per the last three audited financial statements) ("**Materiality Threshold**") or above; and (iv) any other outstanding litigation involving our Bank, its subsidiaries and its Directors, wherein the amount involved cannot be determined or is below the Materiality Threshold, but an adverse outcome of which could materially and adversely affect the reputation, operations or financial position of our Bank, as on the date of this Preliminary Placement Document. Further, all outstanding direct and indirect taxes proceedings involving our Bank, its subsidiaries and its Directors, have been disclosed herein, where the amount involved in such proceedings exceeds the Materiality Threshold. Further, the banking ombudsman has imposed certain penalties on our Bank and the cumulative amounts of the penalties imposed on our Bank as on date of this Preliminary Placement Document have been disclosed.*

It is clarified that for the purposes of the above, pre-litigation notices received by our Bank, its subsidiaries and its Directors from third parties (excluding those notices issued by statutory/regulatory authorities) have not been disclosed in this Preliminary Placement Document unless the above-mentioned entities have been impleaded as a defendant or respondent in a litigation proceeding before any judicial forum or arbitral tribunal. In the ordinary course of business, especially in relation to recovery of loans, the Bank initiates criminal proceedings under applicable laws, which have not been disclosed in this Preliminary Placement Document separately unless the amount involved therein is more than the Materiality Threshold.

A consolidated disclosure for dishonour of cheques (under Section 138 of the Negotiable Instruments Act, 1881), cases under the Banking Ombudsman Scheme and fraud reporting has been made in this Preliminary Placement Document. In the ordinary course of business, our Bank is also involved in litigation instituted by its employees, including in relation to retrenchment, gratuity etc. and cases instituted by its customers before the designated banking ombudsman.

1. *Litigation against our Bank*

A. Criminal Cases:

a) A criminal application **("Complaint")** was filed by Deepak Khemka, **("Complainant")** before the Chief Metropolitan Magistrate, Kolkata **("Court")** on December 27, 2013 against the Bank and others **("Defendants")**. The Complainant filed the application against the Defendants under section 156(3) of the Criminal Procedure Code, 1973 alleging criminal breach of trust by misappropriating the securities and other movable and immovable properties kept with Bank as mortgage for securing a loan. The Court pursuant to order dated February 08, 2014 referred the matter to Hare Street Police Station, Kolkata for the further investigation. On July 20, 2015 Hare Street Police Station, Kolkata filed a report stating that the current dispute is of civil nature and there is no misappropriation of securities. Aggrieved by the charge sheet prepared by the Hare Street Police Station, Kolkata, the Complainant filed a petition No. GR 342/2014 (“**Petition**”) on January 24, 2018 before the Chief Metropolitan Magistrate, Calcutta. The Chief Metropolitan Magistrate court accepted the Petition dated January 24, 2018 as a Complaint. Consequently, the Petition was registered as CS No. 49103/2022, and summons were issued to the Defendants. The matter is currently pending.

b) On May 28, 2019, Anangapal Singh ("**Applicant**") filed an application under Section 156(3) of the Criminal Procedure Code, 1973 against the Central Bank of India, Mansoornagar branch ("**Respondent**"), before the Chief Judicial Magistrate, Hardoi. The Applicant had availed a loan of ₹ 0.02 crore (“**Loan Amount**”) from our Bank and deposited the Loan Amount into his savings account. The Applicant alleged that the Loan Amount is not reflected in his savings account or his kisan credit card account. The Applicant further alleged that the branch manager of the Respondent misbehaved with him when he visited the Bank to inquire about the mismanagement of the Loan Amount. A legal notice was sent to our Bank on May 07, 2018 seeking details of amount deposited by him. The Applicant filed the application under section 156(3) of Criminal Procedure Code, 1973before the Chief Judicial Magistrate, Hardoi dated May 28, 2019alleging that the amount deposited by him has been dishonestly embezzled and for passing necessary order for investigation of the matter. The matter is currently pending.

c) A criminal complaint No. 1046/2023 was filed by Lt. col M.S Raju (Retd.) **(“Complainant”)** before the Hon’ble II Additional Metropolitan Magistrate at Malkajgiri against our Bank **(“Respondent No 1 or the Bank”)**, Zonal Manager, Central Bank of India, **(“Respondent No 2”)**, M/s American Express Banking Corp, **(“Respondent No 3”)**, State Bank of India, cards and Payments Services Private Limited, **(“Respondent No 4”)**, Trans Union CIBIL Limited, **(“Respondent No 5”)**, State Bank of India, Defence Colony Branch. **(“Respondent No 6”)**, (together called **‘Respondents’**) under Section 200 of the Criminal Procedure Code, 1973. The Complainant alleged that his loan application was rejected by the Respondents stating that the Complainant is in default of various credit card payments. The Complainant lodged a complaint No. N202223009002899 dated May 20, 2022 with the Reserve Bank of India stating this as false accusation. In response, our Bank rectified its records by removing the Complainant's entries from its CIBIL report. However, Respondent No. 4 failed to make any corrections to the Complainant's data. Aggrieved by the action of all the Respondents the complainant filed the complaint before the II Additional Metropolitan Magistrate (“**Court**”). The Court referred the case to police for investigation under section 156(3) of the Criminal Procedure Code, 1973 Accordingly, a FIR November 08, 2023 was lodged by the police bearing Crime No. 1046/2023 under section 499, 500, 501 IPC, 200, and 156(3) of the Criminal Procedure Code, 1973. Our Bank filed a criminal petition No. 5636 of 2024 dated May 08, 2024 before the High court of Telangana to quash all the proceeding as the issue has been resolved by Ombudsman (Reserve Bank of India) on June 30, 2022. The Complainant filed a counter affidavit before the High Court of Telangana dated June 28, 2024 requesting the Court to dismiss the petition of the Bank and allow the police for the further investigation. The matter is currently pending.

B. Outstanding action against the Bank by statutory or regulatory authorities

As on the date of this Preliminary Placement Document, there are no outstanding actions against the Bank by statutory or regulatory Authorities

C. Civil cases above the materiality threshold against the Bank

As on the date of this Preliminary Placement Document, there are no civil cases above the Materiality Threshold, against our Bank.

D. Cases filed against the Bank under SARFAESI action taken by our Bank

As on March 31, 2024, borrowers in 846 cases whose accounts have been declared as Non-Performing Assets (“NPAs”) have challenged our Bank’s actions, under the SARFAESI Act for recovery of dues.

D. Banking Ombudsman Complaints

The Banking Ombudsman has imposed fines and penalties on our Bank based on complaints received from our customers alleging, inter alia, failure by our Bank to dispense amount from ATMs, fraudulent debit of accounts, failure to provide interest subsidy loan facilities availed of by persons belonging to economically weaker sections and discrepancies in remittances. As on date of this Preliminary Placement Document, there are 208 complaints filed by various customers before the Banking Ombudsman.

E. Taxation cases above the materiality threshold involving the Bank

Direct Tax Cases

As on the date of this Preliminary Placement Document, the Bank is involved in 45 direct tax proceedings with an aggregate amount involved being ₹ 6,025.53 crore, of which there are 23 cases which meet the Materiality Threshold aggregating to ₹ 5,928.05 crore which are currently pending before various income tax authorities and High Courts.

Indirect Tax

As on the date of this Preliminary Placement Document, the Bank is involved in 30 indirect tax proceedings, currently pending, with an aggregate amount involved being ₹ 15.12 crore, none of which meet the Materiality Threshold.

2. Litigation by our Bank

A. Criminal cases filed by our Bank

A criminal complaint/FIR No. 133-2019 dated February 03, 2019 was filed by Nirbhay Madhusudan Jha, the Branch Manager of the Sajipur Bogha branch of our Bank, against Nikul Kaniyalal Bhatt ("**Defendant**"). The Defendant acted as a guarantor for a loan availed by Jayeshbhai C. Joshi (the "**Borrower**") from our Bank, with the Defendant's property provided as collateral. The Borrower could not service the loan and the account was declared as non-performing asset on May 17, 2018. The Debt Recovery Tribunal ("**DRT**"), in its order dated March 6, 2018, ruled in favor of our Bank, directing the possession of the Defendant's property. The Complainant alleged that the Defendant violated the DRT order by breaking the seal on the property and renting it to a third party. In response, our Bank filed a First Information Report against the Defendant for these actions. The matter is currently pending before the 5th Addl. Sr. Civil Judge & A.C.J.M, Ahmedabad.

1. Cases filed under Section 138 of Negotiable Instruments Act, 1881

A total of 2,090 legal proceedings filed by our Bank are pending as on date of this Preliminary Placement Document, against accused persons under section 138 of the Negotiable Instruments Act, 1881 and the amount involved in such cases aggregate to a sum of ₹ 180,74 crore.

2. Fraud Complaints

Our Bank has a centralized Fraud Risk Management Cell ("**FRMC**") created under Risk Management Department ("**RMD**") of the Bank.

The authority for deciding any case as fraud is as under:

Sr No	Amount Involved	Fraud Declaration Committee, FDC(I/II/III)
1	Up to ₹ 25 lakh	FDC-I (Chairman-CRO)
2	Above ₹ 25 lakh up to ₹ 1 Crore	FDC-II (Chairman-Executive Director)
3	Above ₹ 1 Crore	FDC-III (Chairman-MD & CEO)

The guidelines of RBI for reporting cases of fraud to Police / CBI are as under:

Sr No	Amount Involved	LEA to whom complaint should be lodged
1	Below ₹ 6 Crore	State/UT Police
2	₹ 6 Crore and Above	Central Bureau of Investigation (CBI)

As on December 31, 2024, our Bank has reported 228 cases before various police stations and CBI, in accordance with RBI circulars and guidelines on fraud classification and reporting dated July 15, 2024. The amount involved in such matters on a consolidated basis is ₹ 70.03 crore. The matters are pending at various stages of adjudication.

B. Debt Recovery Proceedings

As on date of this Preliminary Placement Document, our Bank is involved in 6,252 debt recovery proceedings with the aggregate claim amount involved being ₹ 4,3831.66 Crore of which 59 cases meet the Materiality Threshold with the aggregate amount involved being to ₹ 17,529.70 Crore which are currently pending before various Debt Recovery Tribunals.

C. Insolvency Proceedings

As on date of the Preliminary Placement Document, our Bank is involved in 239 insolvency proceedings with the aggregate amount involved being ₹ 25,978.17 Crore, of which there are 64 cases which meet the Materiality Threshold with the aggregate amount involved being ₹ 21,264.25 crore which are currently pending before various benches of the National Company Law Tribunal / National Company Appellate Law Tribunal.

3. Litigation involving the Subsidiary

A. Criminal case involving the Subsidiary

a) A criminal complaint **("Complaint")** was filed by Cent Bank Home Finance Limited **("Complainant")** before the Chief Metropolitan Magistrate, Delhi **("Court")** against Anjali and others **("Defendants")** dated May 28, 2024. The Complainant has filed the complaint against the Defendants under sections 156(3) of the Criminal Procedure code, 1973 alleging criminal breach of trust knowingly and intentionally committed offence punishable under sections 406, 409, 419, 420, 467, 468,120-B and34 of the Indian Penal Code, 1860. The Defendants availed a loan from Complainant to purchase an immovable property. The loan was sanctioned by the Complainant on December 28, 2022. On account of the Defendants being unable to pay their EMIs, their account was classified as Non-performing Assets on December 9, 2023 by the Complainant. A notice under Section 13(2) of the SARFAESI Act was issued on February 8, 2024 to the Defendants. Thereafter, the Complainant filed this complaint , before the Court. The matter is currently pending.

b) A criminal complaint **("Complaint")** was filed by Cent Bank Home Finance Limited **("Complainant")** before the Chief Metropolitan Magistrate, Delhi **("Court")** against Ahonkar Roy and Minaxee Shikari and others **("Defendants")** dated May 28, 2024. The Complainant has filed the complaint against the Defendants under sections 156(3) of the Criminal Procedure code, 1973 alleging criminal breach of trust knowingly and intentionally committed offence punishable under sections 406, 409, 419, 420, 467, 468,120-B and34 of the Indian Penal code, 1860. The Defendants availed a loan from Complainant to purchase an immovable property by mortgaging sale deed. The Complainant sanctioned the loan dated November 30, 2022 to the Defendants. On account of the Defendants being unable to pay their EMIs, their account was declared as Non-performing assets on December 09, 2023 by the Complainant. A notice under Section 13(2) of the SARFAESI Act was also issued on February 08, 2024 to the Defendants. Thereafter, the Complainant filed the Complaint to register the F.I.R against the Defendants before the Court alleging that the local police failed to take any action.. The matter is currently pending.

c) A criminal complaint **("Complaint")** was filed by Cent Bank Home Finance Limited **("Complainant")** before the Chief Metropolitan Magistrate, Delhi **("Court")** against Surendra Singh, Mamta Devi and Sanjeev Gupta **("Defendants")**. The Complainant has filed the complaint against the Defendants under sections 156(3) of the Criminal Procedure code, 1973 alleging criminal breach of trust knowingly and intentionally committed offence punishable under sections 406, 409, 420, 467 and120-B of the Indian Penal code, 1860. The Defendants availed a loan from Complainant to purchase a property on the basis of sale deed between the Defendants and Sanjeev Gupta. The loan was sanctioned dated September 29, 2019 to the Defendants. The Defendants being unable to pay their EMIs, their account was declared as Non-performing assets on April 10, 2021. A notice under Section 13(2) of the SARFAESI Act was also issued to the Defendants. The said property was then auctioned and purchased by Deepak Lakhwar dated September 28, 2022. Thereafter, Deepak Lakhwar applied for a loan and a fresh legal report was submitted by the Complainant. The report stated that Sanjeev Gupta has already executed sale deed of same property on October 01, 2019 in favour of Shubham Kumar Gupta and again executed sale deed in favour of Mr. Surendra Kumar on dated October 04, 2019 for same property. Complainant approached the paharaganj police station to register the F.I.R. However, no action was taken by the police. Thus, the Complainant filed this Complaint against the Defendants before the Court The matter is currently pending.

B. Civil cases above the materiality threshold involving the Subsidiary

As on the date of this Preliminary Placement Document, there are no civil cases exceeding the Materiality Threshold involving the Subsidiary.

C. Taxation cases above the materiality threshold involving the Subsidiary

Direct Tax Cases

As on the date of this Preliminary Placement Document, the Subsidiaries is involved in 5 direct tax proceedings with an aggregate amount involved being ₹ 7.91 crore which are currently pending before various income tax authorities and High Courts, none of which meet the Materiality Threshold.

Indirect Tax

As on the date of this Preliminary Placement Document, the Subsidiaries is involved in 5 indirect tax proceedings, currently pending, with an aggregate amount involved being ₹ 0.24 crore which are currently pending before various income tax authorities, none of which meet the Materiality Threshold.

D. Outstanding actions by statutory or regulatory authorities (such as SEBI, RBI, Stock Exchanges or such similar authorities) against the Subsidiary

As on the date of this Preliminary Placement Document, there are no regulatory actions involving the Subsidiary

4. Litigation Involving our Directors

A. Criminal cases involving our Directors

As on the date of this Preliminary Placement Document, there are no criminal cases involving any our Directors.

B. Civil cases involving our Directors

As on the date of this Preliminary Placement Document, there are no civil cases above the Materiality Threshold, involving any our Directors.

C. Material Tax Proceedings involving our Directors

As on the date of this Preliminary Placement Document, there are no tax proceedings above the Materiality Threshold, involving any of our Directors.

D. Outstanding actions by statutory or regulatory authorities (such as SEBI, RBI, Stock Exchanges or such similar authorities) against our Directors

As on the date of this Preliminary Placement Document, there are no tax proceedings above the Materiality Threshold, involving any of our Directors.

OUR STATUTORY AUDITORS

As on the date of this Preliminary Placement Document, M/s. A R & Co., Chartered Accountants, M/s. A D B & Company, Chartered Accountants, M/s. Amit Ray & Co, Chartered Accountants and M/s. Jain Paras Bilala & Co, Chartered Accountants, are the Statutory Central Auditors of our Bank (the "**Statutory Auditors**"). Our Bank's financial statements are prepared in accordance with Indian GAAP under the guidelines issued by the ICAI, guidelines issued by the RBI from time to time and practices generally prevailing in the banking industry in India. The Bank's financial statements included in this Preliminary Placement Document were audited, as the case may be, by a rotation of auditors appointed by RBI.

Our audited consolidated financial statements and standalone financial statements as at and for Fiscal 2024 included in this Preliminary Placement Document were jointly audited by Kishore & Kishore, Chartered Accountants, A.R & Co., Chartered Accountants, and ADB & Company, Chartered Accountants.

Our audited consolidated financial statements and standalone financial statements as at and for Fiscal 2023 included in this Preliminary Placement Document were jointly audited by Chhajed & Doshi, Chartered Accountants, A S K A & CO, Chartered Accountants, Kishore & Kishore, Chartered Accountants and A.R & Co., Chartered Accountants.

Our audited consolidated financial statements and standalone financial statements as at and for Fiscal 2022 included in this Preliminary Placement Document were jointly audited by S. Jaykishan, Chartered Accountants, Chhajed & Doshi, Chartered Accountants, A S K A & Co, Chartered Accountants and Kishore & Kishore, Chartered Accountants.

Our unaudited reviewed standalone and consolidated financial results, which comprises of the standalone and consolidated balance sheet as of December 31, 2024 and the related standalone and consolidated profit & loss account for the nine-month period ended December 31, 2024 and selected explanatory notes thereon, subjected to a limited review were jointly audited by, A.R. & Co., Chartered Accountants, ADB & Company, Chartered Accountants, Amit Ray & Co., Chartered Accountants, and Jain Paras Bilala & Co., Chartered Accountants.

Our unaudited reviewed standalone and consolidated financial results of our Bank, which comprises of the standalone and consolidated balance sheet as of December 31, 2023 and the related standalone and consolidated profit & loss account for the nine months period ended December 31, 2023 and selected explanatory notes thereon, subjected to a limited review were jointly audited by Kishore & Kishore, Chartered Accountants, A.R. & Co., Chartered Accountants, and ADB & Company, Chartered Accountants**.**

GENERAL INFORMATION

1. Our Bank was incorporated on December 21, 1911 under the Indian Companies Act, 1882 (Act VI of 1882) as "The Central Bank of India Limited". Subsequently, in 1969, our Bank was nationalized under the Banking Companies Act on July 19, 1969 and was renamed as "Central Bank of India".

2. The Head Office of the Bank is located at Chandermukhi, Nariman Point, Mumbai 400 021.

3. The website of the Bank is https://www.centralbankofindia.co.in

4. The Equity Shares were listed on the BSE and NSE on August 21, 2007.

5. This Issue has been authorised and approved by the Board, through its resolution dated April 30, 2024, and our Shareholders through a special resolution passed at the AGM held on July 16, 2024.

6. Our Bank has received in-principle approvals under Regulation 28(1) of the SEBI Listing Regulations from both BSE and NSE on March 24, 2025. We will apply for final listing and trading approvals of the Equity Shares on the Stock Exchanges.

7. Our Bank has also obtained the necessary consents, approvals and authorisations required in connection with the Issue, including the approval from RBI dated April 02, 2024, and approval from the Department of Financial Services, Ministry of Finance, GoI dated October 15, 2024.

8. As on the date of this Preliminary Placement Document, M/s. A R & Co., Chartered Accountants, M/s. A D B & Company, Chartered Accountants, M/s. Amit Ray & Co, Chartered Accountants and M/s. Jain Paras Bilala & Co, Chartered Accountants, are the statutory auditors of our Bank.

9. Except as disclosed in this Preliminary Placement Document, there are no litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue.

10. The Floor Price for the Equity Shares under this Issue is ₹ 42.62 per Equity Share which has been calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Bank may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176(1) of the SEBI ICDR Regulations.

11. Our Bank and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at his or her own risk.

FINANCIAL INFORMATION

S. JAYKISHAN Chartered Accountants 12 Ho Chi Minh Sarani Suite No. 2D 2E & 2F 2nd Floor, Kolkata- 700071	**CHHAJED & DOSHI** Chartered Accountants 101, Hubtown Solaris, N.S. Phadke Marg, Andheri (East), Mumbai - 400063
A S K A & CO. (Formerly Ambedkar Shelkar Karve & Ambardekar) Chartered Accountants 501, Mirage Arcade, Opp. Ganesh Mandir, Off. Phadke Road, Dombivili (East), Mumbai -421201	**KISHORE & KISHORE** Chartered Accountants C-7, Sector E (New), Aliganj, Lucknow- 226024

INDEPENDENT AUDITORS' REPORT

To
The Members of
Central Bank of India
Mumbai

Report on Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Central Bank Of India** ('the Bank'), which comprise the Balance Sheet as at 31st March 2022, the Profit and Loss Account and the Cash Flow Statement for the year then ended, and notes to 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 the Head Office, 12 Zones, 1 Specialized Integrated Treasury Branch and 20 branches audited by us and 1869 branches audited by respective statutory branch 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. Also incorporated in the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement are the returns from 2639 branches which have not been subjected to audit. These unaudited branches account for 16.76 per cent of advances, 34.97 per cent of deposits, 9.27 per cent of interest income and 33.12 per cent of interest expenses.

2. 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 (hereinafter referred to as "the Act") in the manner so required for the 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 31st March, 2022;

   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

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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

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the "Auditors' 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 Institute of Chartered Accountants of India 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 the ICAI, 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 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 on the standalone financial statements.

Emphasis of Matter

4. We draw attention to:

a) Note no. 15 (v) of Schedule 18 to the standalone financial statements regarding amortization of additional liability on revision of family pension amounting to ₹ 821.95 crore. The Bank has charged an amount of ₹ 544.52 crore to the Profit and Loss Account for the year ended 31st March 2022 and the balance unamortised expense has been carried forward pursuant to RBI circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dt. 4th October,2021.

b) Note no. 1(d) of Schedule 18 to the standalone financial statements regarding set-off of accumulated losses amounting to ₹ 18724.22 crore against the available balance in share premium account after obtaining approval from the shareholders and the Reserve Bank of India.

c) Note no. 20(g) of Schedule 18 to the standalone financial statements regarding deferred tax, wherein on the basis of tax review made by the Bank's management with respect to the possible tax benefits arising out of the timing difference, the net deferred tax asset of ₹ 6862.05 crore is recognised as on 31st March 2022 (₹ 7545.68 crore as on 31st March 2021).

d) Note No. 11 of Schedule 18 to the standalone financial statements, which describes the uncertainties due to the COVID-19 pandemic and management's evaluation of impact on the Bank's financial performance which will depend on future developments, which are uncertain.

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

Key Audit Matters

5. 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 31st March 2022. 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.

Key Audit Matters	Auditors' response
1. Identification and provisioning of non-performing advances made in accordance with the prudential norms prescribed by Reserve Bank of India on Income recognition, Asset Classification and provisioning pertaining to Advances (refer Schedule 9 read with Note 2 of Schedule 17 to the standalone financial statements) Advances comprise substantial portion of the Bank's total assets. Identification of non-performing advances (NPAs) is carried out, based on system identification, by the Core Banking Solution (CBS) software in operation based on the various controls and logic embedded therein. Provisions in respect of such NPAs and restructured advances are made based on management's assessment of the degree of impairment of the advances subject to and guided by the minimum provisioning levels prescribed under RBI guidelines, prescribed from time to time. The provisions on NPAs are also based on the valuation of the security available. In case of restructured accounts, provision is made in accordance with the RBI guidelines. We identified NPA identification and provision on loans and advances as a key audit matter because of the significant efforts involved by the management in identifying NPAs based on the RBI Guidelines, the level of management judgement involved in determining the provision (including the provisions on assets which are not classified as NPAs), the valuation of security of the NPAs and on account of the significance of these estimates to the standalone financial statements of the Bank.	Our audit approach included assessment of the design, operating effectiveness of key internal controls over approval, recording and monitoring of loans and substantive audit procedures in respect of income recognition, asset classification and provisioning pertaining to advances. In particular: • We have evaluated and understood the Bank's internal control system in adhering to the relevant RBI guidelines regarding income recognition, asset classification and provisioning pertaining to advances. • We assessed and evaluated the process of identification of NPAs, and corresponding reversal of income and creation of provision. • We have analyzed and understood key IT systems/ applications used operational effectiveness of relevant controls including involvement of manual process and manual controls in relation to income recognition, asset classification and provisioning pertaining to advances. In order to ensure the effectiveness of the operation of the key controls and compliance to the directions of the RBI, we have verified whether both CBS system and the management have: • timely recognized the depletion in the value of available security. • made adequate provisioning based on such time-to-time monitoring and identification of asset classification including accounts which meet the criteria for asset classification benefit in accordance with the Reserve Bank of India COVID-19 Regulatory Package. • We placed reliance upon the Independent Auditor's Report of the respective Branch Auditors with respect to income recognition, asset classification and provisioning as well as

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	Memorandum of changes suggested both at the branches and at Head Office.
2. Investments Investment portfolio of the Bank comprises of investments in government securities, bonds, debentures, shares, security receipts and other approved securities which are classified under three categories, Held to Maturity, Available for Sale and Held for Trading. Investments comprise a substantial portion of the Bank's total assets. Valuation of Investments, identification of Non-Performing Investments (NPI) and the corresponding non-recognition of income and provision thereon, is carried out in accordance with the relevant circulars / guidelines / directions of RBI. (refer Schedule 8 read with Note 4 of Schedule 17 to the standalone financial statements) The valuation of each type of aforesaid security is to be carried out as per the methodology prescribed in the circulars and directives issued by the RBI which involves collection of data/ information from various sources such as FBIL rates, rates quoted on BSE/ NSE, financial statements of unlisted companies, NAV in case of security receipts etc. As per the RBI directions, there are certain investments that are valued at market price however certain investments are based on the valuation methodologies that include statistical models with inherent assumptions, assessment of price for valuation based on financial statements etc. The price discovered for the valuation of these Investments is only a fair assessment of the Investments. Hence, the valuation of Investments requires special attention and further in view of the significance of the amount of Investments in the financial statements, the same has been considered as Key Audit Matter in our audit.	Our audit approach towards Investments with reference to the RBI circulars/ directives included the review and testing of the design, operating effectiveness of internal controls and substantive audit procedures in relation to valuation, classification, identification of Non-Performing Investments, provisioning/ depreciation related to Investments. In particular: • We assessed and understood the system and internal control as laid down by the Bank to comply with relevant RBI guidelines regarding valuation, classification, identification of Non- Performing Investments, Provisioning and depreciation on Investments. • Tested accuracy and compliance for selected sample of investments with the RBI Master circulars and directions by re-performing valuation for each category of security in accordance with the RBI guidelines. • We assessed and evaluated the process of identification of NPIs, and corresponding reversal of income and creation of provision. • We carried out substantive audit procedures to re-compute independently the provision to be created and depreciation to be provided. • We assessed that the standalone financial statement disclosures appropriately reflected the Bank's exposure to investments valuation risks with reference to the requirements of the prevailing accounting standards and the RBI guidelines.

3. 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.
4. Provisions, Contingent Liabilities and Claims: Assessment of Provisions and Contingent Liability in respect of certain litigations on various claims filed by other parties not acknowledged as debt (Note No. 11 of Schedule 17 and Note No. 20. i. of Schedule 18).	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

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.	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.

Information other than the standalone financial statements and Auditors' report thereon

6. The Bank's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report, which we obtained at the time of issuance of this auditors' report, and the Directors' Report including annexures, and Management Discussion and Analysis which is expected to be made available to us after that date but does not include the financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and the Pillar 3 disclosures under Capital Adequacy Framework (Basel III disclosures) 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 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.

   If, based on the work we have performed on the other information that we obtained prior to the date prior to the date of auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Directors' Report including annexures, and Management Discussion and Analysis, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

Responsibilities of Management and those charged with governance for the Standalone financial statements

7. 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 applicable Accounting Standards, 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 ("RBI guidelines") and judicial pronouncements. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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. The Board of Directors is also responsible for overseeing the Bank's financial reporting process.

Auditors' responsibilities for the audit of the standalone financial statements

8. 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 auditors' 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 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 skepticism throughout the audit. We also:

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

We communicate with those charge 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

9. We did not audit the financial statements/ information of 1869 branches included in the standalone financial statements of the Bank whose financial statements / financial information reflect total assets of ₹ 2,30,319.41 crore as at 31st March 2022 and total revenue of ₹ 6,490.25 crore for the year ended on that date, as considered in the standalone financial statements. These branches cover 43.90 per cent of advances, 61.16 per cent of deposits and 22.92 per cent of non-performing assets as at 31st March 2022 and 25.19 per cent of revenue for the year ended 31st March 2022. 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 branches, is based solely on the report of such branch auditors.

10. In the conduct of our audit, we have taken note of the unaudited returns in respect of 2639 branches certified by the respective branch's management whose financial statements/ information reflect total assets of ₹ 58318.30 crore as at 31st March 2022 and total revenue of ₹ 2836.01 crore for the year ended on that date. These unaudited branches cover 16.76 per cent of advances, 34.97 per cent of deposits and 8.76 per cent of non-performing assets as on 31st March 2022 and 11.01 per cent of revenue for the year then ended.

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

Report on Other Legal and Regulatory Requirements

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

12. Subject to the limitations of the audit indicated in paragraphs 7 to 10 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 purposes of our audit.

13. 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 issued by ICAI, 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 as required by the RBI Letter No. DOS. ARG. No. 6270/ 08.91.001/2019- 20 dated March 17, 2020 (as amended) is given in **Annexure A** to this report. Our report expresses an unmodified opinion on the Bank's internal financial controls

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over financial reporting with reference to the standalone financial statements as at 31st March 2022.

14. 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 standalone Balance Sheet, the standalone 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 under 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 S JAYKISHAN CHARTERED ACCOUNTANTS F.R. No.309005E **(CA RITESH AGARWAL)** PARTNER M.No.062410 UDIN: 22062410AIPWMB7737	**FOR CHHAJED & DOSHI** CHARTERED ACCOUNTANTS F.R. No.101794W **(CA KIRAN K DAFTARY)** PARTNER M.No.010279 UDIN: 22010279AIPVUH9802
FOR A S K A & CO. CHARTERED ACCOUNTANTS F.R. No.122063W **(CA VIJAY SHELAR)** PARTNER M.No.101504 UDIN: 22101504AIPVUC2673	**FOR KISHORE & KISHORE** CHARTERED ACCOUNTANTS F.R. No. 000291N **(CA P.R. KARANTH)** PARTNER M.No. 018808 UDIN: 22018808AIPVVF2318

Date: 09-05-2022

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 12 (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 as required by the Reserve Bank of India (the "RBI") Letter DOS. ARG. No.6270/08.91.001/2019-20 dated March 17, 2020 (as amended) (the "RBI communication")

1. We have audited the internal financial controls over financial reporting of Central Bank of India ("the Bank") as at March 31, 2022 in conjunction with our audit of the standalone financial statements of the Bank for the year ended on that date which includes internal financial controls over financial reporting of the Bank's branches.

Management's Responsibility for Internal Financial Controls

2. The Bank's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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

3. Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting 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 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal financial controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditors, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

4. 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

5. 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

6. 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, 2022, 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

7. Our aforesaid report in so far as it relates to the operating effectiveness of internal financial controls over financial reporting of 70 (seventy) branches is based on the corresponding reports of the respective Central Statutory Auditors / Statutory Branch Auditors of those branches.

During our testing of the internal financial controls over financial reporting and based on the report of the branch auditors, certain matters were noticed by us. Bank needs to further strengthen the process including alteration of the existing Risk Control Matrix (RCM) and designing a few more RCMs. Our suggestions in this regard have been submitted to the management to further strengthen the internal financial controls over financial reporting of the Bank.

Our opinion is not modified in respect of this matter.

FOR S JAYKISHAN CHARTERED ACCOUNTANTS F.R. No.309005E **(CA RITESH AGARWAL)** PARTNER M.No.062410 UDIN: 22062410AIPWMB7737	**FOR CHHAJED & DOSHI** CHARTERED ACCOUNTANTS F.R. No.101794W **(CA KIRAN K DAFTARY)** PARTNER M.No.010279 UDIN: 22010279AIPVUH7802
FOR A S K A & CO. CHARTERED ACCOUNTANTS F.R. No.122063W **(CA VIJAY SHELAR)** PARTNER M.No.101504 UDIN: 22101504AIPVUC2673	**FOR KISHORE & KISHORE** CHARTERED ACCOUNTANTS F.R. No. 000291N **(CA P.R. KARANTH)** PARTNER M.No. 018808 UDIN: 22018808AIPVVF2318

Date: 09-05-2022

CENTRAL BANK OF INDIA

BALANCE SHEET AS AT MARCH 31, 2022

(000's Omitted)

PARTICULARS	SCHEDULE NO.	As at 31-Mar-22 ₹	As at 31-Mar-21 ₹
CAPITAL & LIABILITIES			
Capital	1	8,68,09,394	5,87,55,625
Share Application Money Pending Allotment	1a	-	4,80,00,000
Reserves and Surplus	2	18,84,57,659	15,82,95,276
Deposits	3	3,42,69,19,375	3,29,97,29,496
Borrowings	4	7,47,43,610	5,46,86,391
Other Liabilities and Provisions	5	8,87,25,895	7,26,83,150
TOTAL		3,86,56,55,933	3,69,21,49,938
ASSETS			
Cash and Balances with Reserve Bank of India	6	38,03,36,974	32,18,78,420
Balances with Banks and Money at Call and Short	7	15,06,06,268	6,76,34,665
Investments	8	1,40,78,69,475	1,48,58,24,347
Advances	9	1,68,17,35,000	1,56,57,86,472
Fixed Assets	10	4,95,50,429	5,13,24,206
Other Assets	11	19,55,57,787	19,97,01,828
TOTAL		3,86,56,55,933	3,69,21,49,938
Contingent Liabilities	12	1,75,95,31,053	92,13,90,013
Bills for Collection	-	11,37,50,285	11,89,87,673
Significant Accounting Policies	17		
Notes to Accounts	18		

The schedules referred to above form an integral part of the Balance Sheet.

ALOK SRIVASTAVA
EXECUTIVE DIRECTOR

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M.V. RAO
MANAGING DIRECTOR & CEO

Place: Mumbai
Date: May 09, 2022

S. JAYKISHAN Chartered Accountants Kolkata/Mumbai FRN 309005E

A S K A & CO. Chartered Accountants FRN: 122063W

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

Hardik M. Sheth	P.J. Thomas	Dinesh Pangtey	Pradeep P. Khimani
Director	Director	Director	Director

As per our report of even date.

For S. JAYKISHAN Chartered Accountants F.R.NO.309005E **CA RITESH AGARWAL** PARTNER M. No.- 062410 UDIN:	**For CHHAJED & DOSHI** Chartered Accountants F.R.NO.101794W **CA KIRAN K. DAFTARY** PARTNER M. No. - 010279 UDIN:
For A S K A & CO Chartered Accountants F.R.NO.122063W **CA VIJAY SHELAR** PARTNER M. No.- 101504 UDIN:	**For KISHORE & KISHORE** Chartered Accountants F.R. No. –000291N **CA P.R. KARANTH** PARTNER M. No.- 018808 UDIN:

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2022

(000's Omitted)

PARTICULARS	As at 31-Mar-2022 ₹	As at 31-Mar-2022 ₹	As at 31-Mar-2021 ₹	As at 31-Mar-2021 ₹
SCHEDULE 1 : CAPITAL				
Authorised Capital		10,00,00,000		10,00,00,000
1000,00,00,000 shares of ₹ 10/- each (previous year 1000,00,00,000 shares) of ₹ 10/- each				
Issued, Subscribed and Paid up Capital :				
Equity Shares	8,68,09,394		5,87,55,625	
8680939432 Equity Shares (previous year 5875562460 Equity shares) of ₹ 10/- each (includes 8080391687 Equity shares (previous year 5275014715 Equity shares) of ₹ 10/- each held by Central Govt.)				
TOTAL		8,68,09,394		5,87,55,625
1.a. Share Application money pending Allotment		-		4,80,00,000
SCHEDULE 2 : RESERVES AND SURPLUS				
I. Statutory Reserves				
Balance as per last Balance Sheet	2,06,35,979		2,06,35,979	
Additions during the year	26,12,100		-	
		2,32,48,079		2,06,35,979
II. Capital Reserves				
Balance as per last Balance Sheet	1,62,97,813		1,32,25,424	
Additions during the year	12,55,261		30,72,389	
		1,75,53,074		1,62,97,813
III. Revaluation Reserve				
Balance as per last Balance Sheet	3,79,22,814		2,96,25,988	
Additions - during the year	-		88,19,556	
Less : Transfer to Revenue Reserves	5,41,238		5,09,495	
Deductions during the year	2,32,128		13,235	
		3,71,49,448		3,79,22,814
IV. Share Premium				
Balance as per last Balance Sheet	24,19,62,271		24,10,70,269	
Less: Transferred to the Balance in P & L A/c	18,72,42,173		-	
Additions during the year	1,99,46,230		8,92,002	
		7,46,66,328		24,19,62,271
V. Special Reserve U/s 36(1)(viii) of Income Tax Act		10,00,000		10,00,000
VI. Revenue and Other Reserves				
i) Investment Fluctuation Reserve				
Balance as per last Balance Sheet	-		-	
Add : Addition during the year	65,80,920		-	
Less: Deductions during the year	-			
		65,80,920		-
ii) Revenue Reserve				
Balance as per last Balance Sheet	2,77,18,572		2,69,33,380	
Add : Transfer from Revaluation Reserve	5,41,238		5,09,495	
Additions/Adjustment during the year	-		2,75,697	
Less: Deductions during the year	-			
		2,82,59,810		2,77,18,572
VII. Balance in Profit and Loss Account		-		
Balance as per last Balance Sheet	(18,72,42,173)			
Add: Balance transferred from Share Premium A/c.	18,72,42,173			
Net Balance		-		(18,72,42,173)
TOTAL		18,84,57,659		15,82,95,276

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2022

(000's Omitted)

PARTICULARS	As at 31-Mar-2022 ₹	₹	As at 31-Mar-2021 ₹	₹
SCHEDULE 3 : DEPOSITS				
A. I. Demand Deposits				
i) From Banks	1,03,37,153		65,67,481	
ii) From Others	16,51,49,281		16,25,93,515	
		17,54,86,434		16,91,60,996
II. Savings Bank Deposits		1,55,96,51,980		1,45,66,70,191
III. Term Deposits				
i) From Banks	62,23,208		43,92,999	
ii) From Others	1,68,55,57,753		1,66,95,05,310	
		1,69,17,80,961		1,67,38,98,309
TOTAL		3,42,69,19,375		3,29,97,29,496
B. i) Deposits of Branches in India		3,42,69,19,375		3,29,97,29,496
ii) Deposits of Branches outside India				
SCHEDULE 4 : BORROWINGS				
I. Borrowings in India				
i) Reserve Bank of India	1,76,40,000		1,76,40,000	
ii) Other Banks	839		20,042	
iii) Other Institutions & Agencies	2,57,11,771		6,35,349	
iv) Unsecured Redeemable Bonds(Subordinated Debt)	-		50,00,000	
v) Upper Tier II bonds	-		-	
vi) Innovative Perpetual Debt Instrument	13,91,000		13,91,000	
vii) Unsecured Redeemable NC Basel III Bonds(Tier II)	3,00,00,000		3,00,00,000	
		7,47,43,610		5,46,86,391
II. Borrowings outside India		-		-
TOTAL		7,47,43,610		5,46,86,391
Secured Borrowings included in I & II above		Nil		Nil

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2022

(000's Omitted)

PARTICULARS	As at 31-Mar-2022 ₹	₹	As at 31-Mar-2021 ₹	₹
SCHEDULE 5 : OTHER LIABILITIES AND PROVISIONS				
I. Bills Payable		1,11,47,968		78,43,261
II. Inter Office Adjustments (Net)		1,90,081		1,02,978
III. Interest Accrued		77,44,537		74,69,906
IV. Deferred Tax Liability		-		-
V. Others (including provisions)		6,96,43,309		5,72,67,005
TOTAL		8,87,25,895		7,26,83,150
SCHEDULE 6 : CASH AND BALANCES WITH RESERVE BANK OF INDIA				
I. Cash in Hand (including foreign currency notes)		1,45,54,487		1,47,51,586
II. Balances with Reserve Bank of India				
In Current Accounts	13,67,22,487		14,71,26,834	
In Other Accounts	22,90,60,000		16,00,00,000	
		36,57,82,487		30,71,26,834
TOTAL		38,03,36,974		32,18,78,420
SCHEDULE 7 : BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE				
I. In India				
i) Balances with Banks				
a) In Current Accounts	2,57,604		5,07,341	
b) In Other Deposit Accounts	17,291		13,815	
ii) Money at Call and Short Notice				
a) With Banks	-		20,00,000	
b) With Other Institutions	6,40,128		-	
		9,15,023		25,21,156
II. Outside India				
a) In Current Accounts	10,62,153		6,51,13,509	
b) In Other Deposit Accounts	14,86,29,092		-	
c) Money at Call & Short Notice	-		-	
		14,96,91,245		6,51,13,509
TOTAL		15,06,06,268		6,76,34,665

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2022

(000's Omitted)

PARTICULARS	As at 31-Mar-2022 ₹	₹	As at 31-Mar-2021 ₹	₹
SCHEDULE 8 : INVESTMENTS				
I. Investments in India in : *				
i) Government Securities	1,05,50,89,160		1,10,35,84,201	
ii) Other approved Securities	-		-	
iii) Shares	88,33,691		79,19,176	
iv) Debentures and Bonds	33,77,84,388		35,39,72,427	
v) Subsidiaries and Sponsored Institutions	25,79,832		25,79,832	
vi) Others (Commercial Papers,Mutual Fund Units etc.)	31,07,519		1,72,93,826	
		1,40,73,94,590		1,48,53,49,462
II. Investments outside India in **				
Subsidiaries and / or Associates abroad		4,74,885		4,74,885
TOTAL		1,40,78,69,475		1,48,58,24,347
* Investments in India				
Gross Value	1,46,71,17,739		1,53,77,25,730	
Less:Provision for Depreciation	5,97,23,149		5,23,76,268	
Net Value		1,40,73,94,590		1,48,53,49,462
** Investments outside India				
Gross Value	4,74,885		4,74,885	
Less:Provision for Depreciation	-		-	
Net Value		4,74,885		4,74,885
SCHEDULE 9 : ADVANCES				
A. i) Bills Purchased and Discounted	2,40,31,721		89,00,535	
ii) Cash Credits, Overdrafts & Loans repayable on demand	70,22,91,110		70,35,42,501	
iii) Term Loans	95,54,12,169		85,33,43,436	
TOTAL		1,68,17,35,000		1,56,57,86,472
B. Particulars of Advances :				
i) Secured by Tangible Assets (including advances against Book Debts)	1,55,92,58,701		1,52,34,13,189	
Including advances against Book Debts of ₹1671871('000's omitted) as at 31st March 2022, as against ₹ 1584789('000's omitted) as at 31st March 2021.				
ii) Covered by Bank / Government Guarantees	1,32,94,746		3,66,01,365	
iii) Unsecured	10,91,81,553		57,71,918	
TOTAL		1,68,17,35,000		1,56,57,86,472
C. Sectoral Classification of Advances				
(I) Advances in India				
i) Priority Sectors	86,05,76,958		80,84,25,818	
ii) Public Sector	4,14,01,906		5,09,87,479	
iii) Banks	53,224		4,926	
iv) Others	77,97,02,912		70,63,68,249	
TOTAL		1,68,17,35,000		1,56,57,86,472
(II) Advances outside India		-		-

S. JAYKISHAN Kolkata/Mumbai FRN 309005E

SKA & Co. FRN 122063W

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2022

(000's Omitted)

PARTICULARS	As at 31-Mar-2022 ₹	₹	As at 31-Mar-2021 ₹	₹
SCHEDULE 10 : FIXED ASSETS				
I. Premises				
(At cost / revalued cost)				
Balance as at 31st March of the preceding year	4,91,01,269		4,02,25,174	
Additions during the year	25,445		88,89,449	
Total	4,91,26,714		4,91,14,623	
Deductions / Adjustments during the year	3,14,796		13,354	
Total	4,88,11,918		4,91,01,269	
Depreciation to date	91,65,015		85,28,592	
Total		3,96,46,903		4,05,72,677
II. Other Fixed Assets				
(Including furniture and fixtures)				
At cost as at 31st March of the preceding year	3,53,05,979		3,41,66,836	
Additions / Adjustments during the year	23,46,422		31,41,004	
Total	3,76,52,401		3,73,07,840	
Deductions / Adjustments during the year	11,02,236		20,01,861	
Total	3,65,50,165		3,53,05,979	
Depreciation to Date	2,66,46,639		2,45,54,450	
Total		99,03,526		1,07,51,529
TOTAL (I & II)		4,95,50,429		5,13,24,206
SCHEDULE 11 : OTHER ASSETS				
I. Interest accrued	2,17,76,858		2,25,48,629	
II. Tax paid in advance / Tax deducted at source (Net of Provisions)	3,96,32,629		4,23,72,140	
III. Stationery and Stamps	2,25,424		2,05,552	
IV. Non-banking assets acquired in satisfaction of claims				
V. Deferred Tax Assets	6,86,20,500		7,54,56,800	
VI. Inter Office Adjustments (Net)	-		-	
VII.Others	6,53,02,376		5,91,18,707	
TOTAL		19,55,57,787		19,97,01,828
SCHEDULE 12 : CONTINGENT LIABILITIES				
I. (a) Claims against the Bank not acknowledged as Debts		14,20,497		13,83,689
(b) Disputed income tax demands under appeals, revisions, etc		2,40,55,801		1,77,15,073
II. Liability for partly paid Investments		26,89,347		35,59,282
III. Liability on account of outstanding forward Exchange Contracts		1,59,08,50,230		73,37,62,848
IV. Guarantees given on behalf of constituents				
a) In India	8,83,87,515		10,69,33,332	
b) Outside India	58,26,051		63,28,682	
		9,42,13,566		11,32,62,014
V. Acceptances, Endorsements and Other Obligations		2,43,01,093		2,64,31,675
VI. Other item for which the bank is contingently liable		2,20,00,519		2,52,75,432
TOTAL		1,75,95,31,053		92,13,90,013

S. JAYKISHAN Chartered Accountants Kolkata FRN 309005E

A S K A & CO. FRN 122063W Chartered Accountants

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

CENTRAL BANK OF INDIA

Profit and Loss Account for the year ended March 31, 2022

(000's Omitted)

PARTICULARS	SCHEDULE NO.	YEAR ENDED 31-03-2022 ₹	YEAR ENDED 31-Mar-21 ₹
I. INCOME			
Interest Earned	13	22,80,16,476	22,73,02,329
Other Income	14	2,96,84,840	3,11,56,742
TOTAL		25,77,01,316	25,84,59,071
II. EXPENDITURE			
Interest Expended	15	13,31,48,828	14,48,51,898
Operating Expenses	16	7,25,80,987	6,78,22,330
Provisions and Contingencies		4,15,23,220	5,46,60,689
TOTAL		24,72,53,035	26,73,34,917
III. PROFIT/(LOSS) FOR THE YEAR BEFORE PRIOR PERIOD ITEM		1,04,48,281	(88,75,846)
Less: Prior period Item		-	-
Net Profit /(Loss) for the year after Prior period item		1,04,48,281	(88,75,846)
Balance of Profit(loss) as per last Balance Sheet brought		(18,72,42,173)	(17,52,93,938)
Amount transferred from Share Premium A/c.		18,72,42,173	
TOTAL		1,04,48,281	(18,41,69,784)
IV. APPROPRIATIONS			
Transfer to :			
Statutory Reserve		26,12,100	-
Investment Fluctutation Reserve		65,80,920	
Investment Reserve		12,55,261	30,72,389
Special Reserve u/s 36(1)(viii)		-	-
Staff Welfare Fund		-	-
Revenue Reserve		-	-
Fund in lieu of Insurance			
Proposed Dividend - Preference Capital		-	-
Proposed Dividend - Equity Capital		-	-
Dividend Tax		-	-
Balance carried over to Balance Sheet		-	(18,72,42,173)
TOTAL		1,04,48,281	(18,41,69,784)
EPS (Basic & Diluted) in ₹ (nominal value ₹ 10/- per share)		1.27	(1.53)
Significant Accounting Policies	17		
Notes to Accounts	18		

The schedules referred to above form an integral part of the Profit and Loss Account

ALOK SRIVASTAVA
EXECUTIVE DIRECTOR

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M.V. RAO
MANAGING DIRECTOR & CEO

Place: Mumbai
Date: May 09, 2022

Standalone P/L Page 1/2

Profit Loss Statement
Page -2

p. p. Khimani.

Hardik M. Sheth	P.J. Thomas	Dinesh Pangtey	Pradeep P. Khimani
Director	Director	Director	Director

As per our report of even date.

For S. JAYKISHAN Chartered Accountants F.R.NO.309005E **CA RITESH AGARWAL** PARTNER M. No.- 062410 UDIN:	**For CHHAJED & DOSHI** Chartered Accountants F.R.NO.101794W **CA KIRAN K. DAFTARY** PARTNER M. No. - 010279 UDIN:
For A S K A & CO Chartered Accountants F.R.NO.122063W **CA VIJAY SHELAR** PARTNER M. No.- 101504 UDIN:	**For KISHORE & KISHORE** Chartered Accountants F.R. No. –000291N **CA P.R. KARANTH** PARTNER M. No.- 018808 UDIN:

CENTRAL BANK OF INDIA

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

(000's omitted)

PARTICULARS	YEAR ENDED 31-Mar-22 ₹	YEAR ENDED 31-Mar-21 ₹
SCHEDULE 13 : INTEREST EARNED		
I. Interest / Discount on Advances / Bills	11,50,06,591	11,63,83,361
II. Income on Investments	9,26,35,596	10,00,89,617
III. Interest on balances with Reserve Bank of India and other Inter Bank Funds	1,23,81,061	67,60,466
IV. Others	79,93,228	40,68,885
TOTAL	22,80,16,476	22,73,02,329
SCHEDULE 14 : OTHER INCOME		
I. Commission, Exchange and Brokerage	1,42,47,404	1,04,17,203
II. Profit on Sale of Investments (Net)	49,10,035	1,38,05,508
III. Profit / (Loss) on Revaluation of Investments	(27,68,771)	(5,15,400)
IV. Profit / (Loss) on Sale of Land, Buildings and other Assets (Net)	91,365	(2,09,976)
V. Profit on Exchange Transactions (Net)	19,92,437	8,66,918
VI. Income earned by way of dividends etc. from Subsidiaries and Associates abroad / in India	80,103	64,778
VII. Miscellaneous Income	1,11,32,267	67,27,711
TOTAL	2,96,84,840	3,11,56,742

CENTRAL BANK OF INDIA

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

(000's omitted)

PARTICULARS	YEAR ENDED 31-Mar-22 ₹	YEAR ENDED 31-Mar-21 ₹
SCHEDULE 15 : INTEREST EXPENDED		
I. Interest on Deposits	12,84,76,515	13,99,40,735
II. Interest on Reserve Bank of India / Inter-Bank borrowings	7,17,858	32,564
III. Others	39,54,455	48,78,599
TOTAL	13,31,48,828	14,48,51,898
SCHEDULE 16 : OPERATING EXPENSES		
I. Payments to and Provisions for employees	4,47,19,052	4,14,13,063
II. Rent, Taxes and Lighting	48,17,519	49,40,807
III. Printing and Stationery	2,65,002	2,65,400
IV. Advertisement and Publicity	1,31,795	47,864
V. Depreciation on Bank's property	29,66,139	29,23,187
VI. Directors' Fees, Allowances and Expenses	5,164	5,379
VII. Auditors' Fees and Expenses (including Branch Auditors)	3,07,403	2,84,431
VIII. Law Charges	1,77,675	1,52,867
IX. Postages, Telegrams, Telephones etc.	9,47,807	9,69,949
X. Repairs and Maintenance	16,21,188	11,66,162
XI. Insurance	42,80,618	43,80,795
XII. Other Expenditure	1,23,41,625	1,12,72,426
TOTAL	7,25,80,987	6,78,22,330

S. JAYKISHAN Chartered Accountants FRN 309005E Kolkata

A S K A & CO. Chartered Accountants FRN:122063W

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

SCHEDULE 17 - SIGNIFICANT ACCOUNTING POLICIES

A. Background

Central Bank of India (the Bank) is a body corporate registered under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and is regulated by Reserve Bank of India. The principal business is providing banking and financial services with wide range of products and services to individuals, commercial enterprises, large corporates, public bodies and institutional customers. The business is conducted through its branches in India. The equity shares of the Bank are listed at BSE Limited and National Stock Exchange of India Limited.

B. Basis of preparation:

The financial statements have been prepared following the going concern concept on historical cost basis except in respect of revaluation of premises and conform, in all material aspects, to the Generally Accepted Accounting Principles (GAAP) in India, which encompasses applicable statutory provisions, regulatory norms prescribed by Reserve Bank of India (RBI) including those prescribed by the Banking Regulation Act 1949, Accounting Standards (AS) and pronouncements issued by The Institute of Chartered Accountants of India (ICAI) and the prevailing practices within the banking industry in India.

C. 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 on the date of the financial statements and the reported income and expenses during the reporting year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Contingencies are recorded when it is probable that a liability will be incurred and the amounts can reasonably be estimated. Actual results could differ from these estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/ materialised.

D. Significant accounting policies:

1. Revenue recognition

1.1 General

a) Income/ expenditure is generally accounted for on accrual basis except for income to be accounted for on cash basis as per regulatory provisions.
b) In accordance with the guidelines issued by the Reserve Bank of India, prior period disclosures are made in respect of any item which exceeds one percent of the total income/total expenditure.
c) Provision for interest payable on overdue deposits is made as per Reserve Bank of India guidelines.

1.2 Income from investments

a) The Profit or loss on sale of investments is recognised in the Profit and Loss Account. In accordance with the guidelines issued by the Reserve Bank of India, profit on sale of investments in the Held to Maturity (HTM) category is appropriated (Net of applicable taxes and amount required to be transferred to "Statutory Reserve Account") to the "Capital Reserve Account".
b) Income (other than interest) on investments in "Held to Maturity (HTM)" category acquired at a discount to the face value, is recognised as follows:
(i) on interest bearing securities, it is recognised only at the time of sale/redemption.
(ii) on zero-coupon securities, it is accounted for over the balance tenor of the security on a

constant yield basis.

c) Dividend income is recognized when right to receive the dividend is established.
d) Upside on security receipts is recognised on realisation as 'Other income'.

1.3. Sale of financial assets

Financial Assets sold are recognized as under:

a) The sale of NPA is accounted as per guidelines prescribed by RBI. When the Bank sells its financial assets to Securitisation Company (SC)/ Reconstruction Company (RC), the same is removed from the books.
b) In case the sale to SC/ARC is at a price lower than the Net Book Value (NBV) the shortfall is charged to the Profit and Loss Account in the year of sale.
c) In case the sale is at a price higher than the NBV on cash basis, the surplus is taken to the credit of Profit and Loss Account.

1.4. Fee based income

Commission on letters of credit, bank guarantee and deferred payment guarantee are recognised on accrual basis proportionately over the period. All other commission and fee income are recognised on their realisation.

2. Advances:

2.1 Based on the guidelines/ directives issued by the RBI, loans and advances are classified as performing and non-performing, as follows:

a) The term loan is classified as a non-performing asset, if interest and/ or instalment of principal remains overdue for a period of more than 90 days.
b) An overdraft or cash credit is classified as a non-performing asset, if, the account remains "out of order", i.e. if the outstanding balance exceeds the sanctioned limit/ drawing power continuously for a period of 90 days, or if there are no credits continuously for 90 days, or if the credits are not adequate to cover the interest debited during the previous 90 days period.
c) The bills purchased/ discounted are classified as non-performing asset if the bill remains overdue for a period of more than 90 days.
d) The agricultural advances are classified as a non-performing if, (i) for short duration crops, where the instalment of principal or interest remains overdue for two crop seasons; and (ii) for long duration crops, where the principal or interest remains overdue for one crop season.

2.2 Non-performing assets are classified into sub-standard, doubtful and loss Assets, based on the following criteria stipulated by RBI:

a) Sub-standard: A loan asset that has remained non-performing for a period less than or equal to 12 months.
b) Doubtful: A loan asset that has remained in the sub-standard category for a period of 12 months.
c) Loss: A loan asset where loss has been identified but the amount has not been fully written off.

2.3 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 provision of 15% on the total outstanding.   ii. Additional provision of 10% for exposures which are unsecured ab-initio (i.e. where realisable value of security is not more than 10 percent ab-initio).   iii. Unsecured Exposure in respect of infrastructure advances where certain safeguards such as escrow accounts are available - 20%.
Doubtful Assets:

-Secured portion	Up to one year- 25% One to three years- 40% More than three years- 100%
-Unsecured portion	100%
Loss Assets: 100%	

2.4 Advances are shown net of provisions (in case of NPA), Unrealised Interest, amount recovered from borrowers held in Sundries and claims received from CGTSI/ ECGC, etc.

2.5 For restructured/ rescheduled assets, provisions are made in accordance with the guidelines issued by the RBI, which inter alia require that the difference between the fair value of the loans/ advances before and after restructuring is provided for, in addition to provision for the respective loans/ advances. The provision for diminution in fair value and interest sacrifice, if any, arising out of the above, is reduced from advances.

2.6 In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI Guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others" and are not considered for arriving at the Net NPAs.

2.7 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.

2.8 Amounts recovered against debts written off in earlier years are recognised as revenue in the year of recovery.

2.9 Additional provisions higher than regulatory norms are made in specific assets in view of the identified weakness and/ or prevailing economic situation.

2.10 Partial recoveries in non-performing account are appropriated in the following order:

i. Principal Overdues/Irregularities.
ii. Unrealised interest.
iii. Write Off.
iv. Uncharged Interest

In case of suit filed/SARFAESI/ recalled market accounts, recovery is appropriated in the following order:

i. Ledger outstanding balance.
ii. Unrealised interest.
iii. Write Off.
iv. Uncharged Interest

However, where any borrower account is required to be classified as non-performing from an earlier date, any recovery till the account was classified as Standard is first credited to Interest on Loans and Advances [viz. Scheme for sustainable Structuring of Stressed assets (S4A), Strategic Debt Restructuring, Flexible Structuring of Long-Term Project Loan (5/25), Change of Ownership of Borrowing Entities (outside Strategic Debt Restructuring Scheme)].

3 Provision for country exposure:

In addition to the specific provisions held according to the asset classification status, provisions are also made for individual country exposures (other than the home country). Countries are categorised into seven risk categories, namely, insignificant, low, moderate, high, very high, restricted and off-credit and provisioning made as per extant RBI guidelines. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is maintained on such country exposures. The provision is reflected in Schedule 5 of the Balance Sheet under the head

7.4

"Other Liabilities & Provisions – Others".

4. **Investments:**

Investments are accounted for in accordance with the extant guidelines of investment classification and valuation, as given below:

4.1 **Classification:**

In accordance with the guidelines issued by the Reserve Bank of India, Investments are classified into "Held to Maturity (HTM)", "Held for Trading (HFT)" and "Available for Sale (AFS)" categories.

For disclosure in the Balance Sheet in Schedule 8, investments are classified as Investments in India and outside India.

Under each category, the investments in India are further classified as

a) Government Securities
b) Other Approved Securities
c) Shares
d) Debentures and Bonds
e) Subsidiaries, joint ventures and sponsored institutions; and
f) Others (Commercial Papers and units of Mutual Funds etc.)

The investments outside India are further classified under 3 categories

a) Government Securities
b) Subsidiaries and Joint Ventures
c) Other Investments

4.2 **Basis of Classification:**

Classification of an investment is done at the time of purchase into the following categories:

a) Held to Maturity: Investments that the Bank intends to hold till maturity are classified as "Held to Maturity (HTM)".
b) Held for Trading: Investments that are held principally for resale within 90 days from the date of purchase are classified as "Held for Trading (HFT)".
c) Available for Sale: Investments, which are not classified in the above two categories, are classified as "Available for Sale (AFS)".
d) Transfer of Securities between categories: An investment is classified as HTM, HFT or AFS at the time of purchase and subsequent shifting amongst categories is done in conformity with the regulatory guidelines.
e) Investments in subsidiaries, joint ventures and sponsored institutions are classified as HTM except in respect of those investments which are acquired and held exclusively with a view to its subsequent disposal. Such investments are classified as AFS.

4.3 **Valuation:**

The transactions in all securities are recorded on a Settlement Date and cost is determined on the weighted average cost method.

a) Brokerage, incentive, front-end fees etc., received on purchase of securities are reduced from the cost of investments.
b) Expenses such as brokerage, fees, commission or taxes incurred at the time of acquisition of securities are charged to the Profit and Loss Account as revenue expenses.
c) Broken period interest paid/ received on debt instruments is treated as interest expense/ income and is excluded from cost/ sale consideration.

a) **Valuation of investments classified as Held to Maturity:** The investments classified under this category are carried at acquisition cost. The excess of acquisition cost / book value over the face value is amortised over the remaining period of maturity. Such amortisation of premium is accounted as income on investments.
Investments (in India and abroad) in subsidiaries, joint ventures and associates are valued at historical cost. A provision is made for diminution, other than temporary in nature, for each investment individually.
Investments in Regional Rural Banks are valued at carrying cost (i.e. book value).

b) **Valuation of investments classified as Available for sale and Held for Trading:** Investments classified as Available for Sale and Held for Trading are individually revalued at market price or fair value determined as per the regulatory guidelines and the net depreciation if any, of each group for each category (viz.(i) Government securities, (ii) Other Approved Securities, (iii) Shares, (iv) Bonds and Debentures, (v) Subsidiaries and Joint Ventures and (vi) others) is provided for and net appreciation is ignored.

c) **Valuation policy in event of inter category transfer of investments:**
   i) Transfer of securities from HFT/ AFS category to HTM category is carried out at the lower of acquisition cost/ book value/ market value on the date of transfer. The depreciation, if any, on such transfer is fully provided for.
   ii) Transfer of securities from HTM category to AFS category is carried out on acquisition price/ book value. On transfer, these securities are immediately revalued and resultant depreciation, if any, is provided, in the Profit and Loss Account.

d) **Valuation in case of sale of NPA (financial asset) to Securitisation Company (SC)/ Asset Reconstruction Company (ARC) against issue of Security Receipts:**
   i) The investment in security receipts obtained by way of sale of NPA to SC/RC, is recognised at lower of: (i) Net Book Value (NBV) (i.e. book value less provisions held) of the financial asset; and (ii) Redemption value of SR.
   ii) SRs issued by an SC/ ARC are valued in accordance with the guidelines applicable to non-SLR instruments. Accordingly, in cases where the SRs issued by the SC/ ARC are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Net Asset Value, obtained from the SC/ ARC, is reckoned for valuation of such investments.

e) Treasury Bills and Commercial Papers are valued at carrying cost.

4.4 Investments (NPI):

Investments are classified as performing and non-performing, based on "Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2021" and "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances", as under:

a) Interest/ instalment (including maturity proceeds) is due and remains unpaid for more than 90 days. The same is applied to preference shares where the fixed dividend is not paid.
b) In the case of equity shares, in the event the investment in shares of any company is valued at Re. 1 per company on account of non-availability of the latest balance sheet, those equity shares would be reckoned as NPI.
c) The Bank also classifies an investment as a non-performing investment, in case any credit facility availed by the same borrower/ entity has been classified as a non-performing asset and vice versa.
d) The investments in debentures/ bonds, which are deemed to be advances

subjected to NPI norms as applicable to investments.

4.5 **Accounting for Repo/ Reverse Repo transactions**

The Bank enters into repurchase and reverse repurchase transactions with RBI under Liquidity Adjustment Facility (LAF) and also with market participants. Repurchase transaction represents borrowing by selling the securities with an agreement to repurchase the securities. Reverse repurchase transactions on the other hand represent lending funds by purchasing the securities.

a) The securities sold and purchased under Repo/ Reverse Repo are accounted as overnight Tri-party Repo (TREPS) dealing and settlement.
b) However, securities are transferred as in the case of normal outright sale/ purchase transactions and such movement of securities is reflected using the Repo/ Reverse Repo Accounts and contra entries.
c) The above entries are reversed on the date of maturity. Balance in Repo Account is classified under Schedule 4 (Borrowings) and balance in Reverse Repo Account is classified under Schedule 7 (Balance with Banks and Money at call & short notice).
d) Interest expended/ earned on Securities purchased/ sold under LAF with RBI is accounted for as expenditure/ revenue.

5. **Derivatives:**

The Bank enters into derivative contracts, such as interest rate swaps, currency swaps and cross currency swaps in order to hedge on balance sheet/ off-balance sheet assets and liabilities or for trading purposes.

5.1 **Derivatives used for hedging are accounted as under:**

a) In cases where the underlying assets/ liabilities are marked to market, resultant gain/loss is recognised in the Profit and Loss Account.
b) Derivative contracts classified as hedge are recorded on accrual basis. Hedge contracts are not marked to market unless the underlying assets/ liabilities are also marked to market.
c) Gain or losses on the termination of Swaps are recognised over the shorter of the remaining contractual life of the swaps or the remaining life of the assets/ liabilities.

5.2 **Derivatives used for trading are accounted as under:**

a) Currency futures and interest rate futures are marked to market on daily basis as per exchange guidelines of MCX-SX, NSE and United Stock Exchange.
b) Mark to market profit or loss is accounted by credit/ debit to the margin account on daily basis and the same is accounted in the Bank's profit and loss account on final settlement.
c) Trading swaps are marked to market at frequent intervals. Any mark to market losses are booked and gains, if any, are ignored on net basis.
d) Gains or losses on termination of swaps are recorded immediately as income/ expense under the above head.

6. **Transactions involving foreign exchange:**

6.1 Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency.

6.2 Foreign currency monetary items are reported using the Foreign Exchange Dealers Association of India ("FEDAI") closing (spot/ forward) rates and the resultant profit or loss is recognised in the

Profit and Loss Account.
Foreign currency non-monetary items, which are carried at historical cost, are reported using the exchange rate on the date of the transaction.
Contingent liabilities denominated in foreign currency are reported using the FEDAI closing spot rates.

6.3 Outstanding foreign exchange spot and forward contracts are revalued at the exchange rates notified by FEDAI for specified maturities, and the resulting Profit or Loss is recognised in the Profit and Loss Account.

6.4 Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognised as income or as expense in the period in which they arise.

7. Fixed assets and depreciation:

7.1 Fixed Assets are carried at cost less accumulated depreciation/ amortisation.
Cost includes cost of purchase and all expenditure such as site preparation, installation costs, taxes and professional fees incurred on the asset before it is put to use.

7.2 Subsequent expenditure(s) incurred on the assets put to use are capitalised only when it increases the future benefits from such assets or their functioning capability.

7.3 Fixed Assets are depreciated under 'Written Down Value Method' at the following rates (other than computers which are depreciated on Straight Line Method):
Premises At varying rates based on estimated life

a) Furniture, Lifts, Safe Vaults 10%
b) Vehicles, Plant & Machinery 20%
c) Air conditioners, Coolers, Typewriters etc. 15%.
d) Computers including Systems Software 33.33%

(Application Software is charged to the Revenue during the year of acquisition.)

7.4 Other fixed assets are depreciated on Straight Line Method on the basis of estimated useful life of the assets.

7.5 Land acquired on lease for over 99 years is treated as freehold land and those for 99 years or less is treated as leasehold land. Cost of leasehold land is amortized over the period of lease.

7.6 Where it is not possible to segregate the cost of land and premises, depreciation is charged on the composite cost.

7.7 In case of assets, which have been revalued, the depreciation/ amortization is provided on the revalued amount and is charged to the Profit and Loss Account. Amount of incremental depreciation/ amortization attributable to the revalued amount is transferred from 'Revaluation Reserve' and credited to 'Revenue and Other Reserves'.

7.8 Depreciation on additions to assets, made upto 30th September is provided for the full year and on additions made thereafter, is provided for the half year.
No depreciation is provided on assets sold before 30th September and depreciation is provided for the half year on assets sold after 30th September.

7.9 The Bank considers only immovable assets for revaluation. Properties acquired during the last three years are not revalued. Valuation of the revalued assets is done every three years thereafter.

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7.10 The increase in net book value of the asset due to revaluation is credited to the Revaluation Reserve Account without routing through the Profit and Loss Account.
Additional depreciation on the revalued asset is charged to the Profit and Loss Account and appropriated from the Revaluation Reserves to Other Revenue Reserve.

7.11 The revalued asset is depreciated over the balance useful life of the asset as assessed at the time of revaluation.

8 Impairment of Assets:

Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

9. Employee Benefits:

9.1 Employee benefits are accrued in the year services are rendered by the employees.

9.2 **Short Term Employee Benefits:**

9.2 The undiscounted amounts of short-term employee benefits, which are expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

9.3 **Defined benefit plans:**

The Bank operates Gratuity and Pension schemes which are defined benefit plans.

a) The Bank provides for gratuity to all eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, or on death while in employment, or on termination of employment, for an amount equivalent to 15 days basic salary payable for each completed year of service, subject to the cap prescribed by the Statutory Authorities. Vesting occurs upon completion of five years of service. The Bank makes periodic contributions to a fund administered by Trustees based on an independent external actuarial valuation.

b) The Bank provides for pension to all eligible employees. The benefit is in the form of monthly payments as per rules to vested employees on retirement or on death while in employment, or on termination of employment. Vesting occurs at different stages as per rules. The pension liability is reckoned based on an independent actuarial valuation carried out annually and Bank makes such additional contributions periodically to the Fund as may be required to secure payment of the benefits under the pension regulations.

c) The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/ losses are immediately recognised in the Profit and Loss Account and are not deferred.

d) When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

Liability for long term employee benefit under defined benefit scheme such as contribution to gratuity, pension fund and leave encashment are determined at close of the year at present value of the amount payable using actuarial valuation technique.

e) Actuarial gain/losses are recognised in the year when they arise.

9.4 **Defined Contribution Plan:**

Provident fund is a defined contribution as the bank pays fixed contribution at predetermined rates.

The obligation of the bank is limited to such fixed contribution.

The contributions are charged to Profit and Loss account.

National Pension Scheme which is applicable to employees who have joined bank on or after 01.04.2010 is a defined contribution scheme. Bank pays fixed contribution at pre-determined rate. The obligation of the bank is limited to such fixed contribution. The contribution is charged to Profit and Loss Account

10. Accounting for Taxes on Income:

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The provision for tax for the year comprises of current tax liability computed in accordance with the Income Tax Act, 1961 and as per Accounting Standard 22 – "Accounting for Taxes on Income" respectively.

Deferred tax is recognized on timing differences between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised.

Deferred Tax Assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future profits.

The carrying amount of deferred tax assets is reviewed at each balance sheet date to reassess its realization.

Disputed tax liabilities are accounted for in the year of finality of assessment/ appellate proceedings and till such times they are shown as contingent liability.

The impact of changes in deferred tax assets and liabilities is recognised in the Profit and Loss Account.

11. Provisions, Contingencies and Contingent assets:

11.1 In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the Bank recognises provisions only when it has a present obligation as a result of a past event, and would result in a probable 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.

11.2 No provision is recognised for:

a) any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or

b) any present obligation that arises from past events but is not recognised because:

i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii. a reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities. These are assessed at regular intervals and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

11.3 Provision for reward points in relation to the debit card holders of the Bank is made on estimated basis.

11.4 Contingent assets are neither recognised nor disclosed in the Financial Statements.

12 Special Reserves:

Revenue and other Reserve include Special Reserve created under Section 36(i)(viii) of the Income Tax Act, 1961. The Board of Directors of the Bank has passed a resolution approving creation of the reserve and confirming that it has no intention to make withdrawal from the Special Reserve.

13 Segment Reporting

The Bank recognises the business segment as the primary reporting segment and geographical segment as the secondary reporting segment in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 – "Segment Reporting" issued by The Institute of Chartered Accountants of India.

14 Earnings per Share:

a) The Bank reports basic and diluted earnings per share in accordance with AS 20 – "Earnings per Share" issued by the ICAI. Basic Earnings per Share is computed by dividing the Net Profit after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

b) Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is calculated by using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

ALOK SRIVASTAVA	VIVEK WAHI	RAJEEV PURI
Executive Director	Executive Director	Executive Director

M.V. RAO
Managing Director & Chief Executive Officer

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Sao-Sch-17

		ATTENDED THROUGH VIDEO CONFERENCE	P. P. Khimani.
Hardik M. Sheth	**P.J. Thomas**	**Dinesh Pangtey**	**Pradeep P. Khimani**
Director	**Director**	**Director**	**Director**

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Chartered Accountants
F.R. No.309005E

(CA RITESH AGARWAL)
PARTNER
M.No.062410

FOR CHHAJED & DOSHI
Chartered Accountants
F.R. No.101794W

(CA KIRAN K DAFTARY)
PARTNER
M.No.010279

FOR A S K A & CO.
Chartered Accountants
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(CA VIJAY SHELAR)
PARTNER
M.No.101504

FOR KISHORE & KISHORE
Chartered Accountants
F.R. No. 000291N

(CA P.R. KARANTH)
PARTNER
M.No. 018808

Place: Mumbai
Date: May 9th, 2022

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SCHEDULE-18: NOTES FORMING PART OF THE ACCOUNTS

1. Regulatory Capital:
   a) Paid up Equity Share Capital of the Bank as on 31.03.2022 is ₹ 8,680.94 crores, which is increased from ₹ 5,875.56 crores of previous year by issuance and allotment of fresh 280,53,76,972 equity shares of ₹ 10 each to President of India (Government of India) on preferential basis at an issue price of ₹ 17.11 per equity share including premium of ₹ 7.11 per equity share on 29.05.2021. With this allotment, shareholding of President of India (Government of India) in the Bank has increased from 89.78% to 93.08%.

   b) Composition of Regulatory Capital

(Amount in ₹ Crore)

Sr. No.	Particulars	31.03.2022 (Note 1)	31.03.2021
1.	Common Equity Tier 1 capital (CET 1) (net of deductions, if any)	17,049.44	19,096.57
2.	Additional Tier 1 capital	0.00	0.00
3.	Tier 1 Capital (i+ii)	17,049.44	19,096.57
4.	Tier 2 Capital	3,510.43	2,966.47
5.	Total Capital (Tier 1+ Tier 2)	20,559.87	22,063.04
6.	Total Risk Weighted Assets (RWAs)	1,48,506.29	1,48,916.58
7.	CET 1 Ratio (CET 1 as a percentage of RWAs)	11.48%	12.82%
8.	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	11.48%	12.82% (Note 3)
9.	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	2.36%	1.99%
10.	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	13.84%	14.81%
11.	Leverage Ratio	4.25%	5.00%
12.	Percentage of the shareholding of Government of India	93.08%	89.78%
13.	Amount of paid-up equity capital raised during the year	NIL (Note 2)	5055
14.	Amount of non-equity Tier 1 capital raised during the year of which:	NIL	NIL
	a) NIL	NIL	NIL
	b) NIL	NIL	NIL
15.	Amount of Tier 2 capital raised during the year of which: (Give list as per instrument type) Commercial banks shall also specify if the instrument are Basel II or Basel III compliant	NIL	NIL

Note: 1 The said computation of Capital to Risk weighted asset Ratio & Leverage ratio is arrived at after considering the effect of Net Present Value of non-interest bearing recapitalization bond infused as capital by the Government of India during the FY ended 31.03.2021. Without considering the said adjustment, CET 1 ratio is 13.39%, Tier 1 ratio is 13.39% , Tier 2 ratio 2.36% , CRAR is 15.75% and Leverage ratio is 4.98% as on 31-03-2022.

2. capital funds of ₹ 4,800 crores was received from Government of India on 31.03.2021 towards preferential allotment of equity shares. The amount was kept in share application money account pending allotment and considered as part of CET1 capital for financial year ended on 31.03.2021 with the prior approval of Reserve Bank of India. The resultant 280,53,76,972 equity shares of ₹ 10 each was allotted to President of India (Government of India) at an issue price of ₹ 17.11 per equity share including premium of ₹ 7.11 per equity share on 29.05.2021. Though the paid up equity share capital of the Bank was increased in financial year ended 31.03.2022, the

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increase in CET 1 capital was factored in previous financial year ended on 31.03.2021. Therefore, no fresh capital infusion was shown in the financial year ended on 31.03.2022.

3- Capital ratios as assessed by RBI (considering interalia effect of NPV of non interest bearing recapitalization bond) in its Risk Assessment Report for the FY ended 31st March 2021 are CRAR – 12.78% and CET 1&Tier 1 Ratio – 10.79%

The said computations of Capital to Risk Weighted Average Ratio and Leverage Ratio has been reckoned after taking into effect of the present value of non-interest carrying recapitalisation bond.

c) Draw down from reserves

During the financial year 2021-22, Bank has not drawn down any Reserves.

d) Set-off of accumulated losses

On 6th September,2021 the Bank has set-off the accumulated losses of ₹ 18724.2174 crores as at 31st March,2021 against the available balance in the share premium account after obtaining approval from the shareholders as well as the Reserve Bank of India.

2. Asset Liability Management

a) Maturity pattern of certain items of assets and liabilities are as follows: -

(Amount in ₹ Crore)

Period	Day 1	2 to 7 days	8 to 14 days	15 to 30 days	31 to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years up to 5 years	Over 5 years	Total
Deposits	1516.87	2940.12	2888.41	4588.65	8893.78	8636.28	12890.58	24895.30	154125.01	62862.65	58454.28	342691.94
Advances	1310.10	408.20	544.90	2570.12	3543.48	3195.04	5233.16	10404.10	90440.66	36139.71	34384.02	188173.50
Investments	42936.96	1022.77	1533.68	331.59	4485.87	1054.03	2507.41	6143.02	14123.63	22811.90	43736.08	140786.95
Borrowings #	3.28	-	64.77	-	64.77	67.81	345.33	534.38	3549.06	5.98	-	4335.26
Foreign Currency assets	611.07	847.09	202.83	6886.57	-	7844.80	23491.25	47715.46	79.51	0.61	-	87679.20
Foreign Currency liabilities	320.27	1155.33	42.38	6953.63	-	8148.52	22304.46	47682.45	1023.44	39.91	-	87670.39

Note: - # Excluding those considered under Tier II Capital.

The above data has been compiled on the basis of the Guidelines of RBI and certain assumptions made by the Management.

b) Liquidity coverage ratio (LCR)

LCR Qualitative Disclosures:

The Liquidity Coverage Ratio (LCR) standard has been introduced with the objective that a Bank maintains an adequate level of unencumbered High Quality Liquidity Assets(HQLAs) that can be converted into cash to meet its liquidity needs for a 30 calendar date and horizon under significantly severe liquidity stress scenario.

LCR has been defined as : $\frac{\text{Stock of high quality liquid assets (HQLAs)}}{\text{Total net cash outflow over the next 30 calendar days}}$

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The Liquidity Coverage Ratio (LCR) is one of the Basel Committee's key reforms to develop a more resilient banking sector. The LCR is expected to improve the banking sector's ability to absorb shocks arising from financial and economic stress, thus reducing the risk of spill over from the financial sector to the real economy. The Liquidity Risk Management of the Bank is governed by the Asset Liability Management (ALM) Policy approved by the Board.

NOTE: In accordance with RBI Circular no. RBI/2014-15/529 DBR No. BP.BC.80/21.06.201/2014-15 dated 31st M, conarch 2015 guidelines, the LCR is calculated by dividing a Bank's stock of HQLA by its total net cash outflows over a 30-day- stress period. The line items significant to LCR are:

Liquidity Coverage ratio (LCR) – Quantitative Disclosure

(Amount in ₹ Crore)

		31.03.2022		31.12.2021		30.09.2021		30.06.2021	
		Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)		130947		134460		133402		128085
Cash Outflows									
2	Retail deposits and deposits from small business customers of which:								
(i)	Stable deposits	165111	8256	163910	8196	162803	8140	164395	8220
(ii)	Less stable deposits	134825	13483	137803	13780	139520	13952	141041	14104
3	Unsecured wholesale funding of which:								
(i)	Operational deposits (all counterparties)	0	0	0	0	0	0	0	0
ii)	Non-operational deposits (all counterparties)	29883	12715	29853	12680	31100	13118	30852	13189
iii)	Unsecured debt	0	0	0	0	0	0	0	0
4	Secured wholesale funding								
5	Additional requirements, of which								
(i)	Outflows related to derivative exposures and other collateral requirements	8133	8133	6281	6281	9749	9749	17522	17522
(ii)	Outflows related to loss of funding on debt products	0	0	0	0	0	0	0	0
(iii)	Credit and liquidity facilities	12925	1377	13188	2117	14074	2252	15175	2320
6	Other contractual funding obligations	2470	2470	2446	2446	2851	2851	2913	2913
7	Other contingent funding obligations	[illegible]	[illegible]	92266	4346	91701	4326	[illegible]	[illegible]

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8	Total Cash Outflows		50024		49846		54388		64617
Cash Inflows									
9	Secured lending (e.g. reverse repos)	17879	0	23506	0	29605	0	26828	0
10	Inflows from fully performing exposures	1367	1367	5467	5467	3809	3809	1777	1777
11	Other cash inflows	15308	13983	11951	11028	14691	13717	22466	21698
12	Total Cash Inflows	34454	15350	40925	16495	47798	17525	51071	23475
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13	TOTAL HQLA		130947		134460		133402		128085
14	Total Net Cash Outflows		34673		33351		36863		41142
15	Liquidity Coverage Ratio (%)		377.66%		403.17%		361.89%		311.32%

Liquidity Coverage Ratio (LCR) Qualitative Disclosures		
Line Items significant to LCR		Explanatory Notes
A	The main drivers of the LCR results and the evolution of the contribution of inputs to the LCR's calculation	The main drivers of LCR results are : 1) High Quality Liquid Asset (HQLA) is one of the major drivers of LCR; the major portion of HQLA consists of facility to avail liquidity under Marginal Standing Facility (MSF), FALLCR & excess SLR investments. 2) Cash Outflow is another major driver of LCR. The main components of cash outflows are less stable retail deposit, funding from other legal entity and net derivative cash outflow. 3) Another major driver of LCR is Cash Inflow. The main components of cash inflows are inflows by counterparty and net derivative cash inflow.
B	Intra-period changes as well as changes over time	Not Applicable
C	The composition of HQLA	The HQLA comprises of the following: 1. Level 1 assets comprises of surplus SLR investments (net of encumbered against REPO, CBLO, MSF, CROMS, other securities pledged for RTGS, SGF, MCX, NSCCL etc) and 2% of NDTL applicable for MSF and 15.00% of NDTL (FALLCR) as per RBI circular no. RBI/2018-19/164 DBR.BP.BC.No.34/ 21.04.098/2018-19 dated 04/04/2019. 2. Level 2A assets comprises of Special (Discom) Bonds issued by State Government, Bonds issued by State Power Distribution Companies, Central Government PSUs excluding the finance companies and bonds of private corporates having rating of AA- and above excluding the finance companies. 3. Level 2B assets comprises of bonds of corporates having rating of BBB- to A+ excluding the finance companies. 4. Level 2B assets also comprises of NIFTY/SENSEX shares excluding the finance companies.
D	Concentration of funding sources	Bank addresses the funding concentration by monitoring their funding from each significant counterparty, each significant product / instrument and each significant currency ('significant' is defined as aggregate amount is more than 1% of the bank's liabilities).

E	Derivative exposures and potential collateral calls	Derivative exposure of the bank consists of the following: 1. OTC Derivatives a) Forwards b) Currency Swaps c) Interest Rate Swap 2. Exchange Traded Derivatives a) Currency Futures b) Interest Rate Futures Potential collateral call comes into question if the trades take place on the Exchange or the settlement takes place through Central Counterparty and is guaranteed and also if the Credit Support Annex(CSA) which is an attachment to the ISDA Master Agreement , is signed with the counterparties. For exposure of trades under Currency Futures and Interest Rate Futures bank is maintaining margins in the form of collaterals (G-Secs) and the same is being maintained depending on the amount of exposure and the volatility in the market. All Interbank USD/INR Swaps and forwards are being settled through CCIL which is a Central Counterparty (CCP). Bank is maintaining margins in the form of collaterals (G-Secs) with CCIL for guaranteed settlement of Interbank USD/INR Swaps and Forwards. The amount of margin depends on the amount of exposure and the volatility in the respective markets. The additional margin is being maintained with the Exchange/ CCP as and when the call is made for the same. At present, Bank does not have in place the Credit Support Annex with any counterparty. As such, no potential collateral call will arise.
F	Currency mismatch in the LCR	To capture potential currency mismatches, the LCR in each significant currency is monitored. A currency is considered as "significant" if the aggregate liabilities denominated in that currency amount to 5 per cent or more of the bank's total liabilities. Bank doesn't have currency mismatch in LCR as bank does not have exposure in 'significant' currency.
G	Degree of centralization of liquidity management and interaction between the group's units	Liquidity management in the bank is centralized and monitored by ALM & Treasury team. Interaction between treasury, CBS, ALM team & other functional units are seamless.
H	Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile.	None
I	Other Information	None

The average LCR for the quarter ended March 31, 2022 was at 311.32% as against 417.10% for the quarter ended March 31, 2021 and well above the present prescribed minimum requirement of 100%.

The average HQLA for the quarter ended March 31, 2022 was 1,28,085 crore as against 129693 crore for the quarter ended March 31, 2021.

The average LCR for the year ended March 31, 2022 was at 360.81 % as against 386.91% for the year ended March 31, 2021.

c) Net Stable Funding ratio (NSFR):

"Basel III: International framework for liquidity risk measurement, standards and monitoring" was issued in December 2010 which presented the details of global regulatory standards on liquidity. The Net Stable Funding Ratio (NSFR) is a significant component of the Basel III reforms. The NSFR is to ensure reduction in funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding in order to mitigate the risk of future funding stress.

The objective of NSFR is to ensure that banks maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities. A sustainable funding structure is intended to reduce the probability of erosion of a bank's liquidity position due to disruptions in a bank's regular sources of funding that would increase the risk of its failure and potentially lead to broader systemic stress. The NSFR limits overreliance on short-term wholesale funding, encourages better assessment of funding risk across all on- and off-balance sheet items, and promotes funding stability.

The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. "Available stable funding" (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of stable funding required ("Required stable funding") (RSF) of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off-balance sheet (OBS) exposures.

NSFR Ratio is calculated as 'Available Stable Funding (ASF) / Required Stable Funding (RSF)'. This ratio should be more than or equal to 100%.

Bank has disclosed NSFR disclosers as required by RBI Circular No. RBI/2017-18/178/DBR.BP.BC.No.106/21.04.098/2017-18 dated 17th May 2018 and Master Direction on Financial Statements-Presentation & Disclosures dated 30th August 2021 in its website having direct and provident link- https//centralbankofindia.co.in which is available to public at large.

3. Investments

a. Composition of Investment Portfolio

(Amount in ₹ Crore)

	Investments in India							Investments Outside India				
	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	Total Investments
Held to Maturity												
Gross	72813.03	-	7.54	27551.75	237.98	126.28	100736.59	-	47.49	-	47.49	100884.08
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	72813.03	-	7.54	27551.75	237.98	126.28	100736.59	-	47.49	-	47.49	100884.08
Available for Sale												
Gross	33042.57	-	2979.99	7044.88	-	2901.69	45969.10	-	-	-	-	45969.10
Less: Provision for depreciation and NPI	332.60	-	2104.16	818.19	-	2717.22	5972.17	-	-	-	-	5972.17
Net	32709.94	-	875.83	6226.69	-	184.47	39996.93	-	-	-	-	39996.93
Held for Trading												
Gross	(13.91)	-	-	-	-	-	(13.91)	-	-	-	-	(13.91)
Less: Provision for depreciation and NPI	0.14	-	-	-	-	-	0.14	-	-	-	-	0.14
Net	(14.05)	-	-	-	-	-	(14.05)	-	-	-	-	(14.05)
Total Investment												
Gross	105841.66	-	2987.53	34596.63	237.98	3027.97	146711.77	-	47.49	-	47.49	146759.26
Less: Provision for non-performing investments												
Less: Provision for depreciation and NPI	332.74	-	2104.16	818.19	-	2717.22	5972.31	-	-	-	-	[illegible]
Net	105508.92	-	883.37	33778.44	237.98	310.75	140739.46	-	47.49	-	47.49	[illegible]

As at 31.03.2022

(Amount in ₹ Crore)

Note: Above Amount includes encumbered securities as on March 31st, 2022	Face Value
Collateral/Margin with CCIL - TREPS	14744.00
Margin & Deafult Fund with CCIL, Securities with NSE clearing, MCX clearing, RBI Rtgs	5816.00
Securities with RBI for Repo	3530.00
Total	24090.00

b. Value of Investment

(Amount in ₹ crore)

Sr. No.	Items			31.03.2022	31.03.2021
1)	Value of Investments				
	i)	Gross Value of Investments		1,46,759.26	1,53,820.06
		a)	In India	1,46,711.77	153,772.57
		b)	Outside India	47.49	47.49
	ii)	Provision for Depreciation		5,972.31	5,237.63
		a)	In India	5,972.31	5,237.63
			Excess prov for dep (held at the of shifting) over current valuation	0.00	0.00
			Total	5,972.31	5,237.63
		b)	Outside India	0.00	0.00
	iii)	Net Value of Investments		140,786.95	148582.44
		a)	In India	140739.46	148534.95
		b)	Outside India	47.49	47.49

c. Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2022	31.03.2021
i)	Movement of provisions held towards depreciation on investments		
	a) Opening balance	5237.63	4840.33
	b) Add: Provisions made during the year	884.53	1314.43
	c) Less: Write off / write back of excess provisions during the year	149.85	917.13
	d) Closing balance	5972.31	5237.63
ii)	Movement of Investment Fluctuation Reserve		
	Opening Balance	-	-
	Add: Amount transferred during the year	658.09	-

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	Less: Drawdown	-	-
	Closing Balance	658.09	-
iii)	Closing balance in IFR as a percentage of closing balance of investment in AFS and HFT/ Current Category	1.43	-

d. Sale and transfer to / from HTM category

As per the directives of Reserve Bank of India and our Investment policy, profit on sale of investments under HTM category should be first taken to P&L account and thereafter be appropriated to the Capital Reserve Account.

Profit on sale/redemption of HTM securities amounted to ₹ 257.27 crores for the financial year ended 31 March 2022.

Particulars	Category	FY 2020-21	FY 2021-22
Profit on sale of securities	HTM	471.86	257.27
Profit on redemption of securities	HTM	0.40	0.0055
Total		472.26	257.26

e. During the year ended Mar 31, 2022 the value of sales and transfers of securities to/from HTM category (excluding 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, sale to RBI under pre-announced Open Market Operation auctions and repurchase of Government securities by the government of India had not exceeded 5% of the Book Value of the Investment held in HTM category at the beginning of the year.

f. Disclosures under Basel II/Basel III Guidelines for quarterly closing 31.03.2022

Description	Amount in Crores ₹	
Amount of Non-Performing Investments	2,653.80	
Amount of provisions held for non-performing investments	2,577.00	
Movement of provisions for depreciation on investments	Total	PI
Opening balance	5453.20	3427.10
Provisions made during the period	830.30	279.30
Write off	-	-
Write back of excess provisions	311.20	311.20
Closing balance	5,972.30	3,395.20

g. Details of Book Value of Investments in Security Receipt

The details of the book value of investments in Security Receipts is as under:

(Amount ₹ in Crore)

	Particulars	31.03.2022	31.03.2021
(i)	Backed by NPAs sold by the bank as underlying	2481.82	2633.26
(ii)	Backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying	1.88	1.88

	Total	2483.70	2635.14

h. Details of Investment in Security Receipts

(Amount ₹ in Crore)

	Particulars	SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years	SRs issued more than 8 years ago
i)	Book Value of SRs backed by NPAs sold by the Bank as underlying	148.56	869.92	1463.34
	Provision held against (i)	-148.56	-761.29	-1463.34
(ii)	Book Value of SRs backed by NPAs sold by other Banks/financial institutions/non-banking financial companies as underlying	0.00	0.12	1.76
	Provision held against (ii)	0.00	-0.07	-1.76
	Total Book Value (i) + (ii)	148.56	870.04	1465.10

i. Recovery ratings assigned to Security Receipts held by bank as on 31.03.2022

Bank is holding an investment of Rs. 2483.70 crore in security receipts (SR) as on 31.03.2022. Rating wise distribution of the same is as under:

Rating of SR	Book Value 31.03.2022
R1	31,37,83,143.95
R2	2,36,89,97,705.11
R3	18,33,70,000.00
R4	34,23,34,250.00
R5	20,07,33,03,000.00
Rating Withdrawn	1,55,52,00,624.20
Grand Total	24,83,69,88,723.26

j. Non SLR Investment Portfolio

Issuer-wise composition of Non-SLR Investments: 31st March 2022

(Amount in ₹ crore)

Sr. No.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
(1)	(2)	(3)		(4)		(5)		(6)		(7)	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
1	Central Govt Recap Bonds	19580	19580	-	0	0	0	19580	19580	19580	19580
2	State Govt Special Bond	1935	2011	-	0	0	0	1935	2011	0	0
a)	PSUs	5251	5534	400	300	0	0	22	22	1676	1769
b)	FIs	[illegible]	2072	-	0	0	0	0	0	0	0

c)	Banks	283	261	55	5	0	0	69	69	69	69
d)	Private Corporates	5577	6925	3540	2970	872	870	57	27	801	801
e)	Subsidiaries/ Joint Ventures	305	305	305	305	0	0	305	305	305	305
f)	Others	6015	6717	2375	2324	585	5757	5407	5434	3578	3633
	TOTAL*	40917	43406	6675	5904	1457	6627	27375	27448	26009	26157
g)	Provision held towards depreciation	5639	5182								
	NET TOTAL	35278	38224	6675	5904	1457	6627	27375	27448	26009	26157

k. Non-Performing Non-SLR Investments

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2022	31.03.2021
a)	Opening Balance	1936.51	2153.39
b)	Additions during the year since 1st April	1004.00	401.08
c)	Reductions during the above period	286.72	617.96
d)	Closing balance	2653.79	1936.51
e)	Total provisions held	2577.01	1887.01

l. Repo Transactions (in face value terms)

The details of face value of securities Purchased/Sold under Repo Agreement for the year ended March 31, 2022 are as follows:

(Amount in ₹ crores)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on March 31, 2022
i) Securities sold under Repo				
a) Government Securities	1764.00	1844.00	1765.29	1764.00
b) Corporate debt securities	0.00	0.00	0.00	0.00
c) Any other securities	0.00	0.00	0.00	0.00
ii) Securities purchased under Reverse Repo				
a) Government Securities	11985.00	36127.00	24189.97	22906.00
b) Corporate debt securities	0.00	0.00	0.00	0.00
c) Any other securities	0.00	0.00	0.00	0.00

4. Asset Quality:

a) Classification of advances and provisions held

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(Amount in ₹ crore)

Asset Quality a) Classification of advances and provisions held

	Standard		Non-Performing								Total	
	Total Standard Advances		Sub-standard		Doubtful		Loss		Total Non-Performing			
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Gross Standard Advances and NPAs												
Opening balance	147836	139855	5274.61	5284.14	20466.84	24545.47	3535.51	2749.51	29276.96	32599.88	176812.96	172244.08
Add: Additions during the year									4717.93	6448.53	4717.93	6448.53
Less: Reduction during the year									5838.67	9760.65	5838.67	9760.65
Closing balance	161556	147836	3098.31	5274.61	21185.95	20466.84	3871.97	3535.51	28156.22	29276.96	189712.22	176812.96
Reductions in Gross NPAs due to:												
i) Upgradation									1337.14	804.82	1337.14	804.82
ii) Recoveries (excluding recoveries from upgraded accounts)									3266.03	2963.39	3266.03	2963.39
iii) Technical/ Prudential Write-offs									0	4809.62	0	4809.62
iv) Write-offs other than those under (iii) above									1235.5	1182.82	1235.5	1182.82
Provisions (excluding Floating Provisions)												
Opening balance of provisions held	1028.83	768.14	842.55	1159.34	15098.85	16131.36	3307.79	2581.45	19149.48	19872.68	20179.31	20622.42
Add: Fresh provisions made during the year									3723.97	5658.81	3723.97	5656.01
Less: Excess provision reversed/Write-off loans									2407.59	6378.6	2407.59	6378.6
Closing balance of provisions held	1541.08	1028.83	674.87	842.55	17258.59	15098.85	2132.6	3307.79	20066.86	19149.48	21606.94	20179.31
Net NPAs												
Opening Balance			4273.68	4082.94	4862.77	7451.52	0	0	9036.45	11534.46		
Add: Fresh Additions during the year									2932.08	1853.82		
Less: Reductions during the year									5290.37	4351.83		
Closing Balance			2403.54	4273.68	4271.65	4862.77	0	0	6675.17	9036.45		
Floating Provisions											100.56	100.56
Opening Balance											0	0
Add: Additional provisions made during the year											100.56	0
Less: Amount drawn down during the year											0	100.56
Closing balance of floating provisions												
Technical write-offs and the recoveries made thereon												
Opening balance of Technical/ Prudential written-off accounts											22478.34	18204.84
Add: Technical/ Prudential write-offs during the year											0	4809.62
Less: Recoveries made from previously technical/ prudential written-off accounts during the year											485.93*	536.1
Closing balance											21992.41	22478.34

* Includes conversion to Regular Write off of ₹ 149.43 crore (Previous Year ₹ 128.78 crore). ECGC Claim Appropriation amount to ₹ 18.13 Crore.

Ratios (in percent)	31.03.2022	31.03.2021
Gross NPA to Gross Advances	14.84	16.55
Net NPA to Net Advances	3.97	5.77
Provision coverage ratio	86.69	82.54

b) Sector- wise Advances and Gross NPAs:

(Amount in ₹ Crore)

Sr. No.	Sector*	31.03.2022			31.03.2021		
		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)	Priority Sector						
a)	Agriculture and allied activities	39,153.93	6,052.84	15.46	36,206.99	5,349.43	14.77
b)	Advances to industries sector eligible as priority sector lending	13,564.33	2,334.56	17.21	11,748.97	2,551.80	21.72
c)	Serv[illegible]	20,576.70	3,07[illegible]	14.93	20,797.66	3,138.39	15.0[illegible]

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Kishore & Kishore Chartered Accountants Lucknow

A S K A & Co. Chartered Accountants FRN 122063W

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d)	Personal loans	22,210.89	1,226.73	5.52	19,468.85	1,369.77	7.04
	Subtotal (I)	95,505.85	12,685.65	13.28	88,222.47	12,409.39	14.07
ii)	Non-Priority Sector						
a)	Agriculture and allied activities	0.00	0.00	0.00	0.00	0.00	0.00
b)	Industry	53,765.74	8,062.99	15.00	19,304.03	8,379.49	43.41
c)	Services	10,425.82	6,411.57	61.50	39,309.32	7,315.77	18.61
d)	Personal loans	30,014.79	996.01	3.32	30,077.15	1,172.31	3.90
	Sub-total (ii)	94,206.35	15,470.57	16.42	88,690.50	16,867.57	19.02
	Total (i+ii)	1,89,712.20	28,156.22	14.84	1,76,912.97	29,276.96	16.55

Total outstanding amount of advances (FB + NFB) secured by Book Debts as on 31.03.2022 is ₹ 15847.89 crores (as against ₹ 16718.70 Crores as of 31.03.2021)

c) Sector wise advances- Movement of NPA

(Amount in ₹ crore)

Particulars	31.03.2022	31.03.2021
Gross NPAs *as on 1st April (Opening Balance)	29276.96	32589.08
Additions (Fresh NPAs) during the year	4717.93	6448.53
Sub-total (A)	33994.89	39037.61
Less:-		
(i) Upgradation	1337.14	804.82
(ii) Recovery (excluding recoveries made from upgraded accounts)* Sale of NPA	3266.03	2963.39
(iii) Technical/Prudential Write-offs	0.00	4809.62
(iv) Write-offs other than those under (iii) above	1235.50	1182.82
Sub-total (B)	5838.67	9760.65
Gross NPAs as on 31st March (Closing Balance) (A-B)	28156.22	29276.96

d) Technical write-off/ Prudential written-off and the recoveries:

(Amount in ₹ crore)

Particulars	31.03.2022	31.03.2021
Opening balance of Technical/Prudential written-off accounts as at April 1	22478.36	18204.84
Add: Technical/Prudential write-offs during the year	0	4809.62
Sub-total (A)	22478.36	23014.46
Less: Recoveries made from previously technical/prudential written-off accounts during the year (B)*	485.95*	536.1
Closing balance as at March 31 (A-B)	21992.41	22478.36

*includes conversion to regular write off of ₹ 149.43 crore (Previous year ₹ 128.70 crore), ECGC Claims Appropriation amount to ₹ 19.13 crore.

e) Overseas assets, NPAs and Revenue

(Amount in ₹ Crore)

Particulars	31.03.2022	31.03.2021
Total Assets	NIL	NIL
Total NPAs	NIL	NIL
Total Revenue	NIL	NIL

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f) Particulars of Resolution Plan & Restructuring:
As per RBI circular DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019, the Bank has implemented Resolution Plans for its 7 borrowers having total exposure of ₹ 4348.68 crore. The total exposure outstanding in such resolved accounts as on 31.03.2022 was ₹ 2457.99 crore.

g) Disclosure of transfer of loan exposures (SMA)
1. Details of stressed loans (SMA) transferred during the:

(all Amounts in ₹ crore)	To ARCs			To permitted transferees			To other transferees (please specify)		
	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021
No: of accounts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Aggregate principal outstanding of loans transferred	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Weighted average residual tenor of the loans transferred	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Net book value of loans transferred (at the time of transfer)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Aggregate consideration	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

2. Details of loans acquired (SMA) during the year:

(Amount in ₹ crore)

(all amounts in ₹ crore)	From SCBs, RRBs, UCBs, StCBs, DCCBs, AIFIs, SFBs and NBFCs including Housing Finance Companies (HFCs)			From ARCs		
	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021
Aggregate principal outstanding of loans acquired	NIL	NIL	NIL	NIL	NIL	NIL
Aggregate consideration paid	NIL	NIL	NIL	NIL	NIL	NIL
Weighted average residual tenor of loans acquired	NIL	NIL	NIL	NIL	NIL	NIL

h) Disclosure of transfer of loan (NPA) exposures:
1.Details of stressed loans (NPA) transferred during the:

(Amount in ₹ crore)

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J S K A & CO Chartered Accountants

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(all Amounts in ₹ crore)	To ARCs			To permitted transferees			To other transferees (please specify)		
	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021
No: of accounts	NIL	1	9	NIL	NIL	NIL	NIL	NIL	NIL
Aggregate principal outstanding of loans transferred	NIL	41.91	725.95	NIL	NIL	NIL	NIL	NIL	NIL
Weighted average residual tenor of the loans transferred	NIL	34 Months	36 Months*	NIL	NIL	NIL	NIL	NIL	NIL
Net book value of loans transferred (at the time of transfer)	NIL	0.00	153.90	NIL	NIL	NIL	NIL	NIL	NIL
Aggregate consideration	NIL	13.21	270.11	NIL	NIL	NIL	NIL	NIL	NIL
Additional consideration realized in respect of accounts transferred in earlier years	NIL	327.93	8.97	NIL	NIL	NIL	NIL	NIL	NIL

* Residual tenure is calculated taking simple average of 9 accounts transferred.

2. Details of loans acquired (NPA) during the year:

(Amount in ₹ crore)

(all amounts in ₹ crore)	From SCBs, RRBs, UCBs, StCBs, DCCBs, AIFIs, SFBs and NBFCs including Housing Finance Companies (HFCs)			From ARCs		
	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021
Aggregate principal outstanding of loans acquired	NIL	NIL	NIL	NIL	NIL	NIL
Aggregate consideration paid	NIL	NIL	NIL	NIL	NIL	NIL
Weighted average residual tenor of loans acquired	NIL	NIL	NIL	NIL	NIL	NIL

i) Details of Standard Assets transferred or acquired:

i. Details of Standard Assets Transferred:

(Amount ₹ in Crore)

	Particulars	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021
1.	No. of accounts sold during the year	NIL	NIL	NIL
2.	Aggregate outstanding	NIL	NIL	NIL
3.	Weighted average maturity	NIL	NIL	NIL
4.	Weighted average holding period	NIL	NIL	NIL
5.	Retention of beneficial economic interest	NIL	NIL	NIL
6.	Coverage of tangible security coverage	NIL	NIL	NIL
7.	Rating wise distribution of rated loans	NIL	NIL	NIL

ii) Details of Standard Assets Acquired through assignment/Novation and Loan Participation:

i. Pool Buyout

(Amount ₹ in Crore)

	Particulars	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021
1.	No. of accounts Purchased during the year	89604	162184	336364
2.	Aggregate outstanding	817.86	1315.95	2404.40
3.	Weighted average maturity (In Months)	19.35	19.46	130.06
4.	Weighted average holding period	3.20	3.86	17.50
5.	Retention of beneficial economic interest	10%	10%	10%
6.	Coverage of tangible security coverage	100%	100%	100%
7.	Rating wise distribution of rated loans	NA	NA	NA

ii. Co-Lending

(Amount ₹ in Crore)

	Particulars	Quarter Ended 31.03.2022	Year Ended 31.03.2022	Year Ended 31.03.2021
1.	No. of accounts Purchased during the year	6369	13272	NIL
2.	Aggregate outstanding	585.93	1500.21	NIL
3.	Weighted average maturity (In Months)	204.00	204.00	NIL
4.	Weighted average holding period	0.00	0.00	NIL
5.	Retention of beneficial economic interest	20%	20%	NIL
6.	Coverage of tangible security coverage	100%	100%	NIL
7.	Rating wise distribution of rated loans	NA	NA	NIL

k) Fraud Accounts

In terms of RBI circular RBI/2015-16/376/DBR.No.BP.BC.92/21.04.048/2016-16 dated 18.04.2016 details of Fraud and Provision are as below:-

Out of the total frauds of Rs. 773.33 crore in 1243 cases (Previous year Rs. 4518.31crore in 1026 cases) reported during the year, an amount of Rs. 758.34 Crore in 31 cases represents advances declared as frauds. Full provision has been made for the outstanding balance as on 31st March, 2022 in respect of frauds reported during the year. The details of the same are as under:

	31.03.2022	31.03.2021
Number of frauds reported	1243	1026
Amount involved in fraud (₹ Crore)	773.33	4518.31
Amount of provision made for such frauds (₹ Crore)	773.33	4518.31
Amount of Unmortised provision debited from 'other reserves' as at the end of the year (₹ Crore)	0	0

l) Disclosure regarding accounts restructured under resolution framework 1.0 & 2.0 as on 31.03.2022

(Amount in ₹ crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan-Position as at the end of the previous half-year (A)**	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year***	Exposure to accounts classified as Standard consequent to implementation of resolution plan-Position as at the end of this half-year

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Personal Loans #	1948.63	18.93	NIL	42.29	1887.41
Corporate persons*	3480.23	851.82	NIL	576.06	2052.35
Of which MSMEs	466.24	7.47	NIL	61.05	397.72
Others	3055.60	135.54		193.37	2726.69
Total	8484.46	1006.29	NIL	811.72	6666.45

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

**Includes accounts where request received till sept.30,2021 and implemented subsequently. Customer-wise exposure has been taken in disclosure.

*** Includes net change in exposure during the period.

#Personal loan represents retail advances.

Disclosure of restructured Accounts as at 31st MARCH, 2022

NAME OF THE BANK: CENTRAL BANK OF INDIA

Sr. No.	Type of Restructuring → / Asset Classification → / Details ↓		Under CDR Mechanism: Standard	Sub-Standard	Doubtful	Loss	Total	Under SME Debt Restructuring Mechanism: Standard	Sub-Standard	Doubtful	Loss	Total	Others: Standard	Sub-Standard	Doubtful	Loss	Total	Total: Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructuring Accounts as on April 1 of the FY (Opening figures)**	No. of borrowers	1	0	0	1	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		Amount Outstanding	[illegible]	0.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		Provision thereon	[illegible]	0.00	0.00	0.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2	Fresh Restructuring during the year	No. of borrowers	0	0	0	0	0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		Amount Outstanding	0.00	0.00	0.00	0.00	0.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		Provision thereon	0.00	0.00	0.00	0.00	0.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3	Upgradations to restructured standard category during the FY	No. of borrowers	0	0	0	0	0	[illegible]	[illegible]	[illegible]	[illegible]	0	[illegible]	[illegible]	[illegible]	[illegible]	0	[illegible]	[illegible]	[illegible]	[illegible]	0
		Amount Outstanding	[illegible]	0.00	0.00	0.00	0.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		Provision thereon	0.00	0.00	0.00	0.00	0.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY*	No. of borrowers	0				0	0				0	0				0	0				0
		Amount Outstanding	0.00				0.00	0.00				0.00	0.00				0.00	0.00				0.00
		Provision thereon	0.00				0.00	0.00				0.00	0.00				0.00	0.00				0.00
5	Downgradations of restructured accounts during the FY	No. of borrowers	0	0	0	0	0	[illegible]	[illegible]	[illegible]	[illegible]	0	[illegible]	[illegible]	[illegible]	[illegible]	0	[illegible]	[illegible]	[illegible]	[illegible]	0
		Amount Outstanding	0.00	0.00	0.00	0.00	0.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		Provision thereon	0.00	0.00	0.00	0.00	0.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6	Write-offs of restructured accounts during the FY #	No. of borrowers	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		Amount Outstanding	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7	Restructured Accounts as on 31.03.2022 (Closing figures)	No. of borrowers	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		Amount Outstanding	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		Provision thereon	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

m) Disclosure of restructured accounts :

*Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).
** provision held is figure of sacrifice provision final provision on standard restructured accounts includes ₹ 6.55 crores pertaining to out of purview of accounts.
Serial No. 2 Includes ₹ 281.86 crores of fresh/ additional sanction(813 no of accounts and ₹ 4.60 crores provision thereto) existing restructured accounts.
Serial No. 6 includes ₹ 441.20 crores of reduction from existing restructured accounts by way of sale/ recovery/ closure.
Closing outstanding balance as on 31.03.2022 is after increase / recovery during the financial year. The figure also includes accounts restructured under the resolution framework under Covid-19 scheme (RF1.0 & RF 2.0.)

n) In accordance with RBI circular no. DBR No. BP.BC.18/21.04.048/2018-19 dated January 01,2019, DOR No. BP.BC.34/21.04.048/2019-20 dated February 11, 2020 and RBI/2020-21/17 DOR No. BP.BC/4/21.04.048/2020-21 dated August 6, 2020 on "Relief for MSME borrowers either exempted or registered under Goods and Services Tax(GST), the details of MSME restructured accounts as on 31st March, 2022 are as under:

No of Accounts Restructured	Amount in Crore
29838	2808.24

*The Bank has maintained additional provision on standard restructured accounts at 5.0% & 10.0% whichever applicable.

o) Disclosure with respect to NCLT provisions:-
As per RBI circular No. DBR No. BP.15199/21.04.048/2016-17 and DBR No. BP.1906/21.04.048/2017-18 dated June 23, 2017 and August 28, 2017 respectively, for the accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank is holding total provision of ₹ 6406.10 crore (including FITL of ₹ 127.90 crore) @ (100 % of total outstanding including investment) as on March 31, 2022.

p) Resolution of Stressed Assets
RBI vide their circular no. RBI/ 2018-19/ 203 DBR. No.BP.BC. 45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Asset issued guidelines for implementation of Resolution Plan, also containing requirements of additional provision as per Para 17 of this RBI circular. The outstanding in such cases as on March 31, 2022 is ₹ 1757.84 crore and in compliance of the above RBI circular, the Bank has made additional provision of ₹ 435.37 crore during the quarter ended March 31, 2022 and hold total provision of ₹ 1092.32 crore as on March 31, 2022.

q) Provisioning Coverage Ratio (PCR)

Ratios (in per cent)	31.03.2022	31.03.2021
Gross NPA to Gross Advances	14.84	16.55
Net NPA to Net Advances	3.97	5.77
Provision coverage ratio	86.69	82.54

The PCR (inclusive of Technical Write Off) stood at 86.69% (Previous Year 82.54 %).
The PCR (exclusive of Technical Write Off) stood at 76.29% (Previous Year 69.13 %).

r) Disclosure in respect of ILFS and ILFS entities
In terms of RBI circular no RBI/2018-19/175 DBR.BP.BC.No.37/21.04.048/2018-19 dated 24.04.2019 Position as on 31.03.2022 is as under:

(Amount in ₹ crore)

Amount Outstanding	Of (1), total amount of exposures which are NPAs as per IRAC norms and not classified as NPA.	Provisions required to be made as per IRAC norms	Provisions actually held	Description
1	2	3	4	5
193.31	0	193.31	193.31	ILFS FIN CP
16.49	0	16.49	16.49	ILFS EQ

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2.47	2.47	1.36	1.36	New TIRUPUR
212.27	2.47	211.16	211.16	TOTAL

s) Advances to units which have become sick including those under nursing/ rehabilitation/ restructuring programme and other advances classified as doubtful/ loss assets have been considered secured/ recoverable to the extent of estimated realizable value of securities carrying first or second charge based on valuers' assessment of properties/ assets mortgaged to the Bank and other data available with the Bank.

t) Countercyclical Provisioning Buffer

(Amount in ₹ crore)

	Particulars	31.03.2022	31.03.2021
A	Opening balance in the Countercyclical Provisions account	47.34	47.34
B	The quantum of Countercyclical Provisions made in the Accounting Year	-	-
C	Amount of draw down made during the Accounting Year.	47.34	-
D	Closing balance in the Countercyclical Provisions account	NIL	47.34

u) Floating Provisioning Buffer

(Amount in ₹ crore)

	Particulars	31.03.2022	31.03.2021
A	Opening balance in the Countercyclical Provisions account	100.56	100.56
B	The quantum of Countercyclical Provisions made in the Accounting Year	-	-
C	Amount of draw down made during the Accounting Year.	100.56	-
D	Closing balance in the Countercyclical Provisions account	NIL	100.56

In accordance with the guidelines issued by Reserve Bank of India, the Bank has transferred the balance Floating Provision amount of ₹ 100.56 crores and Countercyclical Provision amount of ₹47.34 Crore to bad and doubtful provision accounts.

v) Provision on Standard Assets

(Amount ₹ in Crore)

Items	31.03.2022	31.03.2021
Provisions towards Standard Assets held	1541.08	1029.83
*Previous year figures have been re-grouped / re-classified wherever considered necessary to confirm current year's classification.		

w) Disclosure on Large Exposure framework:

Details of Accounts where bank has exceeded prudential exposure ceilings as per Large Exposure (LE) Framework in respect of any Individual and Group Account based on Tier-1 capital, are as below:-

Large Exposures to counterparties (Single as well as group of connected counterparties) bank's eligible capital base. (Tier I Capital as of 31.03.2022 ₹ 17,049.44 Crores)
(Amount ₹ in Crore)

Sr No.	Borrower/ Customer Name*	Whether Single (S) or Group (G) of connected Counter parties	Exposure Amount	Exposure as % of Tier I Capital ₹ 17,049.44Crores
NIL				

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x) Statement of Loans and Advances secured by Intangible Assets viz. Rights Licenses Authorizations etc. which is shown as unsecured in Schedule-9:

CATEGORY	31.03.2022	31.03.2021
Advances against charge over intangible security such as Rights, Licenses, Authorization etc. are considered as unsecured	NIL	NIL
Value of intangible security	NIL	NIL
Letters of Comfort (LoCs) issued by banks	NIL	NIL
value of intangible security	NIL	NIL
Unsecured Advances	NIL	NIL

5. Exposures

a) Exposure to Real Estate Sector

(Amount in ₹ crore)

	Category	31.03.2022	31.03.2021
(A)	Direct Exposure		
	(i) Residential Mortgages -	29376.53	30440.75
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. (Individual housing loans eligible for inclusion in priority sector advances shall be shown separately). Exposure would also include non-fund based (NFB) limits.	(13484.79)	(17974.42)
	(ii) Commercial Real Estate –		
	Lending Fully secured by mortgages on residential property(office buildings, retail space, multipurpose commercial premises, multifamily 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:	1696.14	3197.55
	(iii) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures- -Residential -Commercial Real Estate	 0.00 184.50	 0.00 112.83
(B)	Indirect Exposure		
	(i) Fund based and non-fund based exposures on National Housing Bank(NHB) and Housing Finance Companies(HFCs).	2048.40	2644.62
	(ii) Any Other-Indirect Exposure-Please Specify #	0.00	0.00
	Total Exposure to Real Estate Sector	19820.78	18421.33

b) Exposure to capital market

(Amount in ₹ crore)

	Particulars	31.03.2022	31.03.2021
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	408.71	444.81
ii)	Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs)	1.58	1.63

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	convertible bonds, convertible debentures and units of equities-oriented mutual funds		
iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security.	0.00	0.00
(iv)	Advances for any other purposes to the extent secured by the collateral securities of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds ie where the primary security other than shares/ convertible bonds/ convertible debentures/ units of equity-oriented mutual funds does not fully cover the advances. 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.	28.73	0.00
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers.	292.35	218.02
vi)	Loans sanctioned to corporates against the securities of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contributions to the equity of new companies in anticipation of raising resources.	0.00	0.00
vii)	Bridge Loans to the companies against expected equity flows/ issues.	0.00	0.00
viii)	Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds	0.00	0.00
ix)	Financing to stock brokers for margin trading	0.00	0.00
x)	All exposures to Venture Capital funds (both registered and unregistered)	471.22	490.17
	Total Exposure to Capital Market	1,202.59	1,154.63

c) Risk Category-wise Country Exposure:

(Amount in ₹ crore)

Risk Category	Exposure (net) as at March 31st (2022)	Provision held as March 31st (2022)	Exposure (net) as at March 31st (2021)	Provision held as March 31st (2021)
Insignificant	15300.57	NIL	550.74	NIL
Low	351.35	NIL	725.76	NIL
Moderately Low	NIL	NIL	NIL	NIL
Moderate	3.76	NIL	178.83	NIL
Moderately High	NIL	NIL	NIL	NIL
High	22.38	NIL	3.40	NIL
Very High	56.08	NIL	1.61	NIL
Total	15734.15	NIL	1460.34	NIL

As the Bank's Net Funded exposure for the year in respect of Foreign Exchange Transaction is less than 1 % of total assets of the Bank, no provision is considered necessary.

d) Unsecured Advances

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Particulars	31.03.2022	31.03.2021
Total unsecured advances of the bank	14416.76	10970
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 securities	NIL	NIL

e) Factoring Exposures:
As the Bank's Net Funded exposure for the year in respect of Foreign Exchange Transaction is less than 1% of total assets of the Bank, no provision is considered necessary.

f) Intra-Group Exposures:

(Amount in ₹ crore)

Particulars	31.03.2022	31.03.2021
Total amount of intra-group exposures	1099.69	761.28
Total amount of top-20 intra-group exposures	1099.69	761.28
Percentage of intra-group- exposures to total exposure of the bank on borrowers/customers	0.40%	0.29%
Details of breach of limits on intra-group exposures and regulatory action thereon if any	NIL	NIL

g) Unhedged Foreign Currency exposure:
Based on the available financial statements and the declaration from borrowers, the Bank has estimated the liability towards Unhedged Foreign Currency Exposure to their constituents in terms of RBI circular DBOD.NO.BP.BC.85/21.06.200/2013-14 dated January 15, 2014 and 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 out in place risk mitigation measures. Thus, there is a provision of ₹ 4.18 Crores as on 31st Mar 2022.

CATEGORY	31.03.2022	31.03.2021
Unhedged Foreign Currency exposure	8118.03	9340.99
Provisions held for Unhedged Foreign Currency exposure	4.18	3.53

h) Single Borrower and Group Borrower exposure limits:

The Bank had taken single borrower exposure & Group Borrower exposure within the prudential limit prescribed by RBI.

6. Disclosure regarding concentration of Deposits, Advances, Exposures and NPAs:

a) Concentration of deposits:

(Amount in ₹ Crore)

Particulars	31.03.2022	31.03.2021
Total deposits of the twenty largest depositors	12342.17	9631.66
Percentage of deposits of twenty largest depositors to total deposits of the bank	3.60%	2.92%

b) Concentration of Advances*

(Amount in ₹ Crore)

Particulars	31.03.2022	31.03.2021

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Total Advances (Credit Exposure) to Top 20 largest borrowers	32719.97	26799.69
Total Advances (Credit Exposure)	254575.14	239395.06
Percentage of Advances to twenty largest borrowers to Total Advances of the bank	12.85%	11.19%

*Represent Credit exposure as per RBI Norms

c) Concentration of Exposures**

(Amount in ₹ Crore)

Particulars	31.03.2022	31.03.2021
Total exposure to twenty largest borrowers/customers	34890.24	29346.87
Total Exposure	273978.20	261162.02
Percentage of exposures to the twenty largest borrowers/customers to the total exposure of the bank on borrowers/customers	12.73%	11.24%

** Represent credit and investment exposure

d) Concentration of NPAs

(Amount in ₹ Crore)

Particulars	31.03.2022	31.03.2021
Total Exposure to top twenty NPA accounts	13962.04	14689.57
Percentage of exposures to the top twenty largest NPA exposure to total Gross NPAs	27.84	28.38

7. Derivatives

a) Forward Rate Agreement / Interest Rate Swap

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2022	31.03.2021
i)	The Notional Principal of Swap agreements	3530.00	1305.00
ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements.	2.90	0.00
iii)	Collateral required by the bank upon entering into swaps	NIL	NIL
iv)	Concentration of credit risk arising from the swaps	Not Significant	Not Significant
v)	The fair value of the swap book	2.90	-3.78

b) Forward Rate Agreement / Currency Rate Swap

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2022	31.03.2021
i)	The Notional Principal of Swap agreements	0.00	351.48
ii)	Losses which would be incurred if counter parties failed to fulfill their obligations under the agreements.	0.00	3.78
iii)	Collateral required by the bank upon entering into swaps	0.00	0.00
iv)	Concentration of credit risk arising from the swaps	Not Significant	Not Significant
v)	The fair value of the swap book	0.00	3.78

c) Exchange Traded Interest Rate Derivatives

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2022	31.03.2021
i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument wise)	NIL	NIL
	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31st March 2022 (instrument	NIL	NIL

	wise)		
iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)	NIL	NIL
iv)	Mark-to market value of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)	NIL	NIL

d) Exchange Traded Currency Derivatives

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2022	31.03.2021
i)	Notional principal amount of exchange traded Currency derivatives undertaken during the year		
	a) Currency Futures	133.93	8992.53
	b) Currency Options	0.00	0.00
ii)	Notional principal amount of exchange traded Currency derivatives outstanding as on 31 st March 2022		
	a) Currency Futures	0.00	65.80
	b) Currency Options	0.00	0.00
iii)	Notional principal amount of exchange traded Currency derivatives outstanding and not 'highly effective'		
	a) Currency Futures	0.00	0.00
	b) Currency Options	0.00	0.00
iv)	Mark to market value of exchange traded Currency derivatives outstanding and not 'highly effective' (instrument wise)		
	a) Currency Futures	0.00	2.15
	b) Currency Options	0.00	0.00

e) Qualitative Disclosures

Qualitative Risk Exposure

The Bank currently deals in over the counter (OTC) interest rate and currency derivatives as also in Interest Rate Futures and Exchange Traded Currency Derivatives. Interest Rate Derivatives dealt by the Bank are rupee interest rate swaps, foreign currency interest rate swaps. Currency derivatives dealt by the Bank are USD, INR & cross currency swaps,. The products are offered to the Bank's customers to hedge their exposures and the Bank also enters into derivatives contracts to cover off such exposures. Derivatives are used by the Bank both for trading as well as hedging balance sheet items.

I. Derivative transactions carry market risk i.e., the probable loss the Bank may incur as a result of adverse movements in interest rates/exchange rates and credit risk i.e. the probable loss the Bank may incur if the counterparties fail to meet their obligations. The Bank's "Policy for Derivatives" approved by the Board prescribes the market risk parameters (Loss Limits, cut-loss triggers, open position limits, duration, modified duration, PV01 etc.) as well as customer eligibility criteria (credit rating, tenure of relationship, limits and customer appropriateness and suitability of policy (CAS) etc.) for entering into derivative transactions. Credit risk is controlled by entering into derivative transactions only with counterparties satisfying the criteria prescribed in the Policy. Appropriate limits are set for the

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counterparties taking into account their ability to honor obligations and the Bank enters into ISDA agreement with each counterparty.

ii. The Asset Liability Management Committee (ALCO) of the Bank oversees efficient management of these risks. The Bank's Risk Management Department (RMD) identifies, measures, monitors market risk associated with derivative transactions, assists ALCO in controlling and managing these risks and reports compliance with policy prescriptions to the Risk Management Committee of the Board (RMCB) at regular intervals.

iii. Interest Rate Swaps are mainly used for hedging of the assets and liabilities.

iv. Majority of the swaps were done with good rated counterparty banks.

v. Derivative transactions comprise of swaps which are disclosed as contingent liabilities. The swaps are categorized as trading or hedging.

vi. Derivative deals are entered with only those interbank participants for whom counterparty exposure limits are sanctioned. Similarly, derivative deals entered with only those corporates for whom credit exposure limit is sanctioned. Collateral requirements for derivative transactions are laid down as a part of credit sanctions terms on a case-by-case basis. Such collateral requirements are determined based on usual credit appraisal process. The Bank retains the right to terminate transactions as a risk mitigation measure in certain cases.

vii. Hedge Positions:

- Accrual on account of interest expenses/ income on the Interest Rate Swap (IRS) are accounted and recognized as income/expenses.
- If the swap is terminated before maturity, mark-to-market (MTM) loss/gain and accrual till such date are accounted as expenses/ income under interest paid/ received on IRS.

viii. Trading Position:

- Currency futures and interest rate futures are marked to market on daily basis as per exchange guidelines of MCX-SX (MSEL) and NSE.
- MTM profit/loss is accounted by credit/debit to the margin account on daily basis and the same is accounted in Bank's profit and loss account in final settlement.
- Trading swaps are marked to market at frequent intervals. Any MTM losses are booked and gains, if any are ignored.
- Gains or losses on termination of Swaps are recorded as immediate income/expenses under the above head.

i. Outstanding Forward Contract of Merchant & Interbank as on 31.03.2022

(Amount in ₹ crore)

Outstanding as on 31.03.2022	46821.84
Hedging Position	21920.47

Trading position	24901.37

i. Quantitative Disclosures

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2022		31.03.2021	
		Currency Derivatives	Interest rate derivatives	Currency Derivatives	Interest rate derivatives
i)	Derivatives (Notional Principal Amount)				
	a) For hedging	21920	1200	6596	0
	b) For trading	24901	2330	64539	1305
ii)	Marked to Market Positions				
	a) Asset (+)	664	17	558	9
	b) Liability (-)	562	14	484	13
iii)	Credit Exposure	936	353	1423	130
iv)	Likely impact of one percentage change in interest rate (100*PV01)	-	0.01	-	0.01
	a) On hedging derivatives	-	0.00	-	0.00
	b) On trading derivatives	-	0.01	-	0.01
v)	Maximum and Minimum of 100* PV01 observed during the year				
	a) On hedging	-	Max-0.00 Min-0.00	-	Max-0.00 Min-0.00
	b) On trading	-	Max-0.04 Min-0.01	-	Max-0.04 Min-0.01

ii. Credit Default Swaps

Bank has not taken any position in Credit Default Swap in the financial year 2021-22 (Previous Year-Nil).

8. Disclosure Relating to securitization

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2022	31.03.2021
1	No of SPEs holding assets for securitization transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	NIL	NIL
2	Total amount of securitized assets as per books of the SPEs	NIL	NIL
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	NIL	NIL
	a) Off-balance sheet exposures	NIL	NIL
	First loss	NIL	NIL
	Others	NIL	NIL
	b) On-balance sheet exposures	NIL	NIL
	First loss	NIL	NIL
	Others	NIL	NIL
4	Amount of exposures to securitisation transactions other than MRR	NIL	NIL
	a) Off-balance sheet exposures	NIL	NIL
	i) Exposure to own securitizations	NIL	NIL
	First loss	NIL	NIL

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	Loss	NIL	NIL
	ii)Exposure to third party securitisations	NIL	NIL
	First loss	NIL	NIL
	Others	NIL	NIL
	a)On-balance sheet exposures	NIL	NIL
	i) Exposure to own securitisations	NIL	NIL
	First loss	NIL	NIL
	Others	NIL	NIL
	ii) Exposure to third party securitisations	NIL	NIL
	First loss	NIL	NIL
	Others	NIL	NIL
5	Sale consideration received for the securitized assets and gain/loss on sale on account of securitization	NIL	NIL
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitization asset servicing, etc.	NIL	NIL
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. (a) Amount paid (b) Repayment received I Outstanding amount	NIL	NIL
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	NIL	NIL
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans, etc.	NIL	NIL
10	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	NIL	NIL

*Only the SPVs relating to outstanding securitization transactions may be reported here

9. Off-Balance Sheet SPVs sponsored
(Which are required to be consolidated as per accounting norms)

Name of the SPV sponsored	31.03.2022	31.03.2021
Domestic	NIL	NIL
Overseas	NIL	NIL

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

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2022	31.03.2021
i)	Opening balance of amounts transferred to DEA Fund	837.35	536.14
ii)	Add: Amount transferred to DEA Fund during the year	258.53	304.16
iii)	Less: Amount reimbursement by DEA Fund towards claims	10.15	2.95
iv)	Closing balance of amounts transferred to DEA Fund	1085.73	837.35

11. The outbreak of Corona virus (COVID-19) pandemic globally including India has resulted in slowdown of economic activities and increased volatility in financial markets. The extent to which the COVID-19 pandemic will

impact the Bank's financial results will depend on future developments, which are highly uncertain. Given the uncertainty, because of COVID-19 pandemic, the bank's is continuously monitoring any material change in future depending on the developments which may differ from that estimated as at the date of approval of the financial statements.

12. Disclosure of Complaints:

a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman:

Sr. No.		Particulars	31.03.2022	31.03.2021
	Complaints received by the bank from its customers			
1		Number of complaints pending at beginning of the year	162	425
2		Number of complaints received during the year	28413	23812
3		Number of complaints disposed during the year	28191	24075
	3.1	Of which, number of complaints rejected by the bank	0	0
4		Number of complaints pending at the end of the year	384	162
	Maintainable complaints received by the bank from Office of Ombudsman			
5		Number of maintainable complaints received by the bank from Office of Ombudsman	5911	5383
	5.1	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	5543	4017
	5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	367	1021
5.3		Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	01	02
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.				

b) Complaints received by the Bank from customers pertaining to ATM transactions:

Sr. No.		Particulars	30.03.2022	31.03.2021
1		Number of complaints pending at beginning of the year	4219	9865
2		Number of complaints received during the year	155153	190146
3		Number of complaints disposed during the year	158833	195792
	3.1	Of which, number of complaints rejected by the Bank	27819	21442
4		Number of complaints pending at the end of the year	539	4219

c) Complaints received by the Bank Pertaining to Central Card transactions:

Sr. No.	Particulars	31.03.2022	31.03.2021
1	Number of complaints pending at beginning of the year	0	0
2	Number of complaints received during the year	0	2354
3	Number of complaints disposed during the year	0	2354
4	Number of complaints pending at the end of the year	0	[illegible]

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d) Top five Grounds of Complaints received by the bank from customers:

Grounds of complaints (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, Number of complaints beyond 30 days
1	2	3	4	5	6
31.03.2022					
ATM Transactions	4219	155153	(-) 18.40	539	0
Internet/Mobile/E-banking	3	1650	(-) 33.60	8	0
Facilities for customers visiting the branch etc.	3	2062	(-) 3.87	22	0
A/C Opening/difficulty in operation of account-General Banking	2	1529	(-) 13.57	7	0
Loans & Advances	2	666	(+) 20.87	6	0
Others	152	22506	(+) 33.47	341	0
Total	4381	183566		923	0
31.03.2021					
ATM Transactions	9865	190146	(-) 34.16	4219	0
Internet/Mobile/E-banking	25	2485	(+) 113.85	3	0
Facilities for customers visiting the branch etc.	17	2145	(+) 64.49	3	0
A/C Opening/difficulty in operation of account-General Banking	17	1769	(+) 94.61	2	0
Loans & Advances	8	551	(+) 89.34	2	0
Others	358	16862	(+) 46.09	152	0
Total	10290	213958		4381	

e) Investors' Complaints:

Sr. No.	Particulars	31.03.2022	31.03.2021
1	Pending at the beginning of the year	0	0
2	Received during the year	3	2
3	Redressed during the year	3	2
4	Pending at the end of the year	0	0

13. Disclosure of Penalties imposed by the Reserve Bank of India

i. Penalties imposed by RBI

a) Reserve Bank India has levied penalties of ₹ 0.36 crore (previous year ₹ NIL) in terms of clause (c) of sub-section (1) of section 47(A) read with clause (i) of sub-section (4) of section 46 and section [illegible] of section 51

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of the Banking Regulation Act 1949 for non-compliance with the controversial of the failed to credit (Shadow reversal) the amount involved in the unauthorized electronic transaction to the customers' accounts.

b) RBI has imposed a penalty of ₹ 1.00 crore (previous year ₹ NIL crore) in terms of clause (c) of section (1) of section 41 (A) of the act, Read with clause I (i) of section (4) of section 46 & sub-section (1) of section 51 of the Act for the contra version of section 20 (1) of the act entering in to commitment with the borrower company for guaranteeing loans to it, despite commonality of director.

c) RBI has imposed a penalty of ₹ NIL crore (previous year ₹ 0.50 crore) to our bank due to non-compliance of RBI circular dated 03.09.2013 on few housings loan accounts.

d) RBI has imposed a penalty of ₹ NIL crore (previous year ₹ 0.31 crore) in terms of section 47A(1)(a) read with section 46(4)(i) of the Banking Regulation Act 1949 for non-compliance of RBI norms on currency chest operation.*
*As complied by the Management and relied by the Auditors.

e) Penalties imposed by Financial Intelligence Unit - India
The Earlier version FIU-India imposed penalty of Rs.0.02 Crore for delay in submission of Report – 1 & non-submission of Report-2 under Alert No.5, General Election (Lok Sabha)-2019 as per FIU-India order dated 23-12-2020. The said penalty was paid by Bank on 15th January 2021. Since there is no penalty this year, it may be treated as NIL.

14. Disclosure on Remuneration

(Amount in ₹ Crore)

Name	Designation	Key Management Personnel	
		31.03.2022	31.03.2021
Mr. Matam Venkata Rao (w.e.f. 01.03.2021)	Managing Director & CEO	0.32	0.02
Mr. Pallav Mohapatra (up to 28.02.2021)	Managing Director & CEO	0.00	0.94
Mr. B. S. Shekhawat (up to 08.10.2020)	Executive Director	0.00	1.30
Mr. Alok Srivastava	Executive Director	0.29	0.27
Mr. Vivek Wahi (w.e.f. 10.03.2021)	Executive Director	0.27	0.01
Mr. Rajeev Puri (w.e.f. 10.03.2021)	Executive Director	0.28	0.01
Total		1.16	2.55

Note: Keeping in line with para 9 of the AS – 18 – "Related Party Disclosure" issued by ICAI, the transactions with the Subsidiaries and Associates Enterprises have not been disclosed which exempts the State Controlled Enterprises from making any disclosures pertaining to transactions with other related State Controlled Enterprises.
Further, transactions in the nature of Banker-Customer relationship including those with KMP and relatives of KMP have not been disclosed in terms of Para 5 of AS-18.

15. Other Disclosures
i. Business Ratios

Sr. No.	Items	31.03.2022	31.03.2021
(i)	Interest Income as a percentage to Working Funds *	6.65 %	5.67%
(ii)	Non-Interest Income as a percentage to Working Funds **	0.87%	0.9[illegible]%

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(iii)	Cost of Deposits	3.86 %	4.35%
(iv)	Net Interest Margin **	3.21 %	2.78%
(v)	Operating Profit as a percentage to Working Funds *	1.67%	1.36%
(vi)	Return on Assets ***	0.30%	(0.26)%
(vii)	Business (deposits plus advances) per employee **** (in ₹ Crore)	17.15 crores	15.60 crores
(viii)	Profit per employee (in ₹ Crore)	0.03	-0.03

* Working funds to be reckoned as average of total assets (excluding accumulated losses, if any) as reported to Reserve Bank of India in Form X for Commercial Banks and Form IX for UCBs., during the 12 months of the financial year.

** Net Interest Income/ Average Earning Assets. Net Interest Income= Interest Income – Interest Expense

*** Return on Assets would be with reference to average working funds (i.e., total of assets excluding accumulated losses, if any)

**** For the purpose of computation of business per employee (deposits plus advances), inter-bank deposits shall be excluded.

ii. Bancassurance Business:

The details of fees / brokerage earned in respect of insurance broking, agency and bancassurance business undertaken by them shall be disclosed for both the current year and previous year.

Fees/brokerage received in respect of the Bancassurance Business undertaken is as under:

Particulars	31.03.2022		31.03.2021	
	No. of policies	Amount (in ₹ crore)	No. of policies	Amount (in ₹ crore)
Life	97299	63.75	78385	50.78
Non-Life	239907	10.61	273976	11.59
Total	337206	74.36	352361	62.37

iii. Disclosure regarding priority sector lending certificates

Sector	Agri		General		Micro		S&M Farmer		Total Quatity (Rs. Cr)	Total profit/(Loss)
Month	Quantity (Rs. Cr)	Profit/(Loss)	Quantity (Rs. Cr)	Profit/(Loss)	Quantity (Rs. Cr)	Profit/(Loss)	Quantity (Rs. Cr)	Profit/(Loss)		
Jun-21	-	-	(8000.00)	79.96	--	-	(2000.00)	54.78	(10000.00)	134.74
Sep-21	-	-	(2500.00)	22.10	-	-	(2500.00)	52.26	(5000.00)	74.36
Mar-22	-	-	-	-	-	-	(528.00)	0.53	(528.00)	0.53
	-	-	**(10500.00)**	**102.06**	-	-	**(5028.00)**	**107.57**	**(15528.00)**	**209.63**

Note : -ve indicates sale of PSLC and +ve indicates purchase of PSLC. Commission Rate for the above PSLC's ranges from 0.10% to 2.85%.

iv. Payment of DICGC Insurance Premium

(Amount in ₹ crore)

Provisions debited to Profit and Loss Account	31.03.2022	31.03.2021
i)Payment of DICGC Insurance Premium	448.98	429.35
ii) Arrears in payment of DICGC premium	-	-

v.Disclosure on amortization of expending on account of enhancement in family pension of employees of Banks :-

RBI vide their Circular No.:RBI/2021-22/105 DORACC.REC.57/21.04.018/2021-22 dated 4th October 2021, has permitted Banks to amortize the additional liability on account of revision in family pension for employees over a period of not exceeding 5 (five) years, beginning with financial year ending 31st March, 2022 subject to a minimum of 1/5 th of the total amount being expensed every year. Based on the Actuarial Valuation report obtained by the Bank the additional liability on account of revision in family pension for employees is arrived at ₹ 82,195.00 lakh. Bank has opted to amortize as per the said circular of RBI and has charged an amount of ₹ 54452 lakh out of ₹ 82,195.00 lakh to the Profit & Loss account during the financial year ended 31st March 2022. The balance unamortized expense of ₹ 27,743 lakh has been carried forward to subsequent years. The consequential impact of unamortized pension liability on net profit for the current year is ₹ 18,048 lakh (Net of Taxes).

vi. Balancing of Books / Reconciliation:

a) The parent Bank is under process of reconciling the outstanding balances/entries in various heads of accounts included in Inter office adjustment (IBR) account.

The Net balance of IBR account as at 31st March, 2022 is ₹.19.01 Crore (net credit) and as at 31st March, 2021 is ₹ 10.30 Crore (net credit).

b) The reconciliation of the following items are in progress :

- Inter Branch Office Balance
- Inter Bank Accounts
- Suspense Accounts
- Clearing & other Adjustment Accounts
- Certain balances in nominal account
- NOSTRO Accounts
- Balances related to ATM Department
- Mirror Accounts maintained by Central Card Department and other balances
- Data/System updation of Agricultural and Priority Sector Advances
- GST
- Fixed Asset
- Other Assets
- Other Liabilities

The management is of the opinion that the overall impact, if any, on the accounts will not be significant.

16. Income Tax:

a) Provision for Income Tax for the year is arrived at after due consideration of relevant statutory provisions and judicial decisions on disputed issues.

b) Other Assets [Schedule 11 (ii)] includes ₹ 2405.58 crore (previous year ₹ 1771.51 crore) towards disputed Income Tax liability of the parent Bank. It includes Income tax appeals at various levels by bank and Income tax department. Provision for disputed amount of taxation is not considered necessary by the Bank on the basis of various judicial pronouncements and favorable decisions in Bank's own case. Disputed service tax matter as on March 31st, 2022 is ₹ 7.64 crore.

c) Government of India has inserted Section 115BAA in the Income Tax Act 1961 ("Act") vide the Taxation Laws (Amendment) Ordinance 2019 dated September 20, 2019 which provides a non-reversible option to domestic companies to pay corporate tax at a reduced rate effective from April 01, 2019 subject to certain conditions. The Bank has assessed the applicability of the act and opted to continue the existing tax rate (i.e. 34.944%) for the financial year ended March 31st, 2022.

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17. Premises:

a) Premises obtained on Lease by the Bank include properties costing ₹ 1.45 Crore (previous year ₹ 1.45 Crore) for which registration formalities are still under progress.

b) The premises of the Bank were revalued to reflect the market value as on 31.03.2021 based on valuation reports of external independent valuers' and approved by the Board of Director and ₹ 881.96 Crore increases in value thereof have been credited to Revaluation Reserve Account.

c) In the case of assets, which have been revalued, the depreciation is provided on the revalued amount charged to Profit & Loss Account and the amount of incremental depreciation attributable to the revalued amount ₹ 54.12 Crore (previous year ₹ 58.85 Crore) is transferred from 'Revaluation Reserve' and credited to "Revenue and Other Reserves".

d) Land obtained on lease by bank includes ₹ 8.02 Crore (previous year ₹ 8.02 Crore) with written down value as NIL (previous year ₹ NIL), the lease period of which has expired and the bank is still having its offices/building on these lands and perusing with authorities for lease renewals.

18. In terms of RBI guidelines DBOD No.BP.BC.57/62-88 dated December 31, 1988, Inter-Bank Participation Certificates (IBPC) Lending of ₹ NIL has been undertaken. Accordingly, these have been adjusted from the advances of the Bank. Interest income of ₹ NIL has been recognized against these borrowings.

19. Amount lying in Blocked accounts pertaining to old NOSTRO/MIRROR Credit entries are carried at historical cost using the exchange rate on the date of the crystallization.

The Bank maintains 15 Nostro Accounts for 8 different currencies. These Nostro accounts are operated by one 'A' category Branch (Integrated Treasury Branch) and Sixty two 'B' category branches.

Reconciliation of these Nostro accounts is done by Integrated Treasury Branch. Reconciliation is an ongoing process and is done on daily basis.

Progress Report on Reconciliation and outstanding entries in Nostro Accounts is placed before audit Committee of the Board at quarterly intervals.

20. The following information is disclosed in terms of Accounting Standards issued by The Institute of Chartered Accountants of India:

a) Accounting Standard – 5 "Net Profit or Loss for the period, Prior Period Items, and Changes in Accounting Policies"

- During the year, there were no material prior period income / expenditure items.
- There is no change in the Significant Accounting Policies adopted during the year ended 31st March 20220 as compared to those followed in the previous financial year 2020-21.

b) Accounting Standard – 9

Certain items of income are recognized on realization basis as per-significant accounting policy No. 1. However, the said income is not considered to be material.

c) Accounting Standard-15 "Employee Benefits":
Defined Benefit Plans, Employee's pension plan and Gratuity plan

i. The following table sets out the status of the Defined Benefit Pension Plans and Gratuity Plan as per Actuarial Valuation by the Independent Actuary appointed by the bank:-

(Amount ₹ in Crore)

Particulars	Pension Plan		Gratuity Plan	
	Current Year	Previous Year	Current Year	Previous Year
Change in the Present Value of the Defined Benefit Obligation	FY(21-22)	FY(20-21)	FY(21-22)	FY(20-21)
Opening Defined Benefit Obligation 1st April, 2021	15557.68	15421.82	1726.67	1623.23
Current Service Cost	82.63	78.11	100.62	82.83
Interest Cost	1012.96	1000.65	103.25	101.61
Past Service Cost (Vested Benefit)	821.95	0.00	0.00	0.00
Actuarial Losses (gains)	301.95	598.99	100.23	244.23
Benefits Paid	(1539.75)	(1541.90)	(300.56)	(325.23)
Direct Payment by Bank	0.00	0.00	0.00	0.00
Closing Defined Benefit Obligation at 31st March ,2022	16237.43	15557.68	1730.20	1726.67

Change in Plan Assets	Current Year	Previous Year	Current Year	Previous Year
	FY(21-22)	FY(20-21)	FY(21-22)	FY(20-21)
Opening Fair Value of Plan Assets as at 1st April, 2021	15198.05	14939.64	1534.62	1720.32
Expected Return on Plan Assets	1074.53	1037.01	98.93	106.55
Contributions by Employer	976.98	487.00	252.11	0.00
Expected Contributions by the employees	0.00	0.00	0.00	0.00
Benefits Paid	(1539.75)	(1541.90)	(300.56)	(325.24)
Actuarial Gains /(Loss)on Plan Assets	98.07	276.30	45.41	32.99
Closing Fair Value of Plan Assets as at 31st March, 2022	15807.88	15198.05	1630.51	1534.62

Amount Recognized in the Balance Sheet	Current Year	Previous Year	Current Year	Previous Year
	FY(21-22)	FY(20-21)	FY(21-22)	FY(20-21)
Present Value of Funded obligation at 31st March, 2022	16,237.43	15,557.68	1,730.20	1,726.67
Fair Value of Plan Assets at 31st March	-15,807.88	-15,198.05	-1,630.51	-1,534.62

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Unrecognized past service Cost	-277.43	0.00	0.00	0.00
Deficit/(Surplus)	152.12	359.63	99.69	192.05
Net Liability/(Asset)	152.12	359.63	99.69	192.05

Net Cost Recognized in the Profit and Loss Account	Current Year	Previous Year	Current Year	Previous Year
	FY(21-22)	FY(20-21)	FY(21-22)	FY(20-21)
Current Service Cost	82.63	78.11	100.62	82.84
Past Service Cost-Recognized	544.52	0.00	0.00	0.00
Interest Cost	1,012.96	1,000.65	103.25	101.61
Expected Return on Plan Assets	-1,074.53	-1,037.01	-98.93	-106.55
Net Actuarial Losses/(Gain) Recognized During the Year	203.88	322.69	54.82	211.24
Total Cost of Defined Benefit Plans included in Schedule 16 "Payments to and provisions for Employees"	769.47	364.45	159.76	289.14

Reconciliation of Expected Return and Actual Return on Plan Assets	Current Year	Previous Year	Current Year	Previous Year
	FY(21-22)	FY(20-21)	FY(21-22)	FY(20-21)
Expected Return on Plan Assets	1,074.53	1,037.01	98.93	106.55
Actuarial Gain/(loss)on Plan Assets	98.07	276.30	45.41	32.99
Actual Return on Plan Assets	1,172.60	1,313.31	144.34	139.54

Reconciliation of Opening and Closing Net Liability /(Asset) Recognized in Balance Sheet	Current Year	Previous Year	Current Year	Previous Year
	FY(21-22)	FY(20-21)	FY(21-22)	FY(20-21)
Opening Net Liability /(Asset) as at 1st April, 2021	359.63	482.18	192.05	(97.09)
Expenses as Recognized in Profit And Loss Account	769.47	364.45	159.76	289.14
Employer's Contribution	(976.98)	(487.00)	252.11	0.00
Net Liability/(Assets) Recognized in Balance Sheet	152.12	359.63	99.69	192.05

S. JAYKISHAN Chartered Accountant

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

Investment under Plan Assets of Pension Funds & Gratuity Fund as on 31st March, 2022 are as follows-		
CATEGORY OF ASSETS	PENSION FUND	GRATUITY FUND
	% OF PLAN ASSETS	% OF PLAN ASSETS
Central Govt. Securities	0.62	2.39
State Govt. Securities	21.50	39.46
Debt Securities, Money Market Securities and Bank Deposits	22.91	39.23
Mutual Funds	2.29	1.92
Insurer Managed Funds	52.68	15.62
Others	0.00	1.38
Total	100.00	100.00

Principal Actuarial Assumptions	PENSION PLANS	
	Current Year	Previous Year
	FY(21-22)	FY(20-21)
Discount Rate	7.25	6.85
Expected Rate of Return on Plan Assets	7.25	6.85
Salary Escalation Rate	5.00	5.00
Pension Escalation Rate	4.00	4.00
Attrition Rate	2.50	2.50
Mortality Table	IALM(2012-14)	

Principal Actuarial Assumptions	GRATUITY PLANS	
	Current Year	Previous Year
	FY(21-22)	FY(20-21)
Discount Rate	6.90	6.55
Expected Rate of Return on Plan Assets	6.90	6.55
Salary Escalation Rate	5.00	5.00
Attrition Rate	2.50	2.50
Mortality Table	IALM(2012-14)	

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SURPLUS/DEFICIT IN THE PLAN

GRATUITY PLAN	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
Liability at the end of the year	1,741.56	1,648.13	1,623.23	1,726.66	1,730.20
Fair Value of Plan Assets at the end of the year	2,124.94	1,878.26	1,720.32	1,534.62	1,630.51
Difference	-383.38	-230.13	-97.09	192.04	99.69
Amount Recognized in the Balance Sheet	-383.38	-230.13	-97.09	192.04	99.69

EXPERIENCE ADJUSTMENT	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
On Plan Liability (Gain)/ Loss	(511.99)	(29.08)	(6.34)	249.60	145.94
On Plan Asset (Loss) / Gain	14.57	(42.56)	(3.38)	32.99	45.41

SURPLUS/DEFICIT IN THE PLAN

PENSION PLAN	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
Liability at the end of the year	13,821.17	14,245.10	15,421.82	15,557.67	16,237.43
Fair Value of Plan Assets at the end of the year	13,515.58	14,645.14	14,939.64	15,198.04	15,807.88
Difference	305.59	-400.04	482.18	359.63	429.55
Amount unrecognized in the Balance Sheet (w.r.t. past service cost)	0.00	0.00	0.00	0.00	277.43
Amount Recognized in the Balance Sheet	305.59	-400.04	482.18	359.63	152.12
Amount Recognized in the Balance Sheet (w.r.t. past service cost)	0.00	0.00	0.00	0.00	544.52

EXPERIENCE ADJUSTMENT	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
On Plan Liability (Gain)/ Loss					

	1,029.93	422.24	12.65	2,279.00	847.41
On Plan Asset (Loss) / Gain	263.51	(72.66)	346.19	276.30	98.07

The expected contribution to the Pension and Gratuity fund for next year is ₹ 130.08 Crore and ₹ 76.50 Crore respectively.

ii. Defined Contribution Plan:
The bank has a defined contribution pension scheme (DCPS) applicable to all categories of officers and employees joining bank on or after 01/04/2010. The scheme is managed by NPS trust under the aegis of the Pension Fund Regulatory and Development Authority. National Securities Depositary Limited (NSDL) has been appointed as the Central Record Keeping Agency for the NPS. During 2021-22, the bank has contributed ₹ 146.97 Crore (Previous year ₹ 103.67 Crore).

iii. Long Term Employee Benefits (Unfunded Obligation):
During the year bank has recognized expenses of ₹ 43.24 Crore (Previous Year ₹ 131.20 Crore) towards leave encashment expenses based on actuarial valuation.

d) Accounting Standard 17 –
Segment Reporting
As per the revised guidelines of Reserve Bank of India the Bank has recognized Treasury Operations Corporate/ Wholesale Banking Retail Banking and other Banking business as primary reporting segments. There are no secondary reporting segments.

The following are the primary segments of the Bank:-
- Treasury
- Corporate / Wholesale Banking
- Retail Banking
- Other Banking Business.

The present accounting and information system of the Bank based on the present internal, organizational and management reporting structure and the nature of their risk and returns, the data on the primary segments have been computed as under:

i. Treasury –
The Treasury Segment includes the entire investment portfolio and trading in foreign exchange contracts and derivative contracts. The revenue of the treasury segment primarily consists of fees and gains or losses from trading operations and interest income on the investment portfolio.

ii. Corporate / Wholesale Banking –
The Corporate / Wholesale Banking segment comprises the lending activities of Corporate Accounts, Trust / Partnership Firms Companies and statutory bodies which are not included under Retail Banking and Stressed Assets Management Branch. These include providing loans and transaction services to corporate and institutional clients.

iii. Retail Banking –
The Retail Banking Segment comprises of retail branches, which primarily includes Personal Banking activities including lending activities to corporate customers having banking relations with these branches. The Retail Banking Segment consists of all exposures up to a limit of ₹ 5 crore (including F

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Based and Non Fund Based exposures) subject to orientation product granularity criteria and individual exposures. This segment also includes agency business and ATMs.

iv. Other Banking business –
Segments not classified under (i) to (iii) above are classified under this primary segment.

BUSINESS SEGMENTS

(₹ in Crore)

Business Segments	Treasury		Corporate/Wholesale		Retail Banking		Other Banking		Total	
Particulars	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Revenue	11,628.52	12,549.65	5,296.04	5,201.19	8,845.57	8,095.06	-	-	25,770.13	25,845.90
Result	2,536.03	4,004.01	291.52	-3,424.09	-849.42	-1,696.81	-	-	1,978.13	-1,116.89
Unallocated Expenses									261.17	206.72
Operating Profit									1,716.96	-1,323.61
Income Taxes									672.13	-436.03
Extraordinary profit/loss	-	-	-	-	-	-	-	-	-	-
Net Profit									1,044.83	-887.58
Other Information:										
Segment Assets	1,97,643.37	1,92,414.73	65,074.66	60,023.68	1,08,689.45	1,00,504.58	-	-	3,71,407.48	3,52,942.99
Unallocated Assets									15,158.11	16,272.00
Total Assets									3,86,565.59	3,69,214.99
Segment Liabilities	1,91,840.34	1,97,887.45	62,615.86	54,166.02	1,04,582.69	90,656.43	-	-	3,59,038.89	3,42,709.90
Unallocated Liabilities									-	-
Total Liabilities									3,59,038.89	3,42,709.90

* Segment Revenue and Expenses have been apportioned on the basis of the segment assets, wherever direct allocation is not possible. Figures have been regrouped wherever considered necessary to conform to current year classification.

The Bank has only one geographical segment i.e. Domestic Segment

e) Related Party disclosures as per Accounting Standard 18 – Related Party
List of Related Parties:

I. Key Managerial Personal –

	Name	Designation
i)	Mr. Matam Venkata Rao	Managing Director & CEO
ii)	Mr. Alok Srivastava	Executive Director
iii)	Mr. Vivek Wahi	Executive Director
iv)	Mr. Rajeev Puri	Executive Director

II. Subsidiaries –

i)	Cent Bank Home Finance Ltd.
ii)	Cent Bank Financial & Custodial Services Ltd.

III. Associates –

i)	Regional Rural Banks –
a.	Uttar Bihar Gramin Bank, Muzzaffarpur (Bihar)
b.	Uttarbanga Kshetriya Gramin Bank, Cooch Behar (West Bengal)
ii)	Indo – Zambia Bank Ltd., Zambia

#In respect of related party disclosure regarding remuneration details are mentioned in note no 18.

Accounting Standard 20 – Earnings per Share
Earnings per share as per AS 20 have been arrived at as follows:

Particulars	31.03.2022	31.03.2021
Net Loss after Tax available for Equity Share Holder (₹in Crore)	1044.83	(887.58)
Weighted Average number of Equity Share (No.)	823,51,53,502	579,37,98,207
Basic Earnings per Share (₹) *	1.27	(1.53)
Diluted Earnings per Share (₹) *	1.27	(1.53)
Nominal Value per Share (₹)	10	10

g) Accounting Standard 22 –Accounting for Taxes on Income

Keeping in view the significant provisioning requirements and revision in guidelines of Deferred Tax Assets (DTA) in CET1 calculation by RBI tax review based on management's estimate of possible tax benefits against timing difference has been carried out and ₹ 6862.05 Crore has been recognized as Deferred Tax Assets as at 31st March 2022. Component of deferred tax assets/ liabilities as on 31st March 2022 are as under:

(Amount in ₹ crore)

Particulars	Deferred Tax Assets		Deferred Tax Liability	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Business Loss	1655.92	2278.67		
Provision for Leave Encashment	346.52	331.41		
Provision for Loans and Advances	5728.37	5810.18		
Interest on Income Tax Refund	0	0.00	26.94	0.00
Interest accrued but not due on investments	0	0.00	760.96	787.93
Special Reserve u/s36(1)(viii) of I.T. Act 1961	0	0.00	34.94	34.94
Depreciation on Fixed Assets	0	0.00	45.90	51.71
TOTAL	7730.80	8420.26	868.75	874.58
Net Deferred Tax Asset/Liability	6862.05	7545.68		

Net decrease in Deferred Tax Assets for the year 2021-22 is ₹ 683.63 crore (Previous year ₹ 71.12 crore) has been recognized in profit & loss account.

h) Accounting Standard – 28 –Impairment of Assets

A substantial portion of Bank's assets comprise financial assets to which Accounting Standard-28 on impairment of assets is not applicable. In the opinion of the Management there is no material impairment on Other Assets other than financial assets as at March 31, 2022 requiring recognition in terms of the Standard.

i) Accounting Standard – 29 on Provisions, Contingent Liabilities and Contingent Assets

a)

(Amount in ₹ crore)

Break-up of Provisions and Contingencies shown under the head Expenditure in P&L Account	31.03.2022	31.03.2021 *
Provisions/Depreciation on Investment (NPI)	646.74	356.57
Prvision towards NPA	2461.55	5175.89
Provision towards Standard Asset	-222.47	263.15
Provision made for Taxes	672.13	-436.03
Provision for Restructured Advances	595.94	76.49
Other Provisions	-1.57	30.00
TOTAL	4152.32	5466.07
The figures for previous year have been regrouped/ reclassified wherever considered necessary to confirm current year classification.		

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b. Details of Letter of Comfort issue by Banks and outstanding as on 31.03.2022

Particulars	31.03.2022	31.03.2021
Letter of Comforts issued during the year	0	0
Letter of Comforts matured/cancelled during the year	0	0
Letter of Comforts outstanding as at the end of year	0	0

c. The vendors whose services are utilized are selected in compliance with Government of India guidelines regarding MSME sector and Micro, Small and Medium Enterprises Development Act, 2006. This is relied upon by the Auditors.

j) Implementation of the Guidelines on Information Security Electronic Banking Technology Risk Management and Cyber Frauds

The bank has formulated policies as per RBI circular RBI/2010-11/494 DBS.CO.ITC.BC.No. 6/31. 02.008/2010-11 dated April 29, 2011. These policies are being reviewed by the management of the bank on periodical basis. The policies were last reviewed by the Board of Directors in the meeting held on 30.03.2022.

k) Reserve Bank of India vide their letter dated June 13, 2017, has put the Bank under Prompt (PCA) Corrective Action in view of high net NPA and negative Return on Assets. Bank is complying the PCA framework norms meticulously. Bank has prepared an action plan and also taken various steps to reduce NPA and improve the profitability.

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

ALOK SRIVASTAVA
EXECUTIVE DIRECTOR

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M. V. RAO
MANAGING DIRECTOR & CEO

S. JAYKISHAN Chartered Accountants

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

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		ATTENDED THROUGH VIDEO CONFERENCE	
HARDHIK M.SHETH	P. J. THOMAS	DINESH PANGTEY	PRADEEP P. KHIMANI
DIRECTOR	DIRECTOR	DIRECTOR	DIRECTOR

FOR S JAYKISHAN
CHARTERED ACCOUNTANTS
F.R. No.309005E

(CA RITESH AGARWAL)
PARTNER
M.No.062410

FOR CHHAJED & DOSHI
CHARTERED ACCOUNTANTS
F.R. No.101794W

(CA KIRAN K DAFTARY)
PARTNER
M.No.010279

FOR A S K A & CO.
CHARTERED ACCOUNTANTS
F.R. No.122063W

(CA VIJAY SHELAR)
PARTNER
M.No.101504

FOR KISHORE & KISHORE
CHARTERED ACCOUNTANTS
F.R. No. 000291N

(CA P.R. KARANTH)
PARTNER
M.No. 018808

Place: Mumbai
Date: May 09th, 2022

Central Bank of India

CENTRAL BANK OF INDIA

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ In Crore)

Sn	Particulars	31-03-22	31-03-21
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit/(Loss) before taxes	**1,716.96**	**(1,323.61)**
I	**Adjustments for:**		
	Depreciation on fixed assets	296.61	292.32
	Depreciation on investments (including on matured debentures)	368.87	398.67
	Bad Debts written off/Provision in respect of non performing assets	3,057.49	5,205.48
	Provision for Standard Assets	(222.47)	263.15
	Provision for Other items (Net)	276.30	88.34
	(Profit) / Loss on sale of fixed assets (Net)	(9.13)	21.00
	Dividend Received from Subsidiaries	(8.01)	(6.48)
	Sub total	**5,476.62**	**4,936.87**
II	**Adjustments for :**		
	Increase / (Decrease) in Deposits	12,718.99	16,209.78
	Increase / (Decrease) in Borrowings	2,005.72	(318.57)
	Increase / (Decrease) in Other Liabilities and Provisions	1,826.75	(8,264.10)
	(Increase) / Decrease in Advances	(14,652.34)	(10,683.25)
	(Increase) / Decrease in Investments	7,428.61	(6,464.03)
	(Increase) / Decrease in Other Assets	(819.48)	954.48
	Direct Taxes paid (Net of Refund etc.)	285.45	1,641.94
	Sub total	**8,791.70**	**(6,923.76)**
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**14,268.32**	**(1,986.89)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Sale / Disposal of Fixed Assets	24.37	2.71
	Purchase of Fixed Assets	(157.67)	(203.11)
	Dividend Received from Associates/Subsidiaries	8.01	6.48
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	**(125.29)**	**(193.92)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Share Capital (Including Share Premium)	-	255.00
	Share Application Money	-	4,800.00
	Dividend - Equity shares Including Interim Dividend	-	-
	Dividend Tax	-	-
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	**-**	**5,055.00**
D	**Net increase in cash & cash equivalents (A + B + C) or (F - E)**	**14,143.03**	**2,874.19**
E	**CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR**		
	Cash and Bank Balance with RBI	32,187.84	30,059.82
	Balance with Banks and Money at Call and Short Notice	6,763.46	6,017.29
	Net cash and cash equivalents at the beginning of the year (E)	**38,951.30**	**36,077.11**
F	**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR**		
	Cash and Bank Balance with RBI	38,033.70	32,187.84
	Balance with Banks and Money at Call and Short Notice	15,060.63	6,763.46
	Net cash and cash equivalents at the end of the year (F)	**53,094.33**	**38,951.30**

Notes:

1) 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 ICAI.

2) Previous year figures have been regrouped/rearranged to conform to those of current years.

ALOK SRIVASTAVA
EXECUTIVE DIRECTOR

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M.V. RAO
MANAGING DIRECTOR & CEO

Place: Mumbai
Date: May 09, 2022

Standalone Cash Flow Page - 1/2

S. JAYKISHAN Chartered Accountants Kolkata/Mumbai FRN 309005E

ASKA & CO. Chartered Accountants FRN 122063W

KISHORE & KISHORE CHARTERED ACCOUNTANTS

S. JAYKISHAN Chartered Accountants 12 Ho Chi Minh Sarani Suite No. 2D 2E & 2F 2nd Floor, Kolkata- 700071	**CHHAJED & DOSHI** Chartered Accountants 101, Hubtown Solaris, N.S. Phadke Marg, Andheri (East), Mumbai - 400063
A S K A & CO. **(Formerly Ambedkar Shelkar Karve & Ambardekar)** Chartered Accountants 501, Mirage Arcade, Opp. Ganesh Mandir, Off. Phadke Road, Dombivili (East), Mumbai -421201	**KISHORE & KISHORE** Chartered Accountants C-7, Sector E (New), Aliganj, Lucknow- 226024

INDEPENDENT AUDITORS' REPORT

To
The Members of
Central Bank of India
Mumbai

Report on Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Central Bank of India** ('the Parent Bank') which comprise the consolidated Balance Sheet as at 31st March 2022, the consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year then ended, and notes to consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements") which includes:
   a) audited standalone financial statements of the Parent Bank audited by us;
   b) audited financial statements of two (2) subsidiaries – (i) Cent Bank Home Finance Limited and (ii) Centbank Financial Services Limited – audited by other auditors
   c) unaudited financial statements of three (3) associates – (i) Uttar Bihar Gramin Bank, Muzzaffarpur; (ii) Uttarbanga Kshetriya Gramin Bank, Cooch Behar; and (iii) Indo-Zambia Bank Limited.

   The above entities together with the Parent Bank are referred to as "the Group".

   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 other auditors on separate financial statements of subsidiaries, the unaudited financial statements and other financial information of the associates as furnished by the management, the aforesaid consolidated financial statements give the information required by the Banking Regulation Act, 1949 (hereinafter referred to as "the Act") in the manner so required and are in conformity with accounting principles generally accepted in India and:

   a) the consolidated 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 31st March, 2022;

   b) the consolidated Profit and Loss Account, read with the notes thereon shows a true balance of

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profit for the year ended on that date; and

c) the consolidated 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 ("ICAI"). Our responsibilities under those Standards are further described in the "Auditors' responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the consolidated financial statements, 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 on the consolidated financial statements.

Emphasis of Matter

3. We draw attention to:

   a) Note no. 5.14 of Schedule 18 to the consolidated financial statements regarding amortization of additional liability on revision of family pension amounting to ₹ 821.95 crore. The Parent Bank has charged an amount of ₹ 544.52 crore to the Profit and Loss Account for the year ended 31st March 2022 and the balance unamortised expense has been carried forward pursuant to RBI circular no. RBI/2021-22/105 DORACC.REC.57/21.04.018/2021-22 dt.4th October,2021.

   b) Note no. 3.1.2 of Schedule 18 to the consolidated financial statements regarding set-off of accumulated losses of the Parent Bank amounting to ₹ 18724.22 crore against the available balance in share premium account after obtaining approval from the shareholders and the Reserve Bank of India.

   c) Note no.4.6 of Schedule 18 to the consolidated financial statements regarding deferred tax, wherein on the basis of tax review made by the Parent Bank's management with respect to the possible tax benefits arising out of the timing difference, the net deferred tax asset of ₹ 6862.05 crore is recognised as on 31st March 2022 (₹ 7545.68 crore as on 31st March 2021).

   d) Note No. 5.15 of Schedule 18 to the consolidated financial statements, which describes the uncertainties due to the COVID-19 pandemic and management's evaluation of impact on the Group's financial performance which will depend on future developments, which are uncertain.

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31st March 2022. These matters were addressed in the context of our audit of the consolidated 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.

Key Audit Matters	Auditors' response
1. **Identification and provisioning of non-performing advances made in accordance with the prudential norms prescribed by Reserve Bank of India on Income recognition, Asset Classification and provisioning pertaining to Advances (refer Schedule 9 read with Note 2 of Schedule 17 to the consolidated financial statements)** Advances comprise substantial portion of the Group's total assets. Identification of non-performing advances (NPAs) is carried out, based on system identification, by the Core Banking Solution (CBS) software in operation based on the various controls and logic embedded therein. Provisions in respect of such NPAs and restructured advances are made based on management's assessment of the degree of impairment of the advances subject to and guided by the minimum provisioning levels prescribed under RBI guidelines, prescribed from time to time. The provisions on NPAs are also based on the valuation of the security available. In case of restructured accounts, provision is made in accordance with the RBI guidelines. We identified NPA identification and provision on loans and advances as a key audit matter because of the significant efforts involved by the management in identifying NPAs based on the RBI Guidelines, the level of management judgement involved in determining the provision (including the provisions on assets which are not classified as NPAs), the valuation of security of the NPAs and on account of the significance of these estimates to the financial statements of the Group.	Our audit approach included assessment of the design, operating effectiveness of key internal controls over approval, recording and monitoring of loans and substantive audit procedures in respect of income recognition, asset classification and provisioning pertaining to advances. In particular: • We have evaluated and understood the Parent Bank's internal control system in adhering to the relevant RBI guidelines regarding income recognition, asset classification and provisioning pertaining to advances. • We assessed and evaluated the process of identification of NPAs, and corresponding reversal of income and creation of provision. • We have analyzed and understood key IT systems/ applications used operational effectiveness of relevant controls including involvement of manual process and manual controls in relation to income recognition, asset classification and provisioning pertaining to advances. • In order to ensure the effectiveness of the operation of the key controls and compliance to the directions of the RBI, we have verified whether both CBS system and the management have: • timely recognized the depletion in the value of available security. • made adequate provisioning based on such time-to-time monitoring and identification of asset classification including accounts which meet the criteria for asset classification benefit in accordance with the Reserve Bank of India COVID-19 Regulatory Package. • We placed reliance upon the Independent Auditor's Report of the respective Branch Auditors with respect to income recognition, asset classification and provisioning as well as Memorandum of changes suggested both at the branches and at Head Office.
2. **Investments**	

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Investment portfolio of the Group comprises of investments in government securities, bonds, debentures, shares, security receipts and other approved securities which are classified under three categories, Held to Maturity, Available for Sale and Held for Trading. Investments comprise a substantial portion of the Bank's total assets. Valuation of Investments, identification of Non-Performing Investments (NPI) and the corresponding non-recognition of income and provision thereon, is carried out in accordance with the relevant circulars / guidelines / directions of RBI. (refer Schedule 8 read with Note 4 of Schedule 17 to the consolidated financial statements) The valuation of each type of aforesaid security is to be carried out as per the methodology prescribed in the circulars and directives issued by the RBI which involves collection of data/ information from various sources such as FBIL rates, rates quoted on BSE/ NSE, financial statements of unlisted companies, NAV in case of security receipts etc. As per the RBI directions, there are certain investments that are valued at market price however certain investments are based on the valuation methodologies that include statistical models with inherent assumptions, assessment of price for valuation based on financial statements etc. The price discovered for the valuation of these Investments is only a fair assessment of the Investments. Hence, the valuation of Investments requires special attention and further in view of the significance of the amount of Investments in the financial statements, the same has been considered as Key Audit Matter in our audit.	Our audit approach towards Investments with reference to the RBI circulars/ directives included the review and testing of the design, operating effectiveness of internal controls and substantive audit procedures in relation to valuation, classification, identification of Non-Performing Investments, provisioning/ depreciation related to Investments. In particular: • We assessed and understood the system and internal control as laid down by the Parent Bank to comply with relevant RBI guidelines regarding valuation, classification, identification of Non- Performing Investments, Provisioning and depreciation on Investments. • Tested accuracy and compliance for selected sample of investments with the RBI Master circulars and directions by re-performing valuation for each category of security in accordance with the RBI guidelines. • We assessed and evaluated the process of identification of NPIs, and corresponding reversal of income and creation of provision. • We carried out substantive audit procedures to re-compute independently the provision to be created and depreciation to be provided. • We assessed that the financial statement disclosures appropriately reflected the Bank's exposure to investments valuation risks with reference to the requirements of the prevailing accounting standards and the RBI guidelines.
3. Information technology (IT) systems used in financial reporting process The Group's operational and financial reporting processes are dependent on IT systems run through Core Banking Solutions (CBS) and other integrated software with	We conducted an assessment and identified key IT applications, database and operating systems that are relevant to our audit and have identified CBS

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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 financial statements and the same has been considered as Key Audit Matter in our audit.	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 Parent 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 financial statements, information other than the Financial Statements and Auditors' Report thereon.
4. Provisions, Contingent Liabilities and Claims: Assessment of Provisions and Contingent Liability in respect of certain litigations on various claims filed by other parties not acknowledged as debt (Note No. 11 of Schedule 17 and Note No. 4.8.1 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	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

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.	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.

Information other than the consolidated financial statements and Auditors' report thereon

5. The Parent Bank's management and Board of Directors are responsible for the other information. The other information comprises the Corporate Governance Report, which we obtained at the time of issuance of this auditors' report, and the Directors' Report including annexures, and Management Discussion and Analysis which is expected to be made available to us after that date but does not include the financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and the Pillar 3 disclosures under Capital Adequacy Framework (Basel III disclosures) and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   If, based on the work we have performed on the other information that we obtained prior to the date prior to the date of auditor's report, we conclude that there is a material misstatement of this information, we are required to report that fact. We have nothing to report in this regard.

   When we read the Directors' Report including annexures, and Management Discussion and Analysis, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

Responsibilities of Management and those charged with governance for the Consolidated Financial Statements

6. The Parent Bank's management and Board of Directors are responsible with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the applicable Accounting Standards issued by ICAI, 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 ("RBI guidelines") and judicial pronouncements. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   In preparing the consolidated financial statements, the respective Board of Directors of the Group are responsible for assessing the Group'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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

7. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

   - Identify and assess the risks of material misstatement of the consolidated 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 but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of

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accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated 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 auditors' 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of the misstatements in the consolidated financial statements that, individually or in 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 the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the consolidated 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 consolidated 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

8. Incorporated in these consolidated financial statements are the:

(a) We did not audit the financial statements/ information of 1869 branches included in the standalone financial statements of the Parent Bank whose financial statements / financial information reflect total assets of ₹ 2,30,319.41 crore as at 31st March 2022 and total revenue of ₹ 6,490.26 crore for the year ended on that date, as considered in the standalone financial statements. 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 branches, is based solely on the report of such branch auditors.

(b) In the conduct of our audit, we have taken note of the unaudited returns in respect of 2639 branches included in the standalone financial statements of the Parent Bank certified by the respective branch's management whose financial statements/ information reflect total assets of ₹ 58318.30 crore as at 31st March 2022 and total revenue of ₹ 2836.01 crore for the year ended on that date.

(c) We did not audit the financial statements / information of 2 subsidiaries whose financial statement reflects total assets of ₹ 1254.35 crore as at 31st March 2022 and total revenues of ₹ 125.91 crore for the year ended on that date as considered in the consolidated financial statements. These financial statements / information have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the other auditors.

(d) The consolidated financial statements include the Group's share of net profit of ₹ 18.45 crore for the year ended 31st March 2022 in respect of 3 associates, whose financial statements / financial information have not been audited by us. These financial statements are unaudited and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates is based solely on such unaudited financial statements certified by the management. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

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

10. Subject to the limitations of the audit indicated in paragraphs 6 to 8 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, 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 Group have been found adequate

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for the purposes of our audit.

11. We further report that:

   a) in our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books and the reports of the other auditors and proper returns adequate for the purposes of our audit have been received from branches not visited by us.

   b) the consolidated Balance Sheet, the consolidated Profit and Loss Account and the consolidated Cash Flows 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 Parent Bank under 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 consolidated Balance Sheet, the consolidated Profit and Loss Account and the consolidated Cash Flow Statement comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.

FOR S JAYKISHAN CHARTERED ACCOUNTANTS F.R. No.309005E **(CA RITESH AGARWAL)** PARTNER M.No.062410 UDIN: 22062410AIPWMB7737	**FOR CHHAJED & DOSHI** CHARTERED ACCOUNTANTS F.R. No.101794W **(CA KIRAN K DAFTARY)** PARTNER M.No.010279 UDIN: 22010279AIPWCE5031
FOR A S K A & CO. CHARTERED ACCOUNTANTS F.R. No.122063W **(CA VIJAY SHELAR)** PARTNER M.No.101504 UDIN: 22101504AIPWBV8382	**FOR KISHORE & KISHORE** CHARTERED ACCOUNTANTS F.R. No. 000291N **(CA P.R. KARANTH)** PARTNER M.No. 018808 UDIN: 22018808AIPWCC2861

Date: 09-05-2022

CONSOLIDATED BALANCE SHEET OF CENTRAL BANK OF INDIA

BALANCE SHEET AS AT MARCH 31, 2022

(000's omitted)

Particulars	Schedule No.	AS AT 31-Mar-2022 ₹	AS AT 31-Mar-2021 ₹
CAPITAL & LIABILITIES			
Capital	1	8,68,09,394	5,87,55,625
Reserves and Surplus	2	18,86,84,669	15,82,12,803
Minorities Interest	2A	5,76,992	5,05,403
Share Application Money Pending Allotment		-	4,80,00,000
Deposits	3	3,43,16,45,666	3,30,32,83,137
Borrowings	4	7,66,33,015	5,75,96,647
Other Liabilities and Provisions	5	9,00,02,944	7,33,91,206
TOTAL		3,87,43,52,680	3,69,97,44,821
ASSETS			
Cash and Balances with Reserve Bank of India	6	38,03,36,980	32,18,81,038
Balances with Banks and Money at Call and Short Notice	7	15,06,32,393	6,76,56,661
Investments	8	1,40,77,45,413	1,48,51,80,075
Advances	9	1,69,04,15,429	1,57,38,90,795
Fixed Assets	10	4,95,53,768	5,13,28,977
Other Assets	11	19,55,79,801	19,97,18,379
Goodwill on Consolidation		88,896	88,896
TOTAL		3,87,43,52,680	3,69,97,44,821
Contingent Liabilities	12	1,75,96,41,890	92,13,92,979
Bills for Collection		11,37,50,285	11,89,87,674

ALOK SRIVASTAVA
EXECUTIVE DIRECTOR

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M.V. RAO
MANAGING DIRECTOR & CEO

Place: Mumbai
Date: May 09, 2022

Consolidated Balance Sheet Page 1/2

S. JAYKISHAN Chartered Accountants FRN 309005E

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

Hardik M. Sheth Director	P.J. Thomas Director	Dinesh Pangtey Director	Pradeep P. Khimani Director

As per our report of even date.

For S. JAYKISHAN Chartered Accountants F.R.NO.309005E **CA RITESH AGARWAL** PARTNER M. No.- 062410 UDIN:	**For CHHAJED & DOSHI** Chartered Accountants F.R.NO.101794W **CA KIRAN K. DAFTARY** PARTNER M. No. - 010279 UDIN:
For A S K A & CO Chartered Accountants F.R.NO.122063W **CA VIJAY SHELAR** PARTNER M. No.- 101504 UDIN:	**For KISHORE & KISHORE** Chartered Accountants F.R. No. –000291N **CA P.R. KARANTH** PARTNER M. No.- 018808 UDIN:

Consolidated Balance Sheet Page 2/2

SCHEDULES FORMING PART OF THE CONSOLIDATED
BALANCE SHEET AS AT MARCH 31, 2022

(000's Omitted)

Particulars	AS AT 31-Mar-22		AS AT 31-Mar-21	
	₹	₹	₹	₹
SCHEDULE 1 : CAPITAL				
Authorised Capital		10,00,00,000		10,00,00,000
1000,00,00,000 shares of ₹ 10/- each				
Issued Capital :	8,68,09,394		5,87,55,625	
(8680939432 Equity Shares of ₹ 10 each)				
Subscribed Capital	8,68,09,394		5,87,55,625	
(8680939432 Equity Shares of ₹ 10 each)				
Paid up	8,68,09,394		5,87,55,625	
(8680939432 Equity Shares of ₹ 10 each)				
8680939432 Equity Shares (previous year 5875562460 Equity shares) of ₹ 10/- each (includes 8080391687 Equity shares (previous year 5275014715 Equity shares) of ₹ 10/- each held by Central Govt.)		8,68,09,394		5,87,55,625
TOTAL		8,68,09,394		5,87,55,625
SCHEDULE 2 : RESERVES AND SURPLUS				
I. Statutory Reserves				
Balance as per last Balance Sheet	2,07,59,131		2,07,59,131	
Additions during the year	26,12,100		-	
		2,33,71,231		2,07,59,131
II. Capital Reserves				
Investment Reserve				
Balance as per last Balance Sheet	1,62,97,811		1,32,25,422	
Additions during the year	12,55,261		30,72,389	
		1,75,53,072		1,62,97,811
III. Revaluation Reserve				
Balance as per last Balance Sheet	3,79,22,814		2,96,25,988	
Additions - Adjustments during the year	-		88,19,556	
Less: Transfer to Revenue and Other Reserves	2,32,128		5,09,495	
Deductions during the year	5,41,238		13,235	
		3,71,49,448		3,79,22,814
IV. Share Premium				
Balance as per last Balance Sheet	24,19,62,271		24,10,70,269	
Additions/Adjustments during the year	1,99,46,230		8,92,002	
Reduction during the year	18,72,42,173		-	
		7,46,66,328		24,19,62,271
V. Other Reserves				
a). Special Reserve U/S 36 (1)(viii)	13,61,546		13,61,546	
		13,61,546		13,61,546
VI. Revenue and Other Reserves				
i). Investment Fluctuation Reserve				
Balance as per last Balance Sheet	-			
Add:- Addition during the year	65,80,920			
Less:- Deduction during the year	-			
		65,80,920		
ii). Revenue Reserves				
Balance as per last Balance Sheet	2,73,18,305		2,65,48,101	
Add: Transfer from Capital Reserves	5,41,238		5,09,495	
Addition during the year	-		2,88,218	
(*) Add: Opening Balance Adjustments	-		(27,509)	
Add/Less: Adjustments during the year	-		-	
		2,78,59,543		2,73,18,305
VI. Balance in Profit and Loss Account				
Balance as per last balance sheet	(18,74,09,075)		(17,42,86,952)	
Add:- Balance transferred from Share Premium A/c	18,72,42,173		-	
Add:- Profit for the year after appropriation of Profit	3,09,483		(1,31,22,123)	
Net Balance		1,42,581		(18,74,09,075)
TOTAL		18,86,84,669		15,82,12,803

(*) The adjustment is on account of change in results of RRBs post audit. The consolidated financial statements of previous year was compiled based on unaudited financial statements of such RRBs.

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022				
				(Rs.000's omitted)
Particulars	AS AT 31-Mar-22		AS AT 31-Mar-21	
	₹	₹	₹	₹
SCHEDULE 2 A : MINORITIES INTEREST				
Minority interest at the date on which the parent/ subsidiary relationship came into existence	24,500		24,500	
Subsequent increase / decrease	5,52,492		4,80,903	
Minority interest on the date of Balance-Sheet		5,76,992		5,05,403
SCHEDULE 3 : DEPOSITS				
A. I. Demand Deposits				
i) From Banks	1,03,37,153		65,67,481	
ii) From Others	16,50,66,866		16,25,14,897	
		17,54,04,019		16,90,82,378
II. Savings Bank Deposits		1,55,96,51,980		1,45,66,70,191
III. Term Deposits				
i) From Banks	77,57,952		54,32,722	
ii) From Others	1,68,88,31,715		1,67,20,97,846	
		1,69,65,89,667		1,67,75,30,568
TOTAL (I,II and III)		3,43,16,45,666		3,30,32,83,137
B. i) Deposits of Branches in India		3,43,16,45,666		3,30,32,83,137
ii) Deposits of Branches outside India		-		-
SCHEDULE 4 : BORROWINGS				
I. Borrowings in India				
i) Reserve Bank of India	1,76,40,000		1,76,40,000	
ii) Other Banks	7,23,139		26,30,298	
iii) Other Institutions & Agencies	2,68,78,876		6,35,349	
iv) Unsecured Redeemable Bonds (Subordinated Debt)	-		53,00,000	
v) Upper Tier II Bonds	-		-	
vi) Innovative Perpetual Debt Instrument	13,91,000		13,91,000	
vii) Unsecured Redeemable NC Basel III Bonds(Tier II)	3,00,00,000		3,00,00,000	
		7,66,33,015		5,75,96,647
II. Borrowings outside India		-		-
TOTAL		7,66,33,015		5,75,96,647
Secured borrowings included in I & II above		Nil		

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

JAYKISHAN Kolkata/Mumbai FRN 309005E Chartered Accountants

A S K A & CO FRN Chartered Accountants

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(Rs.000's omitted)

Particulars	AS AT 31-Mar-22		AS AT 31-Mar-21	
	₹	₹	₹	₹
SCHEDULE 5 : OTHER LIABILITIES AND PROVISIONS				
I. Bills Payable	1,11,47,968		78,43,261	
II. Inter Office Adjustments (Net)	1,90,081		1,02,978	
III. Interest Accrued	77,45,822		74,43,934	
IV. Deferred Tax Liabilities (Net)	-		-	
V. Others(including provisions)	7,09,19,073	9,00,02,944	5,80,01,033	7,33,91,206
TOTAL		9,00,02,944		7,33,91,206
SCHEDULE 6 : CASH AND BALANCES WITH RESERVE BANK OF INDIA				
I. Cash in Hand (including foreign currency notes)		1,45,54,493		1,47,54,204
II. Balances with Reserve Bank of India				
In Current Accounts	13,67,22,487		14,71,26,834	
In Other Accounts	22,90,60,000		16,00,00,000	
		36,57,82,487		30,71,26,834
TOTAL (I and II)		38,03,36,980		32,18,81,038
SCHEDULE 7 : BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE				
I. In India				
i) Balances with Banks				
a) In Current Accounts	2,64,777		5,10,385	
b) In Other Deposit Accounts	36,243		32,767	
		3,01,020		5,43,152
ii) Money at Call and Short Notice				
a) With Banks	-		20,00,000	
b) With Other Institutions	6,40,128		-	
		6,40,128		20,00,000
TOTAL... I		9,41,148		25,43,152
II. Outside India				
a) In Current Accounts	10,62,153		6,51,13,509	
b) In Other Deposit Accounts	14,86,29,092		-	
c) Money at Call & Short Notice	-		-	
TOTAL... II		14,96,91,245		6,51,13,509
TOTAL... (I + II)		15,06,32,393		6,76,56,661

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(Rs.000's omitted)

Particulars	AS AT 31-Mar-22		AS AT 31-Mar-21	
	₹	₹	₹	₹
SCHEDULE 8 : INVESTMENTS				
I. Investments in India in :				
i) Government Securities	1,05,53,81,537		1,10,38,56,620	
ii) Other approved Securities	-		-	
iii) Shares	88,33,691		79,19,176	
iv) Debentures and Bonds	33,78,44,148		35,39,72,427	
v) Associates	6,39,854		4,82,119	
vi) Others				
a). UTI Shares & Commercial Papers Mutual Fund Units etc.	31,07,519		1,73,08,826	
Total I		1,40,58,06,749		1,48,35,39,168
II. Investments outside India in				
i) Government Securities	-		-	
ii) Associates	19,38,664		16,40,907	
iii) Other Investments	-		-	
Total II		19,38,664		16,40,907
TOTAL (I and II)		**1,40,77,45,413**		**1,48,51,80,075**
III. Investments in India :				
Gross Value of Investments	1,46,55,29,898		1,33,59,15,436	
LESS: Aggregate of Provision for Depreciation	5,97,23,149		5,23,76,268	
Net Investments		1,40,58,06,749		1,48,35,39,168
IV Investments outside India :				
Gross Value of Investments	19,38,664		16,40,907	
LESS: Aggregate of Provision for Depreciation	-		-	
Net Investments		19,38,664		16,40,907
TOTAL		**1,40,77,45,413**		**1,48,51,80,075**
SCHEDULE 9 : ADVANCES				
A. i) Bills Purchased and Discounted	2,40,31,721		89,00,535	
ii) Cash Credits Overdrafts & Loans repayable on demand	70,15,80,440		70,45,31,176	
iii) Term Loans	96,48,03,268	1,69,04,15,429	86,04,59,084	1,57,38,90,795
TOTAL (i,ii and iii)		**1,69,04,15,429**		**1,57,38,90,795**
B. Particulars of Advances :				
i) Secured by tangible assets including advances against Book Debts	1,57,07,97,055		1,53,15,17,512	
ii) Covered by Bank/ Government Guarantees	1,32,94,746		3,66,01,365	
iii) Unsecured	10,63,23,628	1,69,04,15,429	57,71,918	1,57,38,90,795
TOTAL (i,ii and iii)		**1,69,04,15,429**		**1,57,38,90,795**
C. Sectorial Classification of Advances				
(I) Advances in India				
i) Priority Sector	86,38,51,917		81,23,20,163	
ii) Public Sector	4,14,01,906		5,09,87,479	
iii) Banks	53,224		4,926	
iv) Others	78,51,08,382	1,69,04,15,429	71,05,78,227	1,57,38,90,795
TOTAL (i,ii, iii and iv)		**1,69,04,15,429**		**1,57,38,90,795**
(II) Advances outside India		0		-

*Figures of previous year have been restated wherever considered necessary.

S. JAYKISHAN Kolkata/Mumbai FRN 309005E Chartered Accountants

A S K A & CO FRN 122063W Chartered Accountants

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(Rs.000's omitted)

Particulars	AS AT 31-Mar-22 ₹	AS AT 31-Mar-22 ₹	AS AT 31-Mar-21 ₹	AS AT 31-Mar-21 ₹
SCHEDULE 10 : FIXED ASSETS				
I. Premises				
(At cost / revalued cost)				
Balance as at 31st March of the preceding year	4,91,01,269		4,02,25,174	
Additions during the year	25,445		88,89,449	
Total	4,91,26,714		4,91,14,623	
Deduction/Adjustments during the year	3,14,796		13,354	
Total	4,88,11,918		4,91,01,269	
Depreciation to date	91,65,015		85,28,592	
TOTAL... I		3,96,46,903		4,05,72,677
II. Other Fixed Assets				
(Including furniture and fixtures)				
At cost as on 31st March of the preceding year	3,53,41,109		3,42,01,799	
Additions/Adjustments during the year	23,47,271		31,41,536	
Total	3,76,88,380		3,73,43,335	
Deductions/Adjustments during the year	11,05,370		20,01,934	
Total	3,65,83,010		3,53,41,401	
Depreciation to date	2,66,76,145		2,45,85,101	
TOTAL... II		99,06,865		1,07,56,300
TOTAL... (I + II)		**4,95,53,768**		**5,13,28,977**
SCHEDULE 11 : OTHER ASSETS				
I. Inter office adjustments (Net)	-		-	
II. Interest accrued	1,17,85,964		1,25,54,880	
III. Tax paid in advance/tax deducted at source	3,96,36,119		4,23,83,268	
IV. Stationery and Stamps	2,25,424		2,05,553	
V. Non-banking assets acquired in Satisfaction of claims	-		-	
VI. Deferred Tax Assets	6,85,59,904		7,53,92,820	
VII. Others	6,53,72,390		5,91,81,858	
		19,55,79,801		19,97,18,379
TOTAL		**19,55,79,801**		**19,97,18,379**
SCHEDULE 12 : CONTINGENT LIABILITIES				
I. a) Claims against the Bank not acknowledged as Debts		14,20,497		13,83,688
(b) Disputed tax demands under		2,40,57,728		
appeals, revision				1,77,15,073
II. Liability for partly paid investments		26,89,347		
				35,39,281
III. Liability on account of outstanding forward		1,59,08,50,230		
exchange contracts				73,37,62,848
IV. Guarantees given on behalf of constituents				
a) In India	8,83,87,515		10,69,33,332	
b) Outside India	58,26,051		63,28,682	
		9,42,13,566		11,32,62,014
V. Acceptances Endorsements and Other Obligations		2,43,01,093		2,64,31,675
VI. Other items for which the bank is contingently liable		2,21,09,429		2,52,78,399
TOTAL		**1,75,96,41,890**		**92,15,92,979**

CONSOLIDATED PROFIT AND LOSS ACCOUNT OF CENTRAL BANK OF INDIA

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED MARCH 31, 2022

(000's omitted)

Particulars	Schedule No.	YEAR ENDED 31-Mar-22	YEAR ENDED 31-Mar-21
		₹	₹
I. INCOME			
Interest Earned	13	22,90,33,395	22,82,95,277
Other Income	14	2,96,74,897	3,11,07,685
TOTAL		25,87,08,292	25,94,02,962
II. EXPENDITURE			
Interest Expended	15	13,36,08,786	14,54,29,610
Operating Expenses	16	7,27,70,729	6,79,86,091
Provisions and Contingencies		4,16,83,773	5,47,72,117
TOTAL		24,80,63,288	26,81,87,818
Share of earning/(loss) in Associates	17	1,84,501	(11,64,019)
Consolidated Net Profit/(Loss) for the year before Minority Interest		1,08,29,505	(99,48,875)
Less: Minority Interest		71,589	52,225
Consolidated Profit/(Loss) for the year attributable to the Group		1,07,57,916	(1,00,01,100)
Add: -Brought forward consolidated Profit/(Loss) attributable to the Group		(18,74,09,075)	(17,42,86,952)
Less:- Balance transferred from Share Premium A/c		18,72,42,173	-
Carried forward consolidated Profit/(Loss)		1,67,054	(17,42,86,952)
IV. APPROPRIATIONS			
Transfer to Statutory Reserve		26,12,100	-
Transfer to Other Reserve		78,36,181	31,21,023
a. Investment Reserve		12,55,261	30,72,389
b. Revenue Reserve		-	12,521
c. Staff Welfare Fund		-	-
d. Fund in lieu of Insurance		-	-
e. Proposed Dividend- Equity Share Capital		-	-
f. Tax on Dividend		-	-
g. Special Reserve U/S 36 (1) (viii)		-	36,113
h. Appropriation of Deferred Tax Liability on special Reserve as per NHB guidelines		-	-
i. Investment Fluctutation Reserve		65,80,920	-
Transfer to Government/Proposed Dividend		-	-
Balance Carried over to the Balance Sheet		1,42,581	(18,74,09,075)
TOTAL		1,07,57,916	(18,42,88,052)
Earnings Per Share (In ₹)- Basic (Nominal Value Rs 10/- per share)		1.31	(1.73)
Earnings Per Share (In ₹)- Diluted (Nominal Value Rs 10/- per share)		1.31	(1.73)

The schedules referred to above form as integral part of the Consolidated Profit and Loss Account

ALOK SRIVASTAVA
EXECUTIVE DIRECTOR

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M.V. RAO
MANAGING DIRECTOR & CEO

Place: Mumbai
Date: May 09, 2022

S. JAYKISHAN Chartered Accountants Kolkata/Mumbai FRN 309005E

A S KAPOOR & CO. Chartered Accountants FRN 122003W

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

Consolidated P&L Page 1/2

Hardik M. Sheth
Director

P.J. Thomas
Director

Dinesh Pangtey
Director

Pradeep P. Khimani
Director

As per our report of even date.

For S. JAYKISHAN Chartered Accountants F.R.NO.309005E **CA RITESH AGARWAL** PARTNER M. No.- 062410 UDIN:	**For CHHAJED & DOSHI** Chartered Accountants F.R.NO.101794W **CA KIRAN K. DAFTARY** PARTNER M. No. - 010279 UDIN:
For A S K A & CO Chartered Accountants F.R.NO.122063W **CA VIJAY SHELAR** PARTNER M. No.- 101504 UDIN:	**For KISHORE & KISHORE** Chartered Accountants F.R. No. –000291N **CA P.R. KARANTH** PARTNER M. No.- 018808 UDIN:

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

(000's omitted)

Particulars	YEAR ENDED 31-Mar-22 ₹		YEAR ENDED 31-Mar-21 ₹
SCHEDULE 13 : INTEREST EARNED			
I. Interest/Discount on Advances / Bills	11,59,98,697		11,73,26,965
II. Income on Investments (Including Dividend)	9,26,60,400		10,01,38,785
III. Interest on balances with Reserve Bank of India and other inter-bank funds	1,23,81,061		67,60,466
IV. Others	79,93,237		40,69,061
TOTAL	**22,90,33,395**		**22,82,95,277**
SCHEDULE 14 : OTHER INCOME			
I. Commission, Exchange and Brokerage	1,42,47,404		1,11,59,510
II. Profit on sale of land, buildings and Other Assets	91,365		
Less: Loss on sale of land, buildings and Other Assets	361		2,09,964
III. Profit on Exchange transactions	19,92,437		8,66,918
Less: Loss on Exchange transactions	-		
IV. Profit on sale of Investments (Net)	49,10,035		1,38,05,508
Less Loss on sale of Investments	326		5,15,400
V. Profit on revaluation of Investments	-		-
Less Loss on revaluation of Investments	27,68,771		-
VI. a) Lease finance income	-		-
b) Lease management fee	-		-
c) Overdue charges	-		-
d) Interest on lease rent receivables	-		-
VII. Miscellaneous Income			
a. Income earned by way of dividends etc. from subsidiaries and Associates abroad/ in India	65,103		-
b. Others	1,11,38,011		60,01,113
TOTAL	**2,96,74,897**		**3,11,07,685**

S. JAYKISHAN Kolkata/Mumbai FRN 309005E Chartered Accountants

A S K A & CO. FRN 122063W Chartered Accountants

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED MARCH 31, 2022

(000's omitted)

Particulars	YEAR ENDED 31-Mar-22 ₹		YEAR ENDED 31-Mar-21 ₹
SCHEDULE 15 : INTEREST EXPENDED			
I. Interest on Deposits	12,87,87,024		13,99,17,399
II. Interest on Reserve Bank of India / Inter-Bank borrowings	8,54,849		6,20,931
III. Others	39,66,913		48,91,280
TOTAL	13,36,08,786		14,54,29,610
SCHEDULE 16 : OPERATING EXPENSES			
I. Payments to and Provisions for employees	4,48,21,474		4,15,02,341
II. Rent, Taxes and Lighting	48,32,319		49,54,177
III. Printing and Stationery	2,66,105		2,66,222
IV. Advertisement and Publicity	1,33,946		48,055
V. a) Depreciation on Bank's property other than Leased Assets	29,67,646		29,25,288
b) Depreciation on Leased Assets	-		-
VI. Directors' Fees, Allowances and Expenses	6,632		9,952
VII. Auditors' Fees and Expenses (including Branch Auditors', Fees & expenses)	3,08,704		3,87,069
VIII. Law Charges	1,90,637		1,63,217
IX. Postages, Telegrams, Telephones etc.	9,49,677		9,71,751
X. Repairs and Maintenance	16,20,903		11,67,395
XI. Insurance	42,80,664		-
XII. Amortisation of Goodwill, if any	-		43,80,824
XIII. Other Expenditure	1,23,92,022		1,12,09,800
TOTAL	7,27,70,729		6,79,86,091
SCHEDULE 17 : Share of earning/(loss) in Associates			
Computation of Profits from Associates (Share of the Bank)			
Uttar Bihar	(270991)		(1330031)
Uttar Banga Kshetriya Gramin Bank	157735		7281
Domestic sub-total	**(113256)**		**(1322750)**
Indo Zambia Bank	297757		158731
Foreign Sub-total	**297757**		**158731**
Total	184501		(1164019)

S. JAYKISHAN Chartered Accountants Kolkata Mumbai FRN 309005E

A & CO Chartered Accountants FRN:122063W

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

SCHEDULE 17 - SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation:

The financial statements have been prepared by following the going concern concept on the historical cost basis except in respect of the revaluation of premises and conform, in all material aspects, to Generally Accepted Accounting Principles (GAAP) in India, which encompasses applicable statutory provisions, regulatory norms prescribed by Reserve Bank of India (RBI) including those prescribed by the Banking Regulation Act 1949, National Housing Bank Act 1987, the Housing Finance Companies (NHB) Directions 2010, Companies Act 2013, Accounting Standards (AS) and pronouncements issued by The Institute of Chartered Accountants of India (ICAI) and the prevailing practices within the Banking industry in India.

B. 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 on the date of the financial statements and on the reported income and expenses during the reporting year. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Contingencies are recorded when it is probable that a liability will be incurred, and the amounts can reasonably be estimated. Actual results could differ from these estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/ materialised.

C. Basis of Consolidation

Consolidated financial statements of the Group (comprising of 2 Subsidiaries and 3 Associates [including 2 RRBs]) have been prepared on the basis of:

a) Audited financial statements of Central Bank of India (Parent)

b) Line by line aggregation of like items of assets, liabilities, income and expenses of the subsidiaries with the respective item of Parent and after eliminating all material intra-group balances/ transactions, unrealized profit/ losses as per Accounting Standard 21 "Consolidated Financial Statement" issued by the ICAI.

c) Investments in associates, where the group holds 20% or more of the voting power has been accounted by using the equity method in terms of Accounting Standard – 23 "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the ICAI. The financial statements of the Indo Zambia Bank Limited, an Associate, have been prepared in accordance with the local regulatory requirements/ International Financial Reporting Standards. Financial statements received from these associates form the sole basis for their incorporation in these consolidated financial statements.

d) The Accounting year of the Associate, viz. Indo Zambia Bank Ltd. is calendar year. In case accounting year of Associates are different than that of Parent Bank, proportionate share of profit/ loss is taken based on audited figures of audited period and for unaudited period proportionate share of profit/ loss is taken based on unaudited figures.

e) The consolidated financial statements are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements except as otherwise stated.

2.2 Minority interest in the net assets of consolidated subsidiaries consist of:

a. The amount of equity attributable to the minority at the date on which investments in a subsidiary is made, and
b. The minority share of movements in equity since date of parent-subsidiary relationship came into existence.

D. Significant accounting policies

1. Revenue recognition

A. Parent bank

1.1 General

a) Income/ expenditure is generally accounted for on accrual basis except for income to be accounted for on cash basis as per regulatory provisions.
b) In accordance with the guidelines issued by the Reserve Bank of India, prior period disclosures are made in respect of any item which exceeds one percent of the total income/total expenditure.
c) Provision for interest payable on overdue deposits is made as per Reserve Bank of India guidelines.

1.2 Income from investments

a) The Profit or loss on sale of investments is recognised in the Profit and Loss Account. In accordance with the guidelines issued by the Reserve Bank of India, profit of sale of investments in the Held to Maturity (HTM) category is appropriated (Net of applicable taxes and amount required to be transferred to "Statutory Reserve Account") to the "Capital Reserve Account".
b) Income (other than interest) on investments in "Held to Maturity (HTM)" category acquired at a discount to the face value, is recognised as follows:
(i) on interest bearing securities, it is recognised only at the time of sale/ redemption.
(ii) on zero-coupon securities, it is accounted for over the balance tenor of the security on a constant yield basis.
c) Dividend income is recognized when right to receive the dividend is established.
d) Upside on security receipts is recognised on realisation as 'Other income'.

1.3. Sale of financial assets

Financial Assets sold are recognized as under:

a) The sale of NPA is accounted as per guidelines prescribed by RBI. When the Bank sells its financial assets to Securitisation Company (SC)/ Reconstruction Company (RC), the same is removed from the books.
b) In case the sale to SC/ARC is at a price lower than the Net Book Value (NBV) the shortfall is charged to the Profit and Loss Account in the year of sale.
c) In case the sale is at a price higher than the NBV on cash basis, the surplus is taken to the credit of Profit and Loss Account.

1.4. Fee based income

Commission on letters of credit, bank guarantee and deferred payment guarantee are recognised on accrual basis proportionately over the period. All other commission and fee income are recognised on their realisation.

B. Subsidiaries

a) In case of Cent Bank Home Finance Ltd., the subsidiary, income recognition on Loans and Advances are made on the basis of Prudential norms laid down by National Housing Bank (NHB).
b) In case of Cent Bank Home Finance Ltd., the subsidiary, income from fee and other charges viz. login fee, penal interest on overdue, prepayment charges, interest on income tax refunds

16.3

and other income etc. are recognized on receipt basis.

c) In case of Centbank Financial Services Ltd., the subsidiary, income in relation to Executor Trusteeship business is accrued on occurrence of transactions relating to trust account. Revenue from debenture and security trusteeship services is recognized on period basis and accounted on accrual basis except the income from debenture trusteeship business of suit filed and/or BIFR companies, which is accounted on receipt basis.

2. Advances:

A. Parent bank

2.1 Based on the guidelines/ directives issued by the RBI, loans and advances are classified as performing and non-performing, as follows:

a) The term loan is classified as a non-performing asset, if interest and/ or instalment of principal remains overdue for a period of more than 90 days.
b) An overdraft or cash credit is classified as a non-performing asset, if, the account remains "out of order", i.e. if the outstanding balance exceeds the sanctioned limit/ drawing power continuously for a period of 90 days, or if there are no credits continuously for 90 days, or if the credits are not adequate to cover the interest debited during the previous 90 days period.
c) The bills purchased/ discounted are classified as non-performing asset if the bill remains overdue for a period of more than 90 days.
d) The agricultural advances are classified as a non-performing if, (i) for short duration crops, where the instalment of principal or interest remains overdue for two crop seasons; and (ii) for long duration crops, where the principal or interest remains overdue for one crop season.

2.2 Non-performing assets are classified into sub-standard, doubtful and loss Assets, based on the following criteria stipulated by RBI:

a) Sub-standard: A loan asset that has remained non-performing for a period less than or equal to 12 months.
b) Doubtful: A loan asset that has remained in the sub-standard category for a period of 12 months.
c) Loss: A loan asset where loss has been identified but the amount has not been fully written off.

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

<table>
<tr><td colspan="2">Sub-standard assets:</td></tr>
<tr><td colspan="2">i. A general provision of 15% on the total outstanding.
ii. Additional provision of 10% for exposures which are unsecured ab-initio (i.e. where realisable value of security is not more than 10 percent ab-initio).
iii. Unsecured Exposure in respect of infrastructure advances where certain safeguards such as escrow accounts are available - 20%.</td></tr>
<tr><td colspan="2">Doubtful Assets:</td></tr>
<tr><td>-Secured portion</td><td>Up to one year- 25%
One to three years- 40%
More than three years- 100%</td></tr>
<tr><td>-Unsecured portion</td><td>100%</td></tr>
<tr><td colspan="2">Loss Assets: 100%</td></tr>
</table>

2.4 Advances are shown net of provisions (in case of NPAs), Unrealised Interest, amounts recovered from borrowers held in Sundries and claims received from CGTSI/ ECGC etc.

2.5 For restructured/ rescheduled assets, provisions are made in accordance with the guidelines issued by the RBI, which inter alia require that the difference between the fair value of the loans/ advances before and after restructuring is provided for, in addition to provision for the respective loans/ advances. The provision for diminution in fair value and interest sacrifice, if any, arising out of the above, is reduced from advances.

2.6 In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI Guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others" and are not considered for arriving at the Net NPAs.

2.7 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.

2.8 Amounts recovered against debts written off in earlier years are recognised as revenue in the year of recovery.

2.9 Additional provisions higher than regulatory norms are made in specific assets in view of the identified weakness and/ or prevailing economic situation.

2.10 Partial recoveries in non-performing account are appropriated in the following order:

i. Principal Overdues/Irregularities.
ii. Unrealised interest.
iii. Write Off.
iv. Uncharged Interest

In case of suit filed/SARFAESI/ recalled market accounts, recovery is appropriated in the following order:

i. Ledger outstanding balance.
ii. Unrealised interest.
iii. Write Off.
iv. Uncharged Interest

However, where any borrower account is required to be classified as non-performing from an earlier date, any recovery till the account was classified as Standard is first credited to Interest on Loans and Advances [viz. Scheme for sustainable Structuring of Stressed assets (S4A), Strategic Debt Restructuring, Flexible Structuring of Long-Term Project Loan (5/25), Change of Ownership of Borrowing Entities (outside Strategic Debt Restructuring Scheme)].

B. Subsidiaries

a) In case of Cent Bank Home Finance Ltd., the subsidiary, provisions on Loans and Advances are made on the basis of Prudential norms laid down by National Housing Bank.

b) In case of Cent Bank Home Finance Ltd., the subsidiary, Interest income is recognized on accrual basis except in case of Non-Performing Assets (NPA) where interest is accounted on realization. In loans, the repayment is received by the way of Equated Monthly Instalments (EMIs) comprising principal and interest. Interest is calculated on the outstanding balance at the beginning of the month. EMI commences once the entire loan is disbursed. Pending commencement of EMI, pre-EMI monthly interest is charged. Recovery in case of NPA is appropriated first towards interest portion of overdue EMIs and thereafter towards principal portion of overdue EMIs.

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3. Provision for country exposure:

In addition to the specific provisions held according to the asset classification status, provisions are also made for individual country exposures (other than the home country). Countries are categorised into seven risk categories, namely, insignificant, low, moderate, high, very high, restricted and off-credit and provisioning made as per extant RBI guidelines. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is maintained on such country exposures. The provision is reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others".

4. Investments:

A. Parent bank

Investments are accounted for in accordance with the extant guidelines of investment classification and valuation, as given below:

4.1 **Classification:**

In accordance with the guidelines issued by the Reserve Bank of India, Investments are classified into "Held to Maturity (HTM)", "Held for Trading (HFT)" and "Available for Sale (AFS)" categories.

For disclosure in the Balance Sheet in Schedule 8, investments are classified as Investments in India and outside India.

Under each category, the investments in India are further classified as

a) Government Securities
b) Other Approved Securities
c) Shares
d) Debentures and Bonds
e) Subsidiaries, joint ventures and sponsored institutions; and
f) Others (Commercial Papers and units of Mutual Funds etc.)

The investments outside India are further classified under 3 categories

a) Government Securities
b) Subsidiaries and Joint Ventures
c) Other Investments

4.2 **Basis of Classification:**

Classification of an investment is done at the time of purchase into the following categories:

a) Held to Maturity: Investments that the Bank intends to hold till maturity are classified as "Held to Maturity (HTM)".
b) Held for Trading: Investments that are held principally for resale within 90 days from the date of purchase are classified as "Held for Trading (HFT)".
c) Available for Sale: Investments, which are not classified in the above two categories, are classified as "Available for Sale (AFS)".
d) Transfer of Securities between categories: An investment is classified as HTM, HFT or AFS at the time of purchase and subsequent shifting amongst categories is done in conformity with the regulatory guidelines.
e) Investments in subsidiaries, joint ventures and sponsored institutions are classified as HTM except in respect of those investments which are acquired and held exclusively with a view to its subsequent disposal. Such investments are classified as AFS.

4.3 Valuation:

The transactions in all securities are recorded on a Settlement Date and cost is determined on the weighted average cost method.

a) Brokerage, incentive, front-end fees etc., received on purchase of securities are reduced from the cost of investments.

b) Expenses such as brokerage, fees, commission or taxes incurred at the time of acquisition of securities are charged to the Profit and Loss Account as revenue expenses.

c) Broken period interest paid/ received on debt instruments is treated as interest expense/ income and is excluded from cost/ sale consideration.

a) **Valuation of investments classified as Held to Maturity:** The investments classified under this category are carried at acquisition cost. The excess of acquisition cost / book value over the face value is amortised over the remaining period of maturity. Such amortisation of premium is accounted as income on investments.

Investments (in India and abroad) in subsidiaries, joint ventures and associates are valued at historical cost. A provision is made for diminution, other than temporary in nature, for each investment individually.

Investments in Regional Rural Banks are valued at carrying cost (i.e. book value).

b) **Valuation of investments classified as Available for sale and Held for Trading:** Investments classified as Available for Sale and Held for Trading are individually revalued at market price or fair value determined as per the regulatory guidelines and the net depreciation if any, of each group for each category (viz.(i) Government securities, (ii) Other Approved Securities, (iii) Shares, (iv) Bonds and Debentures, (v) Subsidiaries and Joint Ventures and (vi) others) is provided for and net appreciation is ignored.

c) **Valuation policy in event of inter category transfer of investments:**

i) Transfer of securities from HFT/ AFS category to HTM category is carried out at the lower of acquisition cost/ book value/ market value on the date of transfer. The depreciation, if any, on such transfer is fully provided for.

ii) Transfer of securities from HTM category to AFS category is carried out on acquisition price/ book value. On transfer, these securities are immediately revalued and resultant depreciation, if any, is provided, in the Profit and Loss Account.

d) **Valuation in case of sale of NPA (financial asset) to Securitisation Company (SC)/ Asset Reconstruction Company (ARC) against issue of Security Receipts:**

i) The investment in security receipts obtained by way of sale of NPA to SC/RC, is recognised at lower of: (i) Net Book Value (NBV) (i.e. book value less provisions held) of the financial asset; and (ii) Redemption value of SR.

ii) SRs issued by an SC/ ARC are valued in accordance with the guidelines applicable to non-SLR instruments. Accordingly, in cases where the SRs issued by the SC/ ARC are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Net Asset Value, obtained from the SC/ ARC, is reckoned for valuation of such investments.

e) Treasury Bills and Commercial Papers are valued at carrying cost.

4.4 Investments (NPI):

Investments are classified as performing and non-performing, based on "Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2021" and "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances", as under:

a) Interest/ instalment (including maturity proceeds) is due and remains unpaid for more than 90 days. The same is applied to preference shares where the fixed dividend is not paid.
b) In the case of equity shares, in the event the investment in shares of any company is valued at Re. 1 per company on account of non-availability of the latest balance sheet, those equity shares would be reckoned as NPI.
c) The Bank also classifies an investment as a non-performing investment, in case any credit facility availed by the same borrower/ entity has been classified as a non-performing asset and vice versa.
d) The investments in debentures/ bonds, which are deemed to be advance, are also subjected to NPI norms as applicable to investments.

4.5 **Accounting for Repo/ Reverse Repo transactions**

The Bank enters into repurchase and reverse repurchase transactions with RBI under Liquidity Adjustment Facility (LAF) and also with market participants. Repurchase transaction represents borrowing by selling the securities with an agreement to repurchase the securities. Reverse repurchase transactions on the other hand represent lending funds by purchasing the securities.

a) The securities sold and purchased under Repo/ Reverse Repo are accounted as collateralized lending and borrowing transactions.
b) However, securities are transferred as in the case of normal outright sale/ purchase transactions and such movement of securities is reflected using the Repo/ Reverse Repo Accounts and contra entries.
c) The above entries are reversed on the date of maturity. Balance in Repo Account is classified under Schedule 4 (Borrowings) and balance in Reverse Repo Account is classified under Schedule 7 (Balance with Banks and Money at call & short notice).
d) Interest expended/ earned on Securities purchased/ sold under LAF with RBI is accounted for as expenditure/ revenue.

B. Subsidiaries

In case of Subsidiaries, the Investments are classified as current and non-current Investments. Current Investments are carried at lower of cost or market value and non-current investments are carried at cost. Provision for diminution, if any, in the value of the non-current investment is made only, if the diminution in the value is of permanent nature.

5. Derivatives:

The Bank enters into derivative contracts, such as interest rate swaps, currency swaps and cross currency swaps in order to hedge on balance sheet/ off-balance sheet assets and liabilities or for trading purposes.

5.1 Derivatives used for hedging are accounted as under:

i) In cases where the underlying assets/ liabilities are marked to market, resultant gain/loss is recognised in the Profit and Loss Account.
ii) Derivative contracts classified as hedge are recorded on accrual basis. Hedge contracts are not marked to market unless the underlying assets/ liabilities are also marked to market.
iii) Gain or losses on the termination of Swaps are recognised over the shorter of the remaining contractual life of the swaps or the remaining life of the assets/ liabilities.

5.2 Derivatives used for trading are accounted as under:

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i) Currency futures and interest rate futures are marked to market on daily basis as per exchange guidelines of MCX-SX, NSE and United Stock Exchange.
ii) Mark to market profit or loss is accounted by credit/ debit to the margin account on daily basis and the same is accounted in the Bank's profit and loss account on final settlement.
iii) Trading swaps are marked to market at frequent intervals. Any mark to market losses are booked and gains, if any, are ignored on net basis.
iv) Gains or losses on termination of swaps are recorded immediately as income/ expense under the above head.

6. Transactions involving foreign exchange:

6.1 Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency.

6.2 Foreign currency monetary items are reported using the Foreign Exchange Dealers Association of India ("FEDAI") closing (spot/ forward) rates and the resultant profit or loss is recognised in the Profit and Loss Account.
Foreign currency non-monetary items, which are carried at historical cost, are reported using the exchange rate on the date of the transaction.
Contingent liabilities denominated in foreign currency are reported using the FEDAI closing spot rates.

6.3 Outstanding foreign exchange spot and forward contracts are revalued at the exchange rates notified by FEDAI for specified maturities, and the resulting Profit or Loss is recognised in the Profit and Loss Account.

6.4 Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognised as income or as expense in the period in which they arise.

7. Fixed assets and depreciation:

A. Parent bank

7.1 Fixed Assets are carried at cost less accumulated depreciation/ amortisation.
Cost includes cost of purchase and all expenditure such as site preparation, installation costs, taxes and professional fees incurred on the asset before it is put to use.

7.2 Subsequent expenditure(s) incurred on the assets put to use are capitalised only when it increases the future benefits from such assets or their functioning capability.

7.3 Fixed Assets are depreciated under 'Written Down Value Method' at the following rates (other than computers which are depreciated on Straight Line Method):
Premises At varying rates based on estimated life
a) Furniture, Lifts, Safe Vaults 10%
b) Vehicles, Plant & Machinery 20%
c) Air conditioners, Coolers, Typewriters etc. 15%.
d) Computers including Systems Software 33.33%
(Application Software is charged to the Revenue during the year of acquisition.)

7.4 Other fixed assets are depreciated on Straight Line Method on the basis of estimated useful life of the assets.

7.5 Land acquired on lease for over 99 years is treated as freehold land and those for 99 years or less is treated as leasehold land. Cost of leasehold land is amortized over the period of lease.

7.6 Where it is not possible to segregate the cost of land and premises, depreciation is charged on the composite cost.

7.7 In case of assets, which have been revalued, the depreciation/ amortization is provided on the revalued amount and is charged to the Profit and Loss Account. Amount of incremental depreciation/ amortization attributable to the revalued amount is transferred from 'Revaluation Reserve' and credited to 'Revenue and Other Reserves'.

7.8 Depreciation on additions to assets, made upto 30th September is provided for the full year and on additions made thereafter, is provided for the half year.
No depreciation is provided on assets sold before 30th September and depreciation is provided for the half year on assets sold after 30th September.

7.9 The Bank considers only immovable assets for revaluation. Properties acquired during the last three years are not revalued. Valuation of the revalued assets is done every three years thereafter.

7.10 The increase in net book value of the asset due to revaluation is credited to the Revaluation Reserve Account without routing through the Profit and Loss Account.
Additional depreciation on the revalued asset is charged to the Profit and Loss Account and appropriated from the Revaluation Reserves to Other Revenue Reserve.

7.11 The revalued asset is depreciated over the balance useful life of the asset as assessed at the time of revaluation.

B. Subsidiaries

a) Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes all expenses incidental to expenses to the acquisition of fixed assets.
b) Depreciation on fixed assets has been provided on straight line method at the rates specified in Schedule II to the Companies Act, 2013 except in case of Centbank Financial Services Ltd., the subsidiary, intangible assets have been amortized considering the economic life of the asset to be 5 years by the Management and amortized accordingly.

8. Impairment of Assets:

Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

9. Employee Benefits:

A. Parent bank

9.1 Employee benefits are accrued in the year services are rendered by the employees.

9.2 Short Term Employee Benefits:
The undiscounted amounts of short-term employee benefits, which are expected to be paid in

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exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

9.3 **Defined benefit plans:**

The Bank operates Gratuity and Pension schemes which are defined benefit plans.

a) The Bank provides for gratuity to all eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, or on death while in employment, or on termination of employment, for an amount equivalent to 15 days basic salary payable for each completed year of service, subject to the cap prescribed by the Statutory Authorities. Vesting occurs upon completion of five years of service. The Bank makes periodic contributions to a fund administered by Trustees based on an independent external actuarial valuation.

b) The Bank provides for pension to all eligible employees. The benefit is in the form of monthly payments as per rules to vested employees on retirement or on death while in employment, or on termination of employment. Vesting occurs at different stages as per rules. The pension liability is reckoned based on an independent actuarial valuation carried out annually and Bank makes such additional contributions periodically to the Fund as may be required to secure payment of the benefits under the pension regulations.

c) The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/ losses are immediately recognised in the Profit and Loss Account and are not deferred.

d) When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

Liability for long term employee benefit under defined benefit scheme such as contribution to gratuity, pension fund and leave encashment are determined at close of the year at present value of the amount payable using actuarial valuation technique.

e) Actuarial gain/losses are recognised in the year when they arise.

9.4 **Defined Contribution Plan:**

Provident fund is a defined contribution as the bank pays fixed contribution at predetermined rates.

The obligation of the bank is limited to such fixed contribution.

The contributions are charged to Profit and Loss account.

National Pension Scheme which is applicable to employees who have joined bank on or after 01.04.2010 is a defined contribution scheme. Bank pays fixed contribution at pre-determined rate. The obligation of the bank is limited to such fixed contribution. The contribution is charged to Profit and Loss Account

B. Subsidiaries

a) In case of Cent Bank Home Finance Ltd., the subsidiary, income recognition on Loans and Advances are made on the basis of Prudential norms laid down by National Housing Bank (NHB).

b) In case of Cent Bank Home Finance Ltd., the subsidiary, income from fee and other charges viz. login fee, penal interest on overdue, prepayment charges, interest on income tax refunds and other income etc. are recognized on receipt basis.

c) In case of Centbank Financial Services Ltd., the subsidiary, income in relation to Executor

Trusteeship business is accrued on occurrence of transactions relating to trust account. Revenue from Debenture and Security Trusteeship services is recognized on period basis and accounted on accrual basis except the income from Debenture Trusteeship business of suit filed and/or BIFR companies, which is accounted on receipt basis.

10. Accounting for Taxes on Income:

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The provision for tax for the year comprises of current tax liability computed in accordance with the Income Tax Act, 1961 and as per Accounting Standard 22 – "Accounting for Taxes on Income" respectively.

Deferred tax is recognized on timing differences between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised.

Deferred Tax Assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future profits.

The carrying amount of deferred tax assets is reviewed at each balance sheet date to reassess its realization.

Disputed tax liabilities are accounted for in the year of finality of assessment/ appellate proceedings and till such times they are shown as contingent liability.

The impact of changes in deferred tax assets and liabilities is recognised in the Profit and Loss Account.

11. Sundry Unallocated Income and Proceeds

In case of Centbank Financial Services Ltd., the subsidiary, the amounts received on behalf of beneficiaries of whom details about the beneficiaries cannot be ascertained, such amounts have been accounted in nominal account "Sundry Party Unclaimed Dividend / Interest" and "Unallocated / Unclaimed Proceeds on Redemption of Securities".

As and when the details are received from the payer about the beneficiaries, the amount is transferred to the respective beneficiary account.

12. Provisions, Contingencies and Contingent assets:

12.1 In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the Bank recognises provisions only when it has a present obligation as a result of a past event, and would result in a probable 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.

12.2 No provision is recognised for:

a) any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or

b) any present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii. a reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities. These are assessed at regular intervals and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

12.3 Provision for reward points in relation to the debit card holders of the Bank is made on estimated basis.

12.4 Contingent assets are neither recognised nor disclosed in the Financial Statements.

13 Special Reserves:

Revenue and other Reserve include Special Reserve created under Section 36(i)(viii) of the Income Tax Act, 1961. The Board of Directors of the Bank has passed a resolution approving creation of the reserve and confirming that it has no intention to make withdrawal from the Special Reserve.

14 Segment Reporting

The Bank recognises the business segment as the primary reporting segment and geographical segment as the secondary reporting segment in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 – "Segment Reporting" issued by The Institute of Chartered Accountants of India.

15 Earnings per Share:

a) The Bank reports basic and diluted earnings per share in accordance with AS 20 – "Earnings per Share" issued by the ICAI. Basic Earnings per Share is computed by dividing the Net Profit after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

b) Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is calculated by using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

ALOK SRIVASTAVA **Executive Director**	**VIVEK WAHI** **Executive Director**	**RAJEEV PURI** **Executive Director**

M.V. RAO
Managing Director & Chief Executive Officer

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Hardik M. Sheth	P.J. Thomas	ATTENDED THROUGH VIDEO CONFERENCE Dinesh Pangtey	Pradeep P. Khimani
Director	Director	Director	Director

FOR S JAYKISHAN
Chartered Accountants
F.R. No.309005E

(CA RITESH AGARWAL)
PARTNER
M.No.062410

FOR CHHAJED & DOSHI
Chartered Accountants
F.R. No.101794W

(CA KIRAN K DAFTARY)
PARTNER
M.No.010279

FOR A S K A & CO.
Chartered Accountants
F.R. No.122063W

(CA VIJAY SHELAR)
PARTNER
M.No.101504

FOR KISHORE & KISHORE
Chartered Accountants
F.R. No.000291N

(CA P.R. KARANTH)
PARTNER
M.No.018808

Place: Mumbai
Date: May 9th, 2022

SCHEDULE-18: NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS:

1. **Subsidiaries and Associates considered in the preparation of the Consolidated Financial Statements**

1.1. The Consolidated Financial Statements comprise the financial statements of Central Bank of India (Parent Bank), its two subsidiaries (collectively referred to as "the Group") and share of profit / loss in three Associates consisting of two Regional Rural Banks (RRBs) sponsored by the Parent Bank and Indo Zambia Bank Limited as per details given below:

Name of the Subsidiary/Associate	Country of Incorporation	Ownership interest as at March 31, 2022	Ownership interest as at March 31, 2021
Cent Bank Home Finance Limited (Subsidiary)	India	64.40%	64.40%
Centbank Financial Services Limited (Subsidiary)	India	100.00%	100.00%
Uttar Bihar Gramin Bank, Muzzaffarpur (Associate)	India	35.00%	35.00%
Uttarbanga Kshetriya Gramin Bank, Cooch Behar (Associate)	India	35.00%	35.00%
Indo Zambia Bank Limited (Associate)	Zambia	20.00%	20.00%

1.2. The financial statements of the Subsidiaries and Associates which are used in the consolidation have been drawn up to the same reporting date as that of Parent Bank i.e. 31st March, 2022, except Indo Zambia Bank Ltd., whose reporting period is calendar year and share in profit has been taken on unaudited figures for the financial year ended 31.03.2022. Financial Statement of Indo Zambia Bank is prepared as per the accounting policies adopted under local laws. In the opinion of the Management the impact is not material.

1.3. The accumulated share of profit/ loss of the Parent Bank in the associates has been added to/ reduced from the carrying cost of Investments with corresponding adjustments in accumulated reserves of the Group.

1.4. Cent Bank Home Finance Ltd., the subsidiary, like other Housing Finance Institutions grant loans for longer tenure, while deposits received/ liabilities are for shorter tenure, resulting in mismatch of assets and liabilities. The same is being addressed by sufficient credit lines available.

1.5. Financial Statements of Subsidiaries are audited by other auditors. Financial statements of associates are unaudited and certified by the management.

2. **In the preparation of consolidated financial statements, wherever, different accounting policies for similar transactions have been followed by subsidiaries and associates, adjustments have not been made as in the opinion of management of the Bank the same are not material.**

3. **PARENT BANK**

3.1. CAPITAL:

3.1.1. Paid up Equity Share Capital of the Bank as on 31.03.2022 is ₹ 8,680.94 crore, which is increased from ₹ 5,875.56 crore of previous year by issuance and allotment of fresh 280,53,76,972 equity shares of ₹ 10 each to President of India (Government of India) on preferential basis at an issue price of ₹ 17.11 per equity share including premium of ₹ 7.11 per equity share on 29.05.2021. With this allotment, shareholding of President of India (Government of India) in the Bank has increased from 89.78% to 93.08%.

S. JAYKISHAN Chartered Accountants

CHHAJED & DOSHI

ASKA & CO.

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

3.1.2. Set-off of accumulated losses

On 6th September,2021 the Bank has set-off the accumulated losses of ₹ 18724.2174 crores as at 31st March, 2021 against the available balance in the share premium account after obtaining approval from the shareholders as well as the Reserve Bank of India.

3.2. Balancing of Books / Reconciliation:

3.2.1. The parent Bank is under process of reconciling the outstanding balances/entries in various heads of accounts included in Inter office adjustment (IBR) account.

The Net balance of IBR account as at 31st March, 2022 is ₹.19.01 crore (net credit) and as at 31st March, 2021 is ₹ 10.30 crore (net credit).

3.2.2. The reconciliation of the following items are in progress.

- Inter Branch Office Balance
- Inter Bank Accounts
- Suspense Accounts
- Clearing & other Adjustment Accounts
- Certain balances in nominal account
- NOSTRO Accounts
- Balances related to ATM Department
- Mirror Accounts maintained by Central Card Department and other balances
- Data/System updation of Agricultural and Priority Sector Advances
- GST
- Fixed Asset
- Other Assets
- Other Liabilities

The management is of the opinion that the overall impact, if any, on the accounts will not be significant.

3.3. Income Tax:

3.3.1. Provision for Income Tax for the year is arrived at after due consideration of relevant statutory provisions and judicial decisions on disputed issues.

3.3.2. Other Assets [Schedule 11 (ii)] includes ₹ 2405.58 crore (previous year ₹ 1771.51 crore) towards disputed Income Tax liability of the parent Bank. It includes Income tax appeals at various levels by bank and Income tax department. Provision for disputed amount of taxation is not considered necessary by the Bank on the basis of various judicial pronouncements and favorable decisions in Bank's own case. Disputed service tax matter as on 31st March, 2022 is ₹ 7.64 crore.

3.3.3. Government of India has inserted Section 115BAA in the Income Tax Act 1961 ("Act") vide the Taxation Laws (Amendment) Ordinance 2019 dated September 20, 2019 which provides a non-reversible option to domestic companies to pay corporate tax at a reduced rate effective from April 01, 2019 subject to certain conditions. The Bank has assessed the applicability of the act and opted to continue the existing tax rate (i.e. 34.944%) for the financial year ended 31st March, 2022.

3.4. Premises:

3.4.1. Premises obtained on Lease by the Parent Bank include properties costing ₹ 1.45 Crore (previous year ₹ 1.45 Crore) for which registration formalities are still under progress.

3.4.2. The premises of the Bank were revalued to reflect the market value as on 31.03.2021 based on valuation reports of external independent valuers' and approved by the Board of Director and ₹ 881.96 Crore increases in value thereof have been credited to Revaluation Reserve Account.

3.4.3. In the case of assets, which have been revalued, the depreciation is provided on the revalued amount charged to Profit & Loss Account and the amount of incremental depreciation attributable to the revalued amount [illegible]12 Crore (previous year ₹ 58.66 Crore) is transferred from 'Revaluation Reserve' and credited to "Revenue and Other Reserves".

3.4.4. Land obtained on lease by the Parent Bank includes ₹ 8.02 Crore (previous year ₹ 8.02 Crore) with written down value as NIL (previous year ₹ NIL), the lease period of which has expired and the bank is still having its offices/building on these lands and perusing with authorities for lease renewals.

3.5. Advances / Provisions:

3.5.1. Advances to units which have become sick including those under nursing/ rehabilitation/ restructuring programme and other advances classified as doubtful/ loss assets have been considered secured/ recoverable to the extent of estimated realizable value of securities carrying first or second charge based on valuers' assessment of properties/ assets mortgaged to the Bank and other data available with the Bank.

3.5.2. In accordance with the guidelines issued by Reserve Bank of India, the Bank has transferred the balance Floating Provision amount of ₹ 100.56 crore and Countercyclical Provision amount of ₹47.34 Crore to bad and doubtful provision accounts.

3.6. Disclosure of Penalties imposed by RBI

3.6.1. Reserve Bank India has levied penalties of ₹ 0.36 crore (previous year ₹ NIL) in terms of clause (c) of sub-section (1) of section 47(A) read with clause (i) of sub-section (4) of section 46 and section (1) of section 51 of the Banking Regulation Act 1949 for non-compliance with the controversial of the failed to credit (Shadow reversal) the amount involved in the unauthorized electronic transaction to the customers' accounts.

3.6.2. RBI has imposed a penalty of ₹ 1.00 crore (previous year ₹ NIL crore) in terms of clause (c) of section (1) of section 41 (A) of the act, read with clause I (i) of section (4) of section 46 & sub-section (1) of section 51 of the Act for the contra version of section 20 (1) of the act entering in to commitment with the borrower company for guaranteeing loans to it, despite commonality of director.

3.6.3. RBI has imposed a penalty of ₹ NIL crore (previous year ₹ 0.50 crore) to our bank due to non-compliance of RBI circular dated 03.09.2013 on few housings loan accounts.

3.6.4. RBI has imposed a penalty of ? NIL crore (previous year ? 0.31 crore) in terms of section 47A(1)(a) read with section 46(4)(i) of the Banking Regulation Act 1949 for non-compliance of RBI norms on currency chest operation.*

*As complied by the Management and relied by the Auditors.

4. Compliance with Accounting Standards

The following information is disclosed in terms of Accounting Standards issued by The Institute of Chartered Accountants of India.

4.1. Accounting Standard 9 – Revenue Recognition

Certain items of income are recognized on realization basis as per significant accounting policy no.9. However, the said income is not considered to be material.

4.2. Accounting Standard 15 – Employee Benefits

4.2.1. Defined Benefit Plans

Employee's pension plan and Gratuity plan

The following tables sets out the status of the defined benefit pension plans and gratuity plan as per actuarial valuation by the independent actuary appointed by the parent bank:

JAYKISHAN Kolkata/Mumbai FRN 309005E Chartered Accountants

CHHAJED & DOSHI MUMBAI Chartered Accountants

A S K A & CO. FRN:122063W Chartered Accountants

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

(Amount in ₹ crore)

Particulars	Pension Plan		Gratuity Plan	
	Current Year	Previous Year	Current Year	Previous Year
Change in the Present Value of the Defined Benefit Obligation	**FY(21-22)**	**FY(20-21)**	**FY(21-22)**	**FY(20-21)**
Opening Defined Benefit Obligation 1st April, 2021	15557.68	15421.82	1726.67	1623.23
Current Service Cost	82.63	78.11	100.62	82.83
Interest Cost	1012.96	1000.65	103.25	101.61
Past Service Cost (Vested Benefit)	821.95	0.00	0.00	0.00
Actuarial Losses (gains)	301.95	598.99	100.23	244.23
Benefits Paid	(1539.75)	(1541.90)	(300.56)	(325.23)
Direct Payment by Bank	0.00	0.00	0.00	0.00
Closing Defined Benefit Obligation at 31st March ,2022	**16237.43**	**15557.68**	**1730.20**	**1726.67**

(Amount in ₹ crore)

Change in Plan Assets	Current Year	Previous Year	Current Year	Previous Year
	FY(21-22)	FY(20-21)	FY(21-22)	FY(20-21)
Opening Fair Value of Plan Assets as at 1st April, 2021	15198.05	14939.64	1534.62	1720.32
Expected Return on Plan Assets	1074.53	1037.01	98.93	106.55
Contributions by Employer	976.98	487.00	252.11	0.00
Expected Contributions by the employees	0.00	0.00	0.00	0.00
Benefits Paid	(1539.75)	(1541.90)	(300.56)	(325.24)
Actuarial Gains /(Loss)on Plan Assets	98.07	276.30	45.41	32.99
Closing Fair Value of Plan Assets as at 31st March, 2022	**15807.88**	**15198.05**	**1630.51**	**1534.62**

(Amount in ₹ crore)

Amount Recognized in the Balance Sheet	Current Year	Previous Year	Current Year	Previous Year
	FY(21-22)	FY(20-21)	FY(21-22)	FY(20-21)
Present Value of Funded obligation at 31st March, 2022	16,237.43	15,557.68	1,730.20	1,726.67
Fair Value of Plan Assets at 31st March, 2022	-15,807.88	-15,198.05	-1,630.51	-1,534.62
Unrecognized past service Cost	-277.43	0.00	0.00	0.00
Deficit/(Surplus)	152.12	359.63	99.69	192.05
Net Liability/(Asset)	**152.12**	**359.63**	**99.69**	**192.05**

S. JAYKISHAN Kolkata/Mumbai FRN 309005E Chartered Accountants

CHHAJED & DOSHI MUMBAI 400069 CHARTERED ACCOUNTANTS

S K A & CO. Chartered Accountants

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

(Amount in ₹ crore)

Net Cost Recognized in the Profit and Loss Account	Current Year	Previous Year	Current Year	Previous Year
	FY(21-22)	FY(20-21)	FY(21-22)	FY(20-21)
Current Service Cost	82.63	78.11	100.62	82.84
Past Service Cost-Recognized	544.52	0.00	0.00	0.00
Interest Cost	1,012.96	1,000.65	103.25	101.61
Expected Return on Plan Assets	-1,074.53	-1,037.01	-98.93	-106.55
Net Actuarial Losses/(Gain) Recognized During the Year	203.88	322.69	54.82	211.24
Total Cost of Defined Benefit Plans included in Schedule 16 "Payments to and provisions for Employees"	**769.47**	**364.45**	**159.76**	**289.14**

(Amount in ₹ crore)

Reconciliation of Expected Return and Actual Return on Plan Assets	Current Year	Previous Year	Current Year	Previous Year
	FY(21-22)	FY(20-21)	FY(21-22)	FY(20-21)
Expected Return on Plan Assets	1,074.53	1,037.01	98.93	106.55
Actuarial Gain/(loss)on Plan Assets	98.07	276.30	45.41	32.99
Actual Return on Plan Assets	1,172.60	1,313.31	144.34	139.54

(Amount in ₹ crore)

Reconciliation of Opening and Closing Net Liability /(Asset) Recognized in Balance Sheet	Current Year	Previous Year	Current Year	Previous Year
	FY(21-22)	FY(20-21)	FY(21-22)	FY(20-21)
Opening Net Liability /(Asset) as at 1st April, 2021	359.63	482.18	192.05	(97.09)
Expenses as Recognized in Profit And Loss Account	769.47	364.45	159.76	289.14
Employer's Contribution	(976.98)	(487.00)	252.11	0.00
Net Liability/(Assets) Recognized in Balance Sheet	**152.12**	**359.63**	**99.69**	**192.05**

Investment under Plan Assets of Pension Funds & Gratuity Fund as on 31st March, 2022 are as follows-		
CATEGORY OF ASSETS	PENSION FUND	GRATUITY FUND
	% OF PLAN ASSETS	% OF PLAN ASSETS
Central Govt. Securities	0.62	2.39
State Govt. Securities	21.50	39.46
Debt Securities, Money Market Securities and Bank Deposits	22.91	39.23
Mutual Funds	2.29	1.92
Insurer Managed Funds	52.68	15.62
Others	0.00	
Total	100.00	100.00

19.6

	Current Year	Previous Year
	FY(21-22)	FY(20-21)
Discount Rate	7.25	6.85
Expected Rate of Return on Plan Assets	7.25	6.85
Salary Escalation Rate	5.00	5.00
Pension Escalation Rate	4.00	4.00
Attrition Rate	2.50	2.50
Mortality Table	IALM(2012-14)	
Principal Actuarial Assumptions	GRATUITY PLANS	
	Current Year	Previous Year
	FY(21-22)	FY(20-21)
Discount Rate	6.90	6.55
Expected Rate of Return on Plan Assets	6.90	6.55
Salary Escalation Rate	5.00	5.00
Attrition Rate	2.50	2.50
Mortality Table	IALM(2012-14)	

SURPLUS/DEFICIT IN THE PLAN

(Amount in ₹ crore)

GRATUITY PLAN	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
Liability at the end of the year	1,741.56	1,648.13	1,623.23	1,726.66	1,730.20
Fair Value of Plan Assets at the end of the year	2,124.94	1,878.26	1,720.32	1,534.62	1,630.51
Difference	-383.38	-230.13	-97.09	192.04	99.69
Amount Recognized in the Balance Sheet	**-383.38**	**-230.13**	**-97.09**	**192.04**	**99.69**

(Amount in ₹ crore)

EXPERIENCE ADJUSTMENT	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
On Plan Liability (Gain)/ Loss	(511.99)	(29.08)	(6.34)	249.60	145.94
On Plan Asset (Loss) / Gain	14.57	(42.56)	(3.38)	32.99	45.41

SURPLUS/DEFICIT IN THE PLAN

(Amount in ₹ crore)

PENSION PLAN	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
Liability at the end of the year	13,821.17	14,245.10	15,421.82	15,557.67	16,237.43
Fair Value of Plan Assets at the end of the year	13,515.58	14,645.14	14,939.64	15,198.04	15,807.88
Difference	305.59	-400.04	482.18	359.63	429.55
Amount unrecognized in the Balance Sheet (w.r.t. past service cost)	0.00	0.00	0.00	0.00	277.43
Amount Recognized in the Balance Sheet	305.59	-400.04	482.18	359.63	152.12
Amount Recognized in the Balance Sheet (w.r.t. past service cost)	0.00	0.00	0.00	0.00	544.52

(Amount in ₹ crore)

EXPERIENCE ADJUSTMENT	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
On Plan Liability (Gain)/ Loss	1,029.93	422.24	12.65	2,279.00	847.41
On Plan Asset (Loss) / Gain	263.51	(72.66)	346.19	276.30	98.07

The expected contribution to the Pension and Gratuity fund for next year is ₹ 130.08 crore and ₹ 76.50 crore respectively.

4.2.2. Defined Contribution Plan:

The bank has a defined contribution pension scheme (DCPS) applicable to all categories of officers and employees joining bank on or after 01/04/2010. The scheme is managed by NPS trust under the aegis of the Pension Fund Regulatory and Development Authority. National Securities Depositary Limited (NSDL) has been appointed as the Central Record Keeping Agency for the NPS. During 2021-22, the bank has contributed ₹ 146.97 crore (Previous year ₹ 103.67 crore).

4.2.3. Long Term Employee Benefits (Unfunded Obligation):

During the year bank has recognized expenses of ₹ 43.24 crore (Previous Year ₹ 131.20 crore) towards leave encashment expenses based on actuarial valuation.

The Cent Bank Home Finance Ltd, the subsidiary, provides for Gratuity covering eligible employees. To fund its liability, the Company has taken a Policy with Life Insurance Corporation of India, to cover the accumulated Gratuity Liability of its employees and the premium paid on this policy has been charged to Profit and Loss Account and the Provision for Leave Encashment Liability is calculated on the balance of privilege leave of the employees as on 31st March, 2021. The same has been provided for the year ended 31.03.2021.

4.3. Accounting Standard 17 – Segment Report of the Group

CONSOLIDATED SEGMENT REPORT FOR THE YEAR ENDED MARCH 31, 2022

17-8

As per the revised guidelines of Reserve Bank of India the Bank has recognized Treasury Operations Corporate/ Wholesale Banking Retail Banking and other Banking business as primary reporting segments. There are no secondary reporting segments.

The following are the primary segments of the Bank:-

- Treasury
- Corporate / Wholesale Banking
- Retail Banking
- Other Banking Business.

The present accounting and information system of the Bank based on the present internal, organisational and management reporting structure and the nature of their risk and returns, the data on the primary segments have been computed as under:

- Treasury – The Treasury Segment includes the entire investment portfolio and trading in foreign exchange contracts and derivative contracts. The revenue of the treasury segment primarily consists of fees and gains or losses from trading operations and interest income on the investment portfolio.
- Corporate / Wholesale Banking – The Corporate / Wholesale Banking segment comprises the lending activities of Corporate Accounts, Trust / Partnership Firms Companies and statutory bodies which are not included under Retail Banking and Stressed Assets Management Branch. These include providing loans and transaction services to corporate and institutional clients.
- Retail Banking – The Retail Banking Segment comprises of retail branches, which primarily includes Personal Banking activities including lending activities to corporate customers having banking relations with these branches. The Retail Banking Segment consists of all exposures up to a limit of ₹ 5 crore (including Fund Based and Non-Fund Based exposures) subject to orientation product granularity criteria and individual exposures. This segment also includes agency business and ATMs.
- Other Banking business – Segments not classified under (i) to (iii) above are classified under this primary segment.

(Amount in ₹ crore)

Business Segments	Treasury		Corporate/Wholesale Banking		Retail Banking		Other Banking Operations		Total	
Particulars	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Revenue	11,628.52	12,549.65	5,296.04	5,201.19	8,944.92	8,187.93	1.35	1.53	25,870.83	25,940.30
Result	2,536.03	4,004.01	291.52	-3,424.09	-821.85	-1,677.01	0.28	0.03	2,005.98	-1,097.06
Unallocated Expenses									261.17	211.95
Operating Profit									1,744.81	-1,309.01
Income Taxes									680.31	-430.52
Extraordinary profit/loss	-	-	-	-	-	-	-	-	11.29	(121.62)
Net Profit									1,075.79	-1,000.11
Other Information:										
Segment Assets	1,97,643.37	1,92,414.73	65,074.66	60,023.68	1,09,543.82	1,01,263.04	8.88	6.31	3,72,270.73	3,53,707.76
Unallocated Assets									15,164.54	16,266.72
Total Assets									3,87,435.27	3,69,974.48

Segment Liabilities	1,91,840.34	1,97,847.44	62,615.86	54,166.03	1,06,422.85	91,457.62	6.81	6.55	3,59,885.86	3,43,477.64
Unallocated Liabilities									-	-
Total Liabilities									3,59,885.86	3,43,477.64

* Segment Revenue and Expenses have been apportioned on the basis of the segment assets, wherever direct allocation is not possible.

Figures have been regrouped wherever considered necessary to conform to current year classification.

The Group has only one geographical segment i.e. Domestic Segment

4.4. Related Party disclosures as per Accounting Standard 18 – Related Party (of Parent Bank)

4.4.1. List of Related Parties:

4.4.1.1. Key Managerial Personnel as on 31.03.2022

Sr. No.	Name	Designation
	PARENT BANK	
i.	Mr. Matam Venkata Rao	Managing Director & CEO
ii.	Mr. Alok Srivastava	Executive Director
iii.	Mr. Vivek Wahi	Executive Director
iv.	Mr. Rajeev Puri	Executive Director
	SUBSIDIARIES	
	CENTBANK FINANCIAL SERVICES LIMITED	
i.	**Mr. S. Venkataraman**	Managing Director
ii.	**Mr, H.V. Kamdar**	Ex-Company Secretary
iii.	**Ms. Aarti Sharma**	Company Secretary
	CENT BANK HOME FINANCE LIMITED	
i.	Mr. Kushal Pal	Managing Director
ii.	Mr. Shishram Tundwal	Ex-Managing Director
iii.	Mr. Ashish Shrivastava	Company Secretary
iv.	Mr. Manish Payal	Ex-Company Secretary
v.	Mr. S.C. Mehta	Chief Financial Officer

4.4.1.2. Transactions with Related Parties:

Remuneration paid to key managerial persons:

(Amount in ₹ crore)

Name	Designation	Key Management Personnel	
PARENT BANK		**31.03.2022**	**31.03.2021**
Mr. Matam Venkata Rao (w.e.f. 01.03.2021)	Managing Director & CEO	0.32	0.02
Mr. Pallav Mohapatra (up to 28.02.2021)	Managing Director & CEO	-	0.94
Mr. B. S. Shekhawat (up to 08.10.2020)		-	1.30
Mr. Alok Srivastava	Executive Director	0.29	0.27
Mr. Vivek Wahi (w.e.f. 10.03.2021)	Executive Director	0.27	0.01
Mr. Rajeev Puri (w.e.f. 10.03.2021)	Executive Director	0.28	0.01

TOTAL			
SUBSIDIARY			
CFSL			
Mr. S. Venkataraman		**0.23**	**0.001**
Mr, H.V. Kamdar		**0.001**	**0.19**
Ms. Aarti Sharma		**0.07**	**0**
CBHFL			
Mr. Kxushal Pal	Managing Director	0.19	0
Mr. Shishram Tundwal	Ex-Managing Director	0.06	0.20
Mr. Ashish Shrivastava	Company Secretary	0.05	0
Mr. Manish Payal	Ex-Company Secretary	0.06	0.14
Mr. S.C. Mehta	Chief Financial Officer	0.07	0
Mr. Ashish Mittal	Ex-Chief Financial Officer	0	0.10

Note: Keeping in line with para 9 of the AS - 18 - "Related Party Disclosure" issued by ICAI, the transactions with the Subsidiaries and Associates Enterprises have not been disclosed which exempts the State Controlled Enterprises from making any disclosures pertaining to transactions with other related State Controlled Enterprises.
Further, transactions in the nature of Banker-Customer relationship including those with KMP and relatives of KMP have not been disclosed in terms of Para 5 of AS-18.

4.5. Earnings per Share as per AS 20 has been arrived at as follows:

Earnings per share as per AS 20 has been arrived at as follows:

(Amount in ₹ crore)

	31.03.2022	**31.03.2021**
Net Profit / (Loss) after Tax available for Equity Share Holder (Amount in ₹ crore)	1076	(1000)
Weighted Average number of Equity Share (No.)	8235153502	5793798207
Basic Earnings per Share (₹)	1.31	(1.73)
Diluted Earnings per Share (₹)	1.31	(1.73)
Nominal Value per Share (₹)	10	10.00

4.6. Accounting Standard 22 – Accounting for Taxes on Income (of the Group)

Keeping in view the significant provisioning requirements and revision in guidelines of Deferred Tax Assets (DTA) in CET1 calculation by RBI tax review based on management's estimate of possible tax benefits against timing difference has been carried out and ₹6856.01 crore has been recognized as Deferred Tax Assets as at 31st March 2022.

Component of deferred tax assets/ liabilities as on 31st March 2022 are as under:

(Amount in ₹ crore)

Particulars	**Deferred Tax Assets**		**Deferred tax Liability**	
	31.03.2022	**31.03.2021**	**31.03.2022**	**31.03.2021**
Parent Bank:-				
Business Loss	1655.92	2278.67		
Provision for Leave Encashment	346.52	331.41		
Provision for Loans and Advances	5728.37	5810.18		
Interest on Income Tax Refund	0.00	0.00	26.94	0.00
Interest accrued but not due on investments	0.00	0.00	760.96	787.93
Special Reserve u/s36(1)(viii) of I.T. Act 1961	0.00	0.00	34.94	34.94

S. JAYKISHAN Kolkata/Mumbai FRN 309005E

K ASO & CO. FRN 322063W

KISHORE & KISHORE CHARTERED ACCOUNTANTS

Depreciation on Fixed Assets	0.00	0.00	45.90	51.71
Subsidiary:-				
Cent Bank Home Finance Ltd.				
Provision on Advances	9.58	7.57	0.00	0.00
Depreciation on Fixed Assets	0.01	0.02	0.00	0.00
Others	0.10	0.05	1.12	0.91
Special Reserve u/s36(1)(viii) of I.T. Act 1961	0.00	0.00	14.64	13.16
Cent Bank Financial Services Ltd (Net)	0.01	**0.02**	0.00	**0.00**
TOTAL	7740.51	**8427.92**	**884.50**	**888.64**
Net Deferred Tax Asset/Liability	**6856.00**	**7539.27**	-	-

Net decrease in Deferred Tax Assets for the year 2021-22 is ₹ 683.27 crore (Previous year ₹ 67.61 crore) has been recognized in profit & loss account.

4.7. Accounting Standard – 28 –Impairment of Assets

A substantial portion of Bank's assets comprise financial assets to which Accounting Standard-28 on impairment of assets is not applicable. In the opinion of the Management there is no material impairment on Other Assets other than financial assets as at 31st March, 2022 requiring recognition in terms of the Standard.

4.8. Accounting Standard – 29 on Provisions Contingent Liabilities and Contingent Assets (of Parent Bank)

4.8.1. Provisions and Contingencies

(Amount in ₹ crore)

Break-up of Provisions and Contingencies shown under the head Expenditure in P&L Account	31.03.2022	31.03.2021 *
Provisions/Depreciation on Investment (NPI)	646.74	356.57
Prvision towards NPA	2461.55	5175.89
Provision towards Standard Asset	-222.47	263.15
Provision made for Taxes	672.13	-436.03
Provision for Restructured Advances	595.94	76.49
Other Provisions	-1.57	30.00
TOTAL	4152.32	5466.07
The figures for previous year have been regrouped/ reclassified wherever considered necessary to confirm current year's classification.		

4.8.2. Floating Provisions

(Amount in ₹ crore)

	Particulars	31.03.2022	31.03.2021
A	Opening Balance	100.56	100.56
B	Add: Additional provisions made during the year	-	-
C	Less: Amount drawn down during the year	100.56	-
D	Closing balance of floating provisions	NIL	100.56

4.8.3. Countercyclical Provisioning Buffer:

(Amount in ₹ crore)

	Particulars	31.03.2022	31.03.2021
A	Opening balance in the Countercyclical Provisions account	47.34	47.34
B	The quantum of Countercyclical Provisions made in the		-

	Accounting Year		
C	Amount of draw down made during the Accounting Year.	47.34	-
D	Closing balance in the Countercyclical Provisions account	-	47.34

5. **Other Disclosures:-**

5.1 Corporate Social Responsibility

During the year Cent Bank Home Finance Limited the subsidiary, has spent ₹ 0.51 crore (Previous year ₹ 0.42 crore) towards Corporate Social Responsibility under section 135 of Companies Act 2013 and rules thereon.

5.2 Provisioning Coverage Ratio (PCR)

The PCR (inclusive of Technical write off) stood at 86.69 % (Previous Year 82.54 %) – Parent Bank.
The PCR (exclusive of Technical write off) stood at 76.29 % (Previous Year 69.13 %) – Parent Bank.

5.3 Centbank Financial Services Limited, the subsidiary, holds investments in the nature of shares, securities and immovable properties on behalf of its clients in a fiduciary capacity on a Trustee-Beneficiary relationships, which in the opinion of the Board of Directors are adequately safeguarded and properly recorded and all duties arising from such fiduciary relationships are adequately fulfilled.

5.4 Centbank Financial Services Limited, the subsidiary, has not transferred or allocated dividend, interest and other corporate benefits received over a period of time from various companies / undertakings, amounting to ₹1.79 crore to the trusts / beneficiaries, on whose behalf the investment portfolios are held under Trusteeship Services. The said amount stood at ₹1.66 crore as at 31.03.2021 and has increased to ₹ 1.79 crore as at 31.03.2022. Similarly, it has not transferred or allocated sales / redemption proceeds of shares / debentures amounting to ₹ 0.18 crore to the respective trust / beneficiary. The same is outstanding since 2005-06. It has kept the above funds in current account with its bank since long.

5.5 In terms of RBI guidelines DBOD No.BP.BC.57/62-88 dated December 31, 1988, Inter-Bank Participation Certificates (IBPC) Lending of ₹ NIL has been undertaken. Accordingly, these have been adjusted from the advances of the Parent Bank. Interest income of ₹ NIL has been recognized against these borrowings.

5.6 The vendors whose services are utilized are selected in compliance with Government of India guidelines regarding MSME sector and Micro, Small and Medium Enterprises Development Act, 2006. This is relied upon by the Auditor.

5.7 Implementation of the Guidelines on Information Security, Electronic Banking, Technology Risk Management and Cyber Frauds.

The Parent Bank has formulated policies as per RBI circular RBI/2010-11/494 DBS.CO.ITC.BC.No. 6/31. 02.008/2010-11 dated April 29, 2011. These policies are being reviewed by the management of the bank on periodical basis. The policies were last reviewed by the Board of Directors in the meeting held on 30.03.2022.

5.8 Additional statutory information disclosed in individual financial statements of the Parent and Subsidiaries having no bearing on the true and fair view of the Consolidated Financial Statements and the information pertaining to the items which are not material have not been disclosed in the Consolidated Financial Statements in view of the general clarification issued by the ICAI.

5.9 Disclosure with respect to NCLT provisions:

As per RBI circular No. DBR No. BP.15199/21.04.048/2016-17 and DBR No. BP.1906/21.04.048/2017-18 dated June 23, 2017 and August 28, 2017 respectively, for the accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank is holding total provision of ₹ 6406.10 crore (including FITL of ₹ 127.90 crore) @ (100 % of total outstanding including Investment) as on March 31, 2022.

In accordance with RBI circular no. DBR No. BP.BC.18/21.04.048/2018-19 dated January 01,2019, DOR No. BP.BC.34/21.04.048/2019-20 dated February 11, 2020 and RBI/2020-21/17 DOR No.

BP.BC/4/21.04.048/2020-21 dated August 6, 2020 on "Relief for MSME borrowers either exempted or registered under Goods and Services Tax(GST), the details of MSME restructured accounts as on 31st March, 2022 are as under:

No of Accounts Restructured	Amount in crore
29838	**2808.24**

5.13 Reserve Bank of India vide their letter dated June 13, 2017, has put the Parent Bank under Prompt (PCA) Corrective Action in view of high net NPA and negative Return on Assets. Bank is complying the PCA framework norms meticulously. Bank has prepared an action plan and also taken various steps to reduce NPA and improve the profitability.

5.14 Disclosure on amortization of expending on account of enhancement in family pension of employees of Banks :-

RBI vide their Circular No.:RBI/2021-22/105 DORACC.REC.57/21.04.018/2021-22 dated 4th October 2021, has permitted Banks to amortize the additional liability on account of revision in family pension for employees over a period of not exceeding 5 (five) years, beginning with financial year ending 31st March, 2022 subject to a minimum of 1/5 th of the total amount being expensed every year. Based on the Actuarial Valuation report obtained by the Bank the additional liability on account of revision in family pension for employees is arrived at ₹ 82,195.00 lakh. Bank has opted to amortize as per the said circular of RBI and has charged an amount of ₹ 54452 lakh out of ₹ 82,195.00 lakh to the Profit & Loss account during the financial year ended 31st March 2022. The balance unamortized expense of ₹ 27,743 lakh has been carried forward to subsequent years. The consequential impact of unamortized pension liability on net profit for the current year is ₹ 18,048 lakh (Net of Taxes).

5.15 The outbreak of Corona virus (COVID-19) pandemic globally including India has resulted in slowdown of economic activities and increased volatility in financial markets. The extent to which the COVID-19 pandemic will impact the Bank's financial results will depend on future developments, which are highly uncertain. Given the uncertainty, because of COVID-19 pandemic, the bank's is continuously monitoring any material change in future depending on the developments which may differ from that estimated as at the date of approval of the financial statements.

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

ALOK SRIVASTAVA EXECUTIVE DIRECTOR	VIVEK WAHI EXECUTIVE DIRECTOR	RAJEEV PURI EXECUTIVE DIRECTOR

M. V. RAO
MANAGING DIRECTOR & CEO

S. JAYKISHAN Kolkata/Mumbai FRN 309005E Chartered Accountants

CHHAJED & DOSHI Chartered Accountants

A S K A & CO. FRN:122063W Chartered Accountants

KISHORE & KISHORE Chartered Accountants

17-14

केन्द्रीय बैंक ऑफ इंडिया
Central Bank of India
CENTRAL TO YOU SINCE 1911

ATTENDED THROUGH VIDEO CONFERENCE

HARDNIK M.SHETH	P. J. THOMAS	DINESH PANGTEY	PRADEEP P. KHIMANI
DIRECTOR	DIRECTOR	DIRECTOR	DIRECTOR

FOR S JAYKISHAN
CHARTERED ACCOUNTANTS
F.R. No.309005E

(CA RITESH AGARWAL)
PARTNER
M.No.062410

FOR CHHAJED & DOSHI
CHARTERED ACCOUNTANTS
F.R. No.101794W

(CA KIRAN K DAFTARY)
PARTNER
M.No.010279

FOR A S K A & CO.
CHARTERED ACCOUNTANTS
F.R. No.122063W

(CA VIJAY SHELAR)
PARTNER
M.No.101504

FOR KISHORE & KISHORE
CHARTERED ACCOUNTANTS
F.R. No. 000291N

(CA P.R. KARANTH)
PARTNER
M.No. 018808

Place: Mumbai
Date: May 09th, 2022

CENTRAL BANK OF INDIA

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ In Crore)

Sn	Particulars	31-Mar-22	31-Mar-21
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit/(Loss) before Taxes & Minority Interest	**1,763.26**	**(1,425.41)**
I	**Adjustments for:**		
	Depreciation on fixed assets	296.76	292.53
	Depreciation on investments (including on matured debentures)	368.87	399.68
	Bad Debts written off/Provision in respect of non performing assets	3,101.21	5,212.63
	Provision for Standard Assets	(217.55)	261.62
	Provision for Other items (Net)	235.53	85.35
	(Profit) / Loss on sale of fixed assets (Net)	(9.10)	21.00
	Sub total	**5,538.98**	**4,847.39**
II	**Adjustments for :**		
	Increase / (Decrease) in Deposits	12,836.26	16,127.17
	Increase / (Decrease) in Borrowings	1,903.64	(316.37)
	Increase / (Decrease) in Other Liabilities and Provisions	1,878.72	(8,215.90)
	(Increase) / Decrease in Advances	(14,753.67)	(10,649.33)
	(Increase) / Decrease in Investments	7,374.60	(6,392.02)
	(Increase) / Decrease in Other Assets	(779.68)	962.13
	Direct Taxes Paid (Net of Refund etc.)	277.70	1,633.60
	Sub total	**8,737.57**	**(6,850.72)**
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**14,276.55**	**(2,003.33)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Sale / Disposal of Fixed Assets	24.38	2.72
	Purchase of Fixed Assets	(157.76)	(205.17)
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	**(133.38)**	**(202.45)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Share Capital (Including Share Premium)	-	255.00
	Share Application Money	-	4,800.00
	Dividend - Equity shares Including Interim Dividend	-	-
	Dividend Tax	-	-
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-	**5,055.00**
D	**Net increase in cash & cash equivalents (A + B + C) or (F - E)**	**14,143.17**	**2,849.22**
E	**CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR**		
	Cash and Bank Balance with RBI	32,188.10	30,059.99
	Balance with Banks and Money at Call and Short Notice	6,765.67	6,044.56
	Net cash and cash equivalents at the beginning of the year (E)	**38,953.77**	**36,104.55**
F	**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR**		
	Cash and Bank Balance with RBI	38,033.70	32,188.10
	Balance with Banks and Money at Call and Short Notice	15,063.24	6,765.67
	Net cash and cash equivalents at the end of the year (F)	**53,096.94**	**38,953.77**

Notes:

1) The above Consolidated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 on Cash Flow Statement issued by ICAI.

2) Previous year figures have been regrouped/rearranged to conform to those of current years.

ALOK SRIVASTAVA
EXECUTIVE DIRECTOR

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M.V. RAO
MANAGING DIRECTOR & CEO

S. JAYKISHAN Chartered Accountants Kolkata/Mumbai FRN 309005E

AS KA & CO. Chartered Accountants FRN 122063W

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

Place: Mumbai
Date: May 09, 2022

Consolidated Cash Flow Page 2

Hardik M. Sheth	P.J. Thomas	Dinesh Pangtey	Pradeep P. Khimani
Director	Director	Director	Director

As per our report of even date.

For S. JAYKISHAN Chartered Accountants F.R.NO.309005E **CA RITESH AGARWAL** PARTNER M. No.- 062410 UDIN:	**For CHHAJED & DOSHI** Chartered Accountants F.R.NO.101794W **CA KIRAN K. DAFTARY** PARTNER M. No. - 010279 UDIN:
For A S K A & CO Chartered Accountants F.R.NO.122063W **CA VIJAY SHELAR** PARTNER M. No.- 101504 UDIN:	**For KISHORE & KISHORE** Chartered Accountants F.R. No. –000291N **CA P.R. KARANTH** PARTNER M. No.- 018808 UDIN:

CHHAJED & DOSHI Chartered Accountants 101, Hubtown Solaris, N.S. Phadke Marg, Andheri (East), Mumbai - 400069	**A S K A & CO.** **(Formerly Ambekar Shelar Karve & Ambardekar)** Chartered Accountants 501, Mirage Arcade, Opp. Ganesh Mandir, Off. Phadke Road, Dombivli (East), Mumbai -421201
KISHORE & KISHORE Chartered Accountants C-7, Sector E (New), Aliganj, Lucknow- 226024	**A.R. & Co** Chartered Accountants A-403, Gayatri Apartments Airlines Group Housing Society Plot No 27, Sector -10, Dwarka New Delhi – 110075

INDEPENDENT AUDITORS' REPORT

To
The Members of
Central Bank of India
Mumbai

Report on Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Central Bank Of India** ('the Bank'), which comprise the Standalone Balance Sheet as at 31st March 2023, the Standalone Profit and Loss Account and the Standalone Cash Flow Statement for the year then ended, and notes to 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 the Head Office, 12 Zones and

   i. 1 Specialized Integrated Treasury Branch audited by us

   ii. 20 branches audited by us

   iii. 1507 branches audited by respective statutory branch 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. Also incorporated in the Standalone Balance Sheet, the Standalone Profit and Loss Account and the Standalone Cash Flow Statement are the returns from 2966 branches which have not been subjected to audit. These unaudited branches account for 24.65 per cent of advances, 44.21 per cent of deposits, 29.45 per cent of interest income and 42.05 per cent 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 (hereinafter referred to as "the Act") in the manner so required for the Bank and are in conformity with accounting principles generally accepted in India and:

a) the Standalone 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 31st March, 2023;

b) the Standalone 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 Standalone 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 ("ICAI"). Our responsibilities under those Standards are further described in the "Auditors' 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 Institute of Chartered Accountants of India 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 the ICAI, 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 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 on the standalone financial statements.

Emphasis of Matter

3. We draw attention to:

   a) Note no. 14 (h) of the Statement regarding amortization of additional liability on revision of family pension amounting to ₹ 821.95 crore. The Bank has charged an amount of ₹ 164.40 crore to the Profit and Loss Account for the year ended 31st March 2023 and the balance unamortised expense of ₹ 113.03 crore has been carried forward pursuant to RBI circular no. RBI/2021-22/105 DORACC.REC.57/21.04.018/2021-22 dt.4th October,2021.

   b) Note no. 15 (g) of the Statement regarding deferred tax, wherein on the basis of tax review made by the Bank's management with respect to the possible tax benefits arising out of the timing difference, the net deferred tax asset of ₹ 5798.91 crore is recognised as on 31st March 2023(₹ 6862.05 crore as on 31st March 2022).

   c) Note no. 15 (a) of the Statement regarding accounting of Performance Link Incentive to employees on accrual basis during the year which was being done on cash basis in earlier years resulting in decrease of profit by ₹ 104.24 crore.

   d) Note No. 4 (h) of the Statement, which describes the uncertainties due to the COVID-19 pandemic and management's evaluation of impact on the Bank's financial performance which will depend on future developments, which are uncertain.

Our opinion is not modified in respect of these matters. **Key Audit Matters**

4. 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 31st March 2023. 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.

Key Audit Matters	Auditors' response
1. Identification and provisioning of non-performing advances made in accordance with the prudential norms prescribed by Reserve Bank of India on Income recognition, Asset Classification and provisioning pertaining to Advances (refer Schedule 9 read with Note 2 of Schedule 17 to the standalone financial statements) Advances comprise substantial portion of the Bank's total assets. Identification of non-performing advances (NPAs) is carried out, based on system identification, by the Core Banking Solution (CBS) software in operation based on the various controls and logic embedded therein. Provisions in respect of such NPAs and restructured advances are made based on management's assessment of the degree of impairment of the advances subject to and guided by the minimum provisioning levels prescribed under RBI guidelines, prescribed from time to time. The provisions on NPAs are also based on the valuation of the security available. In case of restructured accounts, provision is made in accordance with the RBI guidelines. We identified NPA identification and provision on loans and advances as a key audit matter because of the significant efforts involved by the management in identifying NPAs based on the RBI Guidelines, the level of management judgement involved in determining the provision (including the provisions on assets which are not classified as NPAs), the valuation of security of the NPAs and on account of the significance of these estimates to the standalone financial statements of the Bank.	Our audit approach included assessment of the design, operating effectiveness of key internal controls over approval, recording and monitoring of loans and substantive audit procedures in respect of income recognition, asset classification and provisioning pertaining to advances. In particular: • We have evaluated and understood the Bank's internal control system in adhering to the relevant RBI guidelines regarding income recognition, asset classification and provisioning pertaining to advances. • We assessed and evaluated the process of identification of NPAs, and corresponding reversal of income and creation of provision. • We have analyzed and understood key IT systems/ applications used operational effectiveness of relevant controls including involvement of manual process and manual controls in relation to income recognition, asset classification and provisioning pertaining to advances. In order to ensure the effectiveness of the operation of the key controls and compliance to the directions of the RBI, we have verified whether both CBS system and the management have: • timely recognized the depletion in the value of available security. • made adequate provisioning based on such time-to-time monitoring and identification of asset classification including accounts which meet the criteria for asset classification benefit in accordance with the Reserve Bank of India COVID-19 Regulatory Package. • We placed reliance upon the Independent Auditor's Report of the respective Branch

	Auditors with respect to income recognition, asset classification and provisioning as well as Memorandum of changes suggested both at the branches and at Head Office.
2. Investments Investment portfolio of the Bank comprises of investments in government securities, bonds, debentures, shares, security receipts and other approved securities which are classified under three categories, Held to Maturity, Available for Sale and Held for Trading. Investments comprise a substantial portion of the Bank's total assets. Valuation of Investments, identification of Non-Performing Investments (NPI) and the corresponding non-recognition of income and provision thereon, is carried out in accordance with the relevant circulars / guidelines / directions of RBI. (refer Schedule 8 read with Note 5 of Schedule 17 to the standalone financial statements) The valuation of each type of aforesaid security is to be carried out as per the methodology prescribed in the circulars and directives issued by the RBI which involves collection of data/ information from various sources such as FBIL rates, rates quoted on BSE/ NSE, financial statements of unlisted companies, NAV in case of security receipts etc. As per the RBI directions, there are certain investments that are valued at market price however certain investments are based on the valuation methodologies that include statistical models with inherent assumptions, assessment of price for valuation based on financial statements etc. The price discovered for the valuation of these Investments is only a fair assessment of the Investments. Hence, the valuation of Investments requires special attention and further in view of the significance of the amount of Investments in	Our audit approach towards Investments with reference to the RBI circulars/ directives included the review and testing of the design, operating effectiveness of internal controls and substantive audit procedures in relation to valuation, classification, identification of Non-Performing Investments, provisioning/ depreciation related to Investments. In particular: • We assessed and understood the system and internal control as laid down by the Bank to comply with relevant RBI guidelines regarding valuation, classification, identification of Non-Performing Investments, Provisioning and depreciation on Investments. • Tested accuracy and compliance for selected sample of investments with the RBI Master circulars and directions by re-performing valuation for each category of security in accordance with the RBI guidelines. • We assessed and evaluated the process of identification of NPIs, and corresponding reversal of income and creation of provision. • We carried out substantive audit procedures to re-compute independently the provision to be created and depreciation to be provided. • We assessed that the standalone financial statement disclosures appropriately reflected the Bank's exposure to investments valuation risks with reference to the requirements of the prevailing accounting standards and the RBI guidelines.

considered as Key Audit Matter in our audit.	
3. 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.
4. Provisions, Contingent Liabilities and Claims: Assessment of Provisions and Contingent Liability in respect of certain litigations on various claims filed by other parties not acknowledged as debt (Note No. 13 of Schedule 17 and Note No. 15. i. of Schedule 18).	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

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.	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.

Information other than the Standalone Financial Statements and Auditors' report thereon

5. The Bank's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report, which we obtained at the time of issuance of this auditors' report, and the Directors' Report including annexures, and Management Discussion and Analysis which is expected to be made available to us after that date but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and the Pillar 3 disclosures under Capital Adequacy Framework (Basel III disclosures) 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 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.

   If, based on the work we have performed on the other information that we obtained prior to the date of auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Directors' Report including annexures, and Management Discussion and Analysis, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

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

6. 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 applicable Accounting Standards, 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 ("RBI guidelines") and judicial pronouncements. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

   The Board of Directors is also responsible for overseeing the Bank's financial reporting process.

Auditors' responsibilities for the audit of the standalone financial statements

7. 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 auditors' 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 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 skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the standalone 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.
- 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 standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning of the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the standalone financial statements.

We communicate with those charge 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

8. We did not audit the financial statements/ information of 1507 branches included in the standalone financial statements of the Bank whose financial statements / financial information reflect total assets of ₹ 2,07,308 crore as at 31st March 2023 and total revenue of ₹ 6,763 crore for the year ended on that date, as considered in the standalone financial statements. These branches cover 34.16 per cent of advances, 51.10 per cent of deposits and 19.30 per cent of non-performing

31st March 2023 and 40.23 per cent of revenue for the year ended on that date. 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 branches, is based solely on the report of such branch auditors.

9. In the conduct of our audit, we have taken note of the unaudited returns in respect of 2966 branches certified by the respective branch's management whose financial statements/ information reflect total assets of ₹ 90,252 crore as at 31st March 2023 and total revenue of ₹ 5,393 crore for the year ended on that date. These unaudited branches cover 24.65 per cent of advances, 44.21 per cent of deposits and 13.43 per cent of non-performing assets as on 31st March 2023 and 32.08 per cent of revenue for the year then ended.

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

Report on Other Legal and Regulatory Requirements

10. The standalone Balance sheet and the standalone 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 to 9 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 purposes of our audit.

11. 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 issued by ICAI, 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 as required by the RBI Letter No. DOS. ARG. No. 6270/ 08.91.001/2019- 20 dated March 17, 2020 (as amended) is given in **Annexure A** to this report. Our report expresses an unmodified opinion on the Bank's internal financial controls over financial reporting with reference to the standalone financial statements as at 31st March 2023.

12. 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 standalone Balance Sheet, the standalone Profit and Loss Account and the Standalone 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 under 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 Standalone Balance Sheet, the Standalone Profit and Loss Account and the Standalone Cash Flow Statement comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.

FOR CHHAJED & DOSHI CHARTERED ACCOUNTANTS F.R. No.101794W **(CA NITISH JAIN)** PARTNER M.No.136169 UDIN: 23136169BGWXJL7351	**FOR A S K A & CO.** CHARTERED ACCOUNTANTS F.R. No.122063W **(CA SUHAS AMBEKAR)** PARTNER M.No.101373 UDIN: 23101373BGWJWE4209
FOR KISHORE & KISHORE CHARTERED ACCOUNTANTS F.R. No. 000291N **(CA AKHILESH K. MATHUR)** PARTNER M. No. 509176 UDIN:23509176BGWZAV5876	**FOR A.R. & Co** CHARTERED ACCOUNTANTS F.R. No.002744C **(CA ANIL GAUR)** PARTNER M.No.017546 UDIN: 23017546BGWILP9549

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 11 (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 as required by the Reserve Bank of India (the "RBI") Letter DOS. ARG. No.6270/08.91.001/2019-20 dated March 17, 2020 (as amended) (the "RBI communication")

1. We have audited the internal financial controls over financial reporting of Central Bank of India ("the Bank") as at March 31, 2023 in conjunction with our audit of the standalone financial statements of the Bank for the year ended on that date which includes internal financial controls over financial reporting of the Bank's branches.

Management's Responsibility for Internal Financial Controls

2. The Bank's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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

3. Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting 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 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal financial controls 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 and the audit evidence obtained by the branch auditors, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

4. 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 standalone 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

5. 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

6. 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, 2023, 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

7. Our aforesaid report in so far as it relates to the operating effectiveness of internal financial controls over financial reporting of 106 (one hundred six) branches is based on the corresponding reports of the respective Central Statutory Auditors / Statutory Branch Auditors of those branches.

During our testing of the internal financial controls over financial reporting and based on the reports, certain matters were noticed by us where scope of improvement is there to further strengthen the process including but not limited to testing of Risk Control Matrix (RCM) at various departments of Head Office.

Our opinion is not modified in respect of this matter.

FOR CHHAJED & DOSHI CHARTERED ACCOUNTANTS F.R. No.101794W **(CA NITESH JAIN)** PARTNER M.No.136169 UDIN: 23136169BGWXJL7351	**FOR A S K A & CO.** CHARTERED ACCOUNTANTS F.R. No.122063W **(CA SUHAS AMBEKAR)** PARTNER M.No.101373 UDIN: 23101373BGWJWE4209
FOR KISHORE & KISHORE CHARTERED ACCOUNTANTS F.R. No. 000291N **(CA AKHILESH K. MATHUR)** PARTNER M. No. 509176 UDIN: 23509176BGWZAV5876	**FOR A.R. & Co** CHARTERED ACCOUNTANTS F.R. No.002744C **(CA ANIL GAUR)** PARTNER M.No.017546 UDIN: 23017546BGWILP9549

Central Bank of India

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BALANCE SHEET AS AT MARCH 31st 2023

(000's Omitted)

PARTICULARS	SCHEDULE NO.	As at 31st MARCH 2023 ₹	As at 31st MARCH 2022 ₹
CAPITAL & LIABILITIES			
Capital	1	8,68,09,394	8,68,09,394
Reserves and Surplus	2	20,42,79,672	18,84,57,659
Deposits	3	3,59,29,64,686	3,42,69,19,375
Borrowings	4	8,11,87,478	7,47,43,610
Other Liabilities and Provisions	5	9,64,13,598	8,72,94,974
TOTAL		4,06,16,54,828	3,86,42,25,012
ASSETS			
Cash and Balances with Reserve Bank of India	6	27,43,29,198	38,03,36,974
Balances with Banks and Money at Call and Short Notice	7	16,66,67,335	15,06,06,268
Investments	8	1,36,58,34,760	1,40,78,69,475
Advances	9	2,02,98,43,065	1,68,17,35,000
Fixed Assets	10	4,77,62,762	4,95,50,429
Other Assets	11	17,72,17,708	19,41,26,866
TOTAL		4,06,16,54,828	3,86,42,25,012
Contingent Liabilities	12	1,32,45,34,193	1,79,59,77,498
Bills for Collection	-	11,03,90,657	11,37,50,285
Significant Accounting Policies	17		
Notes to Accounts	18		

The schedules referred to above form an integral part of the Balance Sheet.

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M.V. MURALI KRISHNA
EXECUTIVE DIRECTOR

M.V.RAO
MANAGING DIRECTOR & CEO

ATTENDED THROUGH VIDEO CONFERENCE

HARDIK M.SHETH
DIRECTOR

P.J.THOMAS
DIRECTOR

DINESH PANGTEY
DIRECTOR

PRADIP P. KHIMANI
DIRECTOR

As per our report of even date

For CHHAJED & DOSHI
Chartered Accountants
F.R.NO. 101794W
CA [illegible]TESH JAIN
PARTNER
M. No. 136169

For ASKA & CO
Chartered Accountants
F.R.NO. 122063W
CA SUHAS AMBEKAR
PARTNER
M.No. [illegible]

FOR KISHORE & KISHORE
Chartered Accountants
F.R. NO. 000291N
CA AKHILESH K. MATHUR
PARTNER
M. NO. 500176

FOR A.R. & CO.
Chartered Accountants
F.R. NO.002744C
CA ANIL GAUR
PARTNER
M.NO. 017[illegible]

Place: Mumbai
Date: April [illegible]

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31st 2023

(000's Omitted)

PARTICULARS	As at 31st MARCH 2023 ₹	₹	As at 31st MARCH 2022 ₹	₹
SCHEDULE 1 : CAPITAL				
Authorised Capital		10,00,00,000		10,00,00,000
1000,00,00,000 equity shares of ₹ 10/- each				
(prev year 1000,00,00,000 equity shares) of ₹ 10/- each				
Issued, Subscribed and Paid up Capital :				
Equity Shares	8,68,09,394		8,68,09,394	
8680939432 Equity Shares (previous year 8680939432 Equity shares) of ₹ 10/- each (includes 8080391687 Equity shares of ₹ 10/- each held by Central Govt.)				
TOTAL		8,68,09,394		8,68,09,394
SCHEDULE 2 : RESERVES AND SURPLUS				
I. Statutory Reserves				
Balance as per last Balance Sheet	2,32,48,079		2,06,35,979	
Additions during the year	39,55,503		26,12,100	
		2,72,03,582		2,32,48,079
II. Capital Reserves				
Balance as per last Balance Sheet	1,74,39,228		1,61,83,968	
Additions during the year	13,32,997		12,55,260	
		1,87,72,225		1,74,39,228
III. Revaluation Reserve				
Balance as per last Balance Sheet	3,71,49,448		3,79,22,814	
Additions - during the year	-		-	
Less : Transfer to Revenue and Other Reserves	6,53,596		5,41,238	
Deductions during the year	-		2,32,128	
		3,64,95,852		3,71,49,448
IV. Share Premium				
Balance as per last Balance Sheet	7,46,66,328		24,19,62,271	
Reduction during the year	-		18,72,42,173	
Additions during the year	-		1,99,46,230	
		7,46,66,328		7,46,66,328
V. Special Reserve U/s 36(1)(viii) of Income Tax Act		10,00,000		10,00,000
VI. Revenue and Other Reserves				
i) Investment Fluctuation Reserve				
Balance as per last Balance Sheet	65,80,920		-	
Add : Addition during the year	5,47,509		65,80,920	
Additions/Adjustment during the year (Refer Note 2a of schedule 18)	-		-	
Less: Deductions during the year	-		-	
		71,28,429		65,80,920
ii) Investment Reserve				
Balance as per last Balance Sheet	1,13,846		1,13,846	
Add : Transfer from Revaluation Reserve	9,300		-	
Additions/Adjustment during the year	-		-	
Less: Deductions during the year	-			
		1,23,146		1,13,846
iii) Revenue Reserve				
Balance as per last Balance Sheet	2,82,59,810		2,77,18,572	
Add : Transfer from Revaluation Reserve	6,53,596		5,41,238	
Additions/Adjustment during the year	-		-	
Less: Deductions during the year	-			
		2,89,13,406		2,82,59,810
VI. Balance in Profit and Loss Account		99,76,703		-
TOTAL		20,42,79,672		18,84,57,659

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31st 2023

(000's Omitted)

PARTICULARS	As at 31st MARCH 2023 ₹	₹	As at 31st MARCH 2022 ₹	₹
SCHEDULE 3 : DEPOSITS				
A. I. Demand Deposits				
i) From Banks	98,44,694		1,03,37,153	
ii) From Others	17,78,05,030		16,51,49,281	
		18,76,49,724		17,54,86,434
II. Savings Bank Deposits		1,62,53,14,528		1,55,96,51,980
III. Term Deposits				
i) From Banks	47,20,164		62,23,208	
ii) From Others	1,77,52,80,269		1,68,55,57,753	
		1,78,00,00,433		1,69,17,80,961
TOTAL		3,59,29,64,686		3,42,69,19,375
B. i) Deposits of Branches in India		3,59,29,64,686		3,42,69,19,375
ii) Deposits of Branches outside India				
SCHEDULE 4 : BORROWINGS				
I. Borrowings in India				
i) Reserve Bank of India	1,76,40,000		1,76,40,000	
ii) Other Banks	-		839	
iii) Other Institutions & Agencies	3,85,47,478		2,57,11,771	
iv) Unsecured Redeemable Bonds(Subordinated Debt)	-		-	
v) Upper Tier II bonds	-		-	
vi) Innovative Perpetual Debt Instrument	-		13,91,000	
vii) Unsecured Redeemable NC Basel III Bonds(Tier II)	2,50,00,000		3,00,00,000	
		8,11,87,478		7,47,43,610
II. Borrowings outside India		-		-
TOTAL		8,11,87,478		7,47,43,610
Secured Borrowings included in I & II above		Nil		Nil

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31st 2023

(000's Omitted)

PARTICULARS	As at 31st MARCH 2023 ₹	₹	As at 31st MARCH 2022 ₹	₹
SCHEDULE 5 : OTHER LIABILITIES AND PROVISIONS				
I. Bills Payable		94,93,094		1,11,47,968
II. Inter Office Adjustments (Net)		19,468		1,90,081
III. Interest Accrued		88,83,232		77,44,537
IV. Deferred Tax Liability		-		-
V. Others (including provisions)		7,80,17,804		6,82,12,388
TOTAL		9,64,13,598		8,72,94,974
SCHEDULE 6 : CASH AND BALANCES WITH RESERVE BANK OF INDIA				
I. Cash in Hand (including foreign currency notes)		1,50,01,104		1,45,54,487
II. Balances with Reserve Bank of India				
In Current Accounts	16,52,98,094		13,67,22,487	
In Other Accounts	9,40,30,000		22,90,60,000	
		25,93,28,094		36,57,82,487
TOTAL		27,43,29,198		38,03,36,974
SCHEDULE 7 : BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE				
I. In India				
i) Balances with Banks				
a) In Current Accounts	4,01,113		2,57,604	
b) In Other Deposit Accounts	5,724		17,291	
ii) Money at Call and Short Notice				
a) With Banks	-		-	
b) With Other Institutions	-		6,40,128	
		4,06,837		9,15,023
II. Outside India				
a) In Current Accounts	20,02,668		10,62,153	
b) In Other Deposit Accounts	16,42,57,830		14,86,29,092	
c) Money at Call & Short Notice	-		-	
		16,62,60,498		14,96,91,245
TOTAL		16,66,67,335		15,06,06,268

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31st 2023

(000's Omitted)

PARTICULARS	As at 31st MARCH 2023 ₹	₹	As at 31st MARCH 2022 ₹	₹
SCHEDULE 8 : INVESTMENTS				
I. Investments in India in : *				
i) Government Securities	1,03,00,04,109		1,05,50,89,160	
ii) Other approved Securities	-		-	
iii) Shares	74,05,595		88,33,691	
iv) Debentures and Bonds	31,89,82,562		33,77,84,388	
v) Subsidiaries and Sponsored Institutions	67,00,687		25,79,832	
vi) Others (Commercial Papers,Mutual Fund Units etc.)	22,66,922		31,07,519	
		1,36,53,59,875		1,40,73,94,590
II. Investments outside India in **				
Subsidiaries and / or Associates abroad		4,74,885		4,74,885
TOTAL		1,36,58,34,760		1,40,78,69,475
* Investments in India				
Gross Value	1,42,60,54,028		1,46,71,17,739	
Less:Provision for Depreciation	6,06,94,153		5,97,23,149	
Net Value		1,36,53,59,875		1,40,73,94,590
** Investments outside India				
Gross Value	4,74,885		4,74,885	
Less:Provision for Depreciation	-		-	
Net Value		4,74,885		4,74,885
SCHEDULE 9 : ADVANCES				
A. i) Bills Purchased and Discounted	3,09,41,503		2,40,31,721	
ii) Cash Credits, Overdrafts & Loans repayable on demand	79,22,28,112		70,22,91,110	
iii) Term Loans	1,20,66,73,450		95,54,12,169	
TOTAL		2,02,98,43,065		1,68,17,35,000
B. Particulars of Advances :				
i) Secured by Tangible Assets (including advances against Book Debts)	1,80,31,15,772		1,55,92,58,701	
ii) Covered by Bank / Government Guarantees	75,94,346		1,32,94,746	
iii) Unsecured	21,91,32,947		10,91,81,553	
TOTAL		2,02,98,43,065		1,68,17,35,000
C. Sectoral Classification of Advances				
(I) Advances in India				
i) Priority Sectors	96,55,61,814		86,05,76,958	
ii) Public Sector	2,40,71,293		4,14,01,906	
iii) Banks	2		53,224	
iv) Others	1,04,02,09,956		77,97,02,912	
TOTAL		2,02,98,43,065		1,68,17,35,000
(II) Advances outside India				

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31st 2023

(000's Omitted)

PARTICULARS	As at 31st MARCH 2023 ₹	₹	As at 31st MARCH 2022 ₹	₹
SCHEDULE 10 : FIXED ASSETS				
I. Premises				
(At cost / revalued cost)				
Balance as at 31st March of the preceding year	4,88,11,918		4,91,01,269	
Additions during the year	17,394		25,445	
Total	4,88,29,312		4,91,26,714	
Deductions / Adjustments during the year	-		3,14,796	
Total	4,88,29,312		4,88,11,918	
Depreciation to date	99,17,382		91,65,015	
Total		3,89,11,930		3,96,46,903
II. Other Fixed Assets				
(Including furniture and fixtures)				
At cost as at 31st March of the preceding year	3,65,50,165		3,53,05,979	
Additions / Adjustments during the year	31,75,811		23,46,422	
Total	3,97,25,976		3,76,52,401	
Deductions / Adjustments during the year	15,70,747		11,02,236	
Total	3,81,55,229		3,65,50,165	
Depreciation to Date	2,93,04,397		2,66,46,639	
Total		88,50,832		99,03,526
TOTAL (I & II)		4,77,62,762		4,95,50,429
SCHEDULE 11 : OTHER ASSETS				
I. Interest accrued	2,00,03,448		2,17,76,858	
II. Tax paid in advance / Tax deducted at source (Net of Provisions)	4,26,12,315		3,96,32,629	
III. Stationery and Stamps	2,28,747		2,25,424	
IV. Non-banking assets acquired in satisfaction of claims				
V. Deferred Tax Assets	5,79,89,094		6,86,20,500	
VI. Inter Office Adjustments (Net)	-		0	
VII.Others	5,63,84,104		6,38,71,455	
TOTAL		17,72,17,708		19,41,26,866
SCHEDULE 12 : CONTINGENT LIABILITIES				
I. (a) Claims against the Bank not acknowledged as Debts		12,48,708		14,20,497
(b) Disputed income tax demands under appeals, revisions (inlcudes appeals filed by the Income Tax Department of Rs. 51697716('000 omitted) as at 31st March 2023, as against Rs. 39764221 ('000s omitted) as at 31st March 2022.		5,72,68,896		6,05,02,246
II. Liability for partly paid Investments		1,26,58,798		26,89,347
III. Liability on account of outstanding forward Exchange Contracts		1,10,82,31,495		1,59,08,50,230
IV. Guarantees given on behalf of constituents				
a) In India	9,19,06,778		8,83,87,515	
b) Outside India	52,11,840		58,26,051	
		9,71,18,618		9,42,13,566
V. Acceptances, Endorsements and Other Obligations		2,21,49,908		2,43,01,093
VI. Other item for which the bank is contingently liable		2,58,57,770		2,20,00,519
TOTAL		1,32,45,34,193		1,79,59,77,498

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Central Bank of India
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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31st 2023

(000's Omitted)

PARTICULARS	SCHEDULE NO.	YEAR ENDED 31st MARCH 2023 ₹	YEAR ENDED 31st MARCH 2022 ₹
I. INCOME			
Interest Earned	13	25,54,18,923	22,80,16,476
Other Income	14	4,08,37,083	2,96,84,840
TOTAL		29,62,56,006	25,77,01,316
II. EXPENDITURE			
Interest Expended	15	13,85,50,976	13,31,48,828
Operating Expenses	16	8,88,67,355	7,25,80,987
Provisions and Contingencies		5,30,15,663	4,15,23,220
TOTAL		28,04,33,994	24,72,53,035
III. PROFIT/(LOSS) FOR THE YEAR BEFORE PRIOR PERIOD ITEM		1,58,22,012	1,04,48,281
Less: Prior period Item		-	-
Net Profit /(Loss) for the Year after Prior period item		1,58,22,012	1,04,48,281
Profit / (loss) brought forward		-	-
TOTAL		1,58,22,012	1,04,48,281
IV. APPROPRIATIONS			
Transfer to :			
Statutory Reserve		39,55,503	26,12,100
Investment Fluctutation Reserve		5,47,509	65,80,920
Investment Reserve		13,32,997	12,55,261
Special Reserve u/s 36(1)(viii)		9,300	-
Staff Welfare Fund		-	-
Revenue Reserve		-	-
Fund in lieu of Insurance		-	-
Proposed Dividend - Equity Capital		-	-
Balance carried over to Balance Sheet (B/F losses adjusted against Share Premium)		99,76,703	-
TOTAL		1,58,22,012	1,04,48,281
EPS (Basic & Diluted) in ₹ (nominal value ₹ 10/- per share)		1.82	1.27
Significant Accounting Policies	17		
Notes to Accounts	18		

The schedules referred to above form an integral part of the Profit and Loss Account

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M V MURALI KRISHNA
EXECUTIVE DIRECTOR

M.V.RAO
MANAGING DIRECTOR & CEO

ATTENDED THROUGH VIDEO CONFERENCE

HARDIK M.SHETH
DIRECTOR

P.J.THOMAS
DIRECTOR

DINESH PANGTEY
DIRECTOR

PRADIP P. KHIMANI
DIRECTOR

As per our report of even date

For CHHAJED & DOSHI
Chartered Accountants
F.R.NO. 101794W
CA NITESH JAIN
PARTNER
M. No. 136169

For ASKA & CO
Chartered Accountants
F.R.NO. 122063W
CA SUHAS AMBEKAR
PARTNER
M.No. 1013[illegible]

FOR KISHORE & KISHORE
Chartered Accountants
F.R. NO. 000291N
CA AKHILESH K. MATHUR
PARTNER
M. NO. 509176

FOR A.R. & CO.
Chartered Accountants
F.R. NO.002744C
CA ANIL GAUR
PARTNER
M.NO. [illegible]

Place: Mumbai
Date: April 29, 2023

CENTRAL BANK OF INDIA

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31-2023

(000's omitted)

PARTICULARS	YEAR ENDED 31st MARCH 2023 ₹	YEAR ENDED 31st MARCH 2022 ₹
SCHEDULE 13 : INTEREST EARNED		
I. Interest / Discount on Advances / Bills	14,92,15,975	11,50,06,591
II. Income on Investments	8,71,50,871	9,26,35,596
III. Interest on balances with Reserve Bank of India and other	1,44,38,269	1,23,81,061
Inter Bank Funds	-	-
IV. Others	46,13,808	79,93,228
TOTAL	25,54,18,923	22,80,16,476
SCHEDULE 14 : OTHER INCOME		
I. Commission, Exchange and Brokerage	1,78,68,585	1,42,47,404
II. Profit on Sale of Investments (Net)	27,31,959	49,10,035
III. Profit / (Loss) on Revaluation of Investments	24,811	(27,68,771)
IV. Profit / (Loss) on Sale of Land, Buildings and other Assets (Net)	(13,396)	91,365
V. Profit on Exchange Transactions (Net)	30,34,878	19,92,437
VI. Income earned by way of dividends etc. from Subsidiaries and Associates abroad / in India	79,454	80,103
VII. Miscellaneous Income	1,71,10,792	1,11,32,267
TOTAL	4,08,37,083	2,96,84,840

PARTICULARS	YEAR ENDED 31st MARCH 2023 ₹	YEAR ENDED 31st MARCH 2022 ₹
SCHEDULE 15 : INTEREST EXPENDED		
I. Interest on Deposits	13,38,78,269	12,84,76,515
II. Interest on Reserve Bank of India / Inter-Bank borrowings	10,02,473	7,17,858
III. Others	36,70,234	39,54,455
TOTAL	13,85,50,976	13,31,48,828
SCHEDULE 16 : OPERATING EXPENSES		
I. Payments to and Provisions for employees	5,60,39,653	4,47,19,052
II. Rent, Taxes and Lighting	52,70,766	48,17,519
III. Printing and Stationery	3,29,020	2,65,002
IV.Advertisement and Publicity	1,74,027	1,31,795
V. Depreciation on Bank's property	38,58,573	29,66,139
VI. Directors' Fees, Allowances and Expenses	8,783	5,164
VII. Auditors' Fees and Expenses (including Branch Auditors)	3,52,812	3,07,403
VIII.Law Charges	2,55,299	1,77,675
IX. Postages, Telegrams, Telephones etc.	9,36,169	9,47,807
X. Repairs and Maintenance	14,73,110	16,21,188
XI. Insurance	44,14,464	42,80,618
XII. Other Expenditure	1,57,54,679	1,23,41,625
TOTAL	8,88,67,355	7,25,80,987

SCHEDULE 17 - SIGNIFICANT ACCOUNTING POLICIES

A. Background

Central Bank of India (the Bank) is a body corporate registered under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and is regulated by Reserve Bank of India. The principal business is providing banking and financial services with wide range of products and services to individuals, commercial enterprises, large corporates, public bodies and institutional customers. The business is conducted through its branches in India. The equity shares of the Bank are listed at BSE Limited and National Stock Exchange of India Limited.

B. Basis of preparation:

The financial statements have been prepared following the going concern concept and under historical cost convention except in respect of revaluation of premises and conform, in all material aspects, to the Generally Accepted Accounting Principles (GAAP) in India, which encompasses applicable statutory provisions, regulatory norms prescribed by Reserve Bank of India (RBI) including those prescribed by the Banking Regulation Act 1949, Accounting Standards (AS) and pronouncements issued by The Institute of Chartered Accountants of India (ICAI) and the prevailing practices within the banking industry in India.

C. 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 on the date of the financial statements and the reported income and expenses for the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/ materialised.

D. Significant accounting policies:

1. Cash and Cash equivalents:

Cash and cash equivalents include cash in hand and ATMs, balances with the Reserve Bank of India, balances with other banks and money at call and short notice.

2. Revenue recognition:

2.1 General

Income/ expenditure is generally accounted for on accrual basis except for income accounted on cash basis as per regulatory provisions.

2.2 Income from investments

a) The Profit or loss on sale of investments is recognised in the Profit and Loss Account. In accordance with the guidelines issued by the Reserve Bank of India, profit on sale of investments in the Held to Maturity (HTM) category is appropriated (Net of applicable taxes and amount required to be transferred to "Statutory Reserve Account") to the Capital Reserve Account".

b) Income (other than interest) on investments in "Held to Maturity (HTM)" category acquired at a discount to the face value, is recognised as follows:
   (i) on interest bearing securities, it is recognised only at the time of sale/ redemption.

   (ii) on zero-coupon securities, it is accounted for over the balance tenor of the security on a constant yield basis.
c) Dividend income is recognized when right to receive the dividend is established.
d) Upside on security receipts is recognised on realisation as 'Other income'.

2.3. Sale of financial assets

Financial Assets sold are recognized as under:

a) The sale of NPA is accounted as per guidelines prescribed by RBI. When the Bank sells its financial assets to Securitisation Company (SC)/ Reconstruction Company (RC), the same is removed from the books.
b) In case the sale to SC/ARC is at a price lower than the Net Book Value (NBV) the shortfall is charged to the Profit and Loss Account in the year of sale.
c) In case the sale is at a price higher than the NBV on cash basis, the surplus is taken to the credit of Profit and Loss Account.

2.4. Fee based income

Commission on letters of credit, bank guarantee and deferred payment guarantee are recognised on accrual basis proportionately over the period. All other commission and fee income are recognised on their realisation.

2.5 Others

a) Interest on income tax refund is accounted on receipt of refund order(s)/ intimation from Income Tax Department and acceptance by the Bank.
b) Provision for interest payable on overdue deposits is made as per Reserve Bank of India guidelines.

3. Advances:

3.1 Based on the guidelines/ directives issued by the RBI, loans and advances are classified as performing and non-performing, as follows:

a) The term loan is classified as a non-performing asset, if interest and/ or instalment of principal remains overdue for a period of more than 90 days.
b) An overdraft or cash credit is classified as a non-performing asset, if, the account remains "out of order", i.e. if the outstanding balance exceeds the sanctioned limit/ drawing power continuously for a period of 90 days, or if there are no credits continuously for 90 days, or if the credits are not adequate to cover the interest debited during the previous 90 days period.
c) The bills purchased/ discounted are classified as non-performing asset if the bill remains overdue for a period of more than 90 days.
d) The agricultural advances are classified as a non-performing if, (i) for short duration crops, where the instalment of principal or interest remains overdue for two crop seasons; and (ii) for long duration crops, where the principal or interest remains overdue for one crop season.

3.2 Non-performing assets are classified into sub-standard, doubtful and loss Assets, based on the following criteria stipulated by RBI:

a) Sub-standard: A loan asset that has remained non-performing for a period less than or

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equal to 12 months.

b) Doubtful: A loan asset that has remained in the sub-standard category for a period of 12 months.

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

3.3 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 provision of 15% on the total outstanding. ii. Additional provision of 10% for exposures which are unsecured ab-initio (i.e. where realisable value of security is not more than 10 percent ab-initio). iii. Unsecured Exposure in respect of infrastructure advances where certain safeguards such as escrow accounts are available - 20%.	
Doubtful Assets:	
- Secured portion:	
Up to one year	25%
One to three years	40%
More than three years	100%
- Unsecured portion	100%
Loss Assets	100%

3.4 Advances are shown net of provisions (in case of NPA), Unrealised Interest, amount recovered from borrowers held in Sundries and claims received from CGTSI/ ECGC, etc.

3.5 For restructured/ rescheduled assets, provisions are made in accordance with the guidelines issued by the RBI, which inter alia require that the difference between the fair value of the loans/ advances before and after restructuring is provided for, in addition to provision for the respective loans/ advances. The provision for diminution in fair value and interest sacrifice, if any, arising out of the above, is reduced from advances.

3.6 In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others" and are not considered for arriving at the Net NPAs.

3.7 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.

3.8 Amounts recovered against debts written off in earlier years are recognised as revenue in the year of recovery.

3.9 Additional provisions higher than regulatory norms are made in specific assets in view of the identified weakness and/ or prevailing economic situation.

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3.10 Partial recoveries in non-performing account (including partially written off accounts) are appropriated in the following order:

i. Principal Overdues / Irregularities
ii. Unrealised interest
iii. Partial Written Off principal
iv. Uncharged Interest
v. Unrealised charges

In case of suit filed/SARFAESI/ recalled accounts, recovery is appropriated in the following order:

i. Ledger outstanding balance
ii. Unrealised interest
iii. Partial Written Off principal
iv. Uncharged Interest
v. Unrealised charges

However, where any borrower account is required to be classified as non-performing from an earlier date, any recovery till the account was classified as Standard is first credited to Interest on Loans and Advances [viz. Scheme for sustainable Structuring of Stressed assets (S4A), Strategic Debt Restructuring, Flexible Structuring of Long-Term Project Loan (5/25), Change of Ownership of Borrowing Entities (outside Strategic Debt Restructuring Scheme)].

4 Provision for country exposure:

In addition to the specific provisions held according to the asset classification status, provisions are also made for individual country exposures (other than the home country). Countries are categorised into seven risk categories, namely, insignificant, low, moderate, high, very high, restricted and off-credit and provisioning made as per extant RBI guidelines. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is maintained on such country exposures. The provision is reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others".

5. Investments:

Investments are accounted for in accordance with the extant guidelines of investment classification and valuation, as given below:

5.1 **Classification:**

In accordance with the guidelines issued by the Reserve Bank of India, Investments are classified into "Held to Maturity (HTM)", "Held for Trading (HFT)" and "Available for Sale (AFS)" categories.

For disclosure in the Balance Sheet in Schedule 8, investments are classified as Investments in India and outside India.

Under each category, the investments in India are further classified as

a) Government Securities
b) Other Approved Securities

c) Shares
d) Debentures and Bonds
e) Subsidiaries, joint ventures and sponsored institutions; and
f) Others (Commercial Papers and units of Mutual Funds etc.)

The investments outside India are further classified under 3 categories

a) Government Securities
b) Subsidiaries and Joint Ventures
c) Other Investments

5.2 **Basis of Classification:**

Classification of an investment is done at the time of purchase into the following categories:

a) Held to Maturity: Investments that the Bank intends to hold till maturity are classified as "Held to Maturity (HTM)".
b) Held for Trading: Investments that are held principally for resale within 90 days from the date of purchase are classified as "Held for Trading (HFT)".
c) Available for Sale: Investments, which are not classified in the above two categories, are classified as "Available for Sale (AFS)".
d) Transfer of Securities between categories: An investment is classified as HTM, HFT or AFS at the time of purchase and subsequent shifting amongst categories is done in conformity with the regulatory guidelines.
e) Investments in subsidiaries, joint ventures and sponsored institutions are classified as HTM except in respect of those investments which are acquired and held exclusively with a view to its subsequent disposal. Such investments are classified as AFS.

5.3 **Valuation:**

The transactions in all securities are recorded on a Settlement Date and cost is determined on the weighted average cost method.

a) Incentive, front-end fees etc., received on purchase of securities are reduced from the cost of investments.
b) Expenses such as brokerage, fees, commission or taxes incurred at the time of acquisition of securities are charged to the Profit and Loss Account as revenue expenses.
c) Broken Period interest paid/ received on debt instruments is treated as interest expense/ income and is excluded from cost/ sale consideration.

a) **Valuation of investments classified as Held to Maturity:** The investments classified under this category are carried at acquisition cost. The excess of acquisition cost / book value over the face value is amortised over the remaining period of maturity. Such amortisation of premium is accounted as expense.

Investments (in India and abroad) in subsidiaries, joint ventures and associates are valued at historical cost. A provision is made for diminution, other than temporary in nature, for each investment individually.

Investments in Regional Rural Banks are valued at carrying cost (i.e. book value).

b) **Valuation of investments classified as Available for sale and Held for Trading:** Investments classified as Available for Sale and Held for Trading are individually revalued at market price or fair value determined as per the regulatory guidelines and the net depreciation if any, of each group for each category (viz.(i) Government securities, (ii) Other Approved Securities, (iii) Shares, (iv) Bonds and Debentures, (v) Subsidiaries and Joint Ventures and (vi) others) is provided for and net appreciation is ignored.

c) **Valuation policy in event of inter category transfer of investments:**

i) Transfer of securities from HFT/ AFS category to HTM category is carried out at the lower of acquisition cost/ book value/ market value on the date of transfer. The depreciation, if any, on such transfer is fully provided for.

ii) Transfer of securities from HTM category to AFS category is carried out on acquisition price/ book value. On transfer, these securities are immediately revalued and resultant depreciation, if any, is provided, in the Profit and Loss Account.

d) **Valuation in case of sale of NPA (financial asset) to Securitisation Company (SC)/ Asset Reconstruction Company (ARC) against issue of Security Receipts (SR):**

i) The investment in security receipts obtained by way of sale of NPA to SC/RC, is recognised at lower of: (i) Net Book Value (NBV) (i.e. book value less provisions held) of the financial asset; and (ii) Redemption value of SR.

ii) SRs issued by an SC/ ARC are valued in accordance with the guidelines applicable to non-SLR instruments. Accordingly, in cases where the SRs issued by the SC/ ARC are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Net Asset Value, obtained from the SC/ ARC, is reckoned for valuation of such investments.

e) Treasury Bills and Commercial Papers are valued at carrying cost.

5.4 Investments (NPI):

Investments are classified as performing and non-performing, based on "Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2021" (as amended) and "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances", as under:

a) Interest/ instalment (including maturity proceeds) is due and remains unpaid for more than 90 days. The same is applied to preference shares where the fixed dividend is not paid.

b) In the case of equity shares, in the event the investment in shares of any company is valued at Re. 1 per company on account of non-availability of the latest balance sheet, those equity shares would be reckoned as NPI.

c) The Bank also classifies an investment as a non-performing investment, in case any credit facility availed by the same borrower/ entity has been classified as a non-performing asset and vice versa.

d) The investments in debentures/ bonds, which are deemed to be advance, are also subjected to NPI norms as applicable to investments.

5.5 Accounting for Repo/ Reverse Repo transactions

The Bank enters into repurchase and reverse repurchase transactions with RBI under Liquidity Adjustment Facility (LAF) and also with market participants. Repurchase transaction represents borrowing by selling the securities with an agreement to repurchase the securities. Reverse repurchase transactions on the other hand represent lending funds by purchasing the securities.

a) The securities sold and purchased under Repo/ Reverse Repo are accounted as overnight Tri-party Repo (TREPS) dealing and settlement.
b) However, securities are transferred as in the case of normal outright sale/ purchase transactions and such movement of securities is reflected using the Repo/ Reverse Repo Accounts and contra entries.
c) The above entries are reversed on the date of maturity. Balance in Repo Account is classified under Schedule 4 (Borrowings) and balance in Reverse Repo Account is classified under Schedule 7 (Balance with Banks and Money at call & short notice).
d) Interest expended/ earned on Securities purchased/ sold under LAF with RBI is accounted for as expenditure/ revenue.

6. Derivatives:

The Bank enters into derivative contracts, such as interest rate swaps, currency swaps and cross currency swaps in order to hedge on balance sheet/ off-balance sheet assets and liabilities or for trading purposes.

6.1 Derivatives used for hedging are accounted as under:

a) In cases where the underlying assets/ liabilities are marked to market, resultant gain/loss is recognised in the Profit and Loss Account.
b) Derivative contracts classified as hedge are recorded on accrual basis. Hedge contracts are not marked to market unless the underlying assets/ liabilities are also marked to market.
c) Gain or losses on the termination of Swaps are recognised over the shorter of the remaining contractual life of the swaps or the remaining life of the assets/ liabilities.

6.2 Derivatives used for trading are accounted as under:

a) Currency futures and interest rate futures are marked to market on daily basis as per exchange guidelines of MCX-SX and NSE.
b) Mark to market profit or loss is accounted by credit/ debit to the margin account on daily basis and the same is accounted in the Bank's profit and loss account on final settlement.
c) Trading swaps are marked to market at frequent intervals. Any mark to market losses are booked and gains, if any, are ignored on net basis.
d) Gains or losses on termination of swaps are recorded immediately as income/ expense under the above head.

7. Transactions involving foreign exchange:

7.1 Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency.

7.2 Foreign currency monetary items are reported using the Foreign Exchange Dealers Association of India ("FEDAI") closing (spot/ forward) rates and the resultant profit or loss is recognised in the Profit and Loss Account.

Foreign currency non-monetary items, which are carried at historical cost, are reported using the exchange rate on the date of the transaction.

Contingent liabilities denominated in foreign currency are reported using the FEDAI closing spot rates.

7.3 Outstanding foreign exchange spot and forward contracts are revalued at the exchange rates notified by FEDAI for specified maturities, and the resulting Profit or Loss is recognised in the Profit and Loss Account.

7.4 Foreign exchange forward contracts which are not intended for trading and are outstanding at the balance sheet date, are valued at the closing spot rate. The premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract.

7.5 Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognised as income or as expense in the period in which they arise.

7.6 Gains/ Losses on account of changes in exchange rates of open position in currency futures trades are settled with the exchange clearing house on daily basis and such gains/losses are recognised in the profit and loss account.

8. Fixed assets and depreciation:

8.1 Fixed Assets are carried at cost less accumulated depreciation/ amortisation.

Cost includes cost of purchase and all expenditure such as site preparation, installation costs, taxes and professional fees incurred on the asset before it is put to use.

8.2 Subsequent expenditure(s) incurred on the assets put to use are capitalised only when it increases the future benefits from such assets or their functioning capability.

8.3 Fixed Assets are depreciated under 'Written Down Value Method' at the following rates (other than computers which are depreciated on Straight Line Method):

a) Premises At varying rates based on estimated life
b) Furniture, Lifts, Safe Vaults 10%
c) Vehicles, Plant & Machinery 20%
d) Air conditioners, Coolers, Typewriters etc. 15%.
e) Computers including Systems Software 33.33%

(Application Software is charged to the Revenue during the year of acquisition.)

8.4 Other fixed assets are depreciated on Straight Line Method on the basis of estimated useful life of the assets.

8.5 Land acquired on lease for over 99 years is treated as freehold land and those for 99 years or less is treated as leasehold land. Cost of leasehold land is amortized over the period of lease.

8.6 Where it is not possible to segregate the cost of land and premises, depreciation is charged on the composite cost.

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8.7 In case of assets, which have been revalued, the depreciation/ amortization is provided on the revalued amount and is charged to the Profit and Loss Account. Amount of incremental depreciation/ amortization attributable to the revalued amount is transferred from 'Revaluation Reserve' and credited to 'Revenue and Other Reserves'.

8.8 Depreciation on additions to assets, made upto 30th September is provided for the full year and on additions made thereafter, is provided for the half year.
No depreciation is provided on assets sold before 30th September and depreciation is provided for the half year on assets sold after 30th September.

8.9 The Bank considers only immovable assets for revaluation. Properties acquired during the last three years are not revalued. Valuation of the revalued assets is done every three years thereafter.

8.10 The increase in net book value of the asset due to revaluation is credited to the Revaluation Reserve Account without routing through the Profit and Loss Account.
Additional depreciation on the revalued asset is charged to the Profit and Loss Account and appropriated from the Revaluation Reserves to Other Revenue Reserve.

8.11 The revalued asset is depreciated over the balance useful life of the asset as assessed at the time of revaluation.

9 Leases:

Leases where risks and rewards of ownership are retained by lessor are classified as Operating Lease as per AS-19 (Leases). Lease payments on such lease are recognised in Profit and Loss account on a straight-line basis over the lease term in accordance with AS 19.

10 Impairment of Assets:

Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

11. Employee Benefits:

11.1 Employee benefits are accrued in the year services are rendered by the employees.

11.2 **Short Term Employee Benefits:**

The undiscounted amounts of short-term employee benefits, which are expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

11.3 **Defined benefit plans:**

The Bank operates Gratuity and Pension schemes which are defined benefit plans.

a) The Bank provides for gratuity to all eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, or on death while in employment, or on termination of employment, for an amount equivalent to 15 days basic salary payable for each completed year of service, subject to the cap prescribed by the

Statutory Authorities. Vesting occurs upon completion of five years of service. The Bank makes periodic contributions to a fund administered by Trustees based on an independent external actuarial valuation.

b) The Bank provides for pension to all eligible employees. The benefit is in the form of monthly payments as per rules to vested employees on retirement or on death while in employment, or on termination of employment. Vesting occurs at different stages as per rules. The pension liability is reckoned based on an independent actuarial valuation carried out annually and Bank makes such additional contributions periodically to the Fund as may be required to secure payment of the benefits under the pension regulations.

c) The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/ losses are immediately recognised in the Profit and Loss Account and are not deferred.

d) When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

   Liability for long term employee benefit under defined benefit scheme such as contribution to gratuity, pension fund and leave encashment are determined at close of the year at present value of the amount payable using actuarial valuation technique.

e) Actuarial gain/losses are recognised in the year when they arise.

11.4 **Defined Contribution Plan:**

Provident fund is a defined contribution as the bank pays fixed contribution at predetermined rates. The obligation of the bank is limited to such fixed contribution. The contributions are charged to Profit and Loss account.

National Pension Scheme which is applicable to employees who have joined bank on or after 01.04.2010 is a defined contribution scheme. Bank pays fixed contribution at pre-determined rate. The obligation of the bank is limited to such fixed contribution. The contribution is charged to Profit and Loss Account

12. Accounting for Taxes on Income:

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The provision for tax for the year comprises of current tax liability computed in accordance with the Income Tax Act, 1961 and as per Accounting Standard 22 – "Accounting for Taxes on Income" respectively.

Deferred tax is recognized on timing differences between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised.

Deferred Tax Assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future profits.

The carrying amount of deferred tax assets is reviewed at each balance sheet date to reassess its realization. Disputed tax liabilities are accounted for in the year of finality of assessment/ appellate proceedings and till such times they are shown as contingent liability. The impact of changes in deferred tax assets and liabilities is recognised in the Profit and Loss Account.

13. Provisions, Contingencies and Contingent assets:

13.1 In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the Bank recognises provisions only when it has a present obligation as a result of a past event, and would result in a probable 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.

13.2 No provision is recognised for:

a) any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or

b) any present obligation that arises from past events but is not recognised because:

i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii. a reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities. These are assessed at regular intervals and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

13.3 Provision for reward points in relation to the debit card holders of the Bank is made on estimated basis.

13.4 Contingent assets are neither recognised nor disclosed in the Financial Statements.

14 Special Reserves:

Revenue and other Reserve include Special Reserve created under Section 36(i)(viii) of the Income Tax Act, 1961. The Board of Directors of the Bank has passed a resolution approving creation of the reserve and confirming that it has no intention to make withdrawal from the Special Reserve.

15 Segment Reporting

The Bank recognises the business segment as the primary reporting segment and geographical segment as the secondary reporting segment in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 – "Segment Reporting" issued by The Institute of Chartered Accountants of India.

16. Earnings per Share:

a) The Bank reports basic and diluted earnings per share in accordance with AS 20 "Earnings per

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Share" issued by the Institute of Chartered Accountants of India. Basic Earnings per Share is computed by dividing the Net Profit after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

b) Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is calculated by using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

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EXECUTIVE DIRECTOR	EXECUTIVE DIRECTOR	EXECUTIVE DIRECTOR

M.V.RAO
MANAGING DIRECTOR & CEO

ATTENDED THROUGH VIDEO CONFERENCE

HARDIK M.SHETH	P.J.THOMAS	DINESH PANGTEY	PRADIP P. KHIMANI
DIRECTOR	DIRECTOR	DIRECTOR	DIRECTOR

As per our report of even date

For CHHAJED & DOSHI	For ASKA & CO	FOR KISHORE & KISHORE	FOR A.R. & CO.
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
F.R.NO. 101794W	F.R.NO. 122063W	F.R. NO. 000291N	F.R. NO.002744C
CA NITESH JAIN	CA SUHAS AMBEKAR	CA AKHILESH K. MATHUR	CA ANIL GAUR
PARTNER	PARTNER	PARTNER	PARTNER
M. No. 136169	M.No. 101373	M. NO. 509176	M.NO. 017546

Place: Mumbai
Date: 29th April 2023

SCHEDULE-18: NOTES FORMING PART OF THE ACCOUNTS

1. Regulatory Capital:

a) Composition of Regulatory Capital

(Amount in ₹ Crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
1.	Common Equity Tier 1 Capital (CET 1)	20,099.54	17,049.44
2.	Additional Tier 1 Capital	NIL	NIL
3.	Tier 1 Capital (i+ii)	20,099.54	17,049.44
4.	Tier 2 Capital	3,334.76	3,510.43
5.	Total Capital (Tier 1+ Tier 2)	23,434.30	20,559.87
6.	Total Risk Weighted Assets (RWAs)	1,65,934.44	1,48,506.29
7.	CET 1 Ratio (CET 1 as a percentage of RWAs)	12.11 %	11.48%
8.	Tier 1 Ratio (Tier 1 Capital as a percentage of RWAs)	12.11 %	11.48%
9.	Tier 2 Ratio (Tier 2 Capital as a percentage of RWAs)	2.01 %	2.36%
10.	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	14.12 %	13.84%
11.	Leverage Ratio	4.73%	4.25%
12.	Percentage of the shareholding of Government of India (Note 1)	93.08 %	93.08%
13.	Amount of paid-up Equity Capital raised during the year	NIL	NIL
14.	Amount of non-equity Tier 1 Capital raised during the year:	NIL	NIL
15.	Amount of Tier 2 Capital raised during the year	NIL	NIL

Note 1: Paid up Equity Share Capital of the Bank as on 31.03.2023 is ₹ 8,680.94 crore, the President of India (Government of India) has not infused any fresh capital during the financial year 2022-23. The shareholding of President of India (Government of India) in the Bank is 93.08 %.

b) Draw down from reserves

During the year, there has been no draw drawn from Reserve to Profit & Loss account.

FRN 002744C
CHARTERED ACCOUNTANTS

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2. Asset Liability Management

a) Maturity pattern of certain items of assets and liabilities as at 31st March, 2023:

(Amount in ₹ Crore)

Period		Day 1	2 to 7 days	8 to 14 days	15 to 30 days	31 to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years up to 5 years	Over 5 years	Total
Deposits	Current Year	1,312.58	2,376.65	2,802.90	4,480.05	9,042.61	8,621.61	13,472.65	27,091.36	163,227.91	65,404.00	61,385.10	359,296.47
	Previous Year	1,516.87	2,960.12	2,888.41	4,588.65	8,893.78	8,636.28	12,890.58	24,895.30	154,125.81	62,862.65	58,454.28	342,691.94
Advances	Current Year	2,529.18	1,374.65	1,576.63	5,997.23	2,425.41	6,461.41	7,031.48	17,481.67	92,283.09	16,828.40	48,995.17	202,984.31
	Previous Year	1,318.10	408.20	544.90	2,570.33	3,543.48	3,195.04	5,233.16	10,404.10	90,440.66	16,139.71	34,384.02	168,173.50
Investments	Current Year	39,115.63	975.37	673.49	3,371.22	4,277.62	1,036.88	1,929.70	9,748.60	16,739.45	21,385.58	37,329.95	136,583.48
	Previous Year	42,936.96	1,022.77	1,533.68	331.59	4,485.87	1,054.03	2,687.41	6,143.02	14,123.63	22,811.90	43,716.08	140,786.95
Borrowings #	Current Year	3.97	1,764.00	100.69	-	100.69	261.91	410.40	974.49	1,984.36	17.12	1.12	5,618.75
	Previous Year	3.28	-	64.77	-	64.77	67.81	245.33	534.28	3,349.06	5.96	-	4,335.26
Foreign Currency assets	Current Year	30.01	3,061.65	274.60	15,802.31	-	5,122.99	13,615.23	8,170.13	176.34	8.16	-	46,253.43
	Previous Year	611.07	847.09	282.83	6,886.57	-	7,844.80	23,491.25	47,715.46	79.51	8.61	-	87,679.20
Foreign Currency liabilities	Current Year	63.31	2,924.37	1,358.93	19,400.74	129.69	6,407.89	27,900.09	12,817.38	1,362.30	8.36	-	62,525.15
	Previous Year	320.27	1,155.33	42.28	6,953.63	-	8,148.53	22,304.46	47,682.45	1,023.44	39.91	-	87,670.29

Note: - # Excluding those considered under Tier II Capital.

b) Liquidity coverage ratio (LCR)

The Liquidity Coverage Ratio (LCR) standard represents an unencumbered High Quality Liquidity Assets (HQLAs) that can be converted into cash to meet its liquidity needs for a 30 calendar day time and horizon under significantly severe liquidity stress scenario.

LCR has been defined as:

$$\frac{\text{Stock of high quality liquid assets (HQLAs)}}{\text{Total net cash outflow over the next 30 calendar days}}$$

Liquidity Coverage ratio (LCR) – Quantitative Disclosure

(Amount in ₹ Crore)

LCR Components		Quarter Ended 30.06.2022		Quarter Ended 30.09.2022		Quarter Ended 31.12.2022		Quarter Ended 31.03.2023	
		Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)	[redacted]	128,120	[redacted]	116,581	[redacted]	105,549	[redacted]	106,207
Cash Outflows									
2	Retail deposits and deposits from small business customers of which:								
(i)	Stable deposits	165,423	8,271	164,904	8,245	164,738	8,237	167,247	8,362
(ii)	Less stable deposits	143,077	14,308	144,828	14,483	146,013	14,601	148,598	14,860
3	Unsecured wholesale funding of which:								
(i)	Operational deposits (all counterparties)	0	0	0	0	0	0	0	0
ii)	Non-operational deposits (all counterparties)	31,290	13,331	30,126	12,776	29,082	12,327	30,823	12,951
iii)	Unsecured debt	0	0	0	0	0	0	0	0
4	Secured wholesale funding	[redacted]	0	[redacted]	0	[redacted]	0	[redacted]	0

	LCR Components	Quarter Ended 30.06.2022		Quarter Ended 30.09.2022		Quarter Ended 31.12.2022		Quarter Ended 31.03.2023	
		Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)
5	Additional requirements, of which								
(i)	Outflows related to derivative exposures and other collateral requirements	10,166	10,166	17,921	17,921	20,653	20,653	14,977	14,977
(ii)	Outflows related to loss of funding on debt products	0	0	0	0	0	0	0	0
(iii)	Credit and liquidity facilities	1,638	1,291	1,407	1,332	1,362	1,333	1,457	1,414
6	Other contractual funding obligations	3,575	3,575	4,640	4,640	4,202	4,202	3,326	3,326
7	Other contingent funding obligations	180,374	8,779	163,011	7,913	139,687	6,753	125,701	6,044
8	Total Cash Outflows		59,700		67,311		68,107		61935
Cash Inflows									
9	Secured lending	27,674	0	10,817	0	1,268	0	0	0
10	Inflows from fully performing exposures	2,802	2,802	866	866	2,117	2,117	2,854	2,854
11	Other cash inflows	21,523	20,051	26,806	25,966	31,273	29,540	22,891	21,882
12	Total Cash Inflows	52,000	22,854	38,490	26,833	34,657	31,657	25,745	24,736
		TOTAL ADJUSTED VALUE		TOTAL ADJUSTED VALUE		TOTAL ADJUSTED VALUE		TOTAL ADJUSTED VALUE	
13	TOTAL HQLA		128,120		116,581		105,549		106,207
14	Total Net Cash Outflows		36,847		40,478		36,451		37,199
15	Liquidity Coverage Ratio (%)		347.71%		288.01%		289.57%		285.51%

In accordance with RBI guidelines vide circular No.RBI/2014-15/529 DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March 2015, average weighted and unweighted amounts have been calculated taking simple daily average. The Bank has considered 90 data points for the quarter January 2023 to March 2023.

Liquidity Coverage ratio (LCR) – Qualitative Disclosure

Line items significant to LCR		Explanatory Notes
A	The main drivers of the LCR results and the evolution of the contribution of inputs to the LCR's calculation	The main drivers of LCR results are : 1) High Quality Liquid Asset (HQLA) is one of the major drivers of LCR; the major portion of HQLA consists of facility to avail liquidity under Marginal Standing Facility (MSF), FALLCR & excess SLR investments. 2) Cash Outflow is another major driver of LCR. The main components of cash outflows are less stable retail deposit, funding from other legal entity and net derivative cash outflow. 3) Another major driver of LCR is Cash Inflow. The main components of cash inflows are inflows by counterparty and net derivative cash inflow.
B	Intra-period changes as well as changes over time	Not Applicable

Line items significant to LCR		Explanatory Notes
C	The composition of HQLA	The HQLA comprises of the following: 1. Level 1 assets comprises of surplus SLR investments (net of encumbered against REPO, CBLO, MSF, CROMS, other securities pledged for RTGS, SGF, MCX, NSCCL etc) and 2% of NDTL applicable for MSF and 16.00% of NDTL (FALLCR) as per RBI circular no. RBI/2022-23/25 DOR.LRG.REC.19/21.04.098/2022-23 dated 18/04/2022 and overnight balances held by banks with RBI under SDF as per RBI circular no RBI/2022-23/141DOR.LRG.REC.83/03.10.001/2022-23 dated 23/11/2022. 2. Level 2A assets comprises of Special (Discom) Bonds issued by State Government, Bonds issued by State Power Distribution Companies, Central Government PSUs excluding the finance companies and bonds of private corporates having rating of AA- and above excluding the finance companies. 3. Level 2B assets comprises of bonds of corporates having rating of BBB- to A+ excluding the finance companies. 4. Level 2B assets also comprises of NIFTY/SENSEX shares excluding the finance companies.
D	Concentration of funding sources	Bank addresses the funding concentration by monitoring their funding from each significant counterparty, each significant product / instrument and each significant currency ('significant' is defined as aggregate amount is more than 1% of the bank's liabilities).
E	Derivative exposures and potential collateral calls	Derivative exposure of the bank consists of the following: 1. OTC Derivatives a) Forwards b) Currency Swaps c) Interest Rate Swap 2. Exchange Traded Derivatives a) Currency Futures b) Interest Rate Futures Potential collateral call comes into question if the trades take place on the Exchange or the settlement takes place through Central Counterparty and is guaranteed and also if the Credit Support Annex(CSA) which is an attachment to the ISDA Master Agreement , is signed with the counterparties. At present, the Bank does not have in place the Credit Support Annex with any counterparty. As such, no potential collateral call will arise. For exposure of trades under Currency Futures and Interest Rate Futures bank is maintaining margins in the form of collaterals (G-Secs) and the same is being maintained depending on the amount of exposure and the volatility in the market. All Interbank USD/INR Swaps and forwards are being settled through CCIL which is a Central Counterparty (CCP). Bank is maintaining margins in the form of collaterals (G-Secs) with CCIL for guaranteed settlement of Interbank USD/INR Swaps and Forwards. The amount of margin depends on the amount of exposure and the volatility in the respective markets. The additional margin is being maintained with the Exchange/ CCP as and when the call is made for the same.
F	Currency mismatch in the LCR	To capture potential currency mismatches, the LCR in each significant currency is monitored. A currency is considered as "significant" if the aggregate liabilities denominated in that currency amount to 5 per cent or more of the bank's total liabilities. Bank doesn't have currency mismatch in LCR as bank does not have exposure in 'significant' currency.
G	Degree of centralization of liquidity management and interaction between the group's units	Liquidity management in the bank is centralized and monitored by ALM & Treasury team. Interaction between treasury, ALM team & other functional units are seamless.
H	Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile.	None
I	Other Information	Other contingent liabilities including undrawn credit and liquidity commitments are also suitably addressed.

The average LCR for the quarter ended March 31, 2023 was at 285.51% as against 311.32% for the quarter ended March 31, 2022 and well above the regulatory prescribed minimum requirement of 100%. The average HQLA for the quarter ended March 31, 2023 was ₹ 106,207.00 crore as against ₹ 1,28,085.00 crore for the quarter ended March 31, 2022.

The average LCR for the year ended March 31, 2023 was at 302.34 % as against 360.81% for the year ended March 31, 2022.

c) Net Stable Funding ratio (NSFR): (This has not been audited by Statutory Central Auditor)
Reserve Bank of India vide its circular no. BR.BP.BC.No.106/21.04.098/2017-18 May 17, 2018 had issued guidelines on "Basel III Framework on Liquidity Standards – Net Stable Funding Ratio (NSFR)". The guidelines for NSFR were effective from October 1, 2021.

The objective of NSFR is ensure reduction in funding risk over a longer time horizon extending to one year by requiring banks to fund their activities in relation to the composition of their assets and off balance sheet activities, with sufficiently stable sources of funding on an on-going basis. A sustainable funding structure is intended to reduce the probability of erosion of a bank's liquidity position due to disruptions in the regular sources of funding. NSFR limits over-reliance on short term wholesale funding, encourages better assessment of funding risk across all on and off balance sheet items, and promotes funding stability.

The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. "Available Stable Funding" (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of stable funding required ("Required Stable Funding") (RSF) is a function of the liquidity characteristics and residual maturities of the various assets held by the Bank as well as those of its off-balance sheet (OBS) exposures. The Available Stable Funding (ASF) is primarily driven by the total regulatory capital as per Basel III Capital Adequacy guidelines stipulated by RBI and deposits from retail customers, small business customers and non-financial corporate customers. Under the Required Stable Funding (RSF), the primary drivers are unencumbered performing loans with residual maturities of one year or more.

The runoff factors for the stressed scenarios are prescribed by the RBI, for various categories of liabilities (viz., deposits, unsecured and secured wholesale borrowings), undrawn commitments, derivative-related exposures, and offset with inflows emanating from assets maturing within the same time period. The minimum NSFR requirement set out in the RBI guideline is 100% on an on-going basis.

The Liquidity Risk Management of the Bank is governed by the Asset Liability Management (ALM) Policy approved by the Board. The Asset Liability Committee (ALCO) is a decision-making unit responsible for implementing the liquidity and interest rate risk management strategy of the Bank in line with its risk management objectives and ensures adherence to the risk tolerance/limits set by the Board.

Central Bank of India on standalone basis maintained Available Stable Funding (ASF) of Rs. 3,44,387.62 Crore against the RSF requirement of Rs. 2,13,238.27 Crore as on 31st March 2023. The NSFR for the quarter ended Mar 2023 is at 161.50%.

Quantitative Disclosure of NSFR Components are:

NSFR Disclosure		Mar-23					Dec-22					Sep-22					Jun-22				
		Unweighted value by residual maturity				Amount in ₹ crore	Unweighted value by residual maturity				Amount in ₹ crore	Unweighted value by residual maturity				Amount in ₹ crore	Unweighted value by residual maturity				Amount in ₹ crore
		No maturity*	<6 months	6 months to < 1yr	>= 1 yr	Weighted value	No maturity*	<6 months	6 months to < 1yr	>= 1 yr	Weighted value	No maturity*	<6 months	6 months to < 1yr	>= 1 yr	Weighted value	No maturity*	<6 months	6 months to < 1yr	>= 1 yr	Weighted value
ASF Item																					
1.00	Capital (2+3)	[illegible]	-	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
2.00	Regulatory capital	[illegible]	-	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
3.00	Other capital instruments		-	-	[illegible]	[illegible]		-	-	[illegible]	[illegible]		-	-	[illegible]	[illegible]		-	-	[illegible]	[illegible]
4.00	Retail deposits and deposits from small business customers (5+6)	-	-	[illegible]		[illegible]	[illegible]	-	[illegible]		[illegible]	-	-	[illegible]		[illegible]	-	-	[illegible]		[illegible]
5.00	Stable deposits	-	-	[illegible]	-	[illegible]		-	[illegible]	-	[illegible]	-	-	[illegible]	-	[illegible]	-	-	[illegible]	-	[illegible]
6.00	Less stable deposits	-	-	[illegible]	-	[illegible]	[illegible]	-	[illegible]	-	[illegible]	-	-	[illegible]	-	[illegible]	-	-	[illegible]	-	[illegible]
7.00	Wholesale funding (8+9)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8.00	Operational deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.00	Other wholesale funding	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10.00	Other Liabilities (11+12)	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]
11.00	NSFR derivative liabilities		-	-	-			[illegible]	-	-			[illegible]	-	-			-	-	-	
12.00	All other liabilities and equity not included in the above categories	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]
13.00	Total ASF (1+4+7+10)					[illegible]					[illegible]					[illegible]					[illegible]
RSF Item																					
14.00	Total NSFR high-quality liquid assets (HQLA)					[illegible]					[illegible]					[illegible]					[illegible]
15.00	Deposits held at other financial institutions for operational purposes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16.00	Performing loans and securities (17+18+19+21+23)	-	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]
17.00	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.00	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	[illegible]	[illegible]	-	[illegible]	-	[illegible]	[illegible]	-	[illegible]	-	[illegible]	[illegible]	-	[illegible]	-	[illegible]	[illegible]	-	[illegible]
19.00	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	-	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]
20.00	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]
21.00	Performing residential mortgages, of which:	-	-	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]
22.00	With a risk weight of less than or equal to 35 % under the Basel II Standardised Approach for credit risk	-	-	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]
23.00	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24.00	Other assets: (sum of rows 25 to 29)	-	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]
25.00	Physical traded commodities, including gold	-				-	-				-	-				-	-				-
26.00	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	[illegible]	[illegible]		-	-	[illegible]	[illegible]		-	-	[illegible]	[illegible]		-	-	[illegible]	[illegible]
27.00	NSFR derivative assets		-	-	[illegible]	[illegible]		-	-	-	-		-	-	-	-		-	-	-	-
28.00	NSFR derivative liabilities before deduction of variation margin posted		-	-	[illegible]	[illegible]		-	-	[illegible]	[illegible]		-	-	[illegible]	[illegible]		-	-	[illegible]	[illegible]
29.00	All other assets not included in the above categories	-	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]
30.00	Off-balance sheet items				[illegible]	[illegible]				[illegible]	[illegible]				[illegible]	[illegible]				[illegible]	[illegible]
31.00	Total RSF (14+15+16+24+30)					[illegible]					[illegible]					[illegible]					[illegible]
32.00	Net Stable Funding Ratio (%)					[illegible]					[illegible]					[illegible]					[illegible]

3. Investments

a) Composition of Investment Portfolio

As at 31.03.2023 (Amount in ₹ Crore)

Particulars	Investments in India							Investments Outside India				Total Investments (A+B)
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	others	Total investments in India (A)	Government securities (including local authorities)	Subsidiaries and/or joint ventures	others	Total investments outside India (B)	
Held to Maturity												
Gross	79,210.29	-	7.54	26,891.93	670.87	183.52	106,963.25	-	47.49	-	47.49	107,010.74
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	79,210.29	-	7.54	26,891.93	670.87	183.52	106,963.25	-	47.49	-	47.49	107,010.74
Available for Sale												
Gross	23,901.47	-	2036.63	6,099.68	-	2,712.41	35,550.20	-	-	-	-	35,550.20
Less: Provision for depreciation and NPI	203.21	-	2084.58	1,093.35	-	2,669.24	6,050.39	-	-	-	-	6,050.39
Net	23,698.26	-	752.05	5,006.33	-	43.18	29,499.81	-	-	-	-	29,499.81
Held to Trading												
Gross	91.96	-	-	-	-	-	91.96	-	-	-	-	91.96
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	91.96	-	-	-	-	-	91.96	-	-	-	-	91.96
Total Investment												
Gross	103,203.62	-	2,044.17	32,991.61	670.87	2,895.93	142,605.40	-	47.49	-	47.49	142,652.89
Less: Provision for non-performing investments		-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI & Additional provision as per 07 June 2019 circular	203.21	-	2,084.58	1,093.35	-	2,669.24	6,069.42	-	-	-	-	6,069.42
Net	103,000.41	-	759.59	31,898.26	670.87	226.69	136,515.99	-	47.49	-	47.49	136,563.47

(Amount in ₹ Crore)

Note: Above Amount includes encumbered securities as at March 31st, 2023	Face Value
Collateral/Margin with CCIL - TREPS	9,849.00
Margin & Default Fund with CCIL, Securities with NSE clearing, MCX clearing, RBI RTGS	4,623.00
Securities with RBI for Repo	8,500.00
Total	22,972.00

Note: Above Amount includes securities to face Value of ₹ 9,849.00 crore as collateral with CCIL, securities of ₹ 4022.00 crore as margin & Default fund with CCIL, securities of ₹ 9,030.00 crore with RBI for REPO and RTGS, securities of ₹ 71.00 crore with NSE clearing respectively as on March 31st, 2023.

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As at 31.03.2022

(Amount in ₹ Crore)

Particulars	Investments in India							Investments Outside India				Total Investments (A+B)
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and or joint ventures	others	Total investments in India (A)	Government securities (including local authorities)	Subsidiaries and or joint ventures	others	Total investments in india (B)	
Held to Maturity												
Gross	72813.03	-	7.34	27553.73	257.98	126.28	100756.59	-	47.49	-	47.49	100804.08
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	72813.03	-	7.34	27553.73	257.98	126.28	100756.59	-	47.49	-	47.49	100804.08
Available for Sale												
Gross	33042.53	-	2979.99	7044.88	-	2581.89	45969.10	-	-	-	-	45969.10
Less: Provision for depreciation and NPI	332.60	-	2104.16	818.19	-	2717.22	5972.17	-	-	-	-	5972.17
Net	32709.94	-	875.83	6226.69	-	184.67	39996.93	-	-	-	-	39996.93
Held to Trading												
Gross	(13.91)	-	-	-	-	-	(13.91)	-	-	-	-	(13.91)
Less: Provision for depreciation and NPI	0.14	-	-	-	-	-	0.14	-	-	-	-	0.14
Net	(14.05)	-	-	-	-	-	(14.05)	-	-	-	-	(14.05)
Total Investment												
Gross	105841.66	-	2987.33	34596.61	257.98	3027.97	146711.77	-	47.49	-	47.49	146759.26
Less: Provision for non-performing investments												
Less: Provision for depreciation and NPI	332.74	-	2104.16	818.19	-	2717.22	5972.31	-	-	-	-	5972.31
Net	105508.92	-	883.37	30778.44	257.98	310.75	140739.46	-	47.49	-	47.49	140786.95

(Amount in ₹ Crore)

Note: Above Amount includes encumbered securities as at March 31st, 2022	Face Value
Collateral/Margin with CCIL - TREPS	14,744.00
Margin & Default Fund with CCIL, Securities with NSE clearing, MCX clearing, RBI RTGS	5,816.00
Securities with RBI for Repo	3,530.00
Total	24,090.00

b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(Amount in ₹ crore)

Sr. No.	Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
i)	Movement of provisions held towards depreciation on investments		
	a) Opening balance	5972.31	5237.63
	b) Opening balance for Additional Provision for NPI as per 07 June 2019 RBI Circular*	47.90	-
	c) Add: Provisions made during the year	1206.90	884.53
	d) Less: Provision utilized during the year	341.11	0.00
	e) Less: Write off / write back of excess provisions during the year	816.58	149.85
	f) Closing balance	6069.42	5972.31
ii)	Movement of Investment Fluctuation Reserve		
	Opening Balance	658.09	-
	Add: Amount transferred during the year	54.75	658.09
	Less: Drawdown	0.00	-
	Closing Balance	712.84	658.09

Sr. No.	Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
iii)	Closing Balance of Investment in AFS & HFT Category	35642.15	45955.19
iv)	Closing balance in IFR as a percentage of closing balance of investment in AFS and HFT/ Current Category	2%	1.43

Note:*Additional Provision for NPI as per 07 June 2019 RBI Circular has been used for netting from current Financial Year onwards.

c) Sale and Transfers of Securities To/From HTM Category

During the year ended March 31, 2023 the value of sales and transfers of securities to/from HTM category (excluding 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, sale to RBI under pre-announced Open Market Operation auctions and repurchase of Government securities by the government of India) had not exceeded 5% of the Book Value of the investment held in HTM category at the beginning of the year.

d) Non-SLR investment portfolio

i. Non-Performing Non-SLR Investments

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2023	31.03.2022
a)	Opening Balance	2653.79	1936.51
b)	Additions during the year since 1st April	684.26	1004.00
c)	Reductions during the above period	1071.22	286.72
d)	Closing balance	2266.83	2653.79
e)	Total provisions held	2261.67	2577.01

ii. Issuer-wise composition of Non-SLR Investments: 31st March 2023

(Amount in ₹ crore)

Sr. No.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
(1)	(2)	(3)		(4)		(5)		(6)		(7)	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
a)	PSUs	4879.54	5251.00	351.00	400.00	-	-	21.80	22.00	1500.00	1676.00
b)	FIs	2134.36	1971.00	-	-	-	-	69.35	-	-	-
c)	Banks	174.35	283.00	56.00	55.00	-	-	718.00	69.00	69.00	69.00
d)	Private Corporates	4483.37	5577.00	3713.00	3540.00	735.25	872.00	27095.76	57.00	709.90	801.00
e)	Subsidiaries/ Joint Ventures	717.56	305.00	718.00	305.00	-	-	718.00	305.00	718.00	305.00
f)	Others	27060.14	27530.00	-	2375.00	282.08	585.00	27095.76	26922.00	23134.02	23158.00
	TOTAL	39449.32	40917.00	4838.00	6675.00	1017.33	1457.00	27904.91	27375.00	26131.32	26009.00
g)	Provision held towards depreciation	5847.00	5639.00								
	NET	33602.32	35278.00	4838.00	6675.00	1017.33	1457.00	27904.91	27375.00	26131.32	26009.00

	TOTAL										

e. Repo Transactions (in face value terms)

The details of face value of securities Purchased/Sold under Repo Agreement for the year ended March 31, 2023 are as follows:

(Amount in ₹ crore)

Particulars	Minimum o/s during the year	Maximum o/s during the year	Daily Average o/s during the year	Outstanding as on March 31, 2023
i) Securities sold under Repo				
a) Government Securities	1764.00	1957.00	1765.00	1764.00
b) Corporate debt securities	-	-	-	-
c) Any other securities	-	-	-	-
ii) Securities purchased under Reverse Repo				
a) Government Securities	5000.00	33064.00	17458.00	-
b) Corporate debt securities	-	-	-	-
c) Any other securities	-	-	-	-

The details of face value of securities Purchased/Sold under Repo Agreement for the year ended March 31, 2022 are as follows:

(Amount in ₹ crore)

Particulars	Minimum o/s during the year	Maximum o/s during the year	Daily Average o/s during the year	Outstanding as on March 31, 2022
i) Securities sold under Repo				
a) Government Securities	1764.00	1844.00	1765.29	1764.00
b) Corporate debt securities	-	-	-	-
c) Any other securities	-	-	-	-
ii) Securities purchased under Reverse Repo				
a) Government Securities	11985.00	36127.00	24190.00	22906.00
b) Corporate debt securities	-	-	-	-
c) Any other securities	-	-	-	-

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4) Asset Quality:

a) Classification of advances and provisions held

(Amount in ₹ crore)

	Standard		Non-Performing								Total	
	Total Standard Advances		Sub-standard		Doubtful		Loss		Total Non-Performing			
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Gross Standard Advances and NPAs												
Opening Balance	163550	147636	3999.30	5254.67	22185.95	20460.94	2971.07	2850.31	29156.32	28565.92	192712.12	176202.56
Add: Additions during the year									4675.32	4717.93	4675.72	4717.93
Less: Reductions during the year									15445.03	5818.47	15445.03	5818.47
Closing balance	195592	163550	2346.22	3999.30	11408.13	22185.95	4631.88	2971.07	18386.23	29156.32	213978.23	192712.12
Reductions in Gross NPAs due to:												
i) Upgradation									658.14	1717.14	658.14	1717.14
ii) Recoveries (excluding recoveries from upgraded accounts)									2929.30	3266.03	2929.30	3266.03
iii) Technical/ Prudential Write-offs									9456.40	0.00	9456.40	0.00
iv) Write-offs other than those under (iii) above									401.79	1315.40	401.79	1315.40
Provisions (excluding Floating Provisions)												
Opening balance of provisions held	1624.94	1029.89	479.87	842.50	15258.80	15050.83	2532.5	3005.75	18445.92	19119.48	20066.68	20179.11
Add: Fresh provisions made during the year									5602.24	3725.97	4425.60	3725.97
Less: Excess provision reversed/ Write-off loans									10775.24	2407.94	10775.24	2407.94
Closing balance of provisions held	1595.20	1381.08	441.75	374.47	7980.5	12734.39	4630.65	2532.5	13050.91	18445.92	14646.11	19826.93
Net NPAs												
Opening Balance			2403.94	4370.68	4275.83	4062.77	0	0	6679.77	9932.28		
Add: Fresh Additions during the year									5150.61	2932.09		
Less: Reductions during the year									5217.80	6215.77		
Closing Balance			1403.61	2403.94	2127.91	4275.83	0	0	3531.52	6679.77		
Floating Provisions												
Opening Balance											0	108.35
Add: Additional provisions made during the year											0	0
Less: Amount drawn down during the year											0	108.35
Closing balance of floating provisions											0	0
Technical write-offs and the recoveries made thereon												
Opening balance of Technical/ Prudential written-off accounts											21092.41	22278.76
Add: Technical/ Prudential write-offs during the year											9456.46	0
Sub Total (A)											30548.87	22278.76
Less: Recoveries made from previously technical/ prudential written-off accounts during the year (B)											1317.54	1186.35
Less: Upgradation											0.16	
Less: conversion to Regular Write off											1209.10	
Closing balance as at March 31, 2023 (A-B)											28022.07	21092.41

Asset Quality Ratio:

Ratios (in percent)	31.03.2023	31.03.2022
Gross NPA to Gross Advances	8.44	14.84
Net NPA to Net Advances	1.77	3.97
The Provisioning Coverage Ratio with Technical Write Off	92.48	86.69
The Provisioning Coverage Ratio without Technical Write Off	80.47	76.29

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b. Sector- wise Advances and Gross NPAs:

(Amount in ₹ Crore)

Sr. No.	Sector	As at 31.03.2023			As at 31.03.2022 #		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
i)	Priority Sector						
a)	Agriculture and allied activities	**42,110.35**	**5,038.79**	**11.97**	**39,153.93**	**6,052.84**	**15.46**
	Farm Credit	38,289.59	4,718.76	12.32			
b)	Industry	**16,390.21**	**1,548.30**	**9.45**	**13,564.33**	**2,334.56**	**17.21**
	Other Industries	4,886.78	445.50	9.12			
	Textiles	2,455.03	260.80	10.62			
	Basic Metal & Metal Products	2,136.41	193.47	9.06			
	Engineering	1,982.19	90.44	4.56			
c)	Services	**23,581.66**	**2,662.35**	**11.29**	**20,576.70**	**3,071.52**	**14.93**
	Trade	11,398.28	1,151.59	10.10			
	Other Services	11,065.87	1,402.63	12.68			
d)	Personal loans	**21,431.54**	**859.76**	**4.01**	**22,210.89**	**1,226.73**	**5.52**
	Housing Loan	19,188.98	505.30	2.63			
	Education Loan	2,242.55	354.46	15.81			
	Subtotal (i)	**103,513.76**	**10,109.20**	**9.77**	**95,505.85**	**12,685.65**	**13.28**
ii)	Non-Priority Sector						
a)	Agriculture and allied activities	-	-	-	-	-	-
b)	Industry	**56,662.52**	**2145.38**	**3.79**	**53765.74**	**8062.99**	**15.00**
	Other Industries	24,914.49	34.25	0.14			
	Infrastructure	22950.38	1178.59	5.14			
c)	Services	**16,308.26**	**5460.31**	**33.48**	**10425.82**	**6411.57**	**61.50**
	DFIs Viz. SIDBI and NABARD	6099.97	0.00	-			
d)	Personal loans	**41,294.46**	**671.36**	**1.63**	**30014.79**	**996.01**	**3.32**
	Housing Loan	19,604.02	238.82	1.22			
	Other Personal Loan	17,060.00	356.00	2.09			
	Sub-total (ii)	**1,14,265.24**	**8,277.05**	**7.24**	**94206.35**	**15470.57**	**16.42**
	Total (i + ii)	**2,17,779.36**	**18386.25**	**8.44**	**189712.20**	**28156.22**	**14.84**

Total outstanding amount of advances (FB+NFB) secured by book Debts as on 31.03.2023 is ₹ 26307.34 crores (as against ₹ 15847.89 crores as of 31.03.2022).

Sub Sector and industry wise exposure was not applicable for previous year.

c. Overseas assets, NPAs and Revenue

(Amount in ₹ Crore)

Particulars	31.03.2023	31.03.2022
Total Assets	NIL	NIL
Total NPAs	NIL	NIL
Total Revenue	NIL	NIL

d. Particulars of Resolution Plan & Restructuring:

i. Restructuring of advances in terms of RBI Circular DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019

(Amount in ₹ Crore)

Asset Classification of advances subject to Resolution Plan & restructuring	As at 31.03.2023		As at 31.03.2022	
	Number of Borrower	Amount outstanding	Number of Borrower	Amount outstanding
Standard	2	1334.33	3	1852.35
Sub Standard	-	-	-	-
Doubtful	8	3476.16	4	2496.33
Total	10	4810.49	7	4348.68

e. Divergence in asset classification and provisioning:

No disclosure on divergence in asset classification and provision for NPAs is required with respect to RBI's supervisory process for the year ended March 31, 2022, based on the conditions mentioned in RBI circular No. DOR.ACC.REC.No.74/21.04.018/2022-23 dated 11th October 2022.

f. Disclosure of Transfer of Loan Accounts (SMAs & NPAs) in terms of RBI Circular No. DOR.STR.REC.51/21.04.048/ 2021-22 dated 24th September 2021 (as amended)

i. Details of stressed loans (NPA) transferred during the year:

(Amount in ₹ crore)

Particulars	To ARCs		To permitted transferees		To other transferees (please specify)	
	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2023	Year Ended 31.03.2022
No: of accounts	4	1		NIL		NIL
Aggregate principal outstanding of loans transferred	313.75	41.91	-	NIL	-	NIL
Weighted average residual tenor of the loans transferred	-	34 Months	-	NIL	-	NIL
Net book value of loans transferred (at the time of transfer)	-	0.00	-	NIL	-	NIL
Aggregate consideration	164.75	13.21	-	NIL	-	NIL
Additional consideration realized in respect of accounts transferred in earlier years	41.60	327.93	-	NIL	-	NIL

ii. The Bank has not transferred any Special Mention Account and loan not in default.

iii. There are no loans acquired (NPA) during the year during the current year as well as in previous year.

iv. There are no Standard Assets transferred during the current year as well as in previous year.

v. Details of Standard Assets Acquired through assignment/Novation and Loan Participation:

i. Pool Buyout

(Amount ₹ in Crore)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
No. of accounts Purchased during the year	150491.00	162184
Aggregate outstanding	1020.00	1315.95
Weighted average maturity	38.25	19.46
Weighted average holding period	6.74	3.86
Retention of beneficial economic interest	10%	10%
Coverage of tangible security coverage	95.29%	100%
Rating wise distribution of rated loans	NA	NA

ii. Co-Lending

(Amount ₹ in Crore)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
No. of accounts Purchased during the year	56846	13272
Aggregate outstanding	5106.02	1500.21
Weighted average maturity	175.00	204
Weighted average holding period	0.00	0
Retention of beneficial economic interest	20%	20%
Coverage of tangible security coverage	87%	100%
Rating wise distribution of rated loans	NA	NA

vi. Recovery ratings assigned to Security Receipts held by bank as on 31.03.2023 Bank is holding an investment of ₹ 2335.13 crore in security receipts (SR) as on 31.03.2023. Rating wise distribution of the same is as under:

(Amount ₹ in Crore)

Rating of SR	Book Value 31.03.2023	Book Value 31.03.2022
R1	3.08	31.38
R2	156.68	236.90
R3	60.69	18.34
R4	17.18	34.23
R5	31.56	2007.33
Rating Withdrawn	2065.93	155.52
Grand Total	2335.13	2483.70

g. Fraud Accounts

In terms of RBI circular RBI/2015-16/376/DBR.No.BP.BC.92/21.04.048/2016-16 dated 18.04.2016 details of Fraud and Provision are as below:

Particulars	31.03.2023	31.03.2022
Number of frauds reported	533	1243
Amount involved in fraud (₹ crore)	1108.57	773.36
Amount of provision made for such frauds* (₹ crore)	1108.57	773.36
Amount of Unamortised provision debited from 'other reserves' as at the end of the year (₹ crore)	0	0

*Amount consists of recovery/FITL balance etc. against which provision is not required.

h. Resolution of Covid-19 related Stress:

i. Disclosure regarding accounts restructured under resolution framework 1.0 & 2.0 as on 31.03.2023

(Amount in ₹ crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan-Position as at the end of the previous half-year (A)**	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year***	Exposure to accounts classified as Standard consequent to implementation of resolution plan-Position as at the end of this half-year
Personal Loans #	1835.54	58.47	NIL	18.20	1758.87
Corporate persons*	1160.92	77.32	NIL	87.61	995.99
Of which MSMEs	354.14	77.32	NIL	35.89	240.93
Others	2469.55	231.88	NIL	168.34	2069.33
Total	5466.01	367.67	NIL	274.15	4824.19

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

** Includes accounts where request received till September 30, 2021 and implemented subsequently. Customer-wise exposure has been taken in disclosure after adjustment of new addition and up gradation of accounts.

*** Includes net change in exposure during the period.

\# Personal loan represents retail advances.

The outbreak of Corona virus (COVID-19) pandemic globally including India has resulted in slowdown of economic activities and increased volatility in financial markets. The extent to which the COVID-19 pandemic will impact the Bank's financial results will depend on future developments, which are highly uncertain. Given the uncertainty, because of COVID-19 pandemic, the Bank is continuously monitoring any material change in future economic condition which may impact the Bank's operations and its financial results in future depending on the developments which may differ from that estimated as at the date of approval of the financial statements.

Disclosure of restructured accounts:

Disclosure of Restructured Accounts as on 31st MARCH, 2023

(Amount in ₹ Crore)

NAME OF THE BANK: CENTRAL BANK OF INDIA

Sr No	Type of Restructuring → / Asset Classification → / Details ↓		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restr uctur ed	No. of borrowers	0	0	7	1	8	31521	6260	2837	977	41745	44457	1845	4274	133	50689	75978	8105	7226	1101	9245
		Amount outstanding	0.00	0.00	407.09	122.03	529.32	3373.20	360.13	359.27	33.67	4017.28	5519.61	86.88	5033.88	2178.66	12818.12	8790.81	447.01	5790.74	2345.36	17376.0
		Provision thereon	0.00	0.00	0.00	0.00	0.00	31.26	3.17	3.30	0.00	37.73	26.05	1.13	2.42	0.00	29.40	57.66	4.30	5.72	0.00	67.6
2	Fresh restr uction	No. of borrowers	0	0	0	0	0		1			1	150	46	3		189	150	47	3	0	19
		Amount outstanding	0.00	0.00	0.00	0.00	0.00		1.80			1.80	15.67	1.54	159.02		176.22	15.67	3.33	159.02	0.00	178.0
		Provision thereon	0.00	0.00		0.00	0.00		0.00			0.00	0.77	0.08	0.00		0.85	0.77	0.08	0.00	0.00	0.8
3	Upgr adati ons	No. of borrowers	0	0	-1	0	-1	483	-407	-47	-9	0	427	-392	-34	-1	0	890	-799	-82	-10	
		Amount outstanding	0.00	0.00	-43.93	0.00	-43.93	37.55	-33.72	-3.27	-0.56	0.00	115.10	-14.25	-66.31	-0.01	49.83	162.65	-47.97	-114.11	-0.57	0.00
		Provision thereon	0.00	0.00	0.00	0.00	0.00	0.43	-0.40	-0.05	0.00	0.00	0.17	-0.08	-0.09	0.00	0.00	0.65	-0.48	-0.14	0.00	0.00
4	Restr uctur ed stand ard adva...	No. of borrowers	0				0	0				0	0				0	0				0
		Amount outstanding	0.00				0.00	0.00				0.00	0.00				0.00	0.00				0.00
		Provision thereon	0.00				0.00	0.00				0.00	0.00				0.00	0.00				0.00
5	Down grada tions of restr uctur ed accou...	No. of borrowers	0	0	0	0	0	-6739	6130	128	481	6739	-2852	2426	373	53	2852	-9591	8556	501	534	959
		Amount outstanding	0.00	0.00	0.00	0.00	0.00	-615.43	521.02	76.76	17.63	615.43	-851.25	129.87	93.66	627.70	851.24	-1466.68	650.89	170.42	645.33	1466.6
		Provision thereon	0.00	0.00	0.00	0.00	0.00	-3.96	3.51	0.46	0.00	3.96	-0.90	0.89	0.01	0.00	0.90	-4.86	4.40	0.47	0.00	4.8
6	Write offs	No. of borrowers	0	0	-3	2	-1	-1765	-4998	4759	880	-7801	-2870	-1309	-11	895	-4047	-4438	-6557.00	4733.00	1777.00	-1169
		Amount outstanding	0.00	0.00	-285.73	181.04	-142.69	-148.55	-269.08	91.61	394.38	-878.97	-491.12	-64.58	-3,647.19	3,120.33	-1,939.39	-733.68	-333.35	-3,889.27	3,645.75	-2,953.3
7	Restr uctur ed Acco...	No. of borrowers			3	3	6	23482	7078	7797	2328	40684	39512	2516	4565	2070	47663	62994	9582	12395	3402	8838
		Amount outstanding #			59.83	283.08	342.90	2447.79	500.33	534.37	325.11	3777.50	4318.04	138.44	1562.65	5927.67	11947.81	6765.83	718.88	2146.84	6435.86	16065.2
		Provision thereon **			0.00	0.00	0.00	28.00	4.68	0.02	0.00	32.30	23.15	1.01	1.73	0.00	25.88	49.70	5.69	8.24	0.00	63.7

*Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable)

** provision held is figure of sacrifice provision.

Closing outstanding balance as on 31.03.2023 is after increase / recovery during the financial year. The figures also includes

ii. Disclosure on Restructured Accounts to MSME Borrowers:

In accordance with RBI circular no. DBR No. BP.BC.18/21.04.048/2018-19 dated January 01,2019, DOR No. BP.BC.34/21.04.048/2019-20 dated February 11, 2020 and RBI/2020-21/17 DOR No. BP.BC/4/21.04.048/2020-21 dated August 6, 2020 on "Relief for MSME borrowers either exempted or registered under Goods and Services Tax(GST), the details of MSME restructured accounts as on 31st March, 2023 are as under:

No of Accounts Restructured	# Amount (₹ in Crore)
23298	2478.29

Standard Restructured accounts exposure. The Bank has maintained additional provision on standard restructured accounts at 5% & 10% whichever applicable.

i. Disclosure with respect to NCLT provisions:

As per RBI circular No. DBR No. BP.15199/21.04.048/2016-17 and DBR No. BP.1906/21.04.048/2017-18 dated June 23, 2017 and August 28, 2017 respectively, for the accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank is holding total provision of ₹ 6316.13 crore as at 31 March 2023 (₹ 6406.10 crore for March 31, 2022) (including FITL of ₹ 127.90 crore) @ (100 % of total outstanding including Investment) as at March 31, 2023.

j. Resolution of Stressed Assets:

RBI vide their circular no. RBI/ 2018-19/ 203 DBR. No.BP.BC. 45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Asset issued guidelines for implementation of Resolution Plan, also containing requirements of additional provision as per Para 17 of this RBI circular. The outstanding in such cases as at March 31, 2023 is ₹ 1602.59 crore (₹ 1757.84 crore for March 31, 2022) and in compliance of the above RBI circular, the Bank has held additional provision of ₹ 251.26 crore (₹ 435.37 crore for March 31, 2022) as at March 31, 2023 and hold total provision of ₹ 1116.67 crore (₹ 1092.32 crore for March 31, 2022) as at March 31, 2023.

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k. Disclosure in respect of ILFS and ILFS entities

In terms of RBI circular no RBI/2018-19/175 DBR.BP.BC.No.37/21.04.048/2018-19 dated 24.04.2019 Position as on 31.03.2023 is as under:

(Amount in ₹ crore)

Amount Outstanding	Of (1), total amount of exposures which are NPAs as per IRAC norms and not classified as NPA.	Provisions required to be made as per IRAC norms	Provisions actually held	Description
1	2	3	4	5
193.31	-	193.31	193.31	ILFS FIN CP
16.49	-	16.49	16.49	ILFS EQ
2.47	-	1.02	1.02	New TIRUPUR
212.27	-	210.82	210.82	TOTAL

l. Countercyclical Provisioning Buffer

(Amount in ₹ crore)

	Particulars	31.03.2023	31.03.2022
A	Opening balance in the Countercyclical Provisions account	0	47.34
B	The quantum of Countercyclical Provisions made in the Accounting Year	0	-
C	Amount of draw down made during the Accounting Year.	0	47.34
D	Closing balance in the Countercyclical Provisions account	0	NIL

m. Provision on Standard Assets

(Amount ₹ in Crore)

Items	31.03.2023	31.03.2022
Provisions towards Standard Assets held	2086.50	1624.94

n. Disclosure on Large Exposure framework:

Details of Accounts where bank has exceeded prudential exposure ceilings as per Large Exposure (LE) Framework in respect of any Individual and Group Account based on Tier-1 capital, are as below:-

Large Exposures to counterparties (Single as well as group of connected counterparties) bank's eligible capital base. (Tier I Capital as of 31.03.2023 ₹ 20099.54 Crore)
(Amount ₹ in Crore)

Sr. No.	Borrower/ Customer Name	Whether Single (S) or Group (G) of connected Counter parties	Exposure Amount	Exposure as % of Tier I Capital ₹ 20099.54 Crore
NIL				

o. Statement of Loans and Advances secured by Intangible Assets viz. Rights Licenses Authorizations etc. which is shown as unsecured in Schedule-9: NIL

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5)Exposures

a) Exposure to Real Estate Sector

(Amount in ₹ crore)

	Category	31.03.2023	31.03.2022
(A)	Direct Exposure		
	(i) Residential Mortgages -	43911.97	29376.53
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. (Individual housing loans eligible for inclusion in priority sector advances shall be shown separately). Exposure would also include non-fund based (NFB) limits.	14518.35	13484.79
	(ii) Commercial Real Estate –		
	Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily 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.	2692.08	1696.14
	(iii) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures-		
	-Residential	0.00	0.00
	-Commercial Real Estate	0.00	0.00
(B)	Indirect Exposure	0.00	0.00
	(i) Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	11680.01	2048.40
	Total Exposure to Real Estate Sector	58284.06	33305.57

b) Exposure to capital market

(Amount in ₹ crore)

	Particulars	31.03.2023	31.03.2022
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	406.45	408.71

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	Particulars	31.03.2023	31.03.2022
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 equities-oriented mutual funds	1.01	1.58
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.	0.00	0.00
(iv)	Advances for any other purposes to the extent secured by the collateral securities 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. 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.	120.53	28.73
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers.	484.39	292.35
vi)	Loans sanctioned to corporates against the securities of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contributions to the equity of new companies in anticipation of raising resources.	0.00	0.00
vii)	Bridge Loans to the companies against expected equity flows/ issues.	0.00	0.00
viii)	Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds	0.00	0.00
ix)	Financing to stock brokers for margin trading	0.00	0.00
x)	All exposures to Venture Capital funds (both registered and unregistered)	437.86	471.22
	Total Exposure to Capital Market	1450.24	1202.59

c) Risk Category-wise Country Exposure:

(Amount in ₹ crore)

Risk Category	Exposure (net) as at March 31st (2023)	Provision held as March 31st (2023)	Exposure (net) as at March 31st (2022)	Provision held as March 31st (2022)
Insignificant	224.30	NIL	15300.57	NIL
Low	242.12	NIL	351.35	NIL
Moderately Low	NIL	NIL	NIL	NIL
Moderate	62.44	NIL	3.76	NIL
Moderately High	NIL	NIL	NIL	NIL
High	1.42	NIL	22.38	NIL
Very High	3.30	NIL	56.08	NIL
Restricted	5.27	NIL	NIL	NIL
Off-Credit	0.33	NIL	NIL	NIL
Total	539.18	NIL	15734.15	NIL

As the Bank's Net Funded exposure for the year in respect of Foreign Exchange Transaction is less than 1 % of total assets of the Bank, no provision is considered necessary.

d) Unsecured Advances

(Amount in ₹ crore)

Particulars	31.03.2023	31.03.2022
Total unsecured advances of the bank	20737.90	14416.76
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 securities	NIL	NIL

e) Factoring Exposures:

There is no factoring exposure as at 31.03.2023 or 31.03.2022.

f) Intra-Group Exposures:

(Amount in ₹ crore)

Particulars	31.03.2023	31.03.2022
Total amount of intra-group exposures	1316.91	1099.69
Total amount of top-20 intra-group exposures	1316.91	1099.69
Percentage of intra-group- exposures to total exposure of the bank on borrowers/customers	0.42%	0.40%
Details of breach of limits on intra-group exposures and regulatory action thereon if any	NIL	NIL

g) Unhedged Foreign Currency exposure:

The Bank has put in place a Board approval policy and process for managing currency induced credit risk. The credit appraisal memorandum (Executive Brief) prepared at the time of origination and review of a credit facility covers the required details viz. Total Foreign Exchange exposure, of which hedged position & if un-hedged, how the borrower plans to cover.

Provision on the un-hedged portion of foreign portion of currency exposures of customers is made on quarterly basis.

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As per the Board approval policy, all Advances involving foreign currency lending of USD 1 million or equivalent and above is mandatory to be hedged unless specially permitted by the competent authorities. However hedging need not be insisted in the following cases

- Where Forex loans are extended to finance exports, hedging need not be insisted. However it should be ensured that such customers have uncovered receivables to cover the loan amount.
- Where Forex loans are extended for meeting forex expenditure.
- In respect of advances involving foreign currency loans below USD 1 million or equivalent:
- In case of corporates who are rated "A" and above, Competent Authority may permit allowing advances involving foreign currency loans without insisting for hedging.
- Customers who do not satisfy the conditions stipulated above will be required to provide cash margin, if they prefer to keep exposure open, to the extent of the forward premium prevailing for the tenor of un-hedged exposure.

Movement of Provision is as under:-

(Amount in crores)

Particulars	For the year ended March 2023	For the year ended March 2022
Opening Balance Provision account	4.18	3.53
The quantum of provisions made in the accounting year (including exchange difference)	3.43	0.65
Amount Reversed during the accounting year	0.00	0.00
Closing balance in the provisions account	7.61	4.18

In accordance with RBI guidelines, as at March 31, 2023, the amount of bank's credit exposure against un-hedged Foreign Currency Exposure of borrowers attracting 80 bps provisions was ₹. 4604.40 Crore. The additional RWA on this exposure is ₹ 87.04 Crore against this additional minimum capital requirement is ₹ 10 Crore.

Based on the available financial statements and the declarations from borrowers, the Bank has estimated the liability for Un-hedged Foreign Currency in terms of RBI circular RBI/2022-23/131 DOR.MRG.REC.76/00-00-007/2022-23 dated October 11, 2022 and is holding a provision of ₹. 7.61 Crore as on March 31 2023 (Previous Year ₹. 4.18 Crore)

CATEGORY	31.03.2023	31.03.2022
Unhedged Foreign Currency exposure	9,375.38	8118.03
Based on the available financial statements and the declaration from borrowers, the Bank has estimated the liability towards Unhedged Foreign Currency Exposure to their constituents in terms of RBI circular DBOD.NO.BP.BC.85/21.06.200/2013-14 dated January 15, 2014 and 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. Provisions held for Unhedged foreign Currency exposure	7.61	4.18

h) Single Borrower and Group Borrower exposure limits:

The Bank had taken single borrower exposure & Group Borrower exposure within the prudential limit prescribed by RBI.

6) Disclosure regarding concentration of Deposits, Advances, Exposures and NPAs:

a) Concentration of deposits:

(Amount in ₹ Crore)

Particulars	31.03.2023	31.03.2022
Total deposits of the twenty largest depositors	14559.22	12342.17
Percentage of deposits of twenty largest depositors to total deposits of the bank	4.05%	3.60%

b) Concentration of Advances*

(Amount in ₹ Crore)

Particulars	31.03.2023	31.03.2022
Total Advances (Credit Exposure) to Top 20 largest borrowers	35269.83	32719.97
Total Advances (Credit Exposure)	298649.76	254575.14
Percentage of Advances to twenty largest borrowers to Total Advances of the bank	11.81%	12.85%

*Represent Credit exposure as per RBI Norms

c) Concentration of Exposures**

(Amount in ₹ Crore)

Particulars	31.03.2023	31.03.2022
Total exposure to twenty largest borrowers/customers	37574.72	34890.24
Total Exposure	316640.07	273978.20
Percentage of exposures to the twenty largest borrowers/customers to the total exposure of the bank on borrowers/customers	11.87%	12.73%

** Represent credit and investment exposure

d) Concentration of NPAs

(Amount in ₹ Crore)

Particulars	31.03.2023	31.03.2022
Total Exposure to top twenty NPA accounts	13895.20	13962.04
Percentage of exposures to the top twenty largest NPA exposure to total Gross NPAs	29.08%	27.84%

7) Derivatives

a) Forward Rate Agreement/Interest Rate Swap

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	The Notional Principal of Swap agreements	5625.00	3530.00
ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements.	63.71	2.90
iii)	Collateral required by the bank upon entering into swaps	NIL	NIL
iv)	Concentration of credit risk arising from the swaps	NIL	NIL
v)	The fair value of the swap book	63.71	2.90

Note: There are no forward rate Agreement

Nature and Terms of Interest rate swap:

INSTRUMENT	NATURE	NOS	NOTIONAL PRINCIPAL	BENCHMARK	TERMS
IRS	HEDGING	97	1,760.00	MIBOR	FIXED PAY VS FLOATING RECEIVABLE
IRS	TRADING	109	1,585.00	MIBOR	FIXED PAY VS FLOATING RECEIVABLE
IRS	TRADING	147	2,280.00	MIBOR	FLOATING PAY VS FIXED RECEIVABLE

b) Exchange Traded Interest Rate Derivatives

(Amount in ₹ crore)

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

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c) Disclosures on risk exposure in derivatives:

I. Qualitative Disclosures

i. The Bank currently deals in over the counter (OTC) interest rate and currency derivatives as also in Interest Rate Futures and Exchange Traded Currency Derivatives. Interest Rate Derivatives dealt by the Bank are rupee interest rate swaps and foreign currency interest rate swaps. Currency derivatives dealt by the Bank are USD/INR currency swaps and cross currency swaps. The products are offered to the Bank's customers to hedge their exposures and the Bank also enters into derivatives contracts to cover off such exposures. Derivatives are used by the Bank both for trading as well as hedging balance sheet items.

ii. Derivative transactions carry market risk i.e., the probable loss the Bank may incur as a result of adverse movements in interest rates/exchange rates and credit risk i.e. the probable loss the Bank may incur if the counterparties fail to meet their obligations. The Bank's "Policy for Derivatives" approved by the Board prescribes the market risk parameters (Greeks limits, Loss Limits, cut-loss triggers, open position limits, duration, modified duration, PV01 etc.) as well as customer eligibility criteria (credit rating, tenure of relationship, limits and customer appropriateness and suitability of policy (CAS) etc.) for entering into derivative transactions. Credit risk is controlled by entering into derivative transactions only with counterparties satisfying the criteria prescribed in the Policy. Appropriate limits are set for the counterparties taking into account their ability to honor obligations and the Bank enters into ISDA agreement with each counter party.

iii. The Asset Liability Management Committee (ALCO) of the Bank oversees efficient management of these risks. The Bank's Market Risk Management Department (MRMD) identifies, measures, monitors market risk associated with derivative transactions, assists ALCO in controlling and managing these risks and reports compliance with policy prescriptions to the Risk Management Committee of the Board (RMCB) at regular intervals.

iv. Interest Rate Swaps are mainly used for hedging of the assets and liabilities.

v. Majority of the swaps were done with First class counterparty banks.

vi. Derivative transactions comprise of swaps which are disclosed as contingent liabilities. The swaps are categorized as trading or hedging.

vii. Derivative deals are entered with only those interbank participants for whom counterparty exposure limits are sanctioned. Similarly, derivative deals entered with only those corporates for whom credit exposure limit is sanctioned. Collateral requirements for derivative transactions are laid down as a part of credit sanctions terms on a case-by-case basis. Such collateral requirements are determined based on usual credit appraisal process. The Bank retains the right to terminate transactions as a risk mitigation measure in certain cases.

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II) Quantitative Disclosures

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2023		31.03.2022	
		Currency Derivatives*	Interest rate derivatives	Currency Derivatives*	Interest rate derivatives
i)	Derivatives (Notional Principal Amount)				
	a) For hedging	22743.18	1760.00	21920.47	1200.00
	b) For trading	58657.64	3865.00	24901.37	2330.00
ii)	Marked to Market Positions				
	a) Asset (+)	457.57	63.71	664.30	16.72
	b) Liability (-)	480.90	38.10	561.87	13.82
iii)	Credit Exposure	1628.02	54.80	936.44	353.00
iv)	Likely impact of one percentage change in interest rate (100*PV01)				
	a) On hedging derivatives	NA	0.71	NA	0.44
	b) On trading derivatives	NA	0.28	NA	0.02
v)	Maximum and Minimum of 100* PV01 observed during the year				
	a) On hedging	-	Max-0.71 Min-0.47	-	Max-0.44 Min-0.01
	b) On trading	-	Max-0.28 Min-0.01	-	Max-0.02 Min-0.01

*Plain Vanilla Forward Contracts.

d) Credit Default Swaps

Bank has not taken any position in Credit Default Swap in the financial year 2022-23.

8)Disclosure Relating to securitization

Policy on Securitization of Standard Assets in line with RBI Guidelines has been approved by our Bank's Board. At present our Bank has no exposure under this segment.

9)Off-Balance Sheet SPVs sponsored

The Bank had not floated any off Balance Sheet SPV.

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

(Amount in ₹ crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
i)	Opening balance of amounts transferred to DEA Fund	1085.73	837.35
ii)	Add: Amount transferred to DEA Fund during the year	209.65	258.53
iii)	Less: Amount reimbursement by DEA Fund towards claims	24.83	10.15
iv)	Closing balance of amounts transferred to DEA Fund	1270.55	1085.73

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11)Disclosure of Complaints:

a) Summary information on complaints received by the bank from customers and from the Offices of ombudsman :

Sr. No.		Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
	Complaints received by the bank from its customers			
1		Number of complaints pending at beginning of the year	384	162
2		Number of complaints received during the year	28399	28413
3		Number of complaints disposed during the year	28289	28191
	3.1	Of which, number of complaints rejected by the bank	0	0
4		Number of complaints pending at the end of the year	494	384
	Maintainable complaints received by the bank from Office of Ombudsman			
5		Number of maintainable complaints received by the bank from Office of Ombudsman	4832	5911
	5.1	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	4610	5543
	5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	222	367
5.3		Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	02	01
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.				

b) Top five Grounds of Complaints received by the bank from customers:

Grounds of complaints (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, Number of complaints beyond 30 days
1	2	3	4	5	6
		FY 2022-23			
ATM Transactions	539	117953	(-)23.97	1622	0
Internet/Mobile/E-banking	8	6602	300.12	16	0
Facilities for customers visiting the branch etc.	22	6878	233.56	98	0
A/C Opening/difficulty in operation of account-General Banking	7	74	(-)95.16	2	0
Loans & Advances	6	1011	51.80	36	0
Others	341	13834	(-)38.50	342	0
Total	923	146352		2116	0
		FY 2021-22			
ATM Transactions	4219	155153	(-) 18.40	539	0

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 beyond 30 days
Internet/Mobile/E-banking	3	1650	(-) 33.60	8	0
Facilities for customers visiting the branch etc.	3	2062	(-) 3.87	22	0
A/C Opening/difficulty in operation of account-General Banking	2	1529	(-) 13.57	7	0
Loans & Advances	2	666	(+) 20.87	6	0
Others	152	22506	(+) 33.47	341	0
Total	4381	183566		923	0

c) Investors' Complaints:

Sr. No.	Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
1	Pending at the beginning of the year	0	0
2	Received during the year	3	3
3	Redressed during the year	3	3
4	Pending at the end of the year	0	0

12) Disclosure of Penalties imposed by the Reserve Bank of India

Reserve Bank India had imposed a penalty of ₹ 0.36 Crore on April 22, 2022 for non-compliance with the RBI directions on customer protection – Limited Liability of the Customers in unauthorized Electronic Banking Transactions. The same had been provided for as on March 31, 2022 and penalty paid to RBI on April 28, 2022.

13) Disclosure on Remuneration

(Amount in ₹ Crore)

Name	Designation	Key Management Personnel	
		31.03.2023	31.03.2022
Mr. Matam Venkata Rao	Managing Director & CEO	0.41	0.32
Mr. Alok Srivastava (Up to 30.11.2022)	Executive Director	0.25	0.29
Mr. Vivek Wahi	Executive Director	0.34	0.27
Mr. Rajeev Puri	Executive Director	0.37	0.28
Mr. M V Murali krishna (w.e.f. 01.12.2022)	Executive Director	0.10	0.00
Total		1.47	1.16

Note: Keeping in line with para 9 of the AS – 18 – "Related Party Disclosure" issued by ICAI, the transactions with the Subsidiaries and Associates Enterprises have not been disclosed which exempts the State Controlled Enterprises from making any disclosures pertaining to transactions with other related State Controlled Enterprises.

Further, transactions in the nature of Banker-Customer relationship including those with KMP and relatives of KMP have not been disclosed in terms of Para 5 of AS-18.

14) Other Disclosures

a) Business Ratios

Sr. No.	Items	31.03.2023	31.03.2022
(i)	Interest Income as a percentage to Working Funds	7.07%	6.65 %
(ii)	Non-interest income as a percentage to Working Funds	1.13%	0.87%
(iii)	Cost of Deposits	3.92%	3.86 %
(iv)	Net Interest Margin	3.64%	3.21 %
(v)	Operating Profit as a percentage to Working Funds	1.90%	1.67%
(vi)	Return on Assets	0.44%	0.30%
(vii)	Business (deposits plus advances) per employee (in ₹ Crore)	18.45 crore	17.15 crore
(viii)	Profit per employee (in ₹ Crore)	0.05	0.03

b) Bancassurance Business:

Fees/brokerage received in respect of the Bancassurance Business undertaken is as under:

Particulars	31.03.2023		31.03.2022	
	No. of policies	Amount (in ₹ crore)	No. of policies	Amount (in ₹ crore)
Life	66509	78.86	97299	63.75
Non-Life	248089	12.27	239907	10.61
Total	314598	91.13	337206	74.36

c) Marketing and distribution

There are no Marketing and distribution function (excluding bancassurance business) undertaken by bank.

d) Disclosure regarding priority sector lending certificates

(Amount in ₹ crore)

Category	Year Ended 31.03.2023	Year Ended 31.03.2022
PSLC Micro Enterprises	700.00	0.00
PSLC Agriculture	0.00	0.00
PSLC General	1000.00	10500.00
PSLC Small and Marginal Farmers	2950.00	5028.00
Total	4650.00	15528.00

e) Provisions and Contingencies: Refer note no 15 (i) of Disclosure made as per the Accounting Standard-29 hereinafter in this schedule.

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

RBI vide Circular DBR.BP.BC.No.29/21.07.001/2018-19 dated March 22, 2019 deferred implementation of Ind AS till further notice. However, RBI requires all banks to submit Proforma Ind AS financial statements every half year. Accordingly, the Bank is preparing and submitting to RBI Proforma Ind AS financial statements every half year after approval by Management.

g) Payment of DICGC Insurance Premium

(Amount in ₹ crore)

Provisions debited to Profit and Loss Account	31.03.2023	31.03.2022
i)Payment of DICGC Insurance Premium	431.32	448.98
ii) Arrears in payment of DICGC premium	-	-

h) Disclosure on amortization of expenditure on account of enhancement in family pension of employees of Bank:

RBI vide their Circular No.: RBI/2021-22/105 DORACC.REC.57/21.04.018/2021-22 dated 4th October 2021, has permitted Banks to amortize the additional liability on account of revision in family pension for employees over a period of not exceeding 5 (five) years, beginning with financial year ended 31st March 2022, subject to a minimum of 1/5th of the total amount being expensed every year. Based on the Actuarial Valuation report obtained by the Bank the additional liability on account of revision in family pension for employees is arrived at ₹ 821.95 crore. Bank has opted to amortize the same as per the said circular of RBI and has charged an amount of ₹ 544.52 crore out of ₹ 821.95 crore to the Profit & Loss account during the financial year ended 31st March, 2022. During the year ended March 31st, 2023, the Bank has charged ₹ 164.40 crore to the Profit and Loss account. The balance unamortized expense of ₹.113.03 crore has been carried forward to subsequent years. The consequential impact of unamortised pension liability on net profit for the current financial year is Rs. 73.53 crores (net of taxes).

i) Balancing of Books / Reconciliation:

a) The parent Bank is under process of reconciling the outstanding balances/entries in various heads of accounts included in Inter office adjustment (IBR) account.

The Net balance of IBR account as at 31st March, 2023 is ₹ 1.95 Crore (net credit) and as at 31st March, 2022 is ₹ 19.01 crore (net credit).

b) The reconciliation of the following items are in progress :

- Inter Branch Office Balance
- Suspense Accounts
- Clearing & other Adjustment Accounts
- Certain balances in nominal account
- Balances related to ATM Department
- Mirror Accounts maintained by Central Card Department and other balances
- Data/System updation of Agricultural and Priority Sector Advances
- Fixed Asset

The management is of the opinion that the overall impact, if any, on the accounts will not be significant.

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j) Additional disclosure related to other asset & other liabilities:

Particulars	FY 2022-23	FY 2021-22
Schedule 5 Other liabilities-IV-5 any item under "others (including provisions)" exceeds 1% of total assets	Nil	Nil
Schedule 11 Other asset –VI any item under "others" in other assets exceeds 1% of the total assets	Nil	Nil
Schedule 14-VII "other miscellaneous income" any item under this head exceeds 1% of total income	Recovery received in accounts written off ₹ 1282.59 crore which is 4.33 % of other total income.	Recovery received in accounts written off ₹ 331.53 crore which is 1.29 % of other total income.
Schedule 16-XII "other expenditure" any item under this head exceeds 1% of total income	Nil	ATM interchange fee paid of ₹ 281.14 which is 1.09 % of other expenditure

15. Disclosure Requirements as per the Accounting Standards

The following information is disclosed in terms of Accounting Standards issued by The Institute of Chartered Accountants of India (ICAI):

a) Accounting Standard – 5 "Net Profit or Loss for the period, Prior Period Items, and Changes in Accounting Policies"

The financial statements for the year ended March 31, 2023 have been prepared following the Accounting Policies and practices as those followed in the annual financial statements for the year ended March 31, 2022 except for accounting of Performance Linked Incentives (PLI). Until the financial year 2021-22, PLI was accounted for on cash basis and from financial year 2022-23 the PLI is accounted for on accrual basis. This change in accounting policy has resulted in decrease in profit before tax by Rs 104.24 crore for year ended March 31, 2023.

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b) Accounting Standard-15 "Employee Benefits":

i. Defined Benefit Plans, Employee's pension plan and Gratuity plan

The following table sets out the status of the Defined Benefit Pension Plans and Gratuity Plan as per Actuarial Valuation by the independent Actuary appointed by the parent bank:-

(Amount ₹ in Crore)

Particulars	Pension Plan		Gratuity Plan	
	Current Year	Previous Year	Current Year	Previous Year
Change in the Present Value of the Defined Benefit Obligation	FY(22-23)	FY(21-22)	FY(22-23)	FY(21-22)
Opening Defined Benefit Obligation 1st April, 2022	16237.43	15557.68	1730.20	1726.67
Current Service Cost	85.97	82.63	107.84	100.62
Interest Cost	1177.21	1012.96	109.69	103.25
Past Service Cost (Vested Benefit)	0.00	821.95	0.00	0.00
Actuarial Losses (gains)	909.56	301.95	(15.07)	100.23
Benefits Paid	(1681.17)	(1539.75)	(280.94)	(300.56)
Direct Payment by Bank	0.00	0.00	0.00	0.00
Closing Defined Benefit Obligation at 31st March ,2023	16729.00	16237.43	1651.72	1730.20

(Amount ₹ in Crore)

Change in Plan Assets	Current Year	Previous Year	Current Year	Previous Year
	FY(22-23)	FY(21-22)	FY(22-23)	FY(21-22)
Opening Fair Value of Plan Assets as at 1st April, 2022	15807.88	15198.05	1630.51	1534.62
Expected Return on Plan Assets	1133.25	1074.53	110.79	98.93
Contributions by Employer	1327.65	976.98	231.29	252.11
Expected Contributions by the employees	0.00	0.00	0.00	0.00
Benefits Paid	(1681.17)	(1539.75)	(280.94)	(300.56)
Actuarial Gains /(Loss)on Plan Assets	(103.69)	98.07	(54.23)	45.41
Closing Fair Value of Plan Assets as at 31st March, 2023	16483.92	15807.88	1637.42	1630.51

(Amount ₹ in Crore)

Amount Recognized in the Balance Sheet	Current Year	Previous Year	Current Year	Previous Year
	FY(22-23)	FY(21-22)	FY(22-23)	FY(21-22)
Present Value of Funded obligation at 31st March, 2023	16729.00	16237.43	1651.72	1730.20
Fair Value of Plan Assets at 31st March, 2023	(16483.92)	(15807.88)	1637.42	(1630.51)
Unrecognized past service Cost	0.00	(277.43)	0.00	0.00
Deficit/(Surplus)	245.08	152.12	14.30	99.69

Net Liability/(Asset)	245.08	152.12	14.30	99.69

(Amount ₹ in Crore)

Net Cost Recognized in the Profit and Loss Account	Current Year	Previous Year	Current Year	Previous Year
	FY(22-23)	FY(21-22)	FY(22-23)	FY(21-22)
Current Service Cost	85.97	82.63	107.83	100.62
Past Service Cost-Recognized	657.56	544.52	0.00	0.00
Interest Cost	1177.21	1012.96	109.69	103.25
Expected Return on Plan Assets	(1133.26)	(1074.53)	(110.79)	(98.93)
Net Actuarial Losses/(Gain) Recognized During the Year	1013.25	203.88	39.17	54.82
Total Cost of Defined Benefit Plans included in Schedule 16 "Payments to and provisions for Employees"	1800.74	769.47	145.90	159.76

(Amount ₹ in Crore)

Reconciliation of Expected Return and Actual Return on Plan Assets	Current Year	Previous Year	Current Year	Previous Year
	FY(22-23)	FY(21-22)	FY(22-23)	FY(21-22)
Expected Return on Plan Assets	1133.26	1074.53	110.79	98.93
Actuarial Gain/(loss)on Plan Assets	(103.69)	98.07	(54.24)	45.41
Actual Return on Plan Assets	1029.57	1172.60	56.55	144.34

(Amount ₹ in Crore)

Reconciliation of Opening and Closing Net Liability /(Asset) Recognized in Balance Sheet	Current Year	Previous Year	Current Year	Previous Year
	FY(22-23)	FY(21-22)	FY(22-23)	FY(21-22)
Opening Net Liability /(Asset) as at 1st April, 2022	(228.01)	359.63	99.69	192.05
Expenses as Recognized in Profit And Loss Account	1800.74	769.47	145.90	159.76
Employer's Contribution	(1327.65)	(976.98)	231.29	252.11
Net Liability/(Assets) Recognized in Balance Sheet	245.08	152.12	14.30	99.69

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(Amount ₹ in Crore)

Investment under Plan Assets of Pension Funds & Gratuity Fund as on 31st March, 2023 are as follows-		
CATEGORY OF ASSETS	PENSION FUND	GRATUITY FUND
	% OF PLAN ASSETS	% OF PLAN ASSETS
Central Govt. Securities	0.31	1.01
State Govt. Securities	18.95	37.56
Debt Securities, Money Market Securities and Bank Deposits	19.70	30.26
Mutual Funds	3.55	6.83
Insurer Managed Funds	57.47	24.27
Others	0.02	0.07
Total	100.00	100.00

(Amount ₹ in Crore)

Principal Actuarial Assumptions	PENSION PLANS	
	Current Year	Previous Year
	FY(22-23)	FY(21-22)
Discount Rate	7.40	7.25
Expected Rate of Return on Plan Assets	7.40	7.25
Salary Escalation Rate	5.00	5.00
Pension Escalation Rate	4.00	4.00
Attrition Rate	2.50	2.50
Mortality Table	IALM(2012-14)	

(Amount ₹ in Crore)

Principal Actuarial Assumptions	GRATUITY PLANS	
	Current Year	Previous Year
	FY(22-23)	FY(21-22)
Discount Rate	7.40	6.90
Expected Rate of Return on Plan Assets	7.40	6.90
Salary Escalation Rate	5.00	5.00
Attrition Rate	2.50	2.50
Mortality Table	IALM(2012-14)	

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SURPLUS/DEFICIT IN THE PLAN

(Amount ₹ in Crore)

GRATUITY PLAN AMOUNT RECOGNIZED IN THE BALANCE SHEET	YEAR ENDED				
	31-03-2019	31-03-2020	31-03-2021	31-03-2022	31-03-2023
Liability at the end of the year	1,648.13	1,623.23	1,726.66	1,730.20	1,651.72
Fair Value of Plan Assets at the end of the year	1,878.26	1,720.32	1,534.62	1,630.51	1,637.42
Difference	(230.13)	(97.09)	192.04	99.69	14.30
Amount Recognized in the Balance Sheet	(230.13)	(97.09)	192.04	99.69	14.30

(Amount ₹ in Crore)

EXPERIENCE ADJUSTMENT	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2019	31-03-2020	31-03-2021	31-03-2022	31-03-2023
On Plan Liability (Gain)/ Loss	(29.08)	(6.34)	249.60	145.94	(15.07)
On Plan Asset (Loss) / Gain	(42.56)	(3.38)	32.99	45.41	(54.23)

SURPLUS/DEFICIT IN THE PLAN

(Amount ₹ in Crore)

PENSION PLAN	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2019	31-03-2020	31-03-2021	31-03-2022	31-03-2023
Liability at the end of the year	14,245.10	15,421.82	15,557.67	16,237.43	16,729.00
Fair Value of Plan Assets at the end of the year	14,645.14	14,939.64	15,198.04	15,807.88	16,483.92
Difference	(400.04)	482.18	359.63	429.55	245.08
Amount unrecognized in the Balance Sheet (w.r.t. past service cost)	0.00	0.00	0.00	277.43	0.00
Amount Recognized in the Balance Sheet	(400.04)	482.18	359.63	152.12	245.08
Amount Recognized in the Balance Sheet (w.r.t. past service cost)	0.00	0.00	0.00	544.52	277.43

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(Amount ₹ in Crore)

EXPERIENCE ADJUSTMENT	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2019	31-03-2020	31-03-2021	31-03-2022	31-03-2023
On Plan Liability (Gain)/ Loss	422.24	12.65	2,279.00	847.41	1,126.87
On Plan Asset (Loss) / Gain	(72.66)	346.19	276.30	98.07	1,013.25

The expected contribution to the Pension and Gratuity fund for next year is ₹ 245.08 crore and ₹ 14.30 Crore respectively.

ii. Defined Contribution Plan:
The bank has a defined contribution pension scheme (DCPS) applicable to all categories of officers and employees joining bank on or after 01/04/2010. The scheme is managed by NPS trust under the aegis of the Pension Fund Regulatory and Development Authority. National Securities Depositary Limited (NSDL) has been appointed as the Central Record Keeping Agency for the NPS. During 2021-22, the bank has contributed ₹ 244.48 crore (Previous year ₹ 146.97 crore).

iii. Employees' Provident Fund:-
During the year bank has recognized expenses of ₹ 0.96 Crore and corresponding year ₹ 1.12 Crore on account of employer contribution for the employees covered under PF option Scheme i.e. PF Optees.

iv. Long Term Employee Benefits (Unfunded Obligation):
During the year bank has recognized expenses of ₹ 78.70 crore (Previous Year ₹ 43.24 crore) towards leave encashment expenses based on actuarial valuation.

Actuarial Valuation Report as per AS15 (revised 2005) - Privilege Leave Benefits

Asset and Liabilities		
Particulars	Current Year	Previous Year
	FY (22-23)	FY (21-22)
Defined Benefit Obligation	1070,33,08,807	991,63,07,002
Fair Value of Plan Assets	-	-
Net Liability (Asset)	1070,33,08,807	991,63,07,002

Financial Assumptions		
Particulars	Current Year	Previous Year
	FY (22-23)	FY (21-22)
Discount Rate	7.45%	6.90%
Salary Growth Rates	5.00%	5.00%

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Withdrawal rates Per Annum		
Age Band	Current Year	Previous Year
	FY (22-23)	FY (21-22)
25& Below	2.50%	2.50%
26 to 35	2.50%	2.50%
36 to 45	2.50%	2.50%
46 to 55	2.50%	2.50%
56 & above	2.50%	2.50%

Mortality Rates: Indian Assured Lives Mortality (2012-14) Table

Sample Rates of (Indian Assured Life Mortality)IALM		
Age (In Years)	Current Year	Previous Year
	FY (22-23)	FY (21-22)
20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%
50	0.44%	0.44%
60	1.12%	1.12%

B) Other Long Term Employee Benefits

1. Actuarial Valuation Report as per AS15 (revised 2005) – Retirement Benefits

Asset and Liabilities		
Particulars	Current Year	Previous Year
	FY (22-23)	FY (21-22)
Defined Benefit Obligation	2,74,04,770	3,05,03,237
Fair Value of Plan Assets	-	-
Net Liability (Asset)	2,74,04,770	3,05,03,237

Financial Assumptions		
Particulars	Current Year	Previous Year
	FY (22-23)	FY (21-22)
Discount Rate (P.a)	7.40 %	6.90 %
Inflation Rate (p.a)	0.00 %	0.00 %
Expected Rate of Return (p.a)	Not Applicable	Not Applicable

Withdrawal rates Per Annum		
Age Band	Current Year	Previous Year
	FY (22-23)	FY (21-22)
25& Below	2.50%	2.50%
26 to 35	2.50%	2.50%
36 to 45	2.50%	2.50%
46 to 55	2.50%	2.50%
56 & above	2.50%	2.50%

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Mortality Rates: Indian Assured Lives Mortality (2012-14) Table

Sample Rates of (Indian Assured Life Mortality)IALM		
Age (In Years)	Current Year	Previous Year
	FY (22-23)	FY (21-22)
20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%
50	0.44%	0.44%
60	1.12%	1.12%

2. Actuarial Valuation Report as per AS15 (revised 2005) – Long Service Benefits

Asset and Liabilities		
Particulars	Current Year	Previous Year
	FY (22-23)	FY (21-22)
Defined Benefit Obligation	1,21,30,154	1,18,22,548
Fair Value of Plan Assets	0	0
Net Liability (Asset)	1,21,30,154	1,18,22,548

Financial Assumptions		
Particulars	Current Year	Previous Year
	FY (22-23)	FY (21-22)
Discount Rate (P.a)	7.40 %	6.90 %
Inflation Rate (p.a)	0.00 %	0.00 %
Expected Rate of Return (p.a)	Not Applicable	Not Applicable

Withdrawal rates Per Annum		
Age Band	Current Year	Previous Year
	FY (22-23)	FY (21-22)
25& Below	2.50%	2.50%
26 to 35	2.50%	2.50%
36 to 45	2.50%	2.50%
46 to 55	2.50%	2.50%
56 & above	2.50%	2.50%

Mortality Rates: Indian Assured Lives Mortality (2012-14) Table

Sample Rates of (Indian Assured Life Mortality)IALM		
Age (In Years)	Current Year	Previous Year
	FY (22-23)	FY (21-22)
20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%
50	0.44%	0.44%
60	1.12%	1.12%

c) Accounting Standard 17:
Segment Reporting

As per the revised guidelines of Reserve Bank of India the Bank has recognized Treasury Operations Corporate/ Wholesale Banking Retail Banking and other Banking business as primary reporting segments. There are no secondary reporting segments.

Primary (Business Segment)

The following are the primary segments of the Bank:-
- Treasury
- Corporate / Wholesale Banking
- Retail Banking
- Other Banking Business.

The present accounting and information system of the Bank based on the present internal, organizational and management reporting structure and the nature of their risk and returns, the data on the primary segments have been computed as under:

i. Treasury –
The Treasury Segment includes the entire investment portfolio and trading in foreign exchange contracts and derivative contracts. The revenue of the treasury segment primarily consists of fees and gains or losses from trading operations and interest income on the investment portfolio.

ii. Corporate / Wholesale Banking –
The Corporate / Wholesale Banking segment comprises the lending activities of Corporate Accounts, Trust / Partnership Firms Companies and statutory bodies which are not included under Retail Banking and Stressed Assets Management Branch. These include providing loans and transaction services to corporate and institutional clients.

iii. Retail Banking –
The Retail Banking Segment comprises of retail branches, which primarily includes Personal Banking activities including lending activities to corporate customers having banking relations with these branches. The Retail Banking Segment consists of all exposures up to a limit of ₹ 7.50 crore (including Fund Based and Non Fund Based exposures) subject to orientation product granularity criteria and individual exposures. This segment also includes agency business and ATMs.

iv. Other Banking business –
Segments not classified under (i) to (iii) above are classified under this primary segment.

Secondary (Geographical Segment)
i) Domestic Operations - Branches/Offices having operations in India

ii) Foreign Operations – Bank has only one Joint Venture in Zambia.

Business Segments	Treasury		Corporate/Wholesale Banking		Retail Banking		Other Banking Operations		Total	
Particulars	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Revenue	10,974.59	11,626.75	6,564.56	5,263.81	11,701.76	8,188.86	-	-	29,240.91	25,079.42
Result	2,585.67	2,528.46	1,226.84	(2,288.70)	(1,208.26)	1,047.66	-	-	2,604.25	1,287.42
Unallocated Expenses									41.09	429.54
Operating Profit									2,645.34	1,716.96
Income Taxes									1,063.14	672.13
Extraordinary profit/loss	-	-	-	-	-	-	-			-
Net Profit									1,582.20	1,044.83

Other Information:										
Segment Assets	184,294.75	197,643.37	77,326.33	66,602.32	130,251.75	107,018.70	-	-	391,872.83	371,264.39
Unallocated Assets									14,292.65	15,158.11
Total Assets									406,165.48	386,422.50
Segment Liabilities	179,578.72	191,840.34	73,563.83	64,083.77	123,914.02	102,971.69	-	-	377,056.57	358,895.80
Unallocated Liabilities									-	-
Total Liabilities									377,056.57	358,895.80

* Segment Revenue and Expenses have been apportioned on the basis of the segment assets, wherever direct allocation is not possible. Figures have been regrouped wherever considered necessary to conform to current year classification.

The Bank has only one geographical segment i.e. Domestic Segment

d) Related Party disclosures as per Accounting Standard 18 – Related Party

List of Related Parties:

I. Key Managerial Personal –

	Name	Designation
i)	Mr. Matam Venkata Rao	Managing Director & CEO
ii)	Mr. Alok Srivastava (Upto 30.11.2022)	Executive Director
iii)	Mr. Vivek Wahi	Executive Director
iv)	Mr. Rajeev Puri	Executive Director
v)	Mr. M V Murali Krishna (w.e.f. 01.12.2022)	Executive Director

II. Subsidiaries –

i)	Cent Bank Home Finance Ltd.
ii)	Cent Bank Financial Services Ltd.

III. Associates –

i)	Regional Rural Banks –
a.	Uttar Bihar Gramin Bank, Muzzaffarpur (Bihar)
b.	Uttarbanga Kshetriya Gramin Bank, Cooch Behar (West Bengal)
ii)	Indo – Zambia Bank Ltd., Zambia

#In respect of related party disclosure regarding remuneration details are mentioned in Note no.13.

e) Accounting Standard – 19 "Leases"

i. The premises of the Bank were revalued to reflect the market value as on 31.03.2021 based on valuation reports of external independent valuers' and approved by the Board of Directors and ₹ 881.96 crore increase in value thereof have been credited to Revaluation Reserve Account.

ii. In case of assets, which have been revalued, the depreciation is provided on the revalued amount charged to Profit & Loss Account and the amount of incremental depreciation attributable to the revalued amount ₹ 65.36 crore for March 2023 (previous year 2021-22 ₹ 54.12 crore) is transferred from 'Revaluation Reserves' and credited to "Revenue and Other Reserves".

iii. Land obtained on lease by bank includes market value as on 31.03.2021 is ₹ 8.99 crore (previous year ₹ 8.02 crore) with written down value as NIL (previous year ₹ NIL), the lease period of which has expired and the bank is still having its offices/building on these lands and vacant land obtained on lease by the Bank includes market value as on as on 31.03.2021 is ₹ 13.72 crore with written down value as NIL, where the lease period is expired, perusing with authorities for lease renewals.

iv. As per AS-19, operating leases primarily comprise office premises and staff residences, which are renewable at the option of the Bank.

i) Liability for Premises taken on non-Cancellable operating lease are NIL as on 31.03.2023.

ii) Amount of lease payments recognized in the P&L Account for operating leases is ₹ 392.02 crore as on 31.03.2023 (Previous Year ₹ 357.07 crore).

v. Additional Disclosure:
Premises obtained by the bank include own property of ₹ 37.13 crore for which registration formalities are still under progress.

The title of property amounting to ₹ 37.13 crore acquired on disposal of security are not in favor of bank as the matter is sub-judice.

f) Accounting Standard 20 – Earnings per Share
Earnings per share as per AS 20 have been arrived at as follows:

Particulars	31.03.2023	31.03.2022
Net Profit after Tax available for Equity Share Holder (₹in Crore)	1582.20	1044.83
Weighted Average number of Equity Share (No.)	868,09,39,432	823,51,53,502
Basic Earnings per Share (₹) *	1.82	1.27
Diluted Earnings per Share (₹) *	1.82	1.27
Nominal Value per Share (₹)	10	10

g) Accounting Standard 22 –Accounting for Taxes on Income
Provision for Income Tax for the year is arrived at after due consideration of relevant statutory provisions and judicial decisions on disputed issues.

a) Claims against the bank not acknowledged as debt under contingent liabilities (schedule 12) includes ₹ 5726.89 crore (previous year ₹ 6050.22 crore) towards disputed Income Tax liability of the parent Bank. It includes Income tax appeals at various levels by bank and Income tax department. Provision for disputed amount of taxation is not considered necessary by the Bank on the basis of various judicial pronouncements and favorable decisions in Bank's own case. Payments/ adjustments against the said disputed dues are included under Other Assets (schedule 11). Disputed service tax matter as on March 31st, 2023 is ₹ 7.64 crore.

b) Government of India has inserted Section 115BAA in the Income Tax Act 1961 ("Act") vide the Taxation Laws (Amendment) Ordinance 2019 dated September 20, 2019 which provides a non-reversible option to domestic companies to pay corporate tax at a reduced rate effective from April 01, 2019 subject to certain conditions. The Bank has assessed the applicability of the act and opted to continue the existing tax rate (i.e. 34.944%) for the financial year ended March 31st, 2023.

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Keeping in view the significant provisioning requirements and revision in guidelines of Deferred Tax Assets (DTA) in CET1 calculation by RBI tax review based on management's estimate of possible tax benefits against timing difference has been carried out and ₹ crore has been recognized as Deferred Tax Assets as at 31st March 2023. Component of deferred tax assets/ liabilities as on 31st March 2023 are as under:

(Amount in ₹ crore)

Particulars	Deferred Tax Assets		Deferred Tax Liability	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Business Loss	2270.61	1655.92	-	-
Provision for Leave Encashment	374.02	346.52	-	-
Provision for Loans and Advances	3945.44	5728.37	-	-
Interest on Income Tax Refund	-	-	40.96	26.94
Interest accrued but not due on investments	-	-	699.00	760.96
Special Reserve u/s36(1)(viii) of I.T. Act 1961	-	-	34.94	34.94
Depreciation on Fixed Assets	-	-	16.26	45.90
TOTAL	6590.07	7730.81	791.16	868.74
Net Deferred Tax Asset/Liability	5798.91	6862.05	-	-

Net decrease in Deferred Tax Assets for the year 2022-23 is ₹ 1063.14 crore (Previous year ₹ 683.63 crore) has been recognized in profit & loss account.

h) Accounting Standard – 28 –Impairment of Assets

A substantial portion of Bank's assets comprise financial assets to which Accounting Standard-28 on impairment of assets is not applicable. In the opinion of the Management there is no material impairment on Other Assets other than financial assets as at March 31, 2023 requiring recognition in terms of the Standard.

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i) Accounting Standard – 29 on Provisions, Contingent Liabilities and Contingent Assets

(Amount in ₹ crore)

Break-up of Provisions and Contingencies shown under the head Expenditure in P&L Account	31.03.2023	31.03.2022
Provisions/Depreciation on Investment (NPI)	214.59	646.74
Provision towards NPA	3534.31	2461.55
Provision towards Standard Asset	680.54	(222.47)
Provision made for Taxes	1063.14	672.13
Provision for Restructured Advances	(221.81)	595.94
Other Provisions	30.80	(1.57)
TOTAL	5301.57	4152.32

j) Additional Disclosures:-

i. Details of Letter of Comfort issue by Banks and outstanding as on 31.03.2023 - There are no Letter of Comfort issued during the year as well as in previous year by Bank.

ii. Payment to Micro, Small & Medium Enterprises under the Micro, Small and Medium enterprises under the Micro, Small & Medium Enterprises Development Act,2006: There has been no reported cases of the delayed payments of the principal amount or interest due to Micro, Small & Medium Enterprises.

iii. Implementation of the Guidelines on Information Security Electronic Banking Technology Risk Management and Cyber Frauds
The bank has formulated policies as per RBI circular RBI/2010-11/494 DBS.CO.ITC.BC.No. 6/31. 02.008/2010-11 dated April 29, 2011. These policies are being reviewed by the management of the bank on periodical basis. The policies were last reviewed by the Board of Directors in the meeting held on 17.03.2023.

k) Reserve Bank of India vide their letter dated June 13, 2017, has put the Bank under Prompt (PCA) Corrective Action in view of high net NPA and negative Return on Assets. Bank had complied with the PCA framework norms meticulously. Reserve Bank of India vide its communication CO.DOS.SED.No.S3988/14.01.040/2022-23 dated September 20, 2022 has removed our Bank from the Prompt Corrective Action (PCA) framework.

l) Payment to Micro, Small & Medium Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006

There has been no reported case of delayed payments of the principal amount or interest due thereon to Micro, Small & Medium Enterprises.

m) In terms of RBI guidelines DBOD No.BP.BC.57/62-88 dated December 31, 1988, Inter-Bank Participation Certificates (IBPC) Lending of ₹ NIL has been undertaken. Accordingly, these have been adjusted from the advances of the Bank. Interest income of ₹ NIL has been recognized against these borrowings.

n) Disclosure with respect to spreading of MTM losses in AFS and HFT:
This has reference to RBI circular RBI/2017-18/200 DBR No BP.BC.113/21.04.048/2017-18 dated 15 June 2018 regarding the option to spread provisioning for mark to market (MTM) losses on investments held in AFS and HFT on account of sharp increase in the yields on Government Securities: NIL

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

VIVEK WAHI	RAJEEV PURI	M V MURALI KRISHNA
EXECUTIVE DIRECTOR	EXECUTIVE DIRECTOR	EXECUTIVE DIRECTOR

M.V.RAO
MANAGING DIRECTOR & CEO

ATTENDED THROUGH VIDEO CONFERENCE

HARDIK M.SHETH	P.J.THOMAS	DINESH PANGTEY	PRADIP P. KHIMANI
DIRECTOR	DIRECTOR	DIRECTOR	DIRECTOR

As per our report of even date

For CHHAJED & DOSHI	For ASKA & CO	FOR KISHORE & KISHORE	FOR A.R. & CO.
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
F.R.NO. 101794W	F.R.NO. 122063W	F.R. NO. 000291N	F.R. NO.002744C
CA NITESH JAIN	CA SUHAS AMBEKAR	CA AKHILESH K. MATHUR	CA ANIL GAUR
PARTNER	PARTNER	PARTNER	PARTNER
M. No. 136169	M.No. 101373	M. NO. 509176	M.NO. 017546

Place: Mumbai
Date: 29th April 2023

Azadi Ka Amrit Mahotsav

Central Bank of India
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CENTRAL BANK OF INDIA

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(₹ In Crore)

Sn	Particulars	31-03-23	31-03-22
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit/(Loss) before taxes	**2,645.34**	**1,716.96**
I	**Adjustments for:**		
	Depreciation on fixed assets	385.86	296.61
	Depreciation on investments (including on matured debentures)	214.10	368.87
	Bad Debts written off/Provision in respect of non performing assets	3,312.50	3,057.49
	Provision for Standard Assets	680.54	(222.47)
	Provision for Other items (Net)	31.29	276.30
	(Profit) / Loss on sale of fixed assets (Net)	1.34	(9.13)
	Dividend Received from Subsidiaries	(7.95)	(8.01)
	Sub total	**7,263.02**	**5,476.62**
II	**Adjustments for :**		
	Increase / (Decrease) in Deposits	16,604.53	12,718.99
	Increase / (Decrease) in Borrowings	644.39	2,005.72
	Increase / (Decrease) in Other Liabilities and Provisions	231.32	1,742.89
	(Increase) / Decrease in Advances	(38,123.31)	(14,652.34)
	(Increase) / Decrease in Investments	3,989.37	7,426.61
	(Increase) / Decrease in Other Assets	894.46	(735.62)
	Direct Taxes paid (Net of Refund etc.)	(297.96)	285.45
	Sub total	**(16,057.20)**	**8,791.70**
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**(8,794.18)**	**14,268.32**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Sale / Disposal of Fixed Assets	3.62	24.37
	Purchase of Fixed Assets	(212.07)	(157.67)
	Dividend Received from Associates/Subsidiaries	7.95	8.01
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	**(200.50)**	**(125.29)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Share Capital (Including Share Premium)	-	-
	Share Application Money	-	-
	Dividend - Equity shares Including Interim Dividend	-	-
	Dividend Tax	-	-
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-	-
D	**Net increase in cash & cash equivalents (A + B + C) or (F - E)**	**(8,994.68)**	**14,143.03**

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

FRN 002744C CHARTERED ACCOUNTANTS

E	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Cash and Bank Balance with RBI	38,033.70	32,187.84
	Balance with Banks and Money at Call and Short Notice	15,060.63	6,763.46
	Net cash and cash equivalents at the beginning of the year (E)	**53,094.33**	**38,951.30**
F	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	Cash and Bank Balance with RBI	27,432.92	38,033.70
	Balance with Banks and Money at Call and Short Notice	16,666.73	15,060.63
	Net cash and cash equivalents at the end of the year (F)	**44,099.65**	**53,094.33**

Notes:

1) 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 ICAI.

2) Previous year figures have been regrouped/rearranged to conform to those of current years.

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

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DIRECTOR

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DIRECTOR

DINESH PANGTEY
DIRECTOR

P.P. Khimani

PRADIP P. KHIMANI
DIRECTOR

As per our report of even date

For CHHAJED & DOSHI
Chartered Accountants
F.R.NO. 101794W

CA NITESH JAIN
PARTNER
M. No. 136169

For ASKA & CO
Chartered Accountants
F.R.NO. 122063W

CA SUHAS AMBEKAR
PARTNER
M.No. 101373

FOR KISHORE & KISHORE
Chartered Accountants
F.R. NO. 000291N

CA AKHILESH K. MATHUR
PARTNER
M. NO. 509176

FOR A.R. & CO.
Chartered Accountants
F.R. NO.002744C

CA ANIL GAUR
PARTNER
M.NO. 017546

Place: Mumbai
Date: April 29, 2023

CHHAJED & DOSHI Chartered Accountants 101, Hubtown Solaris, N.S. Phadke Marg, Andheri (East), Mumbai - 400069	**A S K A & CO.** **(Formerly Ambekar Shelar Karve & Ambardekar)** Chartered Accountants 501, Mirage Arcade, Opp. Ganesh Mandir, Off. Phadke Road, Dombivli (East), Mumbai -421201
KISHORE & KISHORE Chartered Accountants C-7, Sector E (New), Aliganj, Lucknow- 226024	**A.R. & Co** Chartered Accountants A-403, Gayatri Apartments Airlines Group Housing Society Plot No 27, Sector -10, Dwarka New Delhi – 110075

INDEPENDENT AUDITORS' REPORT

To
The Members of
Central Bank of India
Mumbai

Report on Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Central Bank of India** ('the Parent Bank') which comprise the consolidated Balance Sheet as at 31st March 2023, the consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year then ended, and notes to consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements") which includes:
   a) audited standalone financial statements of the Parent Bank audited by us;
   b) audited financial statements of one subsidiary – Centbank Financial Services Limited – audited by other auditor
   c) unaudited financial statements of one subsidiary – Cent Bank Home Finance Limited
   d) audited financial statements of two (2) associates – (i) Uttar Bihar Gramin Bank, Muzzaffarpur; (ii) Uttarbanga Kshetriya Gramin Bank, Cooch Behar -- audited by other auditors.
   e) unaudited financial statements of one joint venture-- Indo-Zambia Bank Limited.

   The above entities together with the Parent Bank are referred to as "the Group".

   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 other auditors on separate financial statements of subsidiaries, the unaudited financial statements and other financial information of the associates as furnished by the management, the aforesaid consolidated financial statements give the information required by the Banking Regulation Act, 1949 (hereinafter referred to as "the Act") in the manner so required and are in conformity with accounting principles generally accepted in India and:

   a) the consolidated 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 31st March, 2023;

b) the consolidated 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 consolidated 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 ("ICAI"). Our responsibilities under those Standards are further described in the "Auditors' responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the consolidated financial statements, 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 on the consolidated financial statements.

Emphasis of Matter

3. We draw attention to:

a) Note no. 5.11 of Schedule 18 to the consolidated financial statements regarding amortization of additional liability on revision of family pension amounting to ₹ 821.95 crore. The Parent Bank has charged an amount of ₹ 164.40 crore to the Profit and Loss Account for the year ended 31st March 2023 and the balance unamortised expense has been carried forward pursuant to RBI circular no. RBI/2021-22/105 DORACC.REC.57/21.04.018/2021-22 dt.4th October,2021.

b) Note no. 4.8 of Schedule 18 to the consolidated financial statements regarding deferred tax, wherein on the basis of tax review made by the Parent Bank's management with respect to the possible tax benefits arising out of the timing difference, the net deferred tax asset of ₹ 5798.91 crore is recognised as on 31st March 2023 (₹ 6862.05 crore as on 31st March 2022).

c) Note no. 4.1 of the Statement regarding accounting of Performance Link Incentive to employees on accrual basis during the year which was being done on cash basis in earlier years resulting in decrease of profit by ₹ 104.24 crore.

d) Note No. 5.15 of Schedule 18 to the consolidated financial statements, which describes the uncertainties due to the COVID-19 pandemic and management's evaluation of impact on the Group's financial performance which will depend on future developments, which are uncertain.

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31st March 2023. These matters were addressed in the context of our audit of the consolidated 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.

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

Key Audit Matters	Auditors' response
1. Identification and provisioning of non-performing advances made in accordance with the prudential norms prescribed by Reserve Bank of India on Income recognition, Asset Classification and provisioning pertaining to Advances (refer Schedule 9 read with Note 2 of Schedule 17 to the consolidated financial statements) Advances comprise substantial portion of the Group's total assets. Identification of non-performing advances (NPAs) is carried out, based on system identification, by the Core Banking Solution (CBS) software in operation based on the various controls and logic embedded therein. Provisions in respect of such NPAs and restructured advances are made based on management's assessment of the degree of impairment of the advances subject to and guided by the minimum provisioning levels prescribed under RBI guidelines, prescribed from time to time. The provisions on NPAs are also based on the valuation of the security available. In case of restructured accounts, provision is made in accordance with the RBI guidelines. We identified NPA identification and provision on loans and advances as a key audit matter because of the significant efforts involved by the management in identifying NPAs based on the RBI Guidelines, the level of management judgement involved in determining the provision (including the provisions on assets which are not classified as NPAs), the valuation of security of the NPAs and on account of the significance of these estimates to the financial statements of the Group.	Our audit approach included assessment of the design, operating effectiveness of key internal controls over approval, recording and monitoring of loans and substantive audit procedures in respect of income recognition, asset classification and provisioning pertaining to advances. In particular: • We have evaluated and understood the Parent Bank's internal control system in adhering to the relevant RBI guidelines regarding income recognition, asset classification and provisioning pertaining to advances. • We assessed and evaluated the process of identification of NPAs, and corresponding reversal of income and creation of provision. • We have analyzed and understood key IT systems/ applications used operational effectiveness of relevant controls including involvement of manual process and manual controls in relation to income recognition, asset classification and provisioning pertaining to advances. • In order to ensure the effectiveness of the operation of the key controls and compliance to the directions of the RBI, we have verified whether both CBS system and the management have: • timely recognized the depletion in the value of available security. • made adequate provisioning based on such time-to-time monitoring and identification of asset classification including accounts which meet the criteria for asset classification benefit in accordance with the Reserve Bank of India COVID-19 Regulatory Package. • We placed reliance upon the Independent Auditor's Report of the respective Branch Auditors with respect to income recognition, asset classification and provisioning as well as Memorandum of changes suggested both at the branches and at Head Office.

2. Investments	
Investment portfolio of the Group comprises of investments in government securities, bonds, debentures, shares, security receipts and other approved securities which are classified under three categories, Held to Maturity, Available for Sale and Held for Trading. Investments comprise a substantial portion of the Bank's total assets. Valuation of Investments, identification of Non-Performing Investments (NPI) and the corresponding non-recognition of income and provision thereon, is carried out in accordance with the relevant circulars / guidelines / directions of RBI. (refer Schedule 8 read with Note 5 of Schedule 17 to the consolidated financial statements) The valuation of each type of aforesaid security is to be carried out as per the methodology prescribed in the circulars and directives issued by the RBI which involves collection of data/ information from various sources such as FBIL rates, rates quoted on BSE/ NSE, financial statements of unlisted companies, NAV in case of security receipts etc. As per the RBI directions, there are certain investments that are valued at market price however certain investments are based on the valuation methodologies that include statistical models with inherent assumptions, assessment of price for valuation based on financial statements etc. The price discovered for the valuation of these Investments is only a fair assessment of the Investments. Hence, the valuation of Investments requires special attention and further in view of the significance of the amount of Investments in the financial statements, the same has been considered as Key Audit Matter in our audit.	Our audit approach towards Investments with reference to the RBI circulars/ directives included the review and testing of the design, operating effectiveness of internal controls and substantive audit procedures in relation to valuation, classification, identification of Non-Performing Investments, provisioning/ depreciation related to Investments. In particular: • We assessed and understood the system and internal control as laid down by the Parent Bank to comply with relevant RBI guidelines regarding valuation, classification, identification of Non- Performing Investments, Provisioning and depreciation on Investments. • Tested accuracy and compliance for selected sample of investments with the RBI Master circulars and directions by re-performing valuation for each category of security in accordance with the RBI guidelines. • We assessed and evaluated the process of identification of NPIs, and corresponding reversal of income and creation of provision. • We carried out substantive audit procedures to re-compute independently the provision to be created and depreciation to be provided. • We assessed that the financial statement disclosures appropriately reflected the Bank's exposure to investments valuation risks with reference to the requirements of the prevailing accounting standards and the RBI guidelines.
3. Information technology (IT) systems used in financial reporting process	
The Group's operational and financial reporting processes are dependent on IT	We conducted an assessment and identified key IT applications, database and operating systems that

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 financial statements and the same has been considered as Key Audit Matter in our audit.	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 Parent 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 financial statements, information other than the Financial Statements and Auditors' Report thereon.
4. Provisions, Contingent Liabilities and Claims: Assessment of Provisions and Contingent Liability in respect of certain litigations on various claims filed by other parties not acknowledged as debt (Note No. 14 of Schedule 17 and Note No. 4.10 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,	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.

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.	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.

Information other than the consolidated financial statements and Auditors' report thereon

5. The Parent Bank's management and Board of Directors are responsible for the other information. The other information comprises the Corporate Governance Report, which we obtained at the time of issuance of this auditors' report, and the Directors' Report including annexures, and Management Discussion and Analysis which is expected to be made available to us after that date but does not include the financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and the Pillar 3 disclosures under Capital Adequacy Framework (Basel III disclosures) and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   If, based on the work we have performed on the other information that we obtained prior to the date prior to the date of auditor's report, we conclude that there is a material misstatement of this information, we are required to report that fact. We have nothing to report in this regard.

   When we read the Directors' Report including annexures, and Management Discussion and Analysis, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

Responsibilities of Management and those charged with governance for the Consolidated Financial Statements

6. The Parent Bank's management and Board of Directors are responsible with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the applicable Accounting Standards issued by ICAI, 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 ("RBI guidelines") and judicial pronouncements. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   In preparing the consolidated financial statements, the respective Board of Directors of the Group are responsible for assessing the Group'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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

7. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

   - Identify and assess the risks of material misstatement of the consolidated 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 but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated 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 auditors' 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of the misstatements in the consolidated financial statements that, individually or in 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 the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the consolidated 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 consolidated 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

8. Incorporated in these consolidated financial statements are the:

(a) We did not audit the financial statements/ information of 1507 branches included in the standalone financial statements of the Parent Bank whose financial statements / financial information reflect total assets of ₹ 2,07,308 crore as at 31st March 2023 and total revenue of ₹ 6,763 crore for the year ended on that date, as considered in the standalone financial statements. 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 branches, is based solely on the report of such branch auditors.

(b) In the conduct of our audit, we have taken note of the unaudited returns in respect of 2966 branches included in the standalone financial statements of the Parent Bank certified by the respective branch's management whose financial statements/ information reflect total assets of ₹ 90,252 crore as at 31st March 2023 and total revenue of ₹ 5,393 crore for the year ended on that date.

(c) We did not audit the financial statements / information of one subsidiary whose financial statement reflects total assets of ₹ 47.36 crore as at 31st March 2023 and total revenues of ₹ 3.52 crore for the year ended on that date as considered in the consolidated financial statements. These financial statements / information have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors.

(d) We did not audit the financial statements / information of one subsidiary whose financial statement reflects total assets of ₹ 1504.11 crore as at 31st March 2023 and total revenues of ₹ 140.93 crore for the year ended on that date as considered in the consolidated financial statements. These financial statements / information are unaudited and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements certified by the management.

(e) The consolidated financial statements include the Group's share of net profit of ₹ 31.63 crore for the year ended 31st March 2023 in respect of 2 associates, whose financial statements / financial information have not been audited by us. These financial statements are audited by other auditors and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates is based solely on such audited financial statements certified by the other auditors. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

(f) The consolidated financial statements include the Group's share of net profit of ₹ 47.43 crore for the year ended 31st March 2023 in respect of one joint venture, whose financial statements/ financial information have not been audited by us. These financial statements are unaudited and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates is based solely on such unaudited financial statements certified by the management. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

A.R. & CO.
FRN 002744C
CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

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

10. Subject to the limitations of the audit indicated in paragraphs 6 to 8 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, 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 Group have been found adequate for the purposes of our audit.

11. We further report that:

    a) in our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books and the reports of the other auditors and proper returns adequate for the purposes of our audit have been received from branches not visited by us.

    b) the consolidated Balance Sheet, the consolidated Profit and Loss Account and the consolidated Cash Flows 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 Parent Bank under 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

A.R. & CO.
FRN 002744C
CHARTERED ACCOUNTANTS

d) In our opinion, the consolidated Balance Sheet, the consolidated Profit and Loss Account and the consolidated Cash Flow Statement comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.

FOR CHHAJED & DOSHI CHARTERED ACCOUNTANTS F.R. No.101794W **(CA NITESH JAIN)** PARTNER M.No.136169 UDIN: 23136169BGWXJM2286	**FOR A S K A & CO.** CHARTERED ACCOUNTANTS F.R. No.122063W **(CA SUHAS AMBEKAR)** PARTNER M.No.101373 UDIN: 23101373BGWJWF5899
FOR KISHORE & KISHORE CHARTERED ACCOUNTANTS F.R. No. 000291N **(CA AKHILESH K. MATHUR)** PARTNER M. No. 509176 UDIN:23509176BGWZAW3371	**FOR A.R. & Co** CHARTERED ACCOUNTANTS F.R. No.002744C **(CA ANIL GAUR)** PARTNER M.No.017546 UDIN: 23017546BGWILS1797

Azadi Ka Amrit Mahotsav

सेन्ट्रल बैंक ऑफ़ इंडिया
Central Bank of India
CENTRAL TO YOU SINCE 1911

CONSOLIDATED BALANCE SHEET OF CENTRAL BANK OF INDIA
BALANCE SHEET AS ON MARCH 31, 2023

(000's omitted)

Particulars	Schedule No.	AS ON 31-Mar-2023 ₹	AS ON 31-Mar-2022 ₹
CAPITAL & LIABILITIES			
Capital	1	8,68,09,394	8,68,09,394
Reserves and Surplus	2	20,53,57,912	18,86,84,669
Minority Interest	2A	6,73,138	5,76,992
Deposits	3	3,59,77,51,185	3,43,16,45,666
Borrowings	4	8,33,39,157	7,66,33,015
Other Liabilities and Provisions	5	9,68,66,360	8,85,72,023
TOTAL		4,07,07,97,146	3,87,29,21,759
ASSETS			
Cash and Balances with Reserve Bank of India	6	27,43,29,199	38,03,36,980
Balances with Banks and Money at Call and Short Notice	7	16,66,90,249	15,06,32,393
Investments	8	1,36,56,93,837	1,40,77,45,413
Advances	9	2,03,89,32,569	1,69,04,15,429
Fixed Assets	10	4,77,66,959	4,95,53,768
Other Assets	11	17,72,95,437	19,41,48,880
Goodwill on Consolidation		88,896	88,896
TOTAL		4,07,07,97,146	3,87,29,21,759
Contingent Liabilities	12	1,32,46,50,988	1,79,60,88,335
Bills for Collection		11,03,90,656	11,37,50,285

The schedules referred to above form an integral part of the Consolidated Balance Sheet

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M V MURALI KRISHNA
EXECUTIVE DIRECTOR

M.V.RAO
MANAGING DIRECTOR & CEO

ATTENDED THROUGH VIDEO CONFERENCE

HARDIK M.SHETH
DIRECTOR

P.J.THOMAS
DIRECTOR

DINESH PANGTEY
DIRECTOR

PRADIP P. KHIMANI
DIRECTOR

As per our report of even date

For CHHAJED & DOSHI
Chartered Accountants
F.R.NO. 101794W

CA NITESH JAIN
PARTNER
M. No. 136169

For ASKA & CO
Chartered Accountants
F.R.NO. 122063W

CA SUHAS AMBEKAR
PARTNER
M.No. 101873

FOR KISHORE & KISHORE
Chartered Accountants
F.R. NO. 000291N

CA AKHILESH K. MATHUR
PARTNER
M. NO. 509175

FOR A.R. & CO.
Chartered Accountants
F.R. NO.002744C

CA ANIL GAUR
PARTNER
M.NO. 017546

Place: Mumbai
Date: April 29, 2023

SCHEDULES FORMING PART OF THE CONSOLIDATED
BALANCE SHEET AS ON MARCH 31, 2023

(000's Omitted)

Particulars	AS ON 31-Mar-23		AS ON 31-Mar-22	
	₹	₹	₹	₹
SCHEDULE 1 : CAPITAL				
Authorised Capital 1000,00,00,000 shares of ₹ 10/- each		10,00,00,000		10,00,00,000
Issued, Subscribed and Paid up Capital :	8,68,09,394		8,68,09,394	
(8680939432 Equity Shares of ₹ 10 each)				
8680939432 Equity Shares (previous year 8680939432 Equity shares) of ₹ 10/- each (includes 8080391687 Equity shares of ₹ 10/- each held by Central Govt.)				
TOTAL		8,68,09,394		8,68,09,394
SCHEDULE 2 : RESERVES AND SURPLUS				
I. Statutory Reserves				
Balance as per last Balance Sheet	2,33,71,231		2,07,59,131	
Additions during the year	39,55,503.00		26,12,100	
		2,73,26,734		2,33,71,231
II. Capital Reserves				
Balance as per last Balance Sheet	1,74,39,226		1,61,83,965	
Additions during the year	13,32,997.00		12,55,261	
		1,87,72,223		1,74,39,226
III. Revaluation Reserve				
Balance as per last Balance Sheet	3,71,49,449		3,79,22,815	
Additions - Adjustments during the year	-		-	
Less: Transfer to Revenue and Other Reserves	6,53,596		2,32,128	
Deductions during the year	-		5,41,238	
		3,64,95,853		3,71,49,449
IV. Share Premium				
Balance as per last Balance Sheet	7,46,66,327		24,19,62,271	
Additions/Adjustments during the year	-		1,99,46,230	
Reduction during the year	-		18,72,42,174	
		7,46,66,327		7,46,66,327
V. Other Reserves				
a). Special Reserve U/S 36 (1)(viii)	13,61,546		13,61,546	
		13,61,546		13,61,546
VI. Revenue and Other Reserves				
i). Investment Fluctuation Reserve				
Balance as per last Balance Sheet	65,80,920		-	
Add:- Addition during the year	5,47,509		65,80,920	
Less:- Deduction during the year	-		-	
		71,28,429		65,80,920
ii). Investment Reserve				
Balance as per last Balance Sheet	1,13,846		1,13,846	
Add : Transfer from Revaluation Reserve	9,300.00		-	
Additions/Adjustment during the year	-		-	
Less: Deductions during the year	-	1,23,146	-	1,13,846
iii). Revenue Reserves				
Balance as per last Balance Sheet	2,78,59,543		2,73,18,305	
Add: Transfer from Capital Reserves	6,53,596		5,41,238	
Addition during the year	-		-	
Add: Opening Balance Adjustments	-		-	
Add/Less: Adjustments during the year	-		-	
		2,85,13,139		2,78,59,543
VI. Balance in Profit and Loss Account		1,09,70,515		1,42,581
TOTAL		20,53,57,812		18,86,84,668

(*) The adjustment is on account of change in results of RRBs post audit. The consolidated financial statements of previous year was compiled based on unaudited financial statements of such RRBs.

MUMBAI 400 069

FRN 002744C
CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2023

(Rs.000's omitted)

Particulars	AS ON 31-Mar-23		AS ON 31-Mar-22	
	₹	₹	₹	₹
SCHEDULE 2 A : MINORITY INTEREST				
Minority Interest at the date on which the parent/ subsidiary relationship came into existence	24,500		24,500	
Subsequent increase / decrease	6,48,638		5,52,492	
Minority interest on the date of Balance-Sheet		6,73,138		5,76,992
SCHEDULE 3 : DEPOSITS				
A. I. Demand Deposits				
i) From Banks	98,44,694		1,03,37,153	
ii) From Others	17,74,74,505		16,50,66,866	
		18,73,19,199		17,54,04,019
II. Savings Bank Deposits		1,62,53,14,529		1,55,96,51,980
III. Term Deposits				
i) From Banks	68,57,251		77,57,952	
ii) From Others	1,77,82,60,206		1,68,88,31,715	
		1,78,51,17,457		1,69,65,89,667
TOTAL (I,II and III)		3,59,77,51,185		3,43,16,45,666
B. i) Deposits of Branches in India		3,59,77,51,185		3,43,16,45,666
ii) Deposits of Branches outside India		-		-
SCHEDULE 4 : BORROWINGS				
I. Borrowings in India				
i) Reserve Bank of India	1,76,40,000		1,76,40,000	
ii) Other Banks	-		7,23,139	
iii) Other Institutions & Agencies	4,06,99,157		2,68,78,876	
iv) Unsecured Redeemable Bonds (Subordinated Debt)	-		-	
v) Upper Tier II Bonds	-		-	
vi) Innovative Perpetual Debt Instrument	-		13,91,000	
vii) Unsecured Redeemable NC Basel III Bonds(Tier II)	2,50,00,000		3,00,00,000	
		8,33,39,157		7,66,33,015
II. Borrowings outside India		-		-
TOTAL		8,33,39,157		7,66,33,015
Secured borrowings included in I & II above		Nil		Nil

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2023

(Rs.000's omitted)

Particulars	AS ON 31-Mar-23		AS ON 31-Mar-22	
	₹	₹	₹	₹
SCHEDULE 5 : OTHER LIABILITIES AND PROVISIONS				
I. Bills Payable	94,93,095		1,11,47,968	
II. Inter Office Adjustments (Net)	19,468.00		1,90,081	
III. Interest Accrued	89,15,697		77,45,822	
IV. Deferred Tax Liabilities (Net)	-		-	
V. Others(including provisions)	7,84,38,100	9,68,66,360	6,94,88,152	8,85,72,023
TOTAL		9,68,66,360		8,85,72,023
SCHEDULE 6 : CASH AND BALANCES WITH RESERVE BANK OF INDIA				
I. Cash in hand (including foreign currency notes)		1,50,01,105		1,45,54,493
II. Balances with Reserve Bank of India				
In Current Accounts	16,52,98,094		13,67,22,487	
In Other Accounts	9,40,30,000		22,90,60,000	
		25,93,28,094		36,57,82,487
TOTAL (I and II)		27,43,29,199		38,03,36,980
SCHEDULE 7 : BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE				
I. In India				
i) Balances with Banks				
a) In Current Accounts	4,05,075		2,64,777	
b) In Other Deposit Accounts	24,676		36,243	
		4,29,751		3,01,020
ii) Money at Call and Short Notice				
a) With Banks	-		-	
b) With Other Institutions	-		6,40,128	
		-		6,40,128
TOTAL..... I		4,29,751		9,41,148
II. Outside India				
a) In Current Accounts	20,02,668		10,62,153	
b) In Other Deposit Accounts	16,42,57,830		14,86,29,092	
c) Money at Call & Short Notice	-		-	
TOTAL..... II		16,62,60,498		14,96,91,245
TOTAL..... (I + II)		16,66,90,249		15,06,32,393

CHHAJED & DOSHI MUMBAI 400 069. CHARTERED ACCOUNTANTS

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A. R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2023

(Rs.000's omitted)

Particulars	AS ON 31-Mar-23		AS ON 31-Mar-22	
	₹	₹	₹	₹
SCHEDULE 8 : INVESTMENTS				
I. Investments in India in :				
i) Government Securities	1,03,03,86,822		1,05,53,81,537	
ii) Other approved Securities	-		-	
iii) Shares	74,05,592		88,33,691	
iv) Debentures and Bonds	31,90,42,322		33,78,44,148	
v) Associates	41,79,213		6,59,854	
vi) Others				
a) UTI Shares & Commercial Papers Mutual Fund Units etc.	22,66,922		31,07,519	
Total I		1,36,32,80,871		1,40,58,06,749
II. Investments outside India in				
i) Government Securities	-		-	
ii) Associates	24,12,966		19,38,664	
iii) Other Investments	-		-	
Total II		24,12,966		19,38,664
TOTAL (I and II)		1,36,56,93,837		1,48,77,45,413
III. Investments in India :				
Gross Value of Investments	1,42,39,75,024		1,46,55,29,898	
LESS: Aggregate of Provision for Depreciation	6,06,94,153		5,97,23,149	
Net Investments		1,36,32,80,871		1,40,58,06,749
IV Investments outside India :				
Gross Value of Investments	24,12,966		19,38,664	
LESS: Aggregate of Provision for Depreciation	-		-	
Net Investments		24,12,966		19,38,664
TOTAL		1,36,56,93,837		1,40,77,45,413
SCHEDULE 9 : ADVANCES				
A. i) Bills Purchased and Discounted	3,09,41,503		2,40,31,721	
ii) Cash Credits Overdrafts & Loans repayable on demand	79,06,06,898		70,15,80,440	
iii) Term Loans	1,21,73,84,168	2,03,89,32,569	96,48,03,268	1,69,04,15,429
TOTAL (i,ii and iii)		2,03,89,32,569		1,69,04,15,429
B. Particulars of Advances :				
i) Secured by tangible assets Including advances against Book Debts	1,81,72,28,464		1,57,07,97,055	
ii) Covered by Bank/ Government Guarantees	75,94,346		1,32,94,746	
iii) Unsecured	21,41,09,759	2,03,89,32,569	10,63,23,628	1,69,04,15,429
TOTAL (i,ii and iii)		2,03,89,32,569		1,69,04,15,429
C. Sectorial Classification of Advances				
(I) Advances in India				
i) Priority Sector	96,68,04,431		86,38,51,917	
ii) Public Sector	2,40,71,293		4,14,01,906	
iii) Banks	2		53,224	
iv) Others	1,04,80,56,843	2,03,89,32,569	78,51,08,382	1,69,04,15,429
TOTAL (i,ii, iii and iv)		2,03,89,32,569		1,69,04,15,429
(II) Advances outside India		-		-

CHHAJED & DOSHI MUMBAI 400 069 CHARTERED ACCOUNTANTS

FRN 002744C CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2023

(Rs.000's omitted)

Particulars	AS ON 31-Mar-23		AS ON 31-Mar-22	
	₹	₹	₹	₹
SCHEDULE 10 : FIXED ASSETS				
I. Premises				
(At cost / revalued cost)				
Balance as at 31st March of the preceding year	4,88,11,918		4,91,01,269	
Additions during the year	17,394		25,445	
Total	4,88,29,312		4,91,26,714	
Deduction/Adjustments during the year	-		3,14,796	
Total	4,88,29,312		4,88,11,918	
Depreciation to date	99,17,382		91,65,015	
TOTAL..... I		3,89,11,930		3,96,46,903
II. Other Fixed Assets				
(Including furniture and fixtures)				
At cost as on 31st March of the preceding year	3,65,83,009		3,53,41,109	
Additions/Adjustments during the year	31,77,913		23,47,271	
Total	3,97,60,922		3,76,88,380	
Deductions/Adjustments during the year	15,70,812		11,05,370	
Total	3,81,90,110		3,65,83,010	
Depreciation to date	2,93,35,081		2,66,76,145	
TOTAL..... II		88,55,029		99,06,865
TOTAL..... (I + II)		4,77,66,959		4,95,53,768
SCHEDULE 11 : OTHER ASSETS				
I. Inter office adjustments (Net)	0		-	
II. Interest accrued	2,00,13,999		2,17,85,964	
III. Tax paid in advance/tax deducted at source	4,26,64,929		3,96,36,119	
IV. Stationery and Stamps	2,28,747		2,25,424	
V. Non-banking assets acquired in Satisfaction of claims	-		-	
VI. Deferred Tax Assets	5,78,81,749		6,85,59,904	
VII. Others	5,65,06,013		6,39,41,469	
		17,72,95,437		19,41,48,880
TOTAL		17,72,95,437		19,41,48,880
SCHEDULE 12 : CONTINGENT LIABILITIES				
I. a) Claims against the Bank not acknowledged as Debts		12,48,708		14,20,497
b) Disputed tax demands under appeals, revision (includes appeals filed by the Income Tax Department of Rs. 51697716('000 omitted) as at 31st March 2023, as against Rs. 39764221 ('000s omitted) as at 31st March 2022.		5,72,68,896		6,05,04,173
II. Liability for partly paid Investments		1,26,58,798		26,89,347
III. Liability on account of outstanding forward exchange contracts		1,10,82,31,495		1,59,08,50,230
IV. Guarantees given on behalf of constituents				
a) In India	9,19,06,778		8,83,87,515	
b) Outside India	52,11,840		58,26,051	
		9,71,18,618		9,42,13,566
V. Acceptances Endorsements and Other Obligations		2,21,49,908		2,43,01,093
VI. Other items for which the bank is contingently liable		2,59,74,565		2,21,09,429
TOTAL		1,32,46,50,988		1,79,60,88,335

Central Bank of India
CENTRAL TO YOU SINCE 1911

CONSOLIDATED PROFIT AND LOSS ACCOUNT OF CENTRAL BANK OF INDIA
PROFIT AND LOSS ACCOUNT FOR YEAR ENDED MARCH 31, 2023

(000's omitted)

Particulars	Schedule No.	YEAR ENDED 31-Mar-23	YEAR ENDED 31-Mar-22
		₹	₹
I. INCOME			
Interest Earned	13	25,65,71,000	22,90,33,395
Other Income	14	4,08,44,939	2,96,74,897
TOTAL		**29,74,15,939**	**25,87,08,292**
II. EXPENDITURE			
Interest Expended	15	13,90,51,019	13,36,08,786
Operating Expenses	16	8,90,99,979	7,27,70,729
Provisions and Contingencies		5,31,71,633	4,16,83,773
TOTAL		**28,13,22,631**	**24,80,63,288**
Share of earning/(loss) in Associates		7,90,621	1,84,501
Consolidated Net Profit/(Loss) for the year before deducting Minorities Interest		**1,68,83,929**	**1,08,29,505**
Less: Minorities Interest		96,145	71,589
Consolidated Profit/(Loss) for the year attributable to the Group		**1,67,87,784**	**1,07,57,916**
Add: -Brought forward consolidated Profit/(Loss) attributable to the Group		1,42,581	(18,74,09,075)
Add- Adjustment in Profit & Loss		(1,14,541)	18,72,42,173
IV. APPROPRIATIONS			
Transfer to Statutory Reserve		**39,55,503**	**26,12,100**
Transfer to Other Reserve		**18,89,806**	**78,36,181**
a. Capital Reserve		13,32,997	12,55,261
b. Revenue Reserve		-	-
c. Investment Reserve		9,300	-
d. Fund in lieu of Insurance		-	-
e. Proposed Dividend- Equity Share Capital		-	-
f. Tax on Dividend		-	-
g. Special Reserve U/S 36 (1) (viii)		-	-
h. Appropriation of Deferred Tax Liability on special Reserve as per NHB guidelines		-	-
i. Investment Fluctuation Reserve		5,47,509	65,80,920
Transfer to Government/Proposed Dividend		-	-
Balance Carried over to the Balance Sheet		**1,09,70,515**	**1,42,581**
TOTAL		**1,68,15,824**	**1,05,90,862**
Earnings Per Share (In ₹)- Basic (Nominal Value Rs 10/- per share)		**1.93**	**1.24**
Earnings Per Share (In ₹)- Diluted (Nominal Value Rs 10/- per share)		**1.93**	**1.24**

The schedules referred to above form an integral part of the Consolidated Profit and Loss Account

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M V MURALI KRISHNA
EXECUTIVE DIRECTOR

M.V.RAO
MANAGING DIRECTOR & CEO

ATTENDED THROUGH VIDEO CONFERENCE

HARDIK M.SHETH
DIRECTOR

P.J.THOMAS
DIRECTOR

DINESH PANGTEY
DIRECTOR

PRADIP P. KHIMANI
DIRECTOR

As per our report of even date

For CHHAJED & DOSHI
Chartered Accountants
F.R.NO. 101794W
CA [illegible]TESH JAIN
PARTNER
M. No. 136169

For ASKA & CO
Chartered Accountants
F.R.NO. 1[illegible]063W
CA SUHAS AMBEKAR
PARTNER
M.No. 101373

FOR KISHORE & KISHORE
Chartered Accountants
F.R. NO. 000291N
CA AKHILESH K. MATHUR
PARTNER
M. NO. 509178

FOR A.R. & CO.
Chartered Accountants
F.R. NO.[illegible]
CA A[illegible]
PARTNER
M.NO. 01[illegible]

Place: Mumbai
Date: April [illegible]

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023

(000's omitted)

Particulars	YEAR ENDED 31-Mar-23	YEAR ENDED 31-Mar-22
	₹	₹
SCHEDULE 13 : INTEREST EARNED		
I. Interest/Discount on Advances / Bills	15,02,53,615	11,59,98,697
II. Income on Investments (Including Dividend)	8,71,84,229	9,26,60,400
III. Interest on balances with Reserve Bank of India and other inter-bank funds	1,44,38,269	1,23,81,061
IV. Others	46,94,887	79,93,237
TOTAL	**25,65,71,000**	**22,90,33,395**
SCHEDULE 14 : OTHER INCOME		
I. Commission, Exchange and Brokerage	1,78,69,428	1,42,47,404
II. Profit on sale of land, buildings and Other Assets	1	91,365
Less: Loss on sale of land, buildings and Other Assets	13,396.00	361
III. Profit on Exchange transactions	30,34,878	19,92,437
Less: Loss on Exchange transactions	-	-
IV. Profit on sale of Investments (Net)	27,36,829	49,10,035
Less: Loss on sale of Investments	-	326
V. Profit on revaluation of Investments	-	-
Less: Loss on revaluation of Investments	- 24,811.00	27,68,771
VI. a) Lease finance income	-	-
b) Lease management fee	-	-
c) Overdue charges	-	-
d) Interest on lease rent receivables	-	-
VII. Miscellaneous Income		
a. Income earned by way of dividends etc. from subsidiaries and Associates abroad/ in India	64,454.00	65,103
b. Others	1,71,27,934	1,11,38,011
TOTAL	**4,08,44,939**	**2,96,74,897**

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SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED MARCH 31, 2023

(000's omitted)

Particulars	YEAR ENDED 31-Mar-23	YEAR ENDED 31-Mar-22
	₹	₹
SCHEDULE 15 : INTEREST EXPENDED		
I. Interest on Deposits	13,42,73,336	12,87,87,024
II. Interest on Reserve Bank of India / Inter-Bank borrowings	10,57,783	8,54,849
III. Others	37,19,900	39,66,913
TOTAL	**13,90,51,019**	**13,36,08,786**
SCHEDULE 16 : OPERATING EXPENSES		
I. Payments to and Provisions for employees	5,61,56,968	4,48,21,474
II. Rent, Taxes and Lighting	52,85,758	48,32,319
III. Printing and Stationery	3,30,635	2,66,105
IV. Advertisement and Publicity	1,75,363	1,33,946
V. a) Depreciation on Bank's property other than Leased Assets	38,59,798	29,67,646
b) Depreciation on Leased Assets	-	-
VI. Directors' Fees, Allowances and Expenses	10,258	6,632
VII. Auditors' Fees and Expenses (including Branch Auditors', Fees & expenses)	3,54,756	3,08,704
VIII. Law Charges	2,73,403	1,90,637
IX. Postages, Telegrams, Telephones etc.	9,37,895	9,49,677
X. Repairs and Maintenance	14,74,942	16,20,903
XI. Insurance	44,14,494	42,80,664
XII. Amortisation of Goodwill, if any	-	-
XIII. Other Expenditure	1,58,25,709	1,23,92,022
TOTAL	**8,90,99,979**	**7,27,70,729**

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SCHEDULE 17 - SIGNIFICANT ACCOUNTING POLICIES	
A.	**Background**
	Central Bank of India (the Bank) is a body corporate registered under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and is regulated by Reserve Bank of India. The principal business is providing banking and financial services with wide range of products and services to individuals, commercial enterprises, large corporates, public bodies and institutional customers. The business is conducted through its branches in India. The equity shares of the Bank are listed at BSE Limited and National Stock Exchange of India Limited.
B.	**Basis of preparation:**
	The financial statements have been prepared by following the going concern concept on the historical cost basis except in respect of the revaluation of premises and conform, in all material aspects, to Generally Accepted Accounting Principles (GAAP) in India, which encompasses applicable statutory provisions, regulatory norms prescribed by Reserve Bank of India (RBI) including those prescribed by the Banking Regulation Act 1949, National Housing Bank Act 1987, the Housing Finance Companies (NHB) Directions 2010, Companies Act 2013, Accounting Standards (AS) and pronouncements issued by The Institute of Chartered Accountants of India (ICAI) and the prevailing practices within the Banking industry in India.
C.	**Basis of Consolidation**
	Consolidated financial statements of the Group (comprising of 2 Subsidiaries, 2 Associates [including 2 RRBs]) and 1 JV have been prepared on the basis of: a) Audited financial statements of Central Bank of India (Parent) b) Line by line aggregation of like items of assets, liabilities, income and expenses of the subsidiaries with the respective item of Parent and after eliminating all material intra-group balances/ transactions, unrealized profit/ losses as per Accounting Standard 21 "Consolidated Financial Statement" issued by the ICAI. c) Investments in associates, where the group holds 20% or more of the voting power has been accounted by using the equity method in terms of Accounting Standard – 23 "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the ICAI. The financial statements of the Indo Zambia Bank Limited, an Associate, have been prepared in accordance with the local regulatory requirements/ International Financial Reporting Standards. Financial statements received from these associates form the sole basis for their incorporation in these consolidated financial statements. d) The Accounting year of the Associate, viz. Indo Zambia Bank Ltd. is calendar year. In case accounting year of Associates are different than that of Parent Bank, proportionate share of profit/ loss is taken based on audited figures of audited period and for unaudited period proportionate share of profit/ loss is taken based on unaudited figures. e) The consolidated financial statements are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements except as otherwise stated.

	Minority interest in the net assets of consolidated subsidiaries consist of: a. The amount of equity attributable to the minority as at the date on which investments in a subsidiary is made, and b. The minority share of movements in equity since date of parent-subsidiary relationship came into existence.
D.	**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 on the date of the financial statements and the reported income and expenses for the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/ materialised.
D.	**Significant accounting policies:**
1.	**Cash and Cash equivalents:** Cash and cash equivalents include cash in hand and ATMs, balances with the Reserve Bank of India, balances with other banks and money at call and short notice.
2.	**Revenue recognition:**
I	**Parent Bank**
	2.1 General Income/ expenditure is generally accounted for on accrual basis except for income accounted on cash basis as per regulatory provisions.
	2.2 Income from investments a) The Profit or loss on sale of investments is recognised in the Profit and Loss Account. In accordance with the guidelines issued by the Reserve Bank of India, profit on sale of investments in the Held to Maturity (HTM) category is appropriated (Net of applicable taxes and amount required to be transferred to "Statutory Reserve Account") to the "Capital Reserve Account". b) Income (other than interest) on investments in "Held to Maturity (HTM)" category acquired at a discount to the face value, is recognised as follows: (i) on interest bearing securities, it is recognised only at the time of sale/ redemption. (ii) on zero-coupon securities, it is accounted for over the balance tenor of the security on a constant yield basis. c) Dividend income is recognized when right to receive the dividend is established. d) Upside on security receipts is recognised on realisation as 'Other income'.
	2.3. Sale of financial assets Financial Assets sold are recognized as under: a) The sale of NPA is accounted as per guidelines prescribed by RBI. When the Bank sells its financial assets to Securitisation Company (SC)/ Reconstruction Company (RC), the same

		is removed from the books. b) In case the sale to SC/ARC is at a price lower than the Net Book Value (NBV) the shortfall is charged to the Profit and Loss Account in the year of sale. c) In case the sale is at a price higher than the NBV on cash basis, the surplus is taken to the credit of Profit and Loss Account.
	2.4.	**Fee based income** Commission on letters of credit, bank guarantee and deferred payment guarantee are recognised on accrual basis proportionately over the period. All other commission and fee income are recognised on their realisation.
	2.5	**Others** a) Interest on income tax refund is accounted on receipt of refund order(s)/ intimation from Income Tax Department and acceptance by the Bank.
		b) Provision for interest payable on overdue deposits is made as per Reserve Bank of India guidelines.
II	**Subsidiaries** a) In case of Cent Bank Home Finance Ltd., the subsidiary, income recognition on Loans and Advances are made on the basis of Prudential norms laid down by National Housing Bank (NHB). b) In case of Cent Bank Home Finance Ltd., the subsidiary, income from fee and other charges viz. login fee, penal interest on overdue, prepayment charges, interest on income tax refunds and other income etc. are recognized on receipt basis. c) In case of Centbank Financial Services Ltd., the subsidiary, income in relation to Executor Trusteeship business is accrued on occurrence of transactions relating to trust account. Revenue from debenture and security trusteeship services is recognized on period basis and accounted on accrual basis except the income from debenture trusteeship business of suit filed and/or BIFR companies, which is accounted on receipt basis.	
3.	**Advances:**	
I	**Parent bank**	
	3.1	Based on the guidelines/ directives issued by the RBI, loans and advances are classified as performing and non-performing, as follows: a) The term loan is classified as a non-performing asset, if interest and/ or instalment of principal remains overdue for a period of more than 90 days. b) An overdraft or cash credit is classified as a non-performing asset, if, the account remains "out of order", i.e. if the outstanding balance exceeds the sanctioned limit/ drawing power continuously for a period of 90 days, or if there are no credits continuously for 90 days, or if the credits are not adequate to cover the interest debited during the previous 90 days period. c) The bills purchased/ discounted are classified as non-performing asset if the bill remains overdue for a period of more than 90 days. d) The agricultural advances are classified as a non-performing if, (i) for short duration crops, where the instalment of principal or interest remains overdue for two crop seasons; and (ii) for long duration crops, where the principal or interest remains overdue for one crop season.

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	3.2	Non-performing assets are classified into sub-standard, doubtful and loss Assets, based on the following criteria stipulated by RBI: a) Sub-standard: A loan asset that has remained non-performing for a period less than or equal to 12 months. b) Doubtful: A loan asset that has remained in the sub-standard category for a period of 12 months. c) Loss: A loan asset where loss has been identified but the amount has not been fully written off.
	3.3	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 provision of 15% on the total outstanding. ii. Additional provision of 10% for exposures which are unsecured ab-initio (i.e. where realisable value of security is not more than 10 percent ab-initio). iii. Unsecured Exposure in respect of infrastructure advances where certain safeguards such as escrow accounts are available - 20%.	
Doubtful Assets:	
- Secured portion:	
Up to one year	25%
One to three years	40%
More than three years	100%
- Unsecured portion	100%
Loss Assets	100%

	3.4	Advances are shown net of provisions (in case of NPA), Unrealised Interest, amount recovered from borrowers held in Sundries and claims received from CGTSI/ ECGC, etc.
	3.5	For restructured/ rescheduled assets, provisions are made in accordance with the guidelines issued by the RBI, which inter alia require that the difference between the fair value of the loans/ advances before and after restructuring is provided for, in addition to provision for the respective loans/ advances. The provision for diminution in fair value and interest sacrifice, if any, arising out of the above, is reduced from advances.
	3.6	In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI Guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others" and are not considered for arriving at the Net NPAs.
	3.7	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.
	3.8	Amounts recovered against debts written off in earlier years are recognised as revenue in the year of recovery.
	3.9	Additional provisions higher than regulatory norms are made in specific assets in view of the identified weakness and/ or prevailing economic situation.

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	3.10	Partial recoveries in non-performing account (including partially written off accounts) are appropriated in the following order: i. Principal Overdues / Irregularities ii. Unrealised interest iii. Partial Written Off principal iv. Uncharged Interest v. Unrealised charges In case of suit filed/SARFAESI/ recalled accounts, recovery is appropriated in the following order: i. Ledger outstanding balance ii. Unrealised interest iii. Partial Written Off principal iv. Uncharged Interest v. Unrealised charges However, where any borrower account is required to be classified as non-performing from an earlier date, any recovery till the account was classified as Standard is first credited to Interest on Loans and Advances [viz. Scheme for sustainable Structuring of Stressed assets (S4A), Strategic Debt Restructuring, Flexible Structuring of Long-Term Project Loan (5/25), Change of Ownership of Borrowing Entities (outside Strategic Debt Restructuring Scheme)].
II	**Subsidiaries** a) In case of Cent Bank Home Finance Ltd., the subsidiary, provisions on Loans and Advances are made on the basis of Prudential norms laid down by National Housing Bank. b) In case of Cent Bank Home Finance Ltd., the subsidiary, Interest income is recognized on accrual basis except in case of Non-Performing Assets (NPA) where interest is accounted on realization. In loans, the repayment is received by the way of Equated Monthly Instalments (EMIs) comprising principal and interest. Interest is calculated on the outstanding balance at the beginning of the month. EMI commences once the entire loan is disbursed. Pending commencement of EMI, pre-EMI monthly interest is charged. Recovery in case of NPA is appropriated first towards interest portion of overdue EMIs and thereafter towards principal portion of overdue EMIs.	
4	**Provision for country exposure:**	
	In addition to the specific provisions held according to the asset classification status, provisions are also made for individual country exposures (other than the home country). Countries are categorised into seven risk categories, namely, insignificant, low, moderate, high, very high, restricted and off-credit and provisioning made as per extant RBI guidelines. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is maintained on such country exposures. The provision is reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others".	
5.	**Investments:**	
I	**Parent bank**	
	Investments are accounted for in accordance with the extant guidelines of investment classification and valuation, as given below:	

	5.1	**Classification:** In accordance with the guidelines issued by the Reserve Bank of India, Investments are classified into "Held to Maturity (HTM)", "Held for Trading (HFT)" and "Available for Sale (AFS)" categories. For disclosure in the Balance Sheet in Schedule 8, investments are classified as Investments in India and outside India. Under each category, the investments in India are further classified as a) Government Securities b) Other Approved Securities c) Shares d) Debentures and Bonds e) Subsidiaries, joint ventures and sponsored institutions; and f) Others (Commercial Papers and units of Mutual Funds etc.) The investments outside India are further classified under 3 categories a) Government Securities b) Subsidiaries and Joint Ventures c) Other Investments
	5.2	**Basis of Classification:** Classification of an investment is done at the time of purchase into the following categories: a) Held to Maturity: Investments that the Bank intends to hold till maturity are classified as "Held to Maturity (HTM)". b) Held for Trading: Investments that are held principally for resale within 90 days from the date of purchase are classified as "Held for Trading (HFT)". c) Available for Sale: Investments, which are not classified in the above two categories, are classified as "Available for Sale (AFS)". d) Transfer of Securities between categories: An investment is classified as HTM, HFT or AFS at the time of purchase and subsequent shifting amongst categories is done in conformity with the regulatory guidelines. e) Investments in subsidiaries, joint ventures and sponsored institutions are classified as HTM except in respect of those investments which are acquired and held exclusively with a view to its subsequent disposal. Such investments are classified as AFS.
	5.3	**Valuation:** The transactions in all securities are recorded on a Settlement Date and cost is determined on the weighted average cost method. a) Incentive, front-end fees etc., received on purchase of securities are reduced from the cost of investments. b) Expenses such as brokerage, fees, commission or taxes incurred at the time of acquisition of securities are charged to the Profit and Loss Account as revenue

		expenses. c) Broken Period interest paid/ received on debt instruments is treated as interest expense/ income and is excluded from cost/ sale consideration.
		a) Valuation of investments classified as Held to Maturity: The investments classified under this category are carried at acquisition cost. The excess of acquisition cost / book value over the face value is amortised over the remaining period of maturity. Such amortisation of premium is accounted as expense. Investments (in India and abroad) in subsidiaries, joint ventures and associates are valued at historical cost. A provision is made for diminution, other than temporary in nature, for each investment individually. Investments in Regional Rural Banks are valued at carrying cost (i.e. book value). **b) Valuation of investments classified as Available for sale and Held for Trading:** Investments classified as Available for Sale and Held for Trading are individually revalued at market price or fair value determined as per the regulatory guidelines and the net depreciation if any, of each group for each category (viz.(i) Government securities, (ii) Other Approved Securities, (iii) Shares, (iv) Bonds and Debentures, (v) Subsidiaries and Joint Ventures and (vi) others) is provided for and net appreciation is ignored. **c) Valuation policy in event of inter category transfer of investments:** i) Transfer of securities from HFT/ AFS category to HTM category is carried out at the lower of acquisition cost/ book value/ market value on the date of transfer. The depreciation, if any, on such transfer is fully provided for. ii) Transfer of securities from HTM category to AFS category is carried out on acquisition price/ book value. On transfer, these securities are immediately revalued and resultant depreciation, if any, is provided, in the Profit and Loss Account. **d) Valuation in case of sale of NPA (financial asset) to Securitisation Company (SC)/ Asset Reconstruction Company (ARC) against issue of Security Receipts:** i) The investment in security receipts obtained by way of sale of NPA to SC/RC, is recognised at lower of: (i) Net Book Value (NBV) (i.e. book value less provisions held) of the financial asset; and (ii) Redemption value of SR. ii) SRs issued by an SC/ ARC are valued in accordance with the guidelines applicable to non-SLR instruments. Accordingly, in cases where the SRs issued by the SC/ ARC are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Net Asset Value, obtained from the SC/ ARC, is reckoned for valuation of such investments. e) Treasury Bills and Commercial Papers are valued at carrying cost.
	5.4	**Investments (NPI):**
		Investments are classified as performing and non-performing, based on "Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2021" (as amended) and "Prudential norms on Income Recognition, Asset Classification and

		Provisioning pertaining to Advances", as under: a) Interest/ instalment (including maturity proceeds) is due and remains unpaid for more than 90 days. The same is applied to preference shares where the fixed dividend is not paid. b) In the case of equity shares, in the event the investment in shares of any company is valued at Re. 1 per company on account of non-availability of the latest balance sheet, those equity shares would be reckoned as NPI. c) The Bank also classifies an investment as a non-performing investment, in case any credit facility availed by the same borrower/ entity has been classified as a non-performing asset and vice versa. d) The investments in debentures/ bonds, which are deemed to be advance, are also subjected to NPI norms as applicable to investments.
	5.5	**Accounting for Repo/ Reverse Repo transactions**
		The Bank enters into repurchase and reverse repurchase transactions with RBI under Liquidity Adjustment Facility (LAF) and also with market participants. Repurchase transaction represents borrowing by selling the securities with an agreement to repurchase the securities. Reverse repurchase transactions on the other hand represent lending funds by purchasing the securities. a) The securities sold and purchased under Repo/ Reverse Repo are accounted as overnight Tri-party Repo (TREPS) dealing and settlement. b) However, securities are transferred as in the case of normal outright sale/ purchase transactions and such movement of securities is reflected using the Repo/ Reverse Repo Accounts and contra entries. c) The above entries are reversed on the date of maturity. Balance in Repo Account is classified under Schedule 4 (Borrowings) and balance in Reverse Repo Account is classified under Schedule 7 (Balance with Banks and Money at call & short notice). d) Interest expended/ earned on Securities purchased/ sold under LAF with RBI is accounted for as expenditure/ revenue.
II	**Subsidiaries** In case of Subsidiaries, the Investments are classified as current and non-current Investments. Current Investments are carried at lower of cost or market value and non-current investments are carried at cost. Provision for diminution, if any, in the value of the non-current investment is made only, if the diminution in the value is of permanent nature.	
6.	**Derivatives:**	
	The Bank enters into derivative contracts, such as interest rate swaps, currency swaps and cross currency swaps in order to hedge on balance sheet/ off-balance sheet assets and liabilities or for trading purposes.	
	6.1 Derivatives used for hedging are accounted as under:	

		a) In cases where the underlying assets/ liabilities are marked to market, resultant gain/loss is recognised in the Profit and Loss Account. b) Derivative contracts classified as hedge are recorded on accrual basis. Hedge contracts are not marked to market unless the underlying assets/ liabilities are also marked to market. c) Gain or losses on the termination of Swaps are recognised over the shorter of the remaining contractual life of the swaps or the remaining life of the assets/ liabilities.
	6.2	**Derivatives used for trading are accounted as under:**
		a) Currency futures and interest rate futures are marked to market on daily basis as per exchange guidelines of MCX-SX and NSE. b) Mark to market profit or loss is accounted by credit/ debit to the margin account on daily basis and the same is accounted in the Bank's profit and loss account on final settlement. c) Trading swaps are marked to market at frequent intervals. Any mark to market losses are booked and gains, if any, are ignored on net basis. d) Gains or losses on termination of swaps are recorded immediately as income/ expense under the above head.
7.	**Transactions involving foreign exchange:**	
	7.1	Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency.
	7.2	Foreign currency monetary items are reported using the Foreign Exchange Dealers Association of India ("FEDAI") closing (spot/ forward) rates and the resultant profit or loss is recognised in the Profit and Loss Account. Foreign currency non-monetary items, which are carried at historical cost, are reported using the exchange rate on the date of the transaction. Contingent liabilities denominated in foreign currency are reported using the FEDAI closing spot rates.
	7.3	Outstanding foreign exchange spot and forward contracts are revalued at the exchange rates notified by FEDAI for specified maturities, and the resulting Profit or Loss is recognised in the Profit and Loss Account.
	7.4	Foreign exchange forward contracts which are not intended for trading and are outstanding at the balance sheet date, are valued at the closing spot rate. The premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract.
	7.5	Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognised as income or as expense in the period in which they arise.
	7.6	Gains/ Losses on account of changes in exchange rates of open position in currency futures trades are settled with the exchange clearing house on daily basis and such gains/losses are recognised in the profit and loss account.

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8.	Fixed assets and depreciation:	
I	**Parent bank**	
	8.1	Fixed Assets are carried at cost less accumulated depreciation/ amortisation. Cost includes cost of purchase and all expenditure such as site preparation, installation costs, taxes and professional fees incurred on the asset before it is put to use.
	8.2	Subsequent expenditure(s) incurred on the assets put to use are capitalised only when it increases the future benefits from such assets or their functioning capability.
	8.3	Fixed Assets are depreciated under 'Written Down Value Method' at the following rates (other than computers which are depreciated on Straight Line Method): a. Premises At varying rates based on estimated life a) Furniture, Lifts, Safe Vaults 10% b) Vehicles, Plant & Machinery 20% c) Air conditioners, Coolers, Typewriters etc. 15%. d) Computers including Systems Software 33.33% (Application Software is charged to the Revenue during the year of acquisition.)
	8.4	Other fixed assets are depreciated on Straight Line Method on the basis of estimated useful life of the assets.
	8.5	Land acquired on lease for over 99 years is treated as freehold land and those for 99 years or less is treated as leasehold land. Cost of leasehold land is amortized over the period of lease.
	8.6	Where it is not possible to segregate the cost of land and premises, depreciation is charged on the composite cost.
	8.7	In case of assets, which have been revalued, the depreciation/ amortization is provided on the revalued amount and is charged to the Profit and Loss Account. Amount of incremental depreciation/ amortization attributable to the revalued amount is transferred from 'Revaluation Reserve' and credited to 'Revenue and Other Reserves'.
	8.8	Depreciation on additions to assets, made upto 30th September is provided for the full year and on additions made thereafter, is provided for the half year. No depreciation is provided on assets sold before 30th September and depreciation is provided for the half year on assets sold after 30th September.
	8.9	The Bank considers only immovable assets for revaluation. Properties acquired during the last three years are not revalued. Valuation of the revalued assets is done every three years thereafter.
	8.10	The increase in net book value of the asset due to revaluation is credited to the Revaluation Reserve Account without routing through the Profit and Loss Account. Additional depreciation on the revalued asset is charged to the Profit and Loss Account and appropriated from the Revaluation Reserves to Other Revenue Reserve.
	8.11	The revalued asset is depreciated over the balance useful life of the asset as assessed at the time of revaluation.
II	**Subsidiaries** a) Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes all expenses incidental to expenses to the acquisition of fixed assets. b) Depreciation on fixed assets has been provided on straight line method at the rates specified in Schedule II to the Companies Act, 2013 except in case of Centbank Financial Services Ltd., the	

	subsidiary, intangible assets have been amortized considering the economic life of the asset to be 5 years by the Management and amortized accordingly.		
9	**Leases:**		
	Leases where risks and rewards of ownership are retained by lessor are classified as Operating Lease as per AS-19 (Leases). Lease payments on such lease are recognised in Profit and Loss account on a straight-line basis over the lease term in accordance with AS 19.		
10	**Impairment of Assets:**		
	Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset.		
11.	**Employee Benefits:**		
	11.1	Employee benefits are accrued in the year services are rendered by the employees.	
	11.2	**Short Term Employee Benefits:**	
		The undiscounted amounts of short-term employee benefits, which are expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.	
	11.3	**Defined benefit plans:** The Bank operates Gratuity and Pension schemes which are defined benefit plans. a) The Bank provides for gratuity to all eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, or on death while in employment, or on termination of employment, for an amount equivalent to 15 days basic salary payable for each completed year of service, subject to the cap prescribed by the Statutory Authorities. Vesting occurs upon completion of five years of service. The Bank makes periodic contributions to a fund administered by Trustees based on an independent external actuarial valuation. b) The Bank provides for pension to all eligible employees. The benefit is in the form of monthly payments as per rules to vested employees on retirement or on death while in employment, or on termination of employment. Vesting occurs at different stages as per rules. The pension liability is reckoned based on an independent actuarial valuation carried out annually and Bank makes such additional contributions periodically to the Fund as may be required to secure payment of the benefits under the pension regulations. c) The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/ losses are immediately recognised in the Profit and Loss Account and are not deferred. d) When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss	

		account when the plan amendment or when a curtailment or settlement occurs. Liability for long term employee benefit under defined benefit scheme such as contribution to gratuity, pension fund and leave encashment are determined at close of the year at present value of the amount payable using actuarial valuation technique. e) Actuarial gain/losses are recognised in the year when they arise.
	11.4	**Defined Contribution Plan:**
		Provident fund is a defined contribution as the bank pays fixed contribution at predetermined rates. The obligation of the bank is limited to such fixed contribution. The contributions are charged to Profit and Loss account.
		National Pension Scheme which is applicable to employees who have joined bank on or after 01.04.2010 is a defined contribution scheme. Bank pays fixed contribution at pre-determined rate. The obligation of the bank is limited to such fixed contribution. The contribution is charged to Profit and Loss Account
12.	**Accounting for Taxes on Income:** Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The provision for tax for the year comprises of current tax liability computed in accordance with the Income Tax Act, 1961 and as per Accounting Standard 22 – "Accounting for Taxes on Income" respectively. Deferred tax is recognized on timing differences between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised. Deferred Tax Assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future profits. The carrying amount of deferred tax assets is reviewed at each balance sheet date to reassess its realization. Disputed tax liabilities are accounted for in the year of finality of assessment/ appellate proceedings and till such times they are shown as contingent liability. The impact of changes in deferred tax assets and liabilities is recognised in the Profit and Loss Account.	
13.	**Sundry Unallocated Income and Proceeds** In case of Centbank Financial Services Ltd., the subsidiary, the amounts received on behalf of beneficiaries of whom details about the beneficiaries cannot be ascertained, such amounts have been accounted in nominal account "Sundry Party Unclaimed Dividend / Interest" and "Unallocated / Unclaimed Proceeds on Redemption of Securities". As and when the details are received from the payer about the beneficiaries, the amount is transferred to the respective beneficiary account.	

14.	**Provisions, Contingencies and Contingent assets:**	
	13.1	In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the Bank recognises provisions only when it has a present obligation as a result of a past event, and would result in a probable 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.
	13.2	No provision is recognised for: a) any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or b) any present obligation that arises from past events but is not recognised because: i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or ii. a reliable estimate of the amount of obligation cannot be made.
		Such obligations are recorded as contingent liabilities. These are assessed at regular intervals and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.
	13.3	Provision for reward points in relation to the debit card holders of the Bank is made on estimated basis.
	13.4	Contingent assets are neither recognised nor disclosed in the Financial Statements.
14	**Special Reserves:**	
	Revenue and other Reserve include Special Reserve created under Section 36(i)(viii) of the Income Tax Act, 1961. The Board of Directors of the Bank has passed a resolution approving creation of the reserve and confirming that it has no intention to make withdrawal from the Special Reserve.	
15	**Segment Reporting**	
	The Bank recognises the business segment as the primary reporting segment and geographical segment as the secondary reporting segment in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 – "Segment Reporting" issued by The Institute of Chartered Accountants of India.	

CHHAJED & DOSHI MUMBAI 400 069 CHARTERED ACCOUNTANTS

A. R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

16	Earnings per Share:
	a) The Bank reports basic and diluted earnings per share in accordance with AS 20 – "Earnings per Share" issued by the Institute of Chartered Accountants of India. Basic Earnings per Share is computed by dividing the Net Profit after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. b) Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is calculated by using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M V MURALI KRISHNA
EXECUTIVE DIRECTOR

M.V.RAO
MANAGING DIRECTOR & CEO

ATTENDED THROUGH VIDEO CONFERENCE

HARDIK M.SHETH
DIRECTOR

P.J.THOMAS
DIRECTOR

DINESH PANGTEY
DIRECTOR

PRADIP P. KHIMANI
DIRECTOR

As per our report of even date

For CHHAJED & DOSHI
Chartered Accountants
F.R.NO. 101794W

CA NITESH JAIN
PARTNER
M. No. 136169

For ASKA & CO
Chartered Accountants
F.R.NO. 122063W

CA SUHAS AMBEKAR
PARTNER
M.No. 101373

FOR KISHORE & KISHORE
Chartered Accountants
F.R. NO. 000291N

CA AKHILESH K. MATHUR
PARTNER
M. NO. 509176

FOR A.R. & CO.
Chartered Accountant
F.R. NO.002744C

CA ANIL GAUR
PARTNER
M.NO. 017546

Place: Mumbai
Date:- April 29, 2023

SCHEDULE-18: NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS:

1. Subsidiaries and Associates considered in the preparation of the Consolidated Financial Statements
   1.1. The Consolidated Financial Statements comprise the financial statements of Central Bank of India (Parent Bank), its two subsidiaries (collectively referred to as "the Group") and share of profit / loss in three Associates consisting of two Regional Rural Banks (RRBs) sponsored by the Parent Bank and Indo Zambia Bank Limited as per details given below:

Name of the Subsidiary/Associate	Country of Incorporation	Ownership interest as at March 31, 2023	Ownership interest as at March 31, 2022
Cent Bank Home Finance Limited (Subsidiary)	India	64.40%	64.40%
Centbank Financial Services Limited (Subsidiary)	India	100.00%	100.00%
Uttar Bihar Gramin Bank, Muzzaffarpur (Associate)	India	35.00%	35.00%
Uttarbanga Kshetriya Gramin Bank, Cooch Behar (Associate)	India	35.00%	35.00%
Indo Zambia Bank Limited (JV)	Zambia	20.00%	20.00%

   1.2. The financial statements of the Subsidiaries and Associates which are used in the consolidation have been drawn up to the same reporting date as that of Parent Bank i.e. 31st March, 2023, except Indo Zambia Bank Ltd., whose reporting period is calendar year and share in profit has been taken on unaudited figures for the financial year ended 31.03.2023. Financial Statement of Indo Zambia Bank is prepared as per the accounting policies adopted under local laws. In the opinion of the Management the impact is not material.
   1.3. The accumulated share of profit/ loss of the Parent Bank in the associates has been added to/ reduced from the carrying cost of Investments with corresponding adjustments in accumulated reserves of the Group.
   1.4. Cent Bank Home Finance Ltd., the subsidiary, like other Housing Finance Institutions grant loans for longer tenure, while deposits received/ liabilities are for shorter tenure, resulting in mismatch of assets and liabilities. The same is being addressed by sufficient credit lines available.
   1.5. Financial Statements of one of the Subsidiaries are audited by an auditor other than auditor of parent bank and another subsidiary financials is unaudited and certified by the management. The financial statements of two associates are audited by an auditor other than the auditor of parent bank and one JV is unaudited and certified by the management.

2. In the preparation of consolidated financial statements, wherever, different accounting policies for similar transactions have been followed by subsidiaries and associates, adjustments have not been made as in the opinion of management of the Bank the same are not material.

3. PARENT BANK
   3.1. CAPITAL:
      3.1.1. Paid up Equity Share Capital of the Bank as on 31.03.2023 is ₹ 8,680.94 crore, the President of India (Government of India) has not infused any fresh capital during the Financial Year 2022-23. The shareholding of President of India (Government of India) in the Bank is 93.08%.

3.2. Balancing of Books / Reconciliation:

3.2.1. The parent Bank is under process of reconciling the outstanding balances/entries in various heads of accounts included in Inter office adjustment (IBR) account.

The Net balance of IBR account as at 31st March, 2022 is ₹ 1.95 crore (net credit) and as at 31st March, 2021 is ₹ 19.01 crore (net credit).

3.2.2. The reconciliation of the following items is in progress.

- Inter Branch Office Balance
- Suspense Accounts
- Clearing & other Adjustment Accounts
- Certain balances in nominal account
- Balances related to ATM Department
- Mirror Accounts maintained by Central Card Department and other balances
- Data/System updation of Agricultural and Priority Sector Advances
- Fixed Asset

The management is of the opinion that the overall impact, if any, on the accounts will not be significant.

3.3. Income Tax:

3.3.1. Provision for Income Tax for the year is arrived at after due consideration of relevant statutory provisions and judicial decisions on disputed issues.

3.3.2. Claims against the bank not acknowledged as debt under contingent liabilities (schedule 12) includes ₹ 5726.89 crore (previous year ₹ 6050.22 crore) towards disputed Income Tax liability of the parent Bank. It includes Income tax appeals at various levels by bank and Income tax department. Provision for disputed amount of taxation is not considered necessary by the Bank on the basis of various judicial pronouncements and favorable decisions in Bank's own case. Payments/ adjustments against the said disputed dues are included under Other Assets (schedule 11). Disputed service tax matter as on March 31st, 2023 is ₹ 7.64 crore.

3.3.3. Government of India has inserted Section 115BAA in the Income Tax Act 1961 ("Act") vide the Taxation Laws (Amendment) Ordinance 2019 dated September 20, 2019 which provides a non-reversible option to domestic companies to pay corporate tax at a reduced rate effective from April 01, 2019 subject to certain conditions. The Bank has assessed the applicability of the act and opted to continue the existing tax rate (i.e. 34.944%) for the financial year ended 31st March, 2023.

3.4. Advances / Provisions:

Advances to units which have become sick including those under nursing/ rehabilitation/ restructuring programme and other advances classified as doubtful/ loss assets have been considered secured/ recoverable to the extent of estimated realizable value of securities carrying first or second charge based on valuers' assessment of properties/ assets mortgaged to the Bank and other data available with the Bank.

3.5. Disclosure of Penalties imposed by RBI

Reserve Bank India has levied penalties of ₹ 0.36 crore (previous year ₹ NIL) in terms of clause (c) of sub-section (1) of section 47(A) read with clause (i) of sub-section (4) of section 46 and section (1) of section 51 of the Banking Regulation Act 1949 for non-compliance with the controversial of the failed to credit (Shadow reversal) the amount involved in the unauthorized electronic transaction to the customers' accounts.

4. Compliance with Accounting Standards

The following information is disclosed in terms of Accounting Standards issued by The Institute of Chartered Accountants of India.

4.1 Accounting Standard – 5 "Net Profit or Loss for the period, Prior Period Items, and Changes in Accounting Policies"

The financial statements for the year ended March 31, 2023 have been prepared following the Accounting Policies and practices as those followed in the annual financial statements for the year ended March 31, 2022 except for accounting of Performance Linked Incentives (PLI). Until the financial year 2021-22, PLI was accounted for on cash basis and from financial year 2022-23 the PLI is accounted for on accrual basis. This change in accounting policy has resulted in decrease in profit before tax by Rs 104.24 crore for year ended March 31, 2023.

4.2. Accounting Standard 9 – Revenue Recognition

Certain items of income are recognized on realization basis as per significant accounting policy no.9. However, the said income is not considered to be material.

4.3. Accounting Standard 15 – Employee Benefits

4.3.3. Defined Benefit Plans

i. Defined Benefit Plans, Employee's pension plan and Gratuity plan

The following table sets out the status of the Defined Benefit Pension Plans and Gratuity Plan as per Actuarial Valuation by the independent Actuary appointed by the Parent bank:-

(Amount ₹ in Crore)

Particulars	Pension Plan		Gratuity Plan	
	Current Year	Previous Year	Current Year	Previous Year
Change in the Present Value of the Defined Benefit Obligation	FY(22-23)	FY(21-22)	FY(22-23)	FY(21-22)
Opening Defined Benefit Obligation 1st April, 2022	16237.43	15557.68	1730.20	1726.67
Current Service Cost	85.97	82.63	107.84	100.62
Interest Cost	1177.21	1012.96	109.69	103.25
Past Service Cost (Vested Benefit)	0.00	821.95	0.00	0.00
Actuarial Losses (gains)	909.56	301.95	(15.07)	100.23
Benefits Paid	(1681.17)	(1539.75)	(280.94)	(300.56)
Direct Payment by Bank	0.00	0.00	0.00	0.00
Closing Defined Benefit Obligation at 31st March ,2023	16729.00	16237.43	1651.72	1730.20

Change in Plan Assets	Current Year	Previous Year	Current Year	Previous Year
	FY(22-23)	FY(21-22)	FY(22-23)	FY(21-22)
Opening Fair Value of Plan Assets as at 1st April, 2022	15807.88	15198.05	1630.51	1534.62
Expected Return on Plan Assets	1133.25	1074.53	110.79	98.[illegible]
Contributions by Employer	1327.65	976.98	231.29	252.11

Expected Contributions by the employees	0.00	0.00	0.00	0.00
Benefits Paid	(1681.17)	(1539.75)	(280.94)	(300.56)
Actuarial Gains /(Loss)on Plan Assets	(103.69)	98.07	(54.23)	45.41
Closing Fair Value of Plan Assets as at 31st March, 2023	16483.92	15807.88	1637.42	1630.51

Amount Recognized in the Balance Sheet	Current Year	Previous Year	Current Year	Previous Year
	FY(22-23)	FY(21-22)	FY(22-23)	FY(21-22)
Present Value of Funded obligation at 31st March, 2023	16,729.00	16,237.43	1,651.72	1,730.20
Fair Value of Plan Assets at 31st March, 2023	(16,483.92)	(15,807.88)	1,637.42	(1,630.51)
Unrecognized past service Cost	0.00	(277.43)	0.00	0.00
Deficit/(Surplus)	245.08	152.12	14.30	99.69
Net Liability/(Asset)	245.08	152.12	14.30	99.69

Net Cost Recognized in the Profit and Loss Account	Current Year	Previous Year	Current Year	Previous Year
	FY(22-23)	FY(21-22)	FY(22-23)	FY(21-22)
Current Service Cost	85.97	82.63	107.83	100.62
Past Service Cost-Recognized	657.56	544.52	0.00	0.00
Interest Cost	1,177.21	1,012.96	109.69	103.25
Expected Return on Plan Assets	(1,133.26)	(1,074.53)	(110.79)	(98.93)
Net Actuarial Losses/(Gain) Recognized During the Year	1,013.25	203.88	39.17	54.82
Total Cost of Defined Benefit Plans included in Schedule 16 "Payments to and provisions for Employees"	1,800.74	769.47	145.90	159.76

Reconciliation of Expected Return and Actual Return on Plan Assets	Current Year	Previous Year	Current Year	Previous Year
	FY(22-23)	FY(21-22)	FY(22-23)	FY(21-22)
Expected Return on Plan Assets	1,133.26	1,074.53	110.79	98.93
Actuarial Gain/(loss)on Plan Assets	(103.69)	98.07	(54.24)	45.41
Actual Return on Plan Assets	1,029.57	1,172.60	56.55	144.34

Reconciliation of Opening and Closing Net Liability /(Asset) Recognized in Balance Sheet	Current Year	Previous Year	Current Year	Previous Year

	FY(22-23)	FY(21-22)	FY(22-23)	FY(21-22)
Opening Net Liability /(Asset) as at 1st April, 2022	(228.01)	359.63	99.69	192.05
Expenses as Recognized in Profit And Loss Account	1800.74	769.47	145.90	159.76
Employer's Contribution	(1327.65)	(976.98)	231.29	252.11
Net Liability/(Assets) Recognized in Balance Sheet	245.08	152.12	14.30	99.69

Investment under Plan Assets of Pension Funds & Gratuity Fund as on 31st March, 2023 are as follows-		
CATEGORY OF ASSETS	PENSION FUND	GRATUITY FUND
	% OF PLAN ASSETS	% OF PLAN ASSETS
Central Govt. Securities	0.31	1.01
State Govt. Securities	18.95	37.56
Debt Securities, Money Market Securities and Bank Deposits	19.70	30.26
Mutual Funds	3.55	6.83
Insurer Managed Funds	57.47	24.27
Others	0.02	0.07
Total	100.00	100.00

Principal Actuarial Assumptions	PENSION PLANS	
	Current Year	Previous Year
	FY(22-23)	FY(21-22)
Discount Rate	7.40	7.25
Expected Rate of Return on Plan Assets	7.40	7.25
Salary Escalation Rate	5.00	5.00
Pension Escalation Rate	4.00	4.00
Attrition Rate	2.50	2.50
Mortality Table	IALM(2012-14)	

Principal Actuarial Assumptions	GRATUITY PLANS	
	Current Year	Previous Year
	FY(22-23)	FY(21-22)
Discount Rate	7.40	6.90
Expected Rate of Return on Plan Assets	7.40	6.90
Salary Escalation Rate	5.00	5.00

Attrition Rate	2.50	2.50
Mortality Table	IALM(2012-14)	

SURPLUS/DEFICIT IN THE PLAN

GRATUITY PLAN	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2019	31-03-2020	31-03-2021	31-03-2022	31-03-2023
Liability at the end of the year	1,648.13	1,623.23	1,726.66	1,730.20	1,651.72
Fair Value of Plan Assets at the end of the year	1,878.26	1,720.32	1,534.62	1,630.51	1,637.42
Difference	(230.13)	(97.09)	192.04	99.69	14.30
Amount Recognized in the Balance Sheet	(230.13)	(97.09)	192.04	99.69	14.30

EXPERIENCE ADJUSTMENT	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2019	31-03-2020	31-03-2021	31-03-2022	31-03-2023
On Plan Liability (Gain)/ Loss	(29.08)	(6.34)	249.60	145.94	(15.07)
On Plan Asset (Loss) / Gain	(42.56)	(3.38)	32.99	45.41	(54.23)

SURPLUS/DEFICIT IN THE PLAN

PENSION PLAN	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2019	31-03-2020	31-03-2021	31-03-2022	31-03-2023
Liability at the end of the year	14,245.10	15,421.82	15,557.67	16,237.43	16,729.00
Fair Value of Plan Assets at the end of the year	14,645.14	14,939.64	15,198.04	15,807.88	16,483.92
Difference	(400.04)	482.18	359.63	429.55	245.08
Amount unrecognized in the Balance Sheet (w.r.t. past service cost)	0.00	0.00	0.00	277.43	0.00
Amount Recognized in the Balance Sheet	(400.04)	482.18	359.63	152.12	245.08
Amount Recognized in the Balance Sheet (w.r.t. past service cost)	0.00	0.00	0.00	544.52	277.43

EXPERIENCE ADJUSTMENT	YEAR ENDED

AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2019	31-03-2020	31-03-2021	31-03-2022	31-03-2023
On Plan Liability (Gain)/ Loss	422.24	12.65	2,279.00	847.41	1,126.87
On Plan Asset (Loss) / Gain	(72.66)	346.19	276.30	98.07	1,013.25

The expected contribution to the Pension and Gratuity fund for next year is ₹ 245.08 crore and ₹ 14.30 Crore respectively.

ii. Defined Contribution Plan:
The bank has a defined contribution pension scheme (DCPS) applicable to all categories of officers and employees joining bank on or after 01/04/2010. The scheme is managed by NPS trust under the aegis of the Pension Fund Regulatory and Development Authority. National Securities Depositary Limited (NSDL) has been appointed as the Central Record Keeping Agency for the NPS. During 2021-22, the bank has contributed ₹ 244.48 crore (Previous year ₹ 146.97 crore).

iii. Employees' Provident Fund:-
During the year bank has recognized expenses of ₹ 0.96 Crore and corresponding year ₹ 1.12 Crore on account of employer contribution for the employees covered under PF option Scheme i.e. PF Optees.

iv. Long Term Employee Benefits (Unfunded Obligation):
During the year bank has recognized expenses of ₹ 78.70 crore (Previous Year ₹ 43.24 crore) towards leave encashment expenses based on actuarial valuation.

Actuarial Valuation Report as per AS15 (revised 2005) - Privilege Leave Benefits

Asset and Liabilities		
Particulars	Current Year	Previous Year
	FY (22-23)	FY (21-22)
Defined Benefit Obligation	1070,33,08,807	991,63,07,002
Fair Value of Plan Assets	-	-
Net Liability (Asset)	1070,33,08,807	991,63,07,002

Financial Assumptions		
Particulars	Current Year	Previous Year
	FY (22-23)	FY (21-22)
Discount Rate	7.45%	6.90%
Salary Growth Rates	5.00%	5.00%

Withdrawal rates Per Annum		
Age Band	Current Year	Previous Year
	FY (22-23)	FY (21-22)
25& Below	2.50%	2.50%
26 to 35	2.50%	2.50%

36 to 45	2.50%	2.50%
46 to 55	2.50%	2.50%
56 & above	2.50%	2.50%

Mortality Rates: Indian Assured Lives Mortality (2012-14) Table

Sample Rates of (Indian Assured Life Mortality)IALM		
Age (In Years)	Current Year	Previous Year
	FY (22-23)	FY (21-22)
20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%
50	0.44%	0.44%
60	1.12%	1.12%

B) Other Long Term Employee Benefits

1. Actuarial Valuation Report as per AS15 (revised 2005) – Retirement Benefits

Asset and Liabilities		
Particulars	Current Year	Previous Year
	FY (22-23)	FY (21-22)
Defined Benefit Obligation	2,74,04,770	3,05,03,237
Fair Value of Plan Assets	-	-
Net Liability (Asset)	2,74,04,770	3,05,03,237

Financial Assumptions		
Particulars	Current Year	Previous Year
	FY (22-23)	FY (21-22)
Discount Rate (P.a)	7.40 %	6.90 %
Inflation Rate (p.a)	0.00 %	0.00 %
Expected Rate of Return (p.a)	Not Applicable	Not Applicable

Withdrawal rates Per Annum		
Age Band	Current Year	Previous Year
	FY (22-23)	FY (21-22)
25& Below	2.50%	2.50%
26 to 35	2.50%	2.50%
36 to 45	2.50%	2.50%
46 to 55	2.50%	2.50%
56 & above	2.50%	2.50%

Mortality Rates: Indian Assured Lives Mortality (2012-14) Table

Sample Rates of (Indian Assured Life Mortality)IALM		
Age (In Years)	Current Year	Previous Year
	FY (22-23)	FY (21-22)
20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%

50	0.44%	0.44%
60	1.12%	1.12%

2. Actuarial Valuation Report as per AS15 (revised 2005) – Long Service Benefits

Asset and Liabilities		
Particulars	Current Year	Previous Year
	FY (22-23)	FY (21-22)
Defined Benefit Obligation	1,21,30,154	1,18,22,548
Fair Value of Plan Assets	0	0
Net Liability (Asset)	1,21,30,154	1,18,22,548

Financial Assumptions		
Particulars	Current Year	Previous Year
	FY (22-23)	FY (21-22)
Discount Rate (P.a)	7.40 %	6.90 %
Inflation Rate (p.a)	0.00 %	0.00 %
Expected Rate of Return (p.a)	Not Applicable	Not Applicable

Withdrawal rates Per Annum		
Age Band	Current Year	Previous Year
	FY (22-23)	FY (21-22)
25& Below	2.50%	2.50%
26 to 35	2.50%	2.50%
36 to 45	2.50%	2.50%
46 to 55	2.50%	2.50%
56 & above	2.50%	2.50%

Mortality Rates: Indian Assured Lives Mortality (2012-14) Table

Sample Rates of (Indian Assured Life Mortality)IALM		
Age (In Years)	Current Year	Previous Year
	FY (22-23)	FY (21-22)
20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%
50	0.44%	0.44%
60	1.12%	1.12%

A S K A & CO. FRN 122063W Chartered Accountants

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

4.4. Accounting Standard 17 – Segment Report of the Group

CONSOLIDATED SEGMENT REPORT FOR THE YEAR ENDED MARCH 31, 2023

As per the revised guidelines of Reserve Bank of India the Bank has recognized Treasury Operations Corporate/ Wholesale Banking Retail Banking and other Banking business as primary reporting segments. There are no secondary reporting segments.

The following are the primary segments of the Bank:-

- Treasury
- Corporate / Wholesale Banking
- Retail Banking
- Other Banking Business.

The present accounting and information system of the Bank based on the present internal, organisational and management reporting structure and the nature of their risk and returns, the data on the primary segments have been computed as under:

- Treasury – The Treasury Segment includes the entire investment portfolio and trading in foreign exchange contracts and derivative contracts. The revenue of the treasury segment primarily consists of fees and gains or losses from trading operations and interest income on the investment portfolio.
- Corporate / Wholesale Banking – The Corporate / Wholesale Banking segment comprises the lending activities of Corporate Accounts, Trust / Partnership Firms Companies and statutory bodies which are not included under Retail Banking and Stressed Assets Management Branch. These include providing loans and transaction services to corporate and institutional clients.
- Retail Banking – The Retail Banking Segment comprises of retail branches, which primarily includes Personal Banking activities including lending activities to corporate customers having banking relations with these branches. The Retail Banking Segment consists of all exposures up to a limit of ₹ 7.50 crore (including Fund Based and Non-Fund Based exposures) subject to orientation product granularity criteria and individual exposures. This segment also includes agency business and ATMs.
- Other Banking business – Segments not classified under (i) to (iii) above are classified under this primary segment.

- Secondary (Geographical Segment)
  i) Domestic Operations - Branches/Offices having operations in India

  ii) Foreign Operations – Bank has only one Joint Venture in Zambia.

(Amount in ₹ crore)

Business Segments	Treasury		Corporate/Wholesale Banking		Retail Banking		Other Banking Operations		Total	
Particulars	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Revenue	10974.59	11626.75	6564.56	5263.81	11815.46	8288.21	2.22	1.35	29356.83	25180.12
Result	2585.67	2528.46	[illegible]	(2288.70)	[illegible]	1075.23	1.24	[illegible]	[illegible]	1315.27
Unallocated Expenses									[illegible]	429.54

Operating Profit									2682.03	1744.81
Income Taxes									1072.70	680.31
Extraordinary profit/loss	-	-	-	-	-	-	-	-	69.45	11.29
Net Profit									1678.78	1075.79
Other Information:										
Segment Assets	184294.75	197643.37	77326.32	66602.32	131141.05	107873.07	8.88	8.88	392771.00	372127.64
Unallocated Assets									14308.71	15164.54
Total Assets									407079.71	387292.18
Segment Liabilities	179578.72	191840.34	73563.83	64083.77	124708.58	103811.85	11.85	6.81	377862.98	359742.77
Unallocated Liabilities									0.00	0.00
Total Liabilities									377862.98	359742.77

* Segment Revenue and Expenses have been apportioned on the basis of the segment assets, wherever direct allocation is not possible.

Figures have been regrouped wherever considered necessary to conform to current year classification.

The Group has only one geographical segment i.e. Domestic Segment

4.5. Related Party disclosures as per Accounting Standard 18 – Related Party (of Parent Bank)

4.5.3. List of Related Parties:

4.5.3.1. Key Managerial Personnel as on 31.03.2023

Sr. No.	Name	Designation
	PARENT BANK	
i.	Shri M V Rao	Managing Director & CEO
ii.	Shri Alok Shrivastava (upto 30.11.2022)	Executive Director
iii.	Shri Vivek Wahi	Executive Director
iv.	Shri Rajeev Puri	Executive Director
v.	Shri M V Murali Krishna (w.e.f. 01.12.2022)	Executive Director
	SUBSIDIARIES	
	CENTBANK FINANCIAL SERVICES LIMITED	
i.	Shri S. Venkataraman (upto 16.06.2022)	Managing Director
ii.	Shri Sunil Kumar Naik (w.e.f. 19.07.2022)	Managing Director
iii.	Smt. Aarti Sharma	Company Secretary
	CENT BANK HOME FINANCE LIMITED	
i.	Shri Kushal Pal	Managing Director
ii.	Shri Sachin Sudhakar	General Manager
iii.	Shri Ashish Shrivastava	Company Secretary
iv.	Shri S.C. Mehta	Chief Financial Officer

4.5.3.2. Transactions with Related Parties:

Remuneration paid to key managerial persons:

(Amount in ₹ crore)

Name	Designation	Key Management Personnel	
PARENT BANK:		31.03.2023	31.03.2022
Shri Matam Venkata Rao	Managing Director &	0.41	0.80

Name	Designation	Key Management Personnel	
	CEO		
Shri Alok Srivastava (upto 30.11.2022)	Executive Director	0.25	0.29
Shri Vivek Wahi	Executive Director	0.34	0.27
Shri Rajeev Puri	Executive Director	0.37	0.28
Shri M V Murali Krishna (w.e.f. 01.12.2022)	Executive Director	0.10	0.00
SUBSIDIARIES:			
CFSL			
Shri S. Venkataraman (Resigned as MD on 16.6.2022)	Managing Director	0.05	0.23
Shri Sunil Kumar Naik (appointed as MD on 19.7.2022)	Managing Director	0.18	0.001
Shri H V Kamdar (Retired on 30.4.2021)	Company Secretary	-	0.02
Smt. Aarti Sharma (became KMP w.e.f. 1.5.2021)	Company Secretary	0.08	0.07
CBHFL		-	
Shri Kushal Pal	Managing Director	0.30	0.25
Shri Sachin Sudhakar	General Manager	0.30	0.20
Shri Suyogya Chandra Mehta	Chief Financial Officer	0.15	0.07
Shri Ashish Shrivastava	Company Secretary	0.12	0.05

Note: Keeping in line with para 9 of the AS - 18 - "Related Party Disclosure" issued by ICAI, the transactions with the Subsidiaries and Associates Enterprises have not been disclosed which exempts the State Controlled Enterprises from making any disclosures pertaining to transactions with other related State Controlled Enterprises.
Further, transactions in the nature of Banker-Customer relationship including those with KMP and relatives of KMP have not been disclosed in terms of Para 5 of AS-18.

4.6. Accounting Standard – 19 "Leases"

i. The premises of the Bank were revalued to reflect the market value as on 31.03.2021 based on valuation reports of external independent valuers' and approved by the Board of Directors and ₹ 881.96 crore increase in value thereof have been credited to Revaluation Reserve Account.

ii. In case of assets, which have been revalued, the depreciation is provided on the revalued amount charged to Profit & Loss Account and the amount of incremental depreciation attributable to the revalued amount ₹ 65.36 crore for March 2023 (previous year 2021-22 ₹ 54.12 crore) is transferred from 'Revaluation Reserves' and credited to "Revenue and Other Reserves".

iii. Land obtained on lease by bank includes market value as on 31.03.2021 is ₹ 8.99 crore (previous year ₹ 8.02 crore) with written down value as NIL (previous year ₹ NIL), the lease period of which has expired and the bank is still having its offices/building on these lands and vacant land obtained on lease by the

FRN 027440

Bank includes market value as on as on 31.03.2021 is ₹ 13.72 crore with written down value as NIL, where the lease period is expired, perusing with authorities for lease renewals.

iv. As per AS-19, operating leases primarily comprise office premises and staff residences, which are renewable at the option of the Bank.

i) Liability for Premises taken on non-Cancellable operating lease are NIL as on 31.03.2023.

ii) Amount of lease payments recognized in the P&L Account for operating leases is ₹ 392.02 crore as on 31.03.2023 (Previous Year ₹ 357.07 crore).

v. Additional Disclosure:
Premises obtained by the bank include own property of ₹ 37.13 crore for which registration formalities are still under progress.

The title of property amounting to ₹ 37.13 crore acquired on disposal of security are not in favor of bank as the matter is sub-judice.

4.7. Earnings per Share as per AS 20 has been arrived at as follows:

Earnings per share as per AS 20 has been arrived at as follows:

(Amount in ₹ crore)

Particulars	31.03.2023	31.03.2022
Net Profit / (Loss) after Tax available for Equity Share Holder (Amount in ₹ crore)	1678	1076
Weighted Average number of Equity Share (No.)	8,680,939,432	8,680,939,432
Basic Earnings per Share (₹)	1.93	1.24
Diluted Earnings per Share (₹)	1.93	1.24
Nominal Value per Share (₹)	10	10

4.8. Accounting Standard 22 – Accounting for Taxes on Income (of the Group)

Keeping in view the significant provisioning requirements and revision in guidelines of Deferred Tax Assets (DTA) in CET1 calculation by RBI tax review based on management's estimate of possible tax benefits against timing difference has been carried out and ₹ 5798.91 crore has been recognized as Deferred Tax Assets as at 31st March 2023.

Component of deferred tax assets/ liabilities as on 31st March 2023 are as under:

(Amount in ₹ crore)

Particulars	Deferred Tax Assets		Deferred tax Liability	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Parent Bank:-				
Business Loss	2270.61	1655.92		
Provision for Leave Encashment	374.02	346.52		
Provision for Loans and Advances	3945.44	5728.37		
Interest on Income Tax Refund			40.96	26.94
Interest accrued but not due on investments			699.00	760.96
Special Reserve u/s36(1)(viii) of I.T. Act 1961			34.94	34.94

Depreciation on Fixed Assets			16.26	45.90
Subsidiary:-				
Cent Bank Home Finance Ltd.				
Provision on Advances	5.97	9.58	0.00	0.00
Depreciation on Fixed Assets	0.01	0.01	0.00	0.00
Others	0.23	0.10	1.63	1.12
Special Reserve u/s36(1)(viii) of I.T. Act 1961	0.00	0.00	15.33	14.64
Cent Bank Financial Services Ltd (Net)	0.12	0.06	0.00	0.00
TOTAL	6596.40	7740.56	808.12	884.50
Net Deferred Tax Asset/Liability	5788.28	6856.06	-	-

Net decrease in Deferred Tax Assets for the year 2022-23 is ₹ 1067.78 crore (Previous year ₹ 683.27 crore) has been recognized in profit & loss account.

4.9. Accounting Standard – 28 –Impairment of Assets

A substantial portion of Bank's assets comprise financial assets to which Accounting Standard-28 on impairment of assets is not applicable. In the opinion of the Management there is no material impairment on Other Assets other than financial assets as at 31st March, 2023 requiring recognition in terms of the Standard.

4.10. Accounting Standard – 29 on Provisions Contingent Liabilities and Contingent Assets (of Parent Bank)

4.10.3. Provisions and Contingencies

(Amount in ₹ crore)

Break-up of Provisions and Contingencies shown under the head Expenditure in P&L Account	31.03.2023	31.03.2022
Provisions/Depreciation on Investment (NPI)	214.59	646.74
Prvision towards NPA	3534.31	2461.55
Provision towards Standard Asset	680.54	(222.47)
Provision made for Taxes	1063.14	672.13
Provision for Restructured Advances	(221.81)	595.94
Other Provisions	30.80	(1.57)
TOTAL	5301.57	4152.32

5. Other Disclosures:

6.

5.1 Corporate Social Responsibility

During the year Cent Bank Home Finance Limited the subsidiary has spent Rs. 0.58 crore (Previous year Rs. 0.51 crore towards corporate social responsibility under section 135 of companies Act 2013 and rules thereof.

-

5.2 Provisioning Coverage Ratio (PCR)

Ratios (in percent)	31.03.2023	31.03.2022
Gross NPA to Gross Advances	8.44	14.84

Net NPA to Net Advances	1.77	3.97
The Provisioning Coverage Ratio with Technical Write Off	92.48	86.69
The Provisioning Coverage Ratio without Technical Write Off	80.47	76.29

5.3 Centbank Financial Services Limited, the subsidiary, holds investments in the nature of shares, securities and immovable properties on behalf of its clients in a fiduciary capacity on a Trustee-Beneficiary relationships, which in the opinion of the Board of Directors are adequately safeguarded and properly recorded and all duties arising from such fiduciary relationships are adequately fulfilled.

5.4 Centbank Financial Services Limited, the subsidiary, has not transferred or allocated dividend, interest and other corporate benefits received over a period of time from various companies / undertakings, amounting to ₹ 2.06 crore to the trusts / beneficiaries, on whose behalf the investment portfolios are held under Trusteeship Services. The said amount stood at ₹ 1.79 crore as at 31.03.2022 and has increased to ₹ 2.06 crore as at 31.03.2023. Similarly, it has not transferred or allocated sales / redemption proceeds of shares / debentures amounting to ₹ 0.18 crore to the respective trust / beneficiary. The same is outstanding since 2005-06. It has kept the above funds in current account with its bank since long.

5.5 In terms of RBI guidelines DBOD No.BP.BC.57/62-88 dated December 31, 1988, Inter-Bank Participation Certificates (IBPC) Lending of ₹ NIL has been undertaken. Accordingly, these have been adjusted from the advances of the Parent Bank. Interest income of ₹ NIL has been recognized against these borrowings.

5.6 Implementation of the Guidelines on Information Security, Electronic Banking, Technology Risk Management and Cyber Frauds.
The Parent Bank has formulated policies as per RBI circular RBI/2010-11/494 DBS.CO.ITC.BC.No. 6/31. 02.008/2010-11 dated April 29, 2011. These policies are being reviewed by the management of the bank on periodical basis. The policies were last reviewed by the Board of Directors in the meeting held on 17.03.2023.

5.7 Additional statutory information disclosed in individual financial statements of the Parent and Subsidiaries having no bearing on the true and fair view of the Consolidated Financial Statements and the information pertaining to the items which are not material have not been disclosed in the Consolidated Financial Statements in view of the general clarification issued by the ICAI.

5.8 Disclosure with respect to NCLT provisions:
As per RBI circular No. DBR No. BP.15199/21.04.048/2016-17 and DBR No. BP.1906/21.04.048/2017-18 dated June 23, 2017 and August 28, 2017 respectively, for the accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank is holding total provision of ₹ 6316.13 crore (₹ 6406.10 crore for March 31, 2022) (including FITL of ₹ 127.90 crore) @ (100 % of total outstanding including Investment) as on March 31, 2023

5.9 In accordance with RBI circular no. DBR No. BP.BC.18/21.04.048/2018-19 dated January 01,2019, DOR No. BP.BC.34/21.04.048/2019-20 dated February 11, 2020 and RBI/2020-21/17 DOR No. BP.BC/4/21.04.048/2020-21 dated August 6, 2020 on "Relief for MSME borrowers either exempted or registered under Goods and Services Tax(GST), the details of MSME restructured accounts as on 31st March, 2023 are as under:

No of Accounts Restructured	Amount ₹ in crore
23298	2478.29

5.10 Reserve Bank of India vide their letter dated June 13, 2017, has put the Bank under Prompt (PCA) Corrective Action in view of high net NPA and negative Return on Assets. Bank had complied with the PCA framework norms meticulously. Reserve Bank of India vide its communication CO.DOS.SED.No.S3988/14.01.040/2022-23 dated September 20,2022 has removed our Bank from the Prompt Corrective Action(PCA) framework.

5.11 Disclosure on amortization of expending on account of enhancement in family pension of employees of Banks :-

RBI vide their Circular No.: RBI/2021-22/105 DORACC.REC.57/21.04.018/2021-22 dated 4th October 2021, has permitted Banks to amortize the additional liability on account of revision in family pension for employees over a period of not exceeding 5 (five) years, beginning with financial year ended 31st March 2022, subject to a minimum of 1/5th of the total amount being expensed every year. Based on the Actuarial Valuation report obtained by the Bank the additional liability on account of revision in family pension for employees is arrived at ₹ 821.95 crore. Bank has opted to amortize the same as per the said circular of RBI and has charged an amount of ₹ 544.52 crore out of ₹ 821.95 crore to the Profit & Loss account during the financial year ended 31st March, 2022. During the year ended March 31st, 2023, the Bank has charged ₹ 164.40 crore to the Profit and Loss account. The balance unamortized expense of ₹.113.03 crore has been carried forward to subsequent years. The balance unamortized expense of ₹.113.03 crore has been carried forward to subsequent years. The consequential impact of unamortised pension liability on net profit for the current financial year is Rs. 73.53 crores (net of taxes).

5.12 Additional disclosure related to other asset & other liabilities:

Particulars	FY 2022-23	FY 2021-22
Schedule 5 Other liabilities-IV-5 any item under "others (including provisions)" exceeds 1% of total assets	Nil	Nil
Schedule 11 Other asset –VI any item under "others" in other assets exceeds 1% of the total assets	Nil	Nil
Schedule 14-VII "other miscellaneous income" any item under this head exceeds 1% of total income	Recovery received in accounts written off ₹ 1282.59 crore which is 4.33 % of other total income.	Recovery received in accounts written off ₹ 331.53 crore which is 1.29 % of other total income.
Schedule 16-XII "other expenditure" any item under this head exceeds 1% of total income	Nil	ATM interchange fee paid of ₹ 281.14 which is 1.09 % of other expenditure

The outbreak of Corona virus (COVID-19) pandemic globally including India has resulted in slowdown of economic activities and increased volatility in financial markets. The extent to which the COVID-19 pandemic will impact the Bank's financial results will depend on future developments, which are highly uncertain. Given the uncertainty, because of COVID-19 pandemic, the Bank is continuously monitoring any material change in future economic condition which may impact the Bank's operations and its financial results in future depending on the developments which may differ from that estimated as at the date of approval of the financial statements.

A.R. & CO.
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CHARTERED ACCOUNTANTS

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

VIVEK WAHI EXECUTIVE DIRECTOR	RAJEEV PURI EXECUTIVE DIRECTOR	M V MURALI KRISHNA EXECUTIVE DIRECTOR

M.V.RAO
MANAGING DIRECTOR & CEO

ATTENDED
VIDEO CC

HARDIK M.SHETH DIRECTOR	P.J.THOMAS DIRECTOR	DINESH PANGTEY DIRECTOR	PRADIP P. KHIMANI DIRECTOR

As per our report of even date

For CHHAJED & DOSHI Chartered Accountants F.R.NO. 101794W	For ASKA & CO Chartered Accountants F.R.NO. 122063W	FOR KISHORE & KISHORE Chartered Accountants F.R. NO. 000291N	FOR A.R. & CO. Chartered Accountants F.R. NO.002744C
CA NITESH JAIN PARTNER M. No. 136169	CA SUHAS AMBEKAR PARTNER M.No. 101373	CA AKHILESH K. MATHUR PARTNER M. NO. 509176	CA ANIL GAUR PARTNER M.NO. 017546

Place: Mumbai
Date: 29th April 2023

Azadi Ka Amrit Mahotsav

सेंट्रल बैंक ऑफ इंडिया
Central Bank of India
CENTRAL TO YOU SINCE 1911

CENTRAL BANK OF INDIA

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(₹ In Crore)

Sn	Particulars	31-Mar-23	31-Mar-22
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit/(Loss) before Taxes & Minority Interest	**2,761.10**	**1,763.26**
I	**Adjustments for:**		
	Depreciation on fixed assets	385.98	296.76
	Depreciation on investments (including on matured debentures)	214.10	368.87
	Bad Debts written off/Provision in respect of non performing assets	3,540.38	3,101.21
	Provision for Standard Assets	680.65	(217.55)
	Provision for Other items (Net)	(190.67)	235.53
	(Profit) / Loss on sale of fixed assets (Net)	1.34	(9.10)
	Sub total	**7,392.88**	**5,538.98**
II	**Adjustments for :**		
	Increase / (Decrease) in Deposits	16,610.56	12,836.26
	Increase / (Decrease) in Borrowings	670.62	1,903.64
	Increase / (Decrease) in Other Liabilities and Provisions	148.79	1,794.86
	(Increase) / Decrease in Advances	(38,392.11)	(14,753.67)
	(Increase) / Decrease in Investments	3,979.60	7,374.60
	(Increase) / Decrease in Other Assets	1,111.09	(695.82)
	Direct Taxes Paid (Net of Refund etc.)	(307.77)	277.70
	Sub total	**(16,179.22)**	**8,737.57**
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**(8,786.34)**	**14,276.55**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Sale / Disposal of Fixed Assets	3.62	24.38
	Purchase of Fixed Assets	(212.28)	(157.76)
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	**(208.66)**	**(133.38)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Share Capital (Including Share Premium)	-	-
	Share Application Money	-	-
	Dividend - Equity shares Including Interim Dividend	-	-
	Dividend Tax	-	-
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-	-
D	**Net increase in cash & cash equivalents (A + B + C) or (F - E)**	**(8,995.00)**	**14,143.17**

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

E	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Cash and Bank Balance with RBI	38,033.70	32,188.10
	Balance with Banks and Money at Call and Short Notice	15,063.24	6,765.67
	Net cash and cash equivalents at the beginning of the year (E)	**53,096.94**	**38,953.77**
F	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	Cash and Bank Balance with RBI	27,432.92	38,033.70
	Balance with Banks and Money at Call and Short Notice	16,669.02	15,063.24
	Net cash and cash equivalents at the end of the year (F)	**44,101.94**	**53,096.94**

Notes:

1) The above Consolidated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 on Cash Flow Statement issued by ICAI.

2) Previous year figures have been regrouped/rearranged to conform to those of current years.

VIVEK WAHI
EXECUTIVE DIRECTOR

RAJEEV PURI
EXECUTIVE DIRECTOR

M V MURALI KRISHNA
EXECUTIVE DIRECTOR

M.V.RAO
MANAGING DIRECTOR & CEO

ATTENDED THROUGH VIDEO CONFERENCE

HARDIK M.SHETH
DIRECTOR

P.J.THOMAS
DIRECTOR

DINESH PANGTEY
DIRECTOR

PRADIP P. KHIMANI
DIRECTOR

As per our report of even date

For CHHAJED & DOSHI
Chartered Accountants
F.R.NO. 101794W
CA NITESH JAIN
PARTNER
M. No. 136169

For ASKA & CO
Chartered Accountants
F.R.NO. 122063W
CA SUHAS AMBEKAR
PARTNER
M.No. 101373

FOR KISHORE & KISHORE
Chartered Accountants
F.R. NO. 000291N
CA AKHILESH K. MATHUR
PARTNER
M. NO. 906176

FOR A.R. & CO.
Chartered Accountants
F.R. NO.002744C
CA ANIL GAUR
PARTNER
M.NO. 017546

Place: Mumbai
Date: April 29, 2023

KISHORE & KISHORE Chartered Accountants, C-7, Sector - E (New), Aliganj, **Lucknow** – 226024 (U.P.)	A R & CO. Chartered Accountants, A-403, Gayatri Apartments, Airlines Group Housing Society, Plot No. 27, Sector -10 Dwarka, **New Delhi** – 110075
A D B & COMPANY, Chartered Accountants, First Floor, Mahavir Gaushala Complex K.K. Road, Moudhapara, **Raipur** – 492001 (C.G.)	

INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2024

To,
The Board of Directors
Central Bank of India
Mumbai

Report on the Audit of the Standalone Financial Results

OPINION

1. We have audited the accompanying Statement of Standalone Financial Results of Central Bank of India (the "**Bank**") for the Quarter and Year Ended 31st March, 2024, the Standalone Statement of Assets and Liabilities as on that date and the Standalone Statement of Cash Flow for the year ended on that date ("**the Statement**") attached herewith, being prepared and submitted by the bank pursuant to the requirement of regulation 33 and regulation 52 read with regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**LODR Regulations**"), except for the disclosures related to Pillar 3 disclosures as at 31st March 2024, including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio (NSFR) under Basel III Capital Regulations issued by Reserve Bank of India as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid Statement (Note No. 11) have not been audited by us.

   The Statement includes returns for the year ended on that date of:

   a) the Head Office, 12 Zones, 1 Specialized Integrated Treasury Branch and 20 branches audited by us; and

   b) 1356 branches audited by the respective statutory branch 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 Reserve Bank of India ("**RBI**"). Also, incorporated in the Statement are returns from 3124 branches which have not been subjected to audit. These unaudited branches account for 27.74 per cent of advances, 47.37 per cent of deposits, 31.70 per cent of interest income and 44.95 per cent of interest expenses.

2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

a) is presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the LODR Regulations except for the disclosures relating to Pillar 3 disclosures as at 31st March, 2024 including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio (NSFR) under Basel III Capital Regulation as have disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid Statement (Note no. 11) and which have not been audited by us; and

b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("**RBI Guidelines**") and other accounting principles generally accepted in India, of the standalone net profit and other financial information for the quarter and year ended 31st March, 2024.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") issued by the ICAI. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the Statement, 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.

Emphasis of Matter

4. We draw attention to the following note:

Note No. 6 of the Statement regarding deferred tax, wherein on the basis of tax review made by the Bank's management with respect to the possible tax benefits arising out of the timing difference, the net deferred tax asset of ₹ 4,294.57 crore is recognised as on 31st March 2024 (₹ 5,798.91 crore as on 31st March 2023).

Our opinion is not modified in this matter.

Board of Director's Responsibility for the Standalone Financial Results

5. The Statement has been compiled from the audited annual standalone financial statements and approved by Board of Directors. The Board of Directors are responsible for the preparation of the Statement that give a true and fair view of the net profit and other financial information of the Bank in accordance with the Accounting Standards issued by the ICAI, the relevant provisions of the Banking

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY RAIPUR (C.G.) CHARTERED ACCOUNTANTS

Regulation Act, 1949, RBI Guidelines and other accounting principles generally accepted in India and in compliance with the LODR Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Banking Regulations Act, 1949 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 judgements and estimate 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 Statement that give true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are 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 Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for Audit of the Standalone Financial Results

6. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the Statement.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Results, 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 the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' 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 Statement 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 Statement, including the disclosures, and whether the Statement 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 Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning of the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Standalone 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.

Other Matters

7. We further report that:

   a) We did not audit the financial statements/ financial information of 1356 branches included in the Standalone Financial Results of the Bank whose financial statements/ financial information reflect total assets of ₹ 2,07,912 crore, and total revenue of ₹ 8,313 crore for the year ended on that date, as considered in the Standalone Financial Results. These branches cover 30.08 per cent of advances, 48.99 percent of deposits and 16.02 percent of non-performing assets as at 31st March 2024 and 38.33 percent of revenue for the year ended on that date. The financial statements/ financial 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 branches, is based solely on the report of such branch auditors.

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b) In the conduct of our audit, we have taken note of the unaudited returns in respect of 3124 branches certified by the respective branch's management whose financial statements/ information reflect total assets of ₹ 1,13,873 crore as at 31st March 2024 and total revenue of ₹ 7,632 crore for the year ended on that date. These unaudited branches cover 27.74 percent of advances, 47.37 percent of deposits and 15.82 percent of non-performing assets as on 31st March 2024 and 35.19 percent of revenue for the year then ended.

c) The figures for the quarter ended 31st March 2024 represent the balancing figures between audited figures in respect of full financial year ended 31st March 2024 and the published unaudited year-to-date figures up to 31st December 2023, being the date of the end of the third quarter of the current financial year which was previously subjected to limited review by us, as required under the LODR Regulations.

Our opinion is not modified in respect of above matters.

For KISHORE & KISHORE Chartered Accountants F.R. NO: 000291N **CA P. R. KARANTH** PARTNER M. No. – 018808 UDIN: 24018808BKDZIJ2220	**For A R & CO.** Chartered Accountants F.R. NO: 002744C **CA PAWAN GOEL** PARTNER M. NO. – 072209 UDIN: 24072209BKFDGL6298
For ADB & COMPANY Chartered Accountants F.R.NO: 005593C **CA BANKIM SHUKLA** PARTNER M. No. – 074272 UDIN: 24074272BKEHFU9660	

Place : **Mumbai**
Date : **30.04.2024**

BALANCE SHEET AS AT MARCH 31, 2024

(000's Omitted)

PARTICULARS	SCHEDULE NO.	As at 31-Mar-24 ₹	As at 31-Mar-23 ₹
CAPITAL & LIABILITIES			
Capital	1	8,68,09,394	8,68,09,394
Reserves and Surplus	2	23,46,70,251	20,42,79,672
Deposits	3	3,85,01,13,226	3,59,29,64,686
Borrowings	4	19,80,56,503	8,11,87,478
Other Liabilities and Provisions	5	9,70,77,473	9,64,13,598
TOTAL		4,46,67,26,847	4,06,16,54,828
ASSETS			
Cash and Balances with Reserve Bank of India	6	22,95,46,891	27,43,29,198
Balances with Banks and Money at Call and Short Notice	7	14,65,28,074	16,66,67,335
Investments	8	1,43,92,34,863	1,36,58,34,760
Advances	9	2,43,40,62,841	2,02,98,43,065
Fixed Assets	10	5,33,57,390	4,77,62,762
Other Assets	11	16,39,96,788	17,72,17,708
TOTAL		4,46,67,26,847	4,06,16,54,828
Contingent Liabilities	12	96,29,07,575	1,32,69,62,172
Bills for Collection	-	10,05,70,676	11,03,90,657
Significant Accounting Policies	17		
Notes to Accounts	18		

The schedules referred to above form an integral part of the Balance Sheet.

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M. V. Rao
Managing Director & CEO

ATTENDED THROUGH VIDEO CONFERENCE

Hardik M. Sheth
Director

Charulatha S. Kar
Director

Dinesh Pangtey
Director

ATTENDED THROUGH VIDEO CONFERENCE

Pradip P. Khimani
Director

Pravat Sharma
Director

As per our report of even date.

For KISHORE & KISHORE
Chartered Accountants
F. R. No 000291N

(CA P. R. KARANTH)
PARTNER
M. No. 018808

FOR A. R. & CO
Chartered Accountants
F. R. No.002744C

(CA PAWAN GOEL)
PARTNER
M. No. 072209

FOR A D B & COMPANY
Chartered Accountants
F. R. No. [illegible]

(CA B[illegible])
PARTNER
M. No. 074272

Place: Mumbai
Date: APRIL 30, 2024.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2024

(000's Omitted)

PARTICULARS	As at MARCH 31, 2024 ₹	₹	As at MARCH 31, 2023 ₹	₹
SCHEDULE 1 : CAPITAL				
Authorised Capital		10,00,00,000		10,00,00,000
1000,00,00,000 equity shares of ₹ 10/- each				
(prev year 1000,00,00,000 equity shares) of ₹ 10/- each				
Issued, Subscribed and Paid up Capital :				
Equity Shares	8,68,09,394		8,68,09,394	
8680939432 Equity Shares (previous year 8680939432 Equity shares) of ₹ 10/- each (includes 8080391687 Equity shares of ₹ 10/- each held by Central Govt.)				
TOTAL		8,68,09,394		8,68,09,394
SCHEDULE 2 : RESERVES AND SURPLUS				
I. Statutory Reserves				
Balance as per last Balance Sheet	2,72,03,582		2,32,48,079	
Additions during the year	63,72,645		39,55,503	
		3,35,76,227		2,72,03,582
II. Capital Reserves				
Balance as per last Balance Sheet	1,87,72,225		1,74,39,228	
Additions during the year	3,60,861		13,32,997	
		1,91,33,086		1,87,72,225
III. Revaluation Reserve				
Balance as per last Balance Sheet	3,64,95,852		3,71,49,448	
Additions - during the year / Revaluation	49,00,000		-	
Less : Transfer to Revenue and Other Reserves	5,48,671		6,53,596	
Deductions during the year	-		-	
		4,08,47,181		3,64,95,852
IV. Share Premium				
Balance as per last Balance Sheet	7,46,66,328		7,46,66,328	
Reduction during the year	-			
Additions during the year	-			
		7,46,66,328		7,46,66,328
V. Special Reserve U/s 36(1)(viii) of Income Tax Act		10,00,000		10,00,000
VI. Revenue and Other Reserves				
i) Investment Fluctuation Reserve				
Balance as per last Balance Sheet	71,28,429		65,80,920	
Add : Addition during the year	13,74,460		5,47,509	
Additions/Adjustment during the year	-		-	
Less: Deductions during the year	-		-	
		85,02,889		71,28,429
ii) Investment Reserve				
Balance as per last Balance Sheet	1,23,146		1,13,846	
Add : Addition during the year	4,45,596		9,300	
Additions/Adjustment during the year	-		-	
Less: Deductions during the year	-		-	
		5,68,742		1,23,146
iii) Revenue Reserve				
Balance as per last Balance Sheet	2,89,13,406		2,82,59,810	
Add : Transfer from Revaluation Reserve	5,48,671		6,53,596	
Additions/Adjustment during the year			-	
Less: Deductions during the year	-		-	
		2,94,62,077		2,89,13,406
VI. Balance in Profit and Loss Account				
Balance as per last Balance Sheet	99,76,703		-	
Additions during the year	1,69,37,018		99,76,703	
		2,69,13,721		99,76,703
TOTAL		23,46,70,251		20,42,79,672

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

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ADB & COMPANY F.R.N. 005983C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2024

(000's Omitted)

PARTICULARS	As at MARCH 31, 2024 ₹	₹	As at MARCH 31, 2023 ₹	₹
SCHEDULE 3 : DEPOSITS				
A. I. Demand Deposits				
i) From Banks	70,98,342		98,44,694	
ii) From Others	18,24,85,387		17,78,05,030	
		18,95,83,729		18,76,49,724
II. Savings Bank Deposits		1,73,72,09,212		1,62,53,14,529
III. Term Deposits				
i) From Banks	49,27,343		47,20,164	
ii) From Others	1,91,83,92,942		1,77,52,80,269	
		1,92,33,20,285		1,78,00,00,433
TOTAL		3,85,01,13,226		3,59,29,64,686
B. i) Deposits of Branches in India		3,85,01,13,226		3,59,29,64,686
ii) Deposits of Branches outside India		-		-
SCHEDULE 4 : BORROWINGS				
I. Borrowings in India				
i) Reserve Bank of India	11,01,00,000		1,76,40,000	
ii) Other Banks	28,14,737		-	
iii) Other Institutions & Agencies	5,51,41,766		3,85,47,478	
iv) Unsecured Redeemable Bonds(Subordinated Debt)	-		-	
v) Upper Tier II bonds	-		-	
vi) Innovative Perpetual Debt Instrument	-		-	
vii) Unsecured Redeemable NC Basel III Bonds(Tier II)	3,00,00,000		2,50,00,000	
		19,80,56,503		8,11,87,478
II. Borrowings outside India		-		-
TOTAL		19,80,56,503		8,11,87,478
Secured Borrowings included in I & II above		Nil		Nil

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY FRN - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2024

(000's Omitted)

PARTICULARS	As at MARCH 31, 2024 ₹	₹	As at MARCH 31, 2023 ₹	₹
SCHEDULE 5 : OTHER LIABILITIES AND PROVISIONS				
I. Bills Payable		99,14,552		94,93,094
II. Inter Office Adjustments (Net)		-		19,468
III. Interest Accrued		64,41,814		88,83,232
IV. Deferred Tax Liability		-		-
V. Others (including provisions)		8,07,21,107		7,80,17,804
TOTAL		9,70,77,473		9,64,13,598
SCHEDULE 6 : CASH AND BALANCES WITH RESERVE BANK OF INDIA				
I. Cash in Hand (including foreign currency notes)		1,42,61,838		1,50,01,104
II. Balances with Reserve Bank of India				
In Current Accounts	21,52,85,053		16,52,98,094	
In Other Accounts	-		9,40,30,000	
		21,52,85,053		25,93,28,094
TOTAL		22,95,46,891		27,43,29,198
SCHEDULE 7 : BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE				
I. In India				
i) Balances with Banks				
a) In Current Accounts	2,91,322		4,01,113	
b) In Other Deposit Accounts	1,548		5,724	
ii) Money at Call and Short Notice				
a) With Banks	-		-	
b) With Other Institutions	-		-	
		2,92,870		4,06,837
II. Outside India				
a) In Current Accounts	19,44,554		20,02,668	
b) In Other Deposit Accounts	14,42,90,650		16,42,57,830	
c) Money at Call & Short Notice			-	
		14,62,35,204		16,62,60,498
TOTAL		14,65,28,074		16,66,67,335

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2024

(000's Omitted)

PARTICULARS	As at MARCH 31, 2024 ₹	₹	As at MARCH 31, 2023 ₹	₹
SCHEDULE 8 : INVESTMENTS				
I. Investments in India in : *				
i) Government Securities	1,12,72,08,365		1,03,00,04,109	
ii) Other approved Securities	-		-	
iii) Shares	75,94,338		74,05,595	
iv) Debentures and Bonds	29,15,91,774		31,89,82,562	
v) Subsidiaries and Sponsored Institutions	73,95,862		67,00,687	
vi) Others (Commercial Papers,Mutual Fund Units etc.)	49,69,639		22,66,922	
		1,43,87,59,978		1,36,53,59,875
II. Investments outside India in **				
Subsidiaries and / or Associates abroad		4,74,885		4,74,885
TOTAL		1,43,92,34,863		1,36,58,34,760
* Investments in India				
Gross Value	1,49,49,06,413		1,42,60,54,028	
Less:Provision for Depreciation	5,61,46,435		6,06,94,153	
Net Value		1,43,87,59,978		1,36,53,59,875
** Investments outside India				
Gross Value	4,74,885		4,74,885	
Less:Provision for Depreciation	-		-	
Net Value		4,74,885		4,74,885
SCHEDULE 9 : ADVANCES				
A. i) Bills Purchased and Discounted	2,63,85,662		3,09,41,503	
ii) Cash Credits, Overdrafts & Loans repayable on demand	86,61,26,829		79,22,28,112	
iii) Term Loans	1,54,15,50,350		1,20,66,73,450	
TOTAL		2,43,40,62,841		2,02,98,43,065
B. Particulars of Advances :				
i) Secured by Tangible Assets (including advances against Book Debts)	2,02,39,22,296		1,80,31,15,772	
ii) Covered by Bank / Government Guarantees	1,24,01,090		75,94,346	
iii) Unsecured	39,77,39,455		21,91,32,947	
TOTAL		2,43,40,62,841		2,02,98,43,065
C. Sectoral Classification of Advances				
(I) Advances in India				
i) Priority Sectors	1,14,07,00,488		96,55,61,814	
ii) Public Sector	2,87,63,043		2,40,71,293	
iii) Banks	10,118		2	
iv) Others	1,26,45,89,192		1,04,02,09,956	
TOTAL		2,43,40,62,841		2,02,98,43,065
(II) Advances outside India		-		-

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N. 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2024

(000's Omitted)

PARTICULARS	As at MARCH 31, 2024 ₹	₹	As at MARCH 31, 2023 ₹	₹
SCHEDULE 10 : FIXED ASSETS				
I. Premises				
(At cost / revalued cost)				
Balance as at 31st March of the preceding year	4,88,29,312		4,88,11,918	
Additions during the year (Including Revaluation)	49,23,493		17,394	
Total	5,37,52,805		4,88,29,312	
Deductions / Adjustments during the year	-		-	
Total	5,37,52,805		4,88,29,312	
Depreciation to date	1,05,59,264		99,17,382	
Total		4,31,93,541		3,89,11,930
II. Other Fixed Assets				
(Including furniture and fixtures)				
At cost as at 31st March of the preceding year	3,81,55,228		3,65,50,165	
Additions / Adjustments during the year	63,04,912		31,75,811	
Total	4,44,60,140		3,97,25,976	
Deductions / Adjustments during the year	11,91,115		15,70,747	
Total	4,32,69,025		3,81,55,229	
Depreciation to Date	3,31,05,176		2,93,04,397	
Total		1,01,63,849		88,50,832
TOTAL (I & II)		5,33,57,390		4,77,62,762
SCHEDULE 11 : OTHER ASSETS				
I. Interest accrued	2,13,96,348		2,00,03,448	
II. Tax paid in advance / Tax deducted at source(Net of Provisions)	4,51,57,430		4,26,12,315	
III. Stationery and Stamps	2,10,310		2,28,747	
IV. Non-banking assets acquired in satisfaction of claims	-		-	
V. Deferred Tax Assets	4,29,45,820		5,79,89,094	
VI. Inter Office Adjustments (Net)	8,77,226		-	
VII.Others	5,34,09,654		5,63,84,104	
TOTAL		16,39,96,788		17,72,17,708
SCHEDULE 12 : CONTINGENT LIABILITIES				
I. (a) Claims against the Bank not acknowledged as Debts		41,21,046		12,48,708
(b) Disputed income tax demands under appeals, revisions (inlcudes appeals filed by the Income Tax Department of Rs. 54125695 ('000s omitted) as at 31st Mar 2024 as against Rs. 54125695 ('000s omitted) as at 31st Mar 2023.		5,96,46,738		5,96,96,875
II. Liability for partly paid Investments		1,25,02,962		1,26,58,798
III. Liability on account of outstanding forward Exchange Contracts		73,62,84,486		1,10,82,31,495
IV. Guarantees given on behalf of constituents				
a) In India	9,84,80,561		9,19,06,778	
b) Outside India	3,61,119		52,11,840	
		9,88,41,680		9,71,18,618
V. Acceptances, Endorsements and Other Obligations		1,89,46,706		2,21,49,908
VI. Other item for which the bank is contingently liable		3,25,63,957		2,58,57,770
TOTAL		96,29,07,575		1,32,69,62,172

KISHORE & KISHORE LUCKNOW CHARTERED ACCOUNTANTS

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ADB & COMPANY RAIPUR (C.G.) CHARTERED ACCOUNTANTS

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2024.

(000's Omitted)

PARTICULARS	SCHEDULE NO.	YEAR ENDED 31-Mar-24 ₹	YEAR ENDED 31-Mar-23 ₹
I. INCOME			
Interest Earned	13	30,72,22,358	25,54,18,923
Other Income	14	4,71,12,798	4,08,37,083
TOTAL		35,43,35,156	29,62,56,006
II. EXPENDITURE			
Interest Expended	15	17,82,59,122	13,85,50,976
Operating Expenses	16	10,24,49,154	8,88,67,355
Provisions and Contingencies		4,81,36,300	5,30,15,663
TOTAL		32,88,44,576	28,04,33,994
III. PROFIT/(LOSS) FOR THE Y.T.D. BEFORE PRIOR PERIOD ITEM		2,54,90,580	1,58,22,012
Less: Prior period Item		-	-
Net Profit /(Loss) for the Y.T.D after Prior period item		2,54,90,580	1,58,22,012
Profit / (loss) brought forward		-	-
TOTAL		2,54,90,580	1,58,22,012
IV. APPROPRIATIONS			
Transfer to :			
Statutory Reserve		63,72,645	39,55,503
Investment Fluctuation Reserve		13,74,460	5,47,509
Capital Reserve		3,60,861	13,32,997
Investment Reserve		4,45,596	9,300
Special Reserve u/s 36(1)(viii)		-	-
Staff Welfare Fund		-	-
Revenue Reserve		-	-
Fund in lieu of Insurance		-	-
Proposed Dividend - Preference Capital		-	-
Proposed Dividend - Equity Capital		-	-
Dividend Tax		-	-
Balance carried over to Balance Sheet		1,69,37,018	99,76,703
(B/F losses adjusted against Share Premium)			
TOTAL		2,54,90,580	1,58,22,012
EPS (Basic & Diluted) in ₹ (nominal value ₹ 10/- per share)		2.94	1.82
Significant Accounting Policies	17		
Notes to Accounts	18		

The schedules referred to above form an integral part of the Profit & Loss Account.

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M. V. Rao
Managing Director & CEO

ATTENDED THROUGH VIDEO CONFERENCE
Hardik M. Sheth
Director

Charulatha S. Kar
Director

Dinesh Pangtey
Director

ATTENDED THROUGH VIDEO CONFERENCE
Pradip P. Khimani
Director

Priavrat Sharma
Director

As per our report of even date.

For KISHORE & KISHORE
Chartered Accountants
F. R. No 000291N

(CA P. R. KARANTH)
PARTNER
M. No. 018808

FOR A. R. & CO
Chartered Accountants
F. R. No.002744C

(CA PAWAN GOEL)
PARTNER
M. No. 072209

FOR A D B & COMPANY
Chartered Accountants
F. R. No.005593C

(CA BANKIM SHUKLA)
PARTNER
M. No. 074272

Place: Mumbai
Date: APRIL 30, 2024.

CENTRAL BANK OF INDIA

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2024

(000's omitted)

PARTICULARS	YEAR ENDED 31-Mar-24 ₹	YEAR ENDED 31-Mar-23 ₹
SCHEDULE 13 : INTEREST EARNED		
I. Interest / Discount on Advances / Bills	19,70,71,616	14,92,15,975
II. Income on Investments	9,51,03,914	8,71,50,871
III. Interest on balances with Reserve Bank of India and other Inter Bank Funds	1,12,02,930	1,44,38,269
IV. Others	38,43,898	46,13,808
TOTAL	30,72,22,358	25,54,18,923
SCHEDULE 14 : OTHER INCOME		
I. Commission, Exchange and Brokerage	1,83,83,475	1,78,68,585
II. Profit on Sale of Investments (Net)	63,68,616	27,31,959
III. Profit / (Loss) on Revaluation of Investments	7,29,606	24,811
IV. Profit / (Loss) on Sale of Land, Buildings and other Assets (Net)	(1,46,652)	(13,396)
V. Profit on Exchange Transactions (Net)	24,74,428	30,34,878
VI. Income earned by way of dividends etc. from Subsidiaries and Associates abroad / in India	78,337	79,454
VII. Miscellaneous Income	1,92,24,988	1,71,10,792
TOTAL	4,71,12,798	4,08,37,083

PARTICULARS	YEAR ENDED 31-Mar-24 ₹	YEAR ENDED 31-Mar-23 ₹
SCHEDULE 15 : INTEREST EXPENDED		
I. Interest on Deposits	16,90,80,745	13,38,78,269
II. Interest on Reserve Bank of India / Inter-Bank borrowings	32,59,836	10,02,473
III. Others	59,18,541	36,70,234
TOTAL	17,82,59,122	13,85,50,976
SCHEDULE 16 : OPERATING EXPENSES		
I. Payments to and Provisions for employees	6,31,21,487	5,60,39,653
II. Rent, Taxes and Lighting	59,56,728	52,70,766
III. Printing and Stationery	4,01,862	3,29,020
IV.Advertisement and Publicity	2,48,446	1,74,027
V. Depreciation on Bank's property	49,96,401	38,58,573
VI. Directors' Fees, Allowances and Expenses	12,338	8,783
VII. Auditors' Fees and Expenses (including Branch Auditors)	3,26,312	3,52,812
VIII.Law Charges	3,55,181	2,55,299
IX. Postages, Telegrams, Telephones etc.	8,81,322	9,36,169
X. Repairs and Maintenance	14,80,646	14,73,110
XI. Insurance	46,83,068	44,14,464
XII. Other Expenditure	1,99,85,363	1,57,54,679
TOTAL	10,24,49,154	8,88,67,355

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SCHEDULE 17 - SIGNIFICANT ACCOUNTING POLICIES

A. Background

Central Bank of India (the Bank) is a body corporate registered under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and is regulated by Reserve Bank of India. The principal business is providing banking and financial services with wide range of products and services to individuals, commercial enterprises, large corporates, public bodies and institutional customers. The business is conducted through its branches in India. The equity shares of the Bank are listed at BSE Limited and National Stock Exchange of India Limited.

B. Basis of preparation:

The financial statements have been prepared following the going concern concept and under historical cost convention except in respect of revaluation of premises and conform, in all material aspects, to the Generally Accepted Accounting Principles (GAAP) in India, which encompasses applicable statutory provisions, regulatory norms prescribed by Reserve Bank of India (RBI) including those prescribed by the Banking Regulation Act 1949, Accounting Standards (AS) and pronouncements issued by The Institute of Chartered Accountants of India (ICAI) and the prevailing practices within the banking industry in India.

C. 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 on the date of the financial statements and the reported income and expenses for the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/ materialised.

D. Significant accounting policies:

1. Cash and Cash equivalents:

Cash and cash equivalents include cash in hand and ATMs, balances with the Reserve Bank of India, balances with other banks and money at call and short notice.

2. Revenue recognition:

2.1 General

Income/ expenditure is generally accounted for on accrual basis except for income accounted on cash basis as per regulatory provisions.

2.2 Income from investments

a) The Profit or loss on sale of investments is recognised in the Profit and Loss Account. In accordance with the guidelines issued by the Reserve Bank of India, profit on sale of investments in the Held to Maturity (HTM) category is appropriated (Net of applicable taxes and amount required to be transferred to "Statutory Reserve Account") to the

"Capital Reserve Account".

b) Income (other than interest) on investments in "Held to Maturity (HTM)" category acquired at a discount to the face value, is recognised as follows:
   (i) on interest bearing securities, it is recognised only at the time of sale/ redemption.

   (ii) on zero-coupon securities, it is accounted for over the balance tenor of the security on a constant yield basis.
c) Dividend income is recognized when right to receive the dividend is established.
d) Upside on security receipts is recognised on realisation as 'Other income'.

2.3. Sale of financial assets

Financial Assets sold are recognized as under:

a) The sale of NPA is accounted as per guidelines prescribed by RBI. When the Bank sells its financial assets to Securitisation Company (SC)/ Reconstruction Company (RC), the same is removed from the books.
b) In case the sale to SC/ARC is at a price lower than the Net Book Value (NBV) the shortfall is charged to the Profit and Loss Account in the year of sale.
c) In case the sale is at a price higher than the NBV on cash basis, the surplus is taken to the credit of Profit and Loss Account.

2.4. Fee based income

Commission on letters of credit, bank guarantee and deferred payment guarantee are recognised on accrual basis proportionately over the period. All other commission and fee income are recognised on their realisation.

2.5 Others

a) Interest on income tax refund is accounted on receipt of refund order(s)/ intimation from Income Tax Department and acceptance by the Bank.
b) Provision for interest payable on overdue deposits is made as per Reserve Bank of India guidelines.

3. Advances:

3.1 Based on the guidelines/ directives issued by the RBI, loans and advances are classified as performing and non-performing, as follows:

a) The term loan is classified as a non-performing asset, if interest and/ or instalment of principal remains overdue for a period of more than 90 days.
b) An overdraft or cash credit is classified as a non-performing asset, if, the account remains "out of order", i.e. if the outstanding balance exceeds the sanctioned limit/ drawing power continuously for a period of 90 days, or if there are no credits continuously for 90 days, or if the credits are not adequate to cover the interest debited during the previous 90 days period.
c) The bills purchased/ discounted are classified as non-performing asset if the bill remains overdue for a period of more than 90 days.
d) The agricultural advances are classified as a non-performing if, (i) for short duration crops, where the instalment of principal or interest remains overdue for two crop seasons; and (ii) for long duration crops, where the principal or interest remains overdue for one crop season.

3.2 Non-performing assets are classified into sub-standard, doubtful and loss Assets, based on the following criteria stipulated by RBI:

a) Sub-standard: A loan asset that has remained non-performing for a period less than or equal to 12 months.
b) Doubtful: A loan asset that has remained in the sub-standard category for a period of 12 months.
c) Loss: A loan asset where loss has been identified but the amount has not been fully written off.

3.3 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 provision of 15% on the total outstanding. ii. Additional provision of 10% for exposures which are unsecured ab-initio (i.e. where realisable value of security is not more than 10 percent ab-initio). iii. Unsecured Exposure in respect of infrastructure advances where certain safeguards such as escrow accounts are available - 20%.	
Doubtful Assets:	
- Secured portion:	
Up to one year	25%
One to three years	40%
More than three years	100%
- Unsecured portion	100%
Loss Assets	100%

3.4 Advances are shown net of provisions (in case of NPA), Unrealised Interest, amount recovered from borrowers held in Sundries and claims received from CGTSI/ ECGC, etc.

3.5 For restructured/ rescheduled assets, provisions are made in accordance with the guidelines issued by the RBI, which inter alia require that the difference between the fair value of the loans/ advances before and after restructuring is provided for, in addition to provision for the respective loans/ advances. The provision for diminution in fair value and interest sacrifice, if any, arising out of the above, is reduced from advances.

3.6 In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others" and are not considered for arriving at the Net NPAs.

3.7 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.

3.8 Amounts recovered against debts written off in earlier years are recognised as revenue in the year of recovery.

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F.R.N. 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

3.9 Additional provisions higher than regulatory norms are made in specific assets in view of the identified weakness and/ or prevailing economic situation.

3.10 Partial recoveries in non-performing account (including partially written off accounts) are appropriated in the following order:

i. Principal Overdues / Irregularities
ii. Unrealised interest
iii. Partial Written Off principal
iv. Uncharged Interest
v. Unrealised charges

In case of suit filed/SARFAESI/ recalled accounts, recovery is appropriated in the following order:

i. Ledger outstanding balance
ii. Unrealised interest
iii. Partial Written Off principal
iv. Uncharged Interest
v. Unrealised charges

However, where any borrower account is required to be classified as non-performing from an earlier date, any recovery till the account was classified as Standard is first credited to Interest on Loans and Advances

4 Provision for country exposure:

In addition to the specific provisions held according to the asset classification status, provisions are also made for individual country exposures (other than the home country). Countries are categorised into seven risk categories, namely, insignificant, low, moderate, high, very high, restricted and off-credit and provisioning made as per extant RBI guidelines. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is maintained on such country exposures.

5. Investments:

Investments are accounted for in accordance with the extant guidelines of investment classification and valuation, as given below:

5.1 **Classification:**

In accordance with the guidelines issued by the Reserve Bank of India, Investments are classified into "Held to Maturity (HTM)", "Held for Trading (HFT)" and "Available for Sale (AFS)" categories.

For disclosure in the Balance Sheet in Schedule 8, investments are classified as Investments in India and outside India.

Under each category, the investments in India are further classified as

a) Government Securities
b) Other Approved Securities
c) Shares
d) Debentures and Bonds
e) Subsidiaries, joint ventures/associates and sponsored institutions; and
f) Others (Commercial Papers and units of Mutual Funds etc.)

The investments outside India are further classified under 3 categories

a) Government Securities
b) Subsidiaries and Joint Ventures/Associates
c) Other Investments

5.2 **Basis of Classification:**

Classification of an investment is done at the time of purchase into the following categories:

a) Held to Maturity: Investments that the Bank intends to hold till maturity are classified as "Held to Maturity (HTM)".
b) Held for Trading: Investments that are held principally for resale within 90 days from the date of purchase are classified as "Held for Trading (HFT)".
c) Available for Sale: Investments, which are not classified in the above two categories, are classified as "Available for Sale (AFS)".
d) Transfer of Securities between categories: An investment is classified as HTM, HFT or AFS at the time of purchase and subsequent shifting amongst categories is done in conformity with the regulatory guidelines.
e) Investments in subsidiaries, joint ventures/associates and sponsored institutions are classified as HTM except in respect of those investments which are acquired and held exclusively with a view to its subsequent disposal. Such investments are classified as AFS.

5.3 **Valuation:**

The transactions in all securities are recorded on a Settlement Date and cost is determined on the weighted average cost method.

A. Incentive, front-end fees etc., received on purchase of securities are reduced from the cost of investments.
B. Expenses such as brokerage, fees, commission or taxes incurred at the time of acquisition of securities are charged to the Profit and Loss Account as revenue expenses.
C. Broken Period interest paid/ received on debt instruments is treated as interest expense/ income and is excluded from cost/ sale consideration.

a) **Valuation of investments classified as Held to Maturity:** The investments classified under this category are carried at acquisition cost. The excess of acquisition cost / book value over the face value is amortised over the remaining period of maturity. Such amortisation of premium is accounted as expense.

Investments (in India and abroad) in subsidiaries, joint ventures/associates are valued at

historical cost. A provision is made for diminution, other than temporary in nature, for each investment individually.
Investments in Regional Rural Banks are valued at carrying cost (i.e. book value).

b) **Valuation of investments classified as Available for sale and Held for Trading:** Investments classified as Available for Sale and Held for Trading are individually revalued at market price or fair value determined as per the regulatory guidelines and the net depreciation if any, of each group for each category (viz.(i) Government securities, (ii) Other Approved Securities, (iii) Shares, (iv) Bonds and Debentures, (v) Subsidiaries and Joint Ventures/Associates and (vi) others) is provided for and net appreciation is ignored.

c) **Valuation policy in event of inter category transfer of investments:**
   i) Transfer of securities from HFT/ AFS category to HTM category is carried out at the lower of acquisition cost/ book value/ market value on the date of transfer. The depreciation, if any, on such transfer is fully provided for.
   ii) Transfer of securities from HTM category to AFS category is carried out on acquisition cost/ book value. On transfer, these securities are immediately revalued and resultant depreciation, if any, is provided, in the Profit and Loss Account.

d) **Valuation in case of sale of NPA (financial asset) to Securitisation Company (SC)/ Asset Reconstruction Company (ARC) against issue of Security Receipts (SR):**
   i) The investment in security receipts obtained by way of sale of NPA to SC/RC, is recognised at lower of: (i) Net Book Value (NBV) (i.e. book value less provisions held) of the financial asset; and (ii) Redemption value of SR.
   ii) SRs issued by an SC/ ARC are valued in accordance with the guidelines applicable to non-SLR instruments. Accordingly, in cases where the SRs issued by the SC/ ARC are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Net Asset Value, obtained from the SC/ ARC, is reckoned for valuation of such investments.

e) Treasury Bills and Commercial Papers are valued at carrying cost.

5.4 Investments (NPI):

Investments are classified as performing and non-performing, based on "Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2021" (as amended) and "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances", as under:

a) Interest/ instalment (including maturity proceeds) is due and remains unpaid for more than 90 days. The same is applied to preference shares where the fixed dividend is not paid.
b) In the case of equity shares, in the event the investment in shares of any company is valued at Re. 1 per company on account of non-availability of the latest balance sheet, those equity shares would be reckoned as NPI.
c) The Bank also classifies an investment as a non-performing investment, in case any

credit facility availed by the same borrower/ entity has been classified as a non-performing asset and vice versa.

d) The investments in debentures/ bonds, which are deemed to be advance, are also subjected to NPI norms as applicable to investments.

5.5 Accounting for Repo/ Reverse Repo transactions

The Bank enters into repurchase and reverse repurchase transactions with RBI under Liquidity Adjustment Facility (LAF) and also with market participants. Repurchase transaction represents borrowing by selling the securities with an agreement to repurchase the securities. Reverse repurchase transactions on the other hand represent lending funds by purchasing the securities.

a) The securities sold and purchased under Repo/ Reverse Repo (other than LAF) are accounted as overnight Tri-party Repo (TREPS) dealing and settlement.

b) However, securities are transferred as in the case of normal outright sale/ purchase transactions and such movement of securities is reflected using the Repo/ Reverse Repo Accounts and contra entries.

c) The above entries are reversed on the date of maturity. Balance in Repo Account is classified under Schedule 4 (Borrowings) and balance in Reverse Repo Account is classified under Schedule 7 (Balance with Banks and Money at call & short notice).

d) Interest expended/ earned on Securities purchased/ sold under LAF with RBI is accounted for as expenditure/ revenue.

6. Derivatives:

The Bank enters into derivative contracts, such as interest rate swaps, currency swaps and cross currency swaps in order to hedge on balance sheet/ off-balance sheet assets and liabilities or for trading purposes.

6.1 Derivatives used for hedging are accounted as under:

a) In cases where the underlying assets/ liabilities are marked to market, resultant gain/loss is recognised in the Profit and Loss Account.

b) Derivative contracts classified as hedge are recorded on accrual basis. Hedge contracts are not marked to market unless the underlying assets/ liabilities are also marked to market.

c) Gain or losses on the termination of Swaps are recognised over the shorter of the remaining contractual life of the swaps or the remaining life of the assets/ liabilities.

6.2 Derivatives used for trading are accounted as under:

a) Currency futures and interest rate futures are marked to market on daily basis as per exchange guidelines of MCX-SX, NSE and BSE.

b) Mark to market profit or loss is accounted by credit/ debit to the margin account on daily basis and the same is accounted in the Bank's profit and loss account on final settlement.

c) Trading swaps are marked to market at frequent intervals. Any mark to market losses are booked and gains, if any, are ignored on net basis.

d) Gains or losses on termination of swaps are recorded immediately as income/ expense under the above head.

7. Transactions involving foreign exchange:

7.1 Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency.

7.2 Foreign currency monetary items are reported using the Foreign Exchange Dealers Association of India ("FEDAI") closing (spot/ forward) rates and the resultant profit or loss is recognised in the Profit and Loss Account.

Foreign currency non-monetary items, which are carried at historical cost, are reported using the exchange rate on the date of the transaction.

Contingent liabilities denominated in foreign currency are reported using the FEDAI closing spot rates.

7.3 Outstanding foreign exchange spot and forward contracts are revalued at the exchange rates notified by FEDAI for specified maturities, and the resulting Profit or Loss is recognised in the Profit and Loss Account. Foreign exchange forward contracts which are not intended for trading and are outstanding at the balance sheet date, are valued at the closing spot rate.

7.4 Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognised as income or as expense in the period in which they arise.

7.5 Gains/ Losses on account of changes in exchange rates of open position in currency futures trades are settled with the exchange clearing house on daily basis and such gains/losses are recognised in the profit and loss account.

8. Fixed assets and depreciation:

8.1 Fixed Assets are carried at cost less accumulated depreciation/ amortisation.

Cost includes cost of purchase and all expenditure such as site preparation, installation costs, taxes and professional fees incurred on the asset before it is put to use.

8.2 Subsequent expenditure(s) incurred on the assets put to use are capitalised only when it increases the future benefits from such assets or their functioning capability.

8.3 Fixed Assets are depreciated under 'Written Down Value Method' at the following rates (other than computers which are depreciated on Straight Line Method):

a) Premises at varying rates based on estimated life
b) Furniture, Lifts, Safe Vaults 10%
c) Vehicles, Plant & Machinery 20%
d) Air conditioners, Coolers, Typewriters etc. 15%.
e) Computers including Systems Software 33.33%

(Application Software is charged to the Revenue during the year of acquisition.)

8.4 Other fixed assets are depreciated on Straight Line Method on the basis of estimated useful life of the assets.

8.5 Land acquired on lease for over 99 years is treated as freehold land and those for 99 years or less is treated as leasehold land. Cost of leasehold land is amortized over the period of lease.

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8.6 Where it is not possible to segregate the cost of land and premises, depreciation is charged on the composite cost.

8.7 In case of assets, which have been revalued, the depreciation/ amortization is provided on the revalued amount and is charged to the Profit and Loss Account. Amount of incremental depreciation/ amortization attributable to the revalued amount is transferred from 'Revaluation Reserve' and credited to 'Revenue and Other Reserves'.

8.8 Depreciation on additions to assets, made upto 30th September is provided for the full year and on additions made thereafter, is provided for the half year.
No depreciation is provided on assets sold before 30th September and depreciation is provided for the half year on assets sold after 30th September.

8.9 The Bank considers only immovable assets for revaluation. Properties acquired during the last three years are not revalued. Valuation of the revalued assets is done every three years thereafter.

8.10 The increase in net book value of the asset due to revaluation is credited to the Revaluation Reserve Account without routing through the Profit and Loss Account.
Additional depreciation on the revalued asset is charged to the Profit and Loss Account and appropriated from the Revaluation Reserves to Other Revenue Reserve.

8.11 The revalued asset is depreciated over the balance useful life of the asset as assessed at the time of revaluation.

9 Leases:

Leases where risks and rewards of ownership are retained by lessor are classified as Operating Lease as per AS-19 (Leases). Lease payments on such lease are recognised in Profit and Loss account on a straight-line basis over the lease term in accordance with AS 19.

10 Impairment of Assets:

Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset and such impairment losses, if any, on fixed assets are recognised and charged to Profit & Loss Account in accordance with Accounting Standard-28 Impairment of Assets.

11. Employee Benefits:

11.1 Employee benefits are accrued in the year in which services are rendered by the employees.

11.2 **Short Term Employee Benefits:**
The undiscounted amounts of short-term employee benefits, which are expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

11.3 **Defined benefit plans:**
The Bank operates Gratuity and Pension schemes which are defined benefit plans.

a) The Bank provides for gratuity to all eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, or on death while in employment, or on termination of employment, for an amount equivalent to 15 days basic salary payable for each completed year of service, subject to the cap prescribed by the Statutory Authorities. Vesting occurs upon completion of five years of service. The Bank makes periodic contributions to a fund administered by Trustees based on an independent external actuarial valuation.

b) The Bank provides for pension to all eligible employees. The benefit is in the form of monthly payments as per rules to vested employees on retirement or on death while in employment, or on termination of employment. Vesting occurs at different stages as per rules. The pension liability is reckoned based on an independent actuarial valuation carried out annually and Bank makes such additional contributions periodically to the Fund as may be required to secure payment of the benefits under the pension regulations.

c) The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/ losses are immediately recognised in the Profit and Loss Account and are not deferred.

d) When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

   Liability for long term employee benefit under defined benefit scheme such as contribution to gratuity, pension fund and leave encashment are determined at close of the year at present value of the amount payable using actuarial valuation technique.

e) Actuarial gain/losses are recognised in the year when they arise.

11.4 Defined Contribution Plan:

Provident fund is a defined contribution as the bank pays fixed contribution at predetermined rates. The obligation of the bank is limited to such fixed contribution. The contributions are charged to Profit and Loss account.

National Pension Scheme which is applicable to employees who have joined bank on or after 01.04.2010 is a defined contribution scheme. Bank pays fixed contribution at pre-determined rate. The obligation of the bank is limited to such fixed contribution. The contribution is charged to Profit and Loss Account

12. Accounting for Taxes on Income:

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The provision for tax for the year comprises of current tax liability computed in accordance with the Income Tax Act, 1961 and as per Accounting Standard 22 – "Accounting for Taxes on Income" respectively.

Deferred tax is recognized on timing differences between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised.

Deferred Tax Assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future profits.

The carrying amount of deferred tax assets is reviewed at each balance sheet date to reassess its realization. Disputed tax liabilities are accounted for in the year of finality of assessment/ appellate proceedings and till such times they are shown as contingent liability. The impact of changes in deferred tax assets and liabilities is recognised in the Profit and Loss Account.

13. Provisions, Contingencies and Contingent assets:

13.1 In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the Bank recognises provisions only when it has a present obligation as a result of a past event, and would result in a probable 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.

13.2 No provision is recognised for:

a) any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or
b) any present obligation that arises from past events but is not recognised because:
    i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
    ii. a reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities. These are assessed at regular intervals and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

13.3 Provision for reward points in relation to the debit card holders of the Bank is made on estimated basis.

13.4 Contingent assets are neither recognised nor disclosed in the Financial Statements.

14 Special Reserves:

Revenue and other Reserve include Special Reserve created under Section 36(i)(viii) of the Income Tax Act, 1961. The Board of Directors of the Bank has passed a resolution approving creation of the reserve and confirming that it has no intention to make withdrawal from the Special Reserve.

KISHORE & KISHORE CHARTERED ACCOUNTANTS

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ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

15 Segment Reporting

The Bank recognises the business segment as the primary reporting segment and geographical segment as the secondary reporting segment in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 – "Segment Reporting" issued by The Institute of Chartered Accountants of India.

16 Earnings per Share:

a) The Bank reports basic and diluted earnings per share in accordance with AS 20 – "Earnings per Share" issued by the Institute of Chartered Accountants of India. Basic Earnings per Share is computed by dividing the Net Profit after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

b) Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is calculated by using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M. V. Rao
Managing Director & CEO

ATTENDED THROUGH VIDEO CONFERENCE

Hardik M. Sheth
Director

Charulatha S. Kar
Director

Dinesh Pangtey
Director

ATTENDED THROUGH VIDEO CONFERENCE

Pradip P. Khimani
Director

Priyavrat Sharma
Director

As per our report of even date.

For KISHORE & KISHORE
Chartered Accountants
F. R. No 000291N

(CA P. R. KARANTH)
PARTNER
M. No. 018808

FOR A. R. & CO
Chartered Accountants
F. R. No.002744C

(CA PAWAN GOEL)
PARTNER
M. No. 072209

FOR A D B & COMPANY
Chartered Accountants
F. R. No. 005593C

(CA BANKIM SHUKLA)
PARTNER
M. No. 074272

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 30th April 2024

SCHEDULE-18: NOTES FORMING PART OF THE ACCOUNTS

1. Regulatory Capital:

a. Composition of Regulatory Capital

(Amount in ₹ Crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
1.	Common Equity Tier 1 Capital (CET 1)	23,966.45	20,099.54
2.	Additional Tier 1 Capital	NIL	NIL
3.	Tier 1 Capital (i+ii)	23,966.45	20,099.54
4.	Tier 2 Capital	5,037.52	3,334.76
5.	Total Capital (Tier 1+ Tier 2)	29,003.97	23,434.30
6.	Total Risk Weighted Assets (RWAs)	192,320.00	165,934.44
7.	CET 1 Ratio (CET 1 as a percentage of RWAs)	12.46%	12.11%
8.	Tier 1 Ratio (Tier 1 Capital as a percentage of RWAs)	12.46%	12.11%
9.	Tier 2 Ratio (Tier 2 Capital as a percentage of RWAs)	2.62%	2.01%
10.	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	15.08%	14.12%
11.	Leverage Ratio	5.13%	4.73%
12.	Percentage of the shareholding of Government of India	93.08%	93.08%
13.	Amount of paid-up Equity Capital raised during the year	NIL	NIL
14.	Amount of non-equity Tier 1 capital raised during the year , which: Give list as per instrument type (Perpetual non-cumulative preference shares, perpetual debt instrument etc.). Commercial banks (Excluding RRBS) shall also specify if the instrument are Basel II or Basel III compliant	NIL	NIL
15.	Amount of Tier 2 capital raised during the year , of which : Give list as per instrument type (Tier 2 debt Instruments) Commercial banks shall also specify if the instrument are Basel II or Basel III compliant	1,500.00 (Note1)	NIL

Note 1: The Bank has raised Basel III compliant Tier 2 debt instruments of Rs 1,500.00 Crore through private placement in terms of RBI Master Circular No RBI/2023-24/31 /DOR.CAP.REC.15/21.06.201/2023-24 dated May 12, 2023 on Basel III Capital Regulations covering criteria for inclusion of debt capital instrument as Tier II Capital and SEBI (NCS) Regulations, 2021.

b) Draw down from reserves

During the year, there has been no draw drawn from Reserve to Profit & Loss account.

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADD & COMPANY F.R.N. 006580C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

2. Asset Liability Management

a) Maturity pattern of certain items of assets and liabilities as at 31st March, 2024: -

(Amount in ₹ Crore)

Period		Day 1	2 to 7 days	8 to 14 days	15 to 30 days	31 to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits	Current Year	1,545.12	5,213.88	4,383.25	11,607.45	17,427.58	17,225.67	41,744.79	66,831.89	86,887.00	67,614.60	63,676.61	3,81,061.12
	Previous Year	1011.59	1379.65	2601.3	4480.04	9041.61	8821.61	13471.65	27,091.36	1,53,237.91	65,084.08	61,286.10	3,56,286.47
Advances	Current Year	1,340.24	621.79	353.48	6,516.01	6,206.31	17,347.30	4,373.07	18,479.88	98,820.32	32,748.74	62,898.52	2,41,406.18
	Previous Year	1,329.18	1,374.66	1,176.61	3,097.22	2,420.41	6,461.41	7021.48	17,481.67	92,280.00	18,828.41	46,095.17	2,01,984.11
Investments	Current Year	28,177.26	1,181.00	423.81	2,312.09	3,267.33	2,732.46	4659.3	8,712.58	23,307.68	33,886.38	46,957.15	1,41,523.45
	Previous Year	39,115.63	975.37	478.49	3,371.21	4,177.61	2,036.88	1909.7	9,748.68	16,739.45	33,385.58	37,325.93	1,38,583.48
Borrowings #	Current Year	5.17	11,231.47	88.51	-	96.51	254.77	497.93	629.58	1,007.96	7.61	-	13,820.16
	Previous Year	3.97	1,764.00	100.88	-	330.69	261.91	410.40	574.48	1,086.36	17.12	1.12	5,618.75
Foreign Currency assets	Current Year	17.56	3,878.14	73.80	287.54	5,371.00	7,858.53	7,121.71	3,883.82	17.59	-	-	28,509.29
	Previous Year	90.01	3,047.65	174.60	13,602.81	-	5,121.89	11,815.23	8,270.18	178.94	0.18	-	46,259.49
Foreign Currency liabilities	Current Year	0.26	2,227.01	87.26	688.12	6,630.49	8,261.56	21,787.47	11,257.35	5.25	-	-	43,606.71
	Previous Year	63.81	2,924.57	1,158.81	19,480.74	129.89	6,481.89	17,580.05	12,817.58	1,262.38	0.18	-	62,525.15

Note: - # Excluding those considered under Tier II Capital.

b) Liquidity coverage ratio (LCR)

The Liquidity Risk Management of the Bank is governed by the Asset Liability Management (ALM) Policy approved by the Board. Liquidity Coverage Ratio (LCR) standard has been introduced with the objective 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.

The LCR is calculated as under:

$$LCR = \frac{\text{High Quality Liquid Assets (HQLA)}}{\text{Total net cash outflow over the next 30 calendar days}} \geq 100\%$$

Liquidity Coverage ratio (LCR) – Quantitative Disclosure

(Amount in ₹ Crore)

	LCR Components	Quarter Ended 30.06.2023		Quarter Ended 30.09.2023		Quarter Ended 31.12.2023		Quarter Ended 31.03.2024	
		Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)		103787		101186		88853		98005
Cash Outflows									
2	Retail deposits and deposits from small business customers of which:								
(i)	Stable deposits	169133	8457	170614	8531	172139	8607	163784	8189
(ii)	Less stable deposits	153213	15321	157098	15710	160534	16053	175026	17503
3	Unsecured wholesale funding of which:								
(i)	Operational deposits (all counterparties)	0	0	0	0	0	0	0	0
ii)	Non-operational deposits (all counterparties)	35509	14894	35740	14992	36901	15455	36287	15691
iii)	Unsecured debts	0	0	0	0	0	0	0	0
4	Secured wholesale funding		0		0		0		0

5	Additional requirements, of which								
(i)	Outflows related to derivative exposures and other collateral requirements	12273	12273	10618	10618	7610	7610	8294	8294
(ii)	Outflows related to loss of funding on debt products	0	0	0	0	0	0	0	0
(iii)	Credit and liquidity facilities	2791	2493	2558	2522	2635	2599	2617	2580
6	Other contractual funding obligations	3150	3150	3055	3055	3300	3300	2997	2997
7	Other contingent funding obligations	157141	7630	167469	8155	159581	7757	163313	7930
8	Total Cash Outflows		64216		63583		61381		63185
Cash Inflows									
9	Secured lending	0	0	0	0	0	0	38	0
10	Inflows from fully performing exposures	3264	3264	2247	2247	2685	2685	3035	3035
11	Other cash inflows	23416	21146	20114	18565	16513	13955	14609	12364
12	Total Cash Inflows	26680	24410	22361	20813	19198	16641	17682	15399
				TOTAL ADJUSTED VALUE				TOTAL ADJUSTED VALUE	
13	TOTAL HQLA		103787		101186		88853		98005
14	Total Net Cash Outflows		39806		42770		44740		47785
15	Liquidity Coverage Ratio (%)		260.73%		236.58%		198.60%		205.09%

In accordance with RBI guidance vide circular No.RBI/2014-15/529 DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March 2015, average weighted and unweighted amounts have been calculated taking simple daily average. The Bank has considered 90 data points for the quarter January 2024 to March 2024.

Liquidity Coverage ratio (LCR) – Qualitative Disclosure

Line items significant to LCR		Explanatory Notes
A	The main drivers of the LCR results and the evolution of the contribution of inputs to the LCR's calculation	The main drivers of LCR results are : 1) High Quality Liquid Asset (HQLA) is one of the major drivers of LCR. The major portion of HQLA consists of facility to avail liquidity under Marginal Standing Facility (MSF), FALLCR & excess SLR investments. 2) Cash Outflow is another major driver of LCR. The main components of cash outflows are less stable retail deposit, funding from other legal entity and net derivative cash outflow. 3) Another major driver of LCR is Cash Inflow. The main components of cash inflows are inflows by counterparty and net derivative cash inflow.
B	Intra-period changes as well as changes over time	Not Applicable
C	The composition of HQLA	The HQLA comprises of the following: 1. Level 1 assets comprises of surplus SLR investments (net of encumbered against REPO, CBLO, MSF, CROMS, other securities pledged for RTGS, SGF, MCX, NSCCL etc) and 2% of NDTL applicable for MSF and 16.00% of NDTL (FALLCR) as per RBI circular no. RBI/2022-23/25 DOR.LRG.REC.19/21.04.098/2022-23 dated 18/04/2022 and overnight balances held by banks with RBI under SDF as per RBI circular no RBI/2022-23/141DOR.LRG.REC.83/03.10.001/2022-23 dated 23/11/2022. 2. Level 2A assets comprises of Special (Discom) Bonds issued by State Government, Bonds issued by State Power Distribution Companies, Central Government PSUs excluding the finance companies and bonds of private corporates having rating of AA- and above excluding the finance companies. 3. Level 2B assets comprises of bonds of corporates having rating of BBB- to A+ excluding the finance companies. 4. Level 2B assets also comprises of NIFTY/SENSEX shares excluding the finance companies.
D	Concentration of	Bank addresses the funding concentration by monitoring their funding from each significant counterparty,

	funding sources	each significant product / instrument and each significant currency ('significant' is defined as aggregate amount is more than 1% of the bank's liabilities).
E	Derivative exposures and potential collateral calls	Derivative exposure of the bank consists of the following: 1. OTC Derivatives a) Forwards b) Currency Swaps c) Interest Rate Swap 2. Exchange Traded Derivatives a) Currency Futures b) Interest Rate Futures Potential collateral call comes into question if the trades take place on the Exchange or the settlement takes place through Central Counterparty and is guaranteed and also if the Credit Support Annex(CSA) which is an attachment to the ISDA Master Agreement , is signed with the counterparties. At present, the Bank does not have in place the Credit Support Annex with any counterparty. As such, no potential collateral call will arise. For exposure of trades under Currency Futures and Interest Rate Futures bank is maintaining margins in the form of collaterals (G-Secs) and the same is being maintained depending on the amount of exposure and the volatility in the market. All Interbank USD/INR Swaps and forwards are being settled through CCIL which is a Central Counterparty (CCP). Bank is maintaining margins in the form of collaterals (G-Secs) with CCIL for guaranteed settlement of Interbank USD/INR Swaps and Forwards. The amount of margin depends on the amount of exposure and the volatility in the respective markets. The additional margin is being maintained with the Exchange/ CCP as and when the call is made for the same.
F	Currency mismatch in the LCR	To capture potential currency mismatches, the LCR in each significant currency is monitored. A currency is considered as "significant" if the aggregate liabilities denominated in that currency amount to 5 per cent or more of the bank's total liabilities. Bank doesn't have currency mismatch in LCR as bank does not have exposure in 'significant' currency.
G	Degree of centralization of liquidity management and interaction between the group's units	Liquidity management in the bank is centralized and monitored by ALM & Treasury team. Interaction between treasury, ALM team & other functional units are seamless.
H	Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile.	None
I	Other Information	Other contingent liabilities including undrawn credit and liquidity commitments are also suitably addressed.

The average LCR for the quarter ended March 31, 2024 was at 205.09% as against 285.51% for the quarter ended March 31, 2023 and well above the regulatory prescribed minimum requirement of 100%. The average HQLA for the quarter ended March 31, 2024 was ₹ 98,005.00 crore as against ₹ 1,06,207.00 crore for the quarter ended March 31, 2023.

The average LCR for the year ended March 31, 2024 was at 223.77 % as against 302.34% for the year ended March 31, 2023.

c) Net Stable Funding ratio (NSFR):

Reserve Bank of India vide its circular no. BR.BP.BC.No.106/21.04.098/2017-18 May 17, 2018 had issued guidelines on "Basel III Framework on Liquidity Standards – Net Stable Funding Ratio (NSFR)". The guidelines for NSFR were effective from October 1, 2021.

The objective of NSFR is ensure reduction in funding risk over a longer time horizon extending to one year by requiring banks to fund their activities in relation to the composition of their assets and off balance sheet activities, with sufficiently stable sources of funding on an on-going basis. A sustainable funding structure is intended to reduce the probability of erosion of a bank's liquidity position due to disruptions in the regular sources of funding. NSFR limits over-reliance on short term wholesale funding, encourages better assessment of funding risk across all on and off balance sheet items, and promotes funding stability.

The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. "Available Stable Funding" (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of stable funding required ("Required Stable Funding") (RSF) is a function of the liquidity characteristics and residual maturities of the various assets held by the Bank as well as those of its off-balance sheet (OBS) exposures. The Available Stable Funding (ASF) is primarily driven by the total regulatory capital as per Basel III Capital Adequacy guidelines stipulated by RBI and deposits from retail customers, small business customers and non-financial corporate customers. Under the Required Stable Funding (RSF), the primary drivers are unencumbered performing loans with residual maturities of one year or more.

The runoff factors for the stressed scenarios are prescribed by the RBI, for various categories of liabilities (viz., deposits, unsecured and secured wholesale borrowings), undrawn commitments, derivative-related exposures, and offset with inflows emanating from assets maturing within the same time period. The minimum NSFR requirement set out in the RBI guideline is 100% on an on-going basis.

The Liquidity Risk Management of the Bank is governed by the Asset Liability Management (ALM) Policy approved by the Board. The Asset Liability Committee (ALCO) is a decision-making unit responsible for implementing the liquidity and interest rate risk management strategy of the Bank in line with its risk management objectives and ensures adherence to the risk tolerance/limits set by the Board.

Central Bank of India on standalone basis maintained Available Stable Funding (ASF) of Rs. 3, 76,703.47 Crore against the RSF requirement of Rs. 2,43,138.59 Crore as on 31st March 2024. The NSFR for the quarter ended Mar 2024 is at 154.93%.

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Quantitative Disclosure of NSFR Components are:

	NSFR Disclosure (₹ in Crore)	Mar-24 Unweighted value by residual maturity: No maturity*	Mar-24: <6 months	Mar-24: 6 months to < 1yr	Mar-24: >= 1 yr	Mar-24 Amount in ₹ crore: Weighted value	Dec-23 Unweighted value by residual maturity: No maturity*	Dec-23: <6 months	Dec-23: 6 months to < 1yr	Dec-23: >= 1 yr	Dec-23 Amount in ₹ crore: Weighted value	Sep-23 Unweighted value by residual maturity: No maturity*	Sep-23: <6 months	Sep-23: 6 months to < 1yr	Sep-23: >= 1 yr	Sep-23 Amount in ₹ crore: Weighted value	Jun-23 Unweighted value by residual maturity: No maturity*	Jun-23: <6 months	Jun-23: 6 months to < 1yr	Jun-23: >= 1 yr	Jun-23 Amount in ₹ crore: Weighted value
	ASF Item																				
1	Capital: (2+3)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2	Regulatory capital	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3	Other capital instruments		[illegible]	[illegible]				[illegible]	[illegible]				[illegible]	[illegible]				[illegible]	[illegible]		
4	Retail deposits and deposits from small business customers: (5+6)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]		[illegible]
5	Stable deposits	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6	Less stable deposits	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7	Wholesale funding: (8+9)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8	Operational deposits	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
9	Other wholesale funding	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10	Other liabilities: (11+12)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
11	NSFR derivative liabilities		[illegible]	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]			[illegible]	[illegible]	[illegible]	
12	All other liabilities and equity not included in the above categories	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
13	Total ASF (1+4+7+10)					[illegible]					[illegible]					[illegible]					[illegible]
	RSF Item																				
14	Total NSFR high-quality liquid assets (HQLA)					[illegible]					[illegible]					[illegible]					[illegible]
15	Deposits held at other financial institutions for operational purposes	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
16	Performing loans and securities: (17+18+19+21+23)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
17	Performing loans to financial institutions secured by Level 1 HQLA	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
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:	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
21	Performing residential mortgages, of which:	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
24	Other assets: (sum of rows 25 to 29)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
25	Physical traded commodities, including gold	[illegible]				[illegible]	[illegible]				[illegible]	[illegible]				[illegible]	[illegible]				[illegible]
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]
27	NSFR derivative assets		[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]
28	NSFR derivative liabilities before deduction of variation margin posted		[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]
29	All other assets not included in the above categories	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
30	Off-balance sheet items				[illegible]	[illegible]				[illegible]	[illegible]				[illegible]	[illegible]				[illegible]	[illegible]
31	Total RSF (14+15+16+24+30)					[illegible]					[illegible]					[illegible]					[illegible]
32	Net Stable Funding Ratio (%)					[illegible]					[illegible]					[illegible]					[illegible]

3. Investments

a. Composition of Investment Portfolio

As at 31.03.2024

(Amount in ₹ Crore)

Particulars	Investments in India							Investments Outside India				Total Investments (A+B)
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	others	Total investments in India (A)	Government securities (including local authorities)	Subsidiaries and/or joint ventures	others	Total investments outside India (B)	
Held to Maturity												
Gross	81,992.85	-	7.54	24,131.22	739.59	108.95	106,976.18	-	47.49	-	47.49	107,023.67
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	81,992.85	-	7.54	24,131.22	739.59	108.95	106,976.18	-	47.49	-	47.49	107,023.67
												-
Available for Sale												-
Gross	30,157.48	-	2,135.27	6,331.56	-	3,119.23	41,743.32	-	-	-	-	41,733.11
Less: Provision for depreciation and NPI	160.65	-	1,383.38	1,310.60	-	2,790.22	5,614.64	-	-	-	-	5,614.64
Net	29,946.83	-	751.89	5,020.96	-	329.01	36,128.67	-	-	-	-	36,118.47
												-
Held to Trading												-
Gross	781.14	-	-	-	-	-	781.14	-	-	-	-	781.14
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	781.14	-	-	-	-	-	781.14	-	-	-	-	781.14
												-
Total Investment												-
Gross	112,881.45	-	2,142.81	30,448.77	739.59	3,227.18	149,490.64	-	47.49	-	47.49	149,538.13
Less: Provision for non-performing investments	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	160.65	-	1,383.38	1,310.60	-	2,730.22	5,614.64	-	-	-	-	5,614.64
Additional provision as per 07 June 2019 circular												
Net	**112,720.84**	-	**759.43**	**29,139.18**	**739.59**	**496.96**	**143,876.00**	-	**47.49**	-	**47.49**	**143,923.49**

(Amount in ₹ Crore)

Note: Above Amount includes encumbered securities as at March 31st, 2024	Face Value
Collateral/Margin with CCIL - TREPS	9,600.00
Margin & Default Fund with CCIL, Securities with NSE clearing, MCX clearing, RBI RTGS	9,583.00
Securities with RBI for Repo	16,500.00
Total	35,683.00

Note: Above amount includes securities to face Value of ₹ 9,600.00 crore as collateral with CCIL, securities of ₹ 3,132.00 crore as margin & Default fund with CCIL, securities of ₹ 22,880.00 crore with RBI for REPO and RTGS, securities of ₹ 71.00 crore with NSE clearing respectively as on March 31st, 2024.

KISHORE & KISHORE LUCKNOW CHARTERED ACCOUNTANTS

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N. 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

As at 31.03.2023 (Amount in ₹ Crore)

Particulars	Investments in India							Investments Outside India				Total Investments (A+B)
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India (A)	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total investments outside India (B)	
Held to Maturity												
Gross	76,210.20	-	7.54	30,801.81	670.07	100.12	106,963.25	-	47.49	-	47.49	107,010.74
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	76,210.20	-	7.54	30,801.81	670.07	100.12	106,963.25	-	47.49	-	47.49	107,010.74
Available for Sale												
Gross	23,903.47	-	2,836.63	4,099.88	-	2,712.11	33,552.20	-	-	-	-	33,552.20
Less: Provision for depreciation and NPI	203.21	-	2,084.58	1,093.46	-	2,669.14	6,050.39	-	-	-	-	6,050.39
Net	23,700.26	-	752.05	3,006.33	-	43.14	27,499.81	-	-	-	-	27,499.81
Held for Trading												
Gross	91.96	-	-	-	-	-	91.96	-	-	-	-	91.96
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	91.96	-	-	-	-	-	91.96	-	-	-	-	91.96
Total Investment												
Gross	100,205.62	-	2,844.17	33,891.61	670.07	2,895.30	142,605.40	-	47.49	-	47.49	142,652.89
Less: Provision for non-performing investments	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI & Additional provision as per 07 June 2019 circular	203.21	-	2,084.58	1,093.35	-	2,669.34	6,069.42	-	-	-	-	6,069.42
Net	**100,002.41**	-	**759.59**	**31,888.26**	**670.07**	**226.69**	**136,535.99**	-	**47.49**	-	**47.49**	**136,583.47**

(Amount in ₹ Crore)

Note: Above Amount includes encumbered securities as at March 31st, 2023	Face Value
Collateral/Margin with CCIL - TREPS	9,849.00
Margin & Default Fund with CCIL, Securities with NSE clearing, MCX clearing, RBI RTGS	4,623.00
Securities with RBI for Repo	8,500.00
Total	**22,972.00**

Note: Above Amount includes securities to face Value of ₹ 9,849.00 crore as collateral with CCIL, securities of ₹ 4,022.00 crore as margin & Default fund with CCIL, securities of ₹ 9,030.00 crore with RBI for REPO and RTGS, securities of ₹ 71.00 crore with NSE clearing respectively as on March 31st, 2023.

b. Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(Amount in ₹ crore)

Sr. No.	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
i)	Movement of provisions held towards depreciation on investments		
	a) Opening balance	6,050.39	5,972.31
	b) Opening balance for Additional Provision for NPI as per 07 June 2019 RBI Circular*	19.03	47.90
	c) Add: Provisions made during the year	770.61	1,206.90
	d) Less: Provision utilized during the year	519.87	341.11
	e) Less: Write off / write back of excess provisions during the year	705.52	816.58
	f) Closing balance	5,614.64	6,069.42
ii)	Movement of investment Fluctuation Reserve		
	Opening Balance	712.84	658.09
	Add: Amount transferred during the year	137.45	54.75
	Less: Drawdown	0.00	0.00
	Closing Balance	850.29	712.84

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

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ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

iii)	Closing Balance of Investment in AFS & HFT Category	42,514.45	35,642.15
iv)	Closing balance in IFR as a percentage of closing balance of investment in AFS and HFT/ Current Category	2%	2%

*Additional Provision for NPI as per 07 June 2019 RBI Circular has been used for netting from current Financial Year onwards.

c. **Sale and Transfers of Securities To/From HTM Category**

As per the directives of reserve Bank of India and our Investment Policy, profit on sale of investments under HTM category should be first taken to P&L account and thereafter be appropriated to the Capital Reserve Account.

Profit on sale/redemption of HTM securities amounted to ₹ 739,546,016.46 for the Financial Year ended March 31, 2024.

Particulars	Category	FY 2023-24	FY 2022-23
Profit on sale of securities	HTM	677,896,762.55	129,689,456.04
Profit on redemption of securities	HTM	61,649,253.91	3,972,322.51
Total		739,546,016.46	133,661,778.55

During the year ended March 31, 2024 the value of sales and transfers of securities to/from HTM category (excluding 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, sale to RBI under pre-announced Open Market Operation auctions and repurchase of Government securities by the government of India) had not exceeded 5% of the Book Value of the Investment held in HTM category at the beginning of the year.

d. **Non-SLR investment portfolio**

i. **Non-Performing Non-SLR Investments**

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2024	31.03.2023
a)	Opening Balance	2,266.83	2,653.79
b)	Additions during the year since 1st April	213.02	684.26
c)	Reductions during the above period	562.61	1,071.22
d)	Closing balance	1,917.24	2,266.83
e)	Total provisions held	**1,917.24**	2,261.67

ii. **Issuer-wise composition of Non-SLR Investments: 31st March 2024**

(Amount in ₹ crore)

Sr. No.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
(1)	(2)	(3)		(4)		(5)		(6)		(7)	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	PSUs	4,627	4,880	505	351	-	-	22	22	1,324	1,500
b)	FIs	2,109	2,134	297	-	-	-	-	-	-	-
c)	Banks	1,010	174	647	56	-	-	68	69	68	69
d)	Private Corporates	2,512	4,483	393	3,713	1,086	735	-	-	588	710

e)	Subsidiaries/ Associate	787	718	787	718	-	-	787	718	787	718
f)	Others	25,611	27,060	-	-	25,611	282	25,329	27,096	22,659	23,134
	TOTAL	36,657	39,449	2,629	4,838	26,697	1,017	26,206	27,905	25,427	26,131
g)	Provision held towards depreciation	5,454	5,847	-	-	-	-	-	-	-	-
	NET TOTAL	31,203	33,602	2,629	4,838	26,697	1,017	26,206	27,905	25,427	26,131

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

The details of face value of securities Purchased/Sold under Repo Agreement for the year ended March 31, 2024 are as follows:

(Amount in ₹ crore)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on March 31, 2024
i) Securities sold under Repo				
a) Government Securities	20	16,791	1,993	11,985
b) Corporate debt securities	-	-	-	-
c) Any other securities	-	-	-	-
ii) Securities purchased under Reverse Repo				
a) Government Securities	5	8,276	395	-
b) Corporate debt securities	-	-	-	-
c) Any other securities	-	-	- -	

The details of face value of securities Purchased/Sold under Repo Agreement for the year ended March 31, 2023 are as follows:

(Amount in ₹ crore)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on March 31, 2023
i) Securities sold under Repo				
a) Government Securities	1,666.00	1,866.00	1,718.00	1,666.00
b) Corporate debt securities	-	-	-	-
c) Any other securities	-	-	-	-
ii) Securities purchased under Reverse Repo				
a) Government Securities	5,352.00	31,918.00	17,051.00	-
b) Corporate debt securities	-	-	-	-
c) Any other securities	-	-	-	-

f. **Details of Government Security Lending (GSL) transactions (in market value terms) as on 31.03.2024:-**

There are no Government Security Lending (GSL) transactions during the year as well as in previous year by Bank.

4. Asset Quality:

a) Classification of advances and provisions held

(Amount in ₹ crore)

	Standard		Non-Performing										Total	
	Total Standard Advances		Sub-standard		Doubtful		Loss		Total Non-Performing					
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023		
Gross Standard Advances and NPAs														
Opening balance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
Add: Additions during the year									[illegible]	[illegible]	[illegible]	[illegible]		
Less: Reductions during the year									[illegible]	[illegible]	[illegible]	[illegible]		
Closing balance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
Reductions in Gross NPAs due to:														
i) Upgradation									[illegible]	[illegible]	[illegible]	[illegible]		
ii) Recoveries (excluding recoveries from upgraded accounts)									[illegible]	[illegible]	[illegible]	[illegible]		
iii) Technical/ Prudential Write-offs									[illegible]	[illegible]	[illegible]	[illegible]		
iv) Write-offs other than those under (iii) above									[illegible]	[illegible]	[illegible]	[illegible]		
Provisions (excluding Floating Provisions)														
Opening balance of provisions held	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
Add: Fresh provisions made during the year									[illegible]	[illegible]	[illegible]	[illegible]		
Less: Excess provision reversed/ Write-off loans									[illegible]	[illegible]	[illegible]	[illegible]		
Closing balance of provisions held	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
Net NPAs														
Opening Balance			[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]				
Add: Fresh additions during the year									[illegible]	[illegible]				
Less: Reductions during the year									[illegible]	[illegible]				
Closing Balance			[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]				
Floating Provisions														
Opening Balance											-	-		
Add: Additional provisions made during the year											-	-		
Less: Amount drawn down during the year											-	-		
Closing balance of floating provisions											-	-		
Technical write-offs and the recoveries made thereon														
Opening balance of Technical/ Prudential written-off accounts											[illegible]	[illegible]		
Add: Technical/ Prudential write-offs during the year											[illegible]	[illegible]		
Sub Total (A)											[illegible]	[illegible]		
Less: Recoveries made from previously technical/ prudential written-off accounts during the year (B)*											[illegible]	[illegible]		
Less: Upgraded loan											[illegible]	[illegible]		
Less: conversion to Regular Write off											[illegible]	[illegible]		
Closing balance as at March 31, 2024 (A-B)											[illegible]	[illegible]		

Specific Note:

* Includes Recoveries received through SRs/DCD of Rs. 499.68 crore.

General Note:

For prudential write off accounts, amounting to Rs. 1,487.57 crore (Previous year 1762.66 crore) and during the year recovery in such accounts is Rs. 7.46 crore (Previous year Rs. 55.34 crore).

Ratios (in percent)	31.03.2024	31.03.2023
Gross NPA to Gross Advances	4.50	8.44
Net NPA to Net Advances	1.23	1.77
The Provisioning Coverage Ratio with Technical Write Off	93.58	92.48
The Provisioning Coverage Ratio without Technical Write Off	73.53	80.47

b. Sector- wise Advances and Gross NPAs

(Amount in ₹ Crore)

Sr. No.	Sector	31.03.2024			31.03.2023		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
i)	**Priority Sector**						
a)	Agriculture and allied activities	46,063.46	3,321.82	7.21%	42,110.35	5,038.79	11.97
	Farm Credit	41,313.05	3,140.08	7.60%	38,289.59	4,718.76	12.32
b)	Industry	21,223.64	1,245.17	5.87%	16,390.21	1,548.30	9.45
	Other Industries	9,946.88	867.08	8.72%	4,886.78	445.50	9.12
	Textiles	2,607.17	136.05	5.22%	2,455.03	260.80	10.62
	Basic Metal & Metal Products	-	-	-	2,136.41	193.47	9.06
	Engineering	-	-	-	1,982.19	90.44	4.56

c)	Services	28,701.34	1,580.36	5.51%	23,581.66	2,662.35	11.29
	Trade	14,293.78	6.80	0.05%	11,398.28	1,151.59	10.10
	Other Services	13,898.62	1,573.56	11.32%	11,065.87	1,402.63	12.68
d)	Personal loans	22,147.47	675.72	3.05%	21,431.54	859.76	4.01
	Housing Loan	20,090.44	370.85	1.85%	19,188.98	505.30	2.63
	Education Loan	-	-	-	2,242.55	354.46	15.81
	Subtotal (i)	**118,135.91**	**6,823.06**	5.78%	**103,513.76**	**10,109.20**	**9.77**
ii)	**Non-Priority Sector**						
a)	Agriculture and allied activities	-	-	-	-	-	-
b)	Industry	34,651.64	1643.71	4.74%	**56,662.52**	**2,145.38**	**3.79**
	Other Industries	-	-	-	24,914.49	34.25	0.14
	Infrastructure	22,815.29	601.88	2.64%	22,950.38	1,178.59	5.14
	Basic Metal and Metal Products	5,700.54	368.52	6.46%	-	-	-
c)	Services	49,907.90	1,990.18	3.99%	**16,308.26**	**5,460.31**	**33.48**
	NBFC	28,798.29	1.40	0.00%	-	-	-
	DFIs Viz. SIDBI and NABARD	10,171.00	-	-	6,099.97	-	-
	Other Services	6,247.33	-	-	-	-	-
d)	Personal loans	49,049.22	883.38	1.80%	**41,294.46**	**671.36**	**1.63**
	Housing Loan	23,969.19	135.06	0.56%	19,604.02	238.82	1.22
	Other Retail Scheme	-	243.70	1.63%	17,060.00	356.00	2.09
	Sub-total (ii)	133,608.76	4,517.28	3.38%	**114,265.24**	**8,277.05**	**7.24**
	Total (I + ii)	251,744.68	11,340.34	4.50%	**217,779.00**	**18,386.25**	**8.44**

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

(Amount in ₹ Crore)

Particulars	31.03.2024	31.03.2023
Total Assets	NIL	NIL
Total NPAs	NIL	NIL
Total Revenue	NIL	NIL

d. **Particulars of Resolution Plan & Restructuring:**

i. Restructuring of advances in terms of RBI Circular DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019

(Amount in ₹ Crore)

Asset Classification of advances subject to Resolution Plan & restructuring	As at 31.03.2024		As at 31.03.2023	
	Number of Borrower	Amount outstanding	Number of Borrower	Amount outstanding
Standard	2	1074.18	2	1,334.33
Sub Standard	-	-	-	-
Doubtful	6	2649.01	8	3,476.16
Total	8	3723.19	10	**4,810.49**

As per RBI circular DBR. No. BP. BC.45/21.04.048/2018-19 dated 7th June 2019, the bank has implemented Resolution Plans for 8 borrowers (Total 10 borrowers was there at March 31, 2023) having total exposure of ₹ 3,723.19 crore (₹ 4,810.49 crore as at March 31, 2023) at the time of implementation. The total exposure outstanding in such resolved accounts as at March 31, 2024 is ₹ 1,978.56 crore (₹ 1,930.09 crore for March 31,2023).

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

No disclosure on divergence in asset classification and provision for NPAs is required with respect to RBI's supervisory process for the year ended March 31, 2024, based on the conditions mentioned in RBI circular No. DOR.ACC.REC.No.74/21.04.018/2022-23 dated 11th October 2022.

f. Disclosure of Transfer of Loan Accounts (SMAs & NPAs) in terms of RBI Circular No. DOR.STR.REC.51/21.04.048/ 2021-22 dated 24th September 2021

i. Details of stressed loans (NPA) transferred during the Year:

(Amount in ₹ crore)

Particulars	To ARCs/NARCL		To permitted transferees		To other transferees	
	Year Ended 31.03.2024	Year Ended 31.03.2023	Year Ended 31.03.2024	Year Ended 31.03.2023	Year Ended 31.03.2024	Year Ended 31.03.2023
No: of accounts	4	4	NIL	NIL	NIL	NIL
Aggregate principal outstanding of loans transferred	282.68	313.75				
Weighted average residual tenor of the loans transferred	6 Months	NIL				
Net book value of loans transferred (at the time of transfer)	0.00	NIL				
Aggregate consideration	66.75	164.75				
Additional consideration realized in respect of accounts transferred in earlier years	23.63	41.60				

ii. The Bank has not transferred any Special Mention Account and loan not in default.

iii. There are no loans acquired (NPA) during the year during the current year as well as in previous year.

iv. There are no Standard Assets transferred or acquired during the current year as well as in previous year.

v. Details of Standard Assets Acquired through assignment/Novation and Loan Participation*:

a. Pool Buyout

(Amount ₹ in Crore)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
No. of accounts Purchased during the year	18,7761	15,0491

Aggregate outstanding	1,208.52	1,020.00
Weighted average maturity	15.63	38.25
Weighted average holding period	3.47	6.74
Retention of beneficial economic interest	10%	10%
Coverage of tangible security coverage	93.55%	95.29%
Rating wise distribution of rated loans	NA	NA

b. Co-Lending

(Amount ₹ in Crore)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
No. of accounts Purchased during the year	95,337	56,846
Aggregate outstanding	7,101.64	5,106.02
Weighted average maturity	104.00	175.00
Weighted average holding period	NA	NA
Retention of beneficial economic interest	20%	20%
Coverage of tangible security coverage	51.50%	87%
Rating wise distribution of rated loans	NA	NA

*Note: Specifically, a transfer should disclose all instances where it has agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty.

vi) Recovery ratings assigned to Security Receipts held by bank as on 31.03.2024:

Bank is holding an investment of ₹ 2,383.95 crore in security receipts (SR) as on 31.03.2024. Rating wise distribution of the same is as under:

(Amount in ₹ Crore)

Rating of SR	Book Value 31.03.2024	Book Value 31.03.2023
R1	120.00	3.08
R2	115.45	156.68
R3	99.84	60.69
R4	-	17.18
R5	-	31.56
Rating Withdrawn	2048.67	2,065.93
Grand Total	**2383.95**	**2,335.13**

g. Fraud Accounts

In terms of RBI circular RBI/2015-16/376/DBR.No.BP.BC.92/21.04.048/2015-16 dated 18.04.2016 details of Fraud and Provision are as below:-

Bank holds full provision as applicable against outstanding balance as on 31.03.2024 in respect of frauds reported during the year ended 31.03.2024.

(Amount in ₹ Crore)

Particulars	During the FY Ended 31.03.2024		During the FY Ended 31.03.2023	
Number of frauds reported	No	Amount	No	Amount
a. Borrowal frauds	66	163.56	56	1,084.77
b. Non Borrowal frauds (Other than Digital frauds)	64	21.27	63	21.93
c. Digital frauds	2,269	10.41	414	1.87
Total Amount involved in fraud (₹ crore)	2,399	195.24	533	1,108.57
Amount of provision made for such frauds* (₹ crore)		195.24		1,108.57
Amount of Unmortised provision debited from 'other reserves' as at the end of the year (₹ crore)		0		0

*Amount consists of recovery/Digital frauds in which payment is not required to be made/etc. in which provision is not required.

h. Resolution of Covid-19 related Stress:

i. Disclosure regarding accounts restructured under resolution framework 1.0 & 2.0 as on 31.03.2024

(Amount in ₹ crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan-Position as at the end of the previous half-year (A)**	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year***	Exposure to accounts classified as Standard consequent to implementation of resolution plan-Position as at the end of this half-year
Personal Loans #	1,655.71	61.78	NIL	75.22	1,518.71
Corporate persons*	912.29	72.91	NIL	7.59	831.79
Of which MSMEs	183.00	8.53	NIL	26.38	148.09
Others	1,856.83	108.47	NIL	181.59	1,566.77
Total	4,424.83	243.16	NIL	264.40	3,917.27

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

**Includes accounts where request received till September 30, 2021 and implemented subsequently. Customer-wise exposure has been taken in disclosure after adjustment of new addition and up gradation of accounts.

*** Includes net change in exposure during the period.

Personal loan represents retail advances.

ii. Disclosure on Restructured Accounts to MSME Borrowers:

In accordance with RBI circular no. DBR No. BP.BC.18/21.04.048/2018-19 dated January 01,2019, DOR No. BP.BC.34/21.04.048/2019-20 dated February 11, 2020 and RBI/2020-21/17 DOR No. BP.BC/4/21.04.048/2020-21 dated August 6, 2020 on "Relief for MSME borrowers either exempted or registered under Goods and Services Tax(GST), the details of MSME restructured accounts as on 31st March, 2024 are as under:

No of Accounts Restructured	# Amount (₹ in Crore)
16,146.00	**1,765.45**

Standard Restructured accounts exposure. The Bank has maintained additional provision on standard restructured accounts at 5% & 10% whichever applicable.

iii. Disclosure with respect to accounts kept as standard due to the Court order:

As per directions of RBI vide letter no 10655/21.04.048/2018- 19 dated 21.06.2019 (as amended from time to time) disclosure with respect to accounts kept as standard due to the Court order, M/s. SEL MANUFACTURING CO LTD with an Outstanding Balance of ₹ 45,112,763.50 is classified as Standard as per Court orders vide Hon'ble NCLT Chandigarh Bench No. NCLT/No/CHD/REG/4010 dated 18/02/2021; however Bank is holding provision of ₹ 6,766,914.52 as per IRAC Norms, including provision for unrealized interest on prudent basis.

iv. Additional Provisions at higher than prescribed rates:

In compliance to the RBI guidelines on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances vide RBI/2023-24/06 DOR.STR.REC.3/21.04.048/2023-24 dated 01.04.2023, Point No. 5.7.2, Bank, after evaluation of various sectors, had changed the sectors considered as Stress for the purview of additional provision at higher than prescribed rates in Standard Advances. Accordingly, Vide Board Agenda No. BM/756/2023-24/10/CAT-4/2.03 Dated 28.02.2024 Stressed Sector has been reviewed as under;

(Amount in ₹ Crore)

Sr. No	Sector		Additional Provision Held/ Reversed as on 31.03.2024
1.	Airline Sector	(Added to Stressed Sector in Quarter 4)	0.03
2.	Gems & Jewellery Sector	(Added to Stressed Sector in Quarter 4)	5.98
3.	Telecom Sector	(Continued to be Covered under Stressed Sector in Quarter 4)	0.00
4.	Tourism & Hospitality Sector	(Removed from Stressed Sector in Quarter 4)	(4.44)
5.	Road Sector	(Removed from Stressed Sector in Quarter 4)	(37.95)

Accordingly, Additional Provision at higher than prescribed rates in Standard Advances in Stressed Sector during March 31, 2024 is ₹ 6.01 crore (₹ 30.89 Crore as on 31.03.2023)

l. Disclosure with respect to NCLT provisions:-

As per RBI circular No. DBR No. BP.15199/21.04.048/2016-17 and DBR No. BP.1906/21.04.048/2017-18 dated June 23, 2017 and August 28, 2017 respectively, for the accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank is holding total provision of ₹ 5,883.23 crore including FITL of ₹ 125.00 crore as at 31 March 2024 (₹ 6,316.13 crore for March 31, 2023 including FITL of ₹ 127.90 crore) i.e. 100 % of total outstanding including Investment as at March 31, 2024.

j. Disclosure in respect of Additional Provision to be made as per RBI guidelines on Prudential Framework for Resolution of Stressed Assets dated 07.06.2019:-

RBI vide their circular no. RBI/ 2018-19/ 203 DBR. No.BP.BC. 45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Asset issued guidelines for implementation of Resolution Plan, also containing requirements of additional provision as per Para 17 of this RBI circular. The outstanding in such cases as at March 31, 2024 is ₹ 756.51 crore (₹ 1,602.59 crore for March 31, 2023) and in compliance of the above RBI circular, the Bank has held additional provision of ₹ 117.44 crore as at March 31, 2024 (₹ 251.26 crore for March 31, 2023) and hold total provision of ₹ 480.18 crore (₹ 1,116.67 crore for March 31, 2023) as at March 31, 2024.

k. Disclosure in respect of ILFS and ILFS entities

In terms of RBI circular no RBI/2018-19/175 DBR.BP.BC.No.37/21.04.048/2018-19 dated 24.04.2019 Position as on 31.03.2024

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ADB & COMPANY F.R.N. 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

(Amount in ₹ crore)

Amount Outstanding	Of (1), total amount of exposures which are NPAs as per IRAC norms and not classified as NPA.	Provisions required to be made as per IRAC norms	Provisions actually held	Description
1	2	3	4	5
193.31	0.00	193.31	193.31	ILFS FIN SER CP
0.00	0.00	0.00	0.00	ILFS EQ*
0.00	0.00	0.00	0.00	New TIRUPUR*
193.31	0.00	193.31	193.31	TOTAL

* Investment in Shares Written off in FY 2023-24

Position as on 31.03.2023

(Amount in ₹ crore)

Amount Outstanding	Of (1), total amount of exposures which are NPAs as per IRAC norms and not classified as NPA.	Provisions required to be made as per IRAC norms	Provisions actually held	Description
1	2	3	4	5
193.31	0.00	193.31	193.31	ILFS FIN SER CP
16.49	0.00	16.49	16.49	ILFS EQ
2.47	0.00	1.02	1.02	New TIRUPUR
212.27	0.00	210.82	210.82	TOTAL

l. Countercyclical Provisioning Buffer

(Amount in ₹ crore)

Particulars		31.03.2024	31.03.2023
A	Opening balance in the Countercyclical Provisions account	-	-
B	The quantum of Countercyclical Provisions made in the Accounting Year	-	-
C	Amount of draw down made during the Accounting Year.	-	-
D	Closing balance in the Countercyclical Provisions account	-	-

m. Provision on Standard Assets

(Amount ₹ in Crore)

Items	31.03.2024	31.03.2023
Provisions towards Standard Assets held	2,073.12	2,086.50

n. Disclosure on Large Exposure framework:

Details of Accounts where bank has exceeded prudential exposure ceilings as per Large Exposure (LE) Framework in respect of any Individual and Group Account based on Tier-1 capital, are as below:-

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ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

As of 31.03.2024

Large Exposures to counterparties (Single as well as group of connected counterparties) bank's eligible capital base. (Tier I Capital as of 31.03.2024 ₹ 23,966.45 Crore) (Amount ₹ in Crore)				
Sr. No.	Borrower/ Customer Name	Whether Single (S) or Group (G) of connected Counter parties	Exposure Amount	Exposure as % of Tier I Capital ₹ 23,966.45 Crore
NIL				

o. **Statement of Loans and Advances secured by Intangible Assets viz. Rights Licenses Authorizations etc. which is shown as unsecured in Schedule-9**: NIL

5. Exposures

a) Exposure to Real Estate Sector

(Amount in ₹ crore)

	Category	31.03.2024	31.03.2023
(A)	Direct Exposure		
	(i) Residential Mortgages -	47,511.10	43,911.97
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Out of which, Individual housing loans eligible for inclusion in priority sector advances. (Exposure would also include non-fund based (NFB) limits).	22,875.41	14,518.35
	(ii) Commercial Real Estate –		
	Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily 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:	3,374.20	2,692.08
	(iii) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures-		
	-Residential	0.00	0.00
	-Commercial Real Estate	0.00	0.00
(B)	Indirect Exposure		0.00
	(i) Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	12,520.07	11,680.01
	Total Exposure to Real Estate Sector	**63,405.37**	**58,284.06**

b) Exposure to capital market

(Amount in ₹ crore)

	Particulars	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	271.14	406.45
ii)	Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/	0.98	1.01

	ESOPs| convertible bonds, convertible debentures and units of equities-oriented mutual funds		
iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security.	0.00	0.00
(iv)	Advances for any other purposes to the extent secured by the collateral securities 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. 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.	36.24	120.53
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers.	341.12	484.39
vi)	Loans sanctioned to corporates against the securities of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contributions to the equity of new companies in anticipation of raising resources.	0.00	0.00
vii)	Bridge Loans to the companies against expected equity flows/ issues.	0.00	0.00
viii)	Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds	0.00	0.00
ix)	Financing to stock brokers for margin trading	0.00	0.00
x)	All exposures to Venture Capital funds (both registered and unregistered)	397.33	437.86
	Total Exposure to Capital Market	**1,047.11**	**1,450.24**

c) Risk Category-wise Country Exposure:

(Amount in ₹ crore)

Risk Category	Exposure (net) as at March 31st (2024)	Provision held as March 31st (2024)	Exposure (net) as at March 31st (2023)	Provision held as March 31st (2023)
Insignificant	482.21	NIL	224.30	NIL
Low	259.93	NIL	242.12	NIL
Moderately Low	NIL	NIL	NIL	NIL
Moderate	75.04	NIL	62.44	NIL
Moderately High	NIL	NIL	NIL	NIL
High	2.54	NIL	1.42	NIL
Very High	4.04	NIL	3.30	NIL
Restricted	0.68	NIL	5.27	NIL
Off-Credit	9.15	NIL	0.33	NIL
Total	833.61	NIL	539.18	NIL

As the Bank's Net Funded exposure for the year in respect of Foreign Exchange Transaction is less than 1 % of total assets of the Bank, no provision is considered necessary.

d) Unsecured Advances

(Amount in ₹ crore)

Particulars	31.03.2024	31.03.2023
Total unsecured advances of the bank	46,927.33	20,737.90
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 securities	NIL	NIL

e) **Factoring Exposures:**

There is no factoring exposure as at 31.03.2024 or 31.03.2023.

f) **Intra-Group Exposures:**

(Amount in ₹ crore)

Particulars	31.03.2024	31.03.2023
Total amount of intra-group exposures	1,374.74	1,316.91
Total amount of top-20 intra-group exposures	1,374.74	1,316.91
Percentage of intra-group- exposures to total exposure of the bank on borrowers/customers	0.43%	0.42%
Details of breach of limits on intra-group exposures and regulatory action thereon if any	NIL	NIL

g) **Unhedged Foreign Currency exposure:**

The Bank has put in place a Board approval policy and process for managing currency induced credit risk. The credit appraisal memorandum (Executive Brief) prepared at the time of origination and review of a credit facility covers the required details viz. Total Foreign Exchange exposure, of which hedged position & if un-hedged, how the borrower plans to cover.

Provision on the un-hedged portion of foreign portion of currency exposures of customers is made on quarterly basis.

As per the Board approval policy, all Advances involving foreign currency lending of USD 1 million or equivalent and above is mandatory to be hedged unless specially permitted by the competent authorities. However hedging need not be insisted in the following cases

- Where Forex loans are extended to finance exports, hedging need not be insisted. However it should be ensured that such customers have uncovered receivables to cover the loan amount.
- Where Forex loans are extended for meeting forex expenditure.
- In respect of advances involving foreign currency loans below USD 1 million or equivalent:
- In case of corporates who are rated "A" and above, Competent Authority may permit allowing advances involving foreign currency loans without insisting for hedging.
- Customers who do not satisfy the conditions stipulated above will be required to provide cash margin, if they prefer to keep exposure open, to the extent of the forward premium prevailing for the tenor of un-hedged exposure.

Movement of Provision is as under:-

(Amount in ₹ crore)

Particulars	For the year ended March 2024	For the year ended March 2023
Opening Balance Provision account	7.61	4.18
The quantum of provisions made in the accounting year (including exchange difference)	0.00	3.43
Amount Reverse during the accounting year	3.33	0.00
Closing balance in the provisions account	4.28	7.61

In accordance with RBI guidelines, as at March 31, 2023, the amount of bank's credit exposure against un-hedged Foreign Currency Exposure of borrowers attracting 80 bps provisions was ₹. 509.29 Crore (Total UFCE Exposure of ₹ 1,575.24 Crore). The additional RWA on this exposure is ₹ 92.71 Crore against this additional minimum capital requirement is ₹ 10.66 Crore.

Based on the available financial statements and the declarations from borrowers, the Bank has estimated the liability for Un-hedged Foreign Currency in terms of RBI circular RBI/2022-23/131 DOR.MRG.REC.76/00-00-007/2022-23 dated October 11, 2022 and is holding a provision of ₹. 4.28 Crore as on March 31, 2024 (Previous Year ₹. 7.61 Crore as on March 31, 2023)

(Amount in ₹ crore)

CATEGORY	31.03.2024	31.03.2023
Unhedged Foreign Currency exposure	8,226.59	9,375.38
Based on the available financial statements and the declaration from borrowers, the Bank has estimated the liability towards Unhedged Foreign Currency Exposure to their constituents in terms of RBI circular DBOD.NO.BP.BC.85/21.06.200/2013-14 dated January 15, 2014 and 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. Provisions held for Unhedged Foreign Currency exposure	4.28	7.61

h) **Single Borrower and Group Borrower exposure limits:**

The Bank had taken single borrower exposure & Group Borrower exposure within the prudential limit prescribed by RBI.

6. **Disclosure regarding concentration of Deposits, Advances, Exposures and NPAs:**

a) **Concentration of deposits:**

(Amount in ₹ Crore)

Particulars	31.03.2024	31.03.2023
Total deposits of the twenty largest depositors	13,342.18	14,559.22
Percentage of deposits of twenty largest depositors to total deposits of the bank	3.46%	4.05%

b) **Concentration of Advances***

(Amount in ₹ Crore)

Particulars	31.03.2024	31.03.2023
Total Advances (Credit Exposure) to Top 20 largest borrowers	46,126.29	35,269.83
Total Advances (Credit Exposure)	3,01,623.29	2,98,649.76
Percentage of Advances to twenty largest borrowers to Total Advances of the bank	15.29%	11.81%

*Represent Credit exposure as per RBI Norms

c) **Concentration of Exposures****

(Amount in ₹ Crore)

Particulars	31.03.2024	31.03.2023
Total exposure to twenty largest borrowers/customers	47,766.49	37,574.72
Total Exposure	3,17,606.10	3,16,640.07
Percentage of exposures to the twenty largest borrowers/customers to the total exposure of the bank on borrowers/customers	15.04%	11.87%

** Represent credit and investment exposure

d) **Concentration of NPAs**

(Amount in ₹ Crore)

Particulars	31.03.2024	31.03.2023
Total Exposure to top twenty NPA accounts	14,784.50	13,895.20
Percentage of exposures to the top twenty largest NPA exposure to total Gross NPAs	31.64%	29.08%

7. Derivatives

a) **Forward Rate Agreement/Interest Rate Swap**

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	The Notional Principal of Swap agreements	8,520.00	5,625.00
ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements.	55.57	63.71
iii)	Collateral required by the bank upon entering into swaps	NIL	NIL
iv)	Concentration of credit risk arising from the swaps	NIL	NIL
v)	The fair value of the swap book	55.57	63.71
	*Forward rate Agreement	NIL	NIL

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b) Nature and Terms of forward rate agreement or Interest rate swaps:

INSTRUMENT	NATURE	NOS	NOTIONAL PRINCIPAL	BENCHMARK	TERMS
IRS	HEDGING	110	- 20,250,000,000	MIBOR	FIXED PAY VS FLOATING RECEIVABLE
IRS	TRADING	161	27,350,000,000	MIBOR	FIXED PAY VS FLOATING RECEIVABLE
IRS	TRADING	201	37,600,000,000	MIBOR	FLOATING PAY VS FIXED RECEIVABLE

c) Exchange Traded Interest Rate Derivatives

(Amount in ₹ crore)

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

d) Disclosures on risk exposure in derivatives:

i) Qualitative Disclosures

a) The Bank currently deals in over the counter (OTC) interest rate and currency derivatives as also in Interest Rate Futures and Exchange Traded Currency Derivatives. Interest Rate Derivatives dealt by the Bank are rupee interest rate swaps and foreign currency interest rate swaps. Currency derivatives dealt by the Bank are USD/INR currency swaps and cross currency swaps. The products are offered to the Bank's customers to hedge their exposures and the Bank also enters into derivatives contracts to cover off such exposures. Derivatives are used by the Bank both for trading as well as hedging balance sheet items.

b) Derivative transactions carry market risk i.e. the probable loss the Bank may incur as a result of adverse movements in interest rates/exchange rates and credit risk i.e. the probable loss the Bank may incur if the counterparties fail to meet their obligations. The Bank's "Policy for Derivatives" approved by the Board prescribes the market risk parameters (Greeks limits, Loss Limits, cut-loss triggers, open position limits, duration, modified duration, PV01 etc.) as well as customer eligibility criteria (credit rating, tenure of relationship, limits and customer appropriateness and suitability of policy (CAS) etc.) for entering into derivative transactions. Credit risk is controlled by entering into derivative transactions only with counterparties satisfying the criteria prescribed in the Policy. Appropriate limits are set for the counterparties taking into account their ability to honor obligations and the Bank enters into ISDA agreement with each counter party.

c) The Asset Liability Management Committee (ALCO) of the Bank oversees efficient management of these risks. The Bank's Market Risk Management Department (MRMD) identifies, measures, monitors market risk associated with derivative transactions, assists ALCO in controlling and managing these risks and reports compliance with policy prescriptions to the Risk Management Committee of the Board (RMCB) at regular intervals.

d) The accounting policy for derivatives has been drawn-up in accordance with RBI guidelines, the details of which are presented under Schedule 17: Significant Accounting Policies (SAP) for the financial year 2023-24.

e) Interest Rate Swaps are mainly used for hedging of the assets and liabilities.

f) Majority of the swaps were done with First class counterparty banks.

g) Derivative transactions comprise of swaps which are disclosed as contingent liabilities. The swaps are categorized as trading or hedging.

h) Derivative deals are entered with only those interbank participants for whom counterparty exposure limits are sanctioned. Similarly, derivative deals entered with only those corporates for whom credit exposure limit is sanctioned. Collateral requirements for derivative transactions are laid down as a part of credit sanctions terms on a case-by-case basis. Such collateral requirements are determined based on usual credit appraisal process. The Bank retains the right to terminate transactions as a risk mitigation measure in certain cases.

ii) Quantitative Disclosures

(Amount in ₹ crore)

Sr. No.	Particulars	31.03.2024		31.03.2023	
		Currency Derivatives	Interest rate derivatives	Currency Derivatives	Interest rate derivatives
a)	Derivatives (Notional Principal Amount)				
	a) For hedging	16,128.56	2,025.00	22,743.18	1,760.00
	b) For trading	50,651.26	6,495.00	58,657.64	3,865.00
b)	Marked to Market Positions				
	a) Asset (+)	167.21	55.57	457.57	63.71
	b) Liability (-)	105.26	45.40	480.90	38.10
c)	Credit Exposure	1,335.60	85.20	1,628.02	54.80
d)	Likely impact of one percentage change in interest rate (100*PV01)				
	a) On hedging derivatives	-	0.64	-	0.71
	b) On trading derivatives	-	0.30	-	0.28
e)	Maximum and Minimum of 100* PV01 observed during the year				
	a) On hedging	-	Max-0.71 Min-0.29	-	Max-0.71 Min-0.47
	b) On trading	-	Max-0.30 Min-0.01	-	Max-0.28 Min-0.01

e) Credit Default Swaps

Bank has not taken any position in Credit Default Swap in the financial year 2023-24.

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8. **Disclosure Relating to securitization**

Policy on Securitization of Standard Assets in line with RBI Guidelines has been approved by our Bank's Board. At present our Bank has no exposure under this segment.

9. **Off-Balance Sheet SPVs sponsored**

The Bank had not floated any off Balance Sheet SPV.

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

(Amount in ₹ crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
i)	Opening balance of amounts transferred to DEA Fund	1,270.55	1,085.73
ii)	Add: Amount transferred to DEA Fund during the year	384.37	209.65
iii)	Less: Amount reimbursement by DEA Fund towards claims	109.42	24.83
iv)	Closing balance of amounts transferred to DEA Fund	1,545.50	1,270.55
Closing balance of the amount transferred to DEA Fund, as disclosed above, are also included under 'Schedule 12-Contigent Liabilities-Other items for which the bank is contingently liable or 'Contingent Liabilities –Others,' as the case may be.			

11. **Disclosure of Complaints:**

a) **Summary information on complaints received by the bank from customers and from the Offices of ombudsman :**

Sr. No.		Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
	Complaints received by the bank from its customers			
1		Number of complaints pending at beginning of the year	494	384
2		Number of complaints received during the year	26,554	28,399
3		Number of complaints disposed during the year	25,962	28,289
	3.1	Of which, number of complaints rejected by the bank	302	0
4		Number of complaints pending at the end of the year	1,086	494
	Maintainable complaints received by the bank from Office of Ombudsman			
5		Number of maintainable complaints received by the bank from Office of Ombudsman	5,752	4,832
	5.1	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	5,473	4,610
	5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	267	222
5.3		Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman 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.				

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b) Top five Grounds of Complaints received by the bank from customers:

Grounds of complaints (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, Number of complaints beyond 30 days
1	2	3	4	5	6
FY 2023-24					
ATM Transactions	1,622	96,641	(-)22.05	1904	0
Internet/Mobile/E-banking	16	902	(-)631.93	137	0
Facilities for customers visiting the branch etc.	98	5,281	(-)30.24	102	0
A/C Opening/difficulty in operation of account-General Banking	2	89	(+)16.85	1	0
Loans & Advances	36	1,632	(+)38.05	32	0
Others	342	18,650	(+)25.82	814	0
Total	**2,116**	**123,195**		**2,990**	**0**
FY 2022-23					
ATM Transactions	539	117,953	(-)23.97	1,622	0
Internet/Mobile/E-banking	8	6,602	300.12	16	0
Facilities for customers visiting the branch etc.	22	6,878	233.56	98	0
A/C Opening/difficulty in operation of account-General Banking	7	74	(-)95.16	2	0
Loans & Advances	6	1,011	51.80	36	0
Others	341	13,834	(-)38.50	342	0
Total	**923**	**146,352**		**2,116**	**0**

c) **Investors' Complaints:**

Sr. No.	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
1	Pending at the beginning of the year	-	-
2	Received during the year	-	3
3	Redressed during the year	-	3
4	Pending at the end of the year	-	-

12. Disclosure of Penalties imposed by the Reserve Bank of India

During the financial year ended March 31, 2024, the Reserve Bank of India has levied/imposed a penalty of ₹ 0.84 crore on May 26, 2023 for non-compliance with certain provisions of 'Reserve Bank of India (Frauds classification and reporting by commercial banks and select FIs) directions 2016' and 'Master Circular on Customer Service in Banks'. Penalty amount was paid to RBI on May 31, 2023.

13. Disclosure on Remuneration

(Amount in ₹ Crore)

Name	Designation	Key Management Personnel	
		31.03.2024	31.03.2023
Shri. M V Rao	Managing Director & CEO	0.44	0.41
Shri. Vivek Wahi	Executive Director	0.37	0.34
Shri. Rajeev Puri (till 30.06.2023)	Executive Director	0.14	0.37
Shri. M V Murali Krishna	Executive Director	0.34	0.10
Shri. Mahendra Dohare (w.e.f. 09.10.2023)	Executive Director	0.16	0.00
Total		**1.45**	**1.22**

Note: Keeping in line with para 9 of the AS – 18 – "Related Party Disclosure" issued by ICAI, the transactions with the Subsidiaries and Associates Enterprises have not been disclosed which exempts the State Controlled Enterprises from making any disclosures pertaining to transactions with other related State Controlled Enterprises.

Further, transactions in the nature of Banker-Customer relationship including those with KMP and relatives of KMP have not been disclosed in terms of Para 5 of AS-18.

14. Other Disclosures

a) Business Ratios

Sr. No.	Items	31.03.2024	31.03.2023
(i)	Interest Income as a percentage to Working Funds	7.60%	7.07%
(ii)	Non-interest income as a percentage to Working Funds	1.17%	1.13%
(iii)	Cost of Deposits	4.61%	3.92%
(iv)	Net Interest Margin	3.40%	3.47%
(v)	Operating Profit as a percentage to Working Funds	1.82%	1.90%
(vi)	Return on Assets	0.63%	0.44%
(vii)	Business (deposits plus advances) per employee (in ₹ Crore)	19.94 Crore	18.45 Crore
(viii)	Profit per employee (in ₹ Crore)	0.08	0.05

* Figures have been regropued/recaculated to conform the current year classification

b) **Bancassurance Business:**

The details of fees/brokerage earned in respect of insurance broking, agency and bancassurance business undertaken by them shall be disclosed for both the current year and previous year.

Fees/brokerage received in respect of the Bancassurance Business undertaken is as under:

Particulars	31.03.2024		31.03.2023	
	No. of policies	Amount (in ₹ crore)	No. of policies	Amount (in ₹ crore)
Life	68,225	114.87	66,509	78.86
Non-Life	2,67,953	14.33	2,48,089	12.27
Total	3,36,178	129.20	3,14,598	91.13

c) Marketing and distribution

There are no Marketing and distribution function (excluding bancassurance business) undertaken by bank.

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d) **Disclosure regarding priority sector lending certificates**

i. The bank has sold PSLC during FY 2022-23 and FY 2023-24 as follows:

(Amount in ₹ crore)

Category	Year Ended 31.03.2024	Year Ended 31.03.2023
PSLC Micro Enterprises	-	700.00
PSLC Agriculture	-	-
PSLC General	-	1,000.00
PSLC Small and Marginal Farmers	1,500.00	2,950.00
Total	1,500.00	4,650.00

ii. The Bank has not purchased PSLC during FY 2022-23 and FY 2023-24.

e) **Provisions and Contingencies: - Refer note no 15 (h) of Disclosure requirements as per the Accounting Standard-29 hereafter in this Schedule.**

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

RBI vide Circular DBR.BP.BC.No.29/21.07.001/2018-19 dated March 22, 2019 deferred implementation of Ind AS till further notice. However, RBI requires all banks to submit Proforma Ind AS financial statements every half year. Accordingly, the Bank is preparing and submitting to RBI Proforma Ind AS financial statements every half year after approval by Management.

g) **Payment of DICGC Insurance Premium**

(Amount in ₹ crore)

Provisions debited to Profit and Loss Account	31.03.2024	31.03.2023
i)Payment of DICGC Insurance Premium	454.58	431.32
ii) Arrears in payment of DICGC premium	-	-

h) **Disclosure on amortization of expenditure on account of enhancement in family pension of employees of Bank :-**

RBI vide their Circular No.: RBI/2021-22/105 DORACC.REC.57/21.04.018/2021-22 dated 4th October 2021, has permitted Banks to amortize the additional liability on account of revision in family pension for employees over a period of not exceeding 5 (five) years, beginning with financial year ended 31st March 2022, subject to a minimum of 1/5th of the total amount being expensed every year. Based on the Actuarial Valuation report obtained by the Bank the additional liability on account of revision in family pension for employees is arrived at ₹ 821.95 crore. Bank has opted to amortize the same as per the said circular of RBI and has charged an amount of ₹ 544.52 crore out of ₹ 821.95 crore to the Profit & Loss account during the financial year ended 31st March, 2022. During the year ended March 31st, 2024, the Bank has charged ₹ 113.03 crore to the Profit and Loss account. The unamortized expense being carried forward to subsequent years is NIL.

i) **Balancing of Books / Reconciliation:**

a) The parent Bank is under process of reconciling the outstanding balances/entries in various heads of accounts included in Inter office adjustment (IBR) account.

The Net balance of IBR account as at March 31, 2024 is ₹ 87.72 Crore (net debit) and as at 31st March, 2023 is ₹ 1.95 Crore (net credit).

b) The reconciliation of the following items are in progress :

- Inter Branch Office Balance
- Inter Bank Accounts
- Suspense Accounts
- Clearing & other Adjustment Accounts
- Certain balances in nominal account
- NOSTRO Accounts
- Balances related to ATM Department
- Mirror Accounts maintained by Central Card Department and other balances
- Data/System updation of Agricultural and Priority Sector Advances
- GST
- Fixed Asset
- Other Assets
- Other Liabilities

The management is of the opinion that the overall impact, if any, on the accounts will not be significant.

j) Details of Letter of Comfort Issue by Banks and outstanding as on 31.03.2024:-

There are no Letter of Comfort issued during the year as well as in previous year by Bank.

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

(Amount in ₹ Crore)

Particulars	31.03.2024	31.03.2023	Cumulative* 31.03.2024
Total green deposits raised (A)	37.09	10.46	47.55
Use of green deposit funds**			
(1) Renewable Energy	37.09	10.46	47.55
(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			
Total Green Deposit funds allocated (B = Sum of 1 to 9)	37.09	10.46	47.55
Amount of Green Deposit funds not allocated (C = A – B)	0	0	0
Details of the temporary allocation of green deposit proceeds pending their allocation to the eligible green activities/projects			
* This shall contain the cumulative amount since the RE started offering green deposits. For example, if a bank has commenced raising green deposits from June 1, 2023, then the annual financial statement for			

the period ending March 31, 2025, would contain particulars of deposits raised and allocated from June 1, 2023, till March 31, 2025. Further, the actual amount of green deposits raised during the year and use of such funds shall be given under this disclosure. **Under each category, REs may provide sub-categories based on the funds allocated to each sub-sector. For example, REs may provide sub-categories like solar energy, wind energy, etc. under "Renewable Energy".

l) **Additional disclosure related to other asset & other liabilities:**

Particulars	FY 2023-24	FY 2022-23
Schedule 5 other liabilities-IV-5 any item under "others (including provisions)" exceed 1% of total assets	NIL	NIL
Schedule 11 other asset –VI any item under "others" in other assets exceeds 1% of the total assets	NIL	NIL
Schedule 14-VII "other miscellaneous income" any item under this head exceeds 1% of total income	Recovery received in accounts written off ₹1,433.32 Crore which is 4.05% of other Total income.	Recovery received in accounts written off ₹1,282.59 crore which is 4.33% of other Total income.
Schedule 16-XII "other expenditure" any item under this head exceeds 1% of total income	NIL	NIL

15. Disclosure Requirements as per the Accounting Standards

The following information is disclosed in terms of Accounting Standards issued by The Institute of Chartered Accountants of India (ICAI):

a) Accounting Standard-15 "Employee Benefits":

i. Defined Benefit Plans, Employee's pension plan and Gratuity plan
The following table sets out the status of the Defined Benefit Pension Plans and Gratuity Plan as per Actuarial Valuation by the independent Actuary appointed by the parent bank:-

(Amount ₹ in Crore)

Particulars	Pension Plan		Gratuity Plan	
	Current Year	Previous Year	Current Year	Previous Year
Change in the Present Value of the Defined Benefit Obligation	FY(23-24)	FY(22-23)	FY(23-24)	FY(22-23)
Opening Defined Benefit Obligation 1st April, 2023	16,729.00	16,237.43	1,651.72	1,730.20
Current Service Cost	137.03	85.97	104.79	107.84
Interest Cost	1,237.95	1,177.21	112.99	109.69
Past Service Cost (Vested Benefit)	-	-	-	-
Actuarial Losses (gains)	1,199.14	909.56	122.95	(15.07)
Benefits Paid	(1,798.53)	(1,681.17)	(239.63)	(280.94)
Direct Payment by Bank	-	-	-	-

Closing Defined Benefit Obligation at 31st March ,2024	17,504.59	16,729.00	1,752.82	1,651.72

(Amount ₹ in Crore)

Change in Plan Assets	Current Year	Previous Year	Current Year	Previous Year
	FY(23-24)	FY(22-23)	FY(23-24)	FY(22-23)
Opening Fair Value of Plan Assets as at 1st April, 2023	16,483.92	15,807.88	1,637.42	1,630.51
Expected Return on Plan Assets	1,153.26	1,133.25	118.88	110.79
Contributions by Employer	1,342.40	1,327.65	177.73	231.29
Expected Contributions by the employees	-	-	-	-
Benefits Paid	(1,798.53)	(1,681.17)	(239.63)	(280.94)
Actuarial Gains /(Loss)on Plan Assets	191.76	(103.69)	31.63	(54.23)
Closing Fair Value of Plan Assets as at 31st March, 2024	17,372.81	16,483.92	1,726.03	1,637.42

(Amount ₹ in Crore)

Amount Recognized in the Balance Sheet	Current Year	Previous Year	Current Year	Previous Year
	FY(23-24)	FY(22-23)	FY(23-24)	FY(22-23)
Present Value of Funded obligation at 31st March, 2024	17,504.59	16,729.00	1,752.82	1,651.72
Fair Value of Plan Assets at 31st March, 2023	(17,372.81)	(16,483.92)	(1,726.03)	(1,637.42)
Unrecognized past service Cost	-	-	-	-
Deficit/(Surplus)	131.78	245.08	26.79	14.30
Net Liability/(Asset)	131.78	245.08	26.79	14.30

(Amount ₹ in Crore)

Net Cost Recognized in the Profit and Loss Account	Current Year	Previous Year	Current Year	Previous Year
	FY(23-24)	FY(22-23)	FY(23-24)	FY(22-23)
Current Service Cost	137.03	85.97	104.79	107.83
Past Service Cost-Recognized	-	657.56	-	-
Interest Cost	1,237.95	1,177.21	112.99	109.69
Expected Return on Plan Assets	(1,153.26)	(1,133.26)	(118.88)	(110.79)
Net Actuarial Losses/(Gain) Recognized During the Year	1,007.38	1,013.25	91.31	39.17
Total Cost of Defined Benefit Plans included in Schedule 16 "Payments to and provisions for Employees"	1,229.09	1,800.74	190.21	145.90

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(Amount ₹ in Crore)

Reconciliation of Expected Return and Actual Return on Plan Assets	Current Year	Previous Year	Current Year	Previous Year
	FY(23-24)	FY(22-23)	FY(23-24)	FY(22-23)
Expected Return on Plan Assets	1,153.26	1,133.26	118.88	110.79
Actuarial Gain/(loss)on Plan Assets	191.76	(103.69)	31.63	(54.24)
Actual Return on Plan Assets	1,345.02	1029.57	150.51	56.55

(Amount ₹ in Crore)

Reconciliation of Opening and Closing Net Liability /(Asset) Recognized in Balance Sheet	Current Year	Previous Year	Current Year	Previous Year
	FY(23-24)	FY(22-23)	FY(23-24)	FY(22-23)
Opening Net Liability /(Asset) as at 1st April, 2023	245.08	(228.01)	14.30	99.69
Expenses as Recognized in Profit And Loss Account	1,229.09	1,800.74	190.21	145.90
Employer's Contribution	(1,342.40)	(1,327.65)	(177.73)	231.29
Net Liability/(Assets) Recognized in Balance Sheet	131.77	245.08	26.78	14.30

Investment under Plan Assets of Pension Funds & Gratuity Fund as on 31st March, 2024 are as follows-		
CATEGORY OF ASSETS	PENSION FUND	GRATUITY FUND
	% OF PLAN ASSETS	% OF PLAN ASSETS
Central Govt. Securities	0.22	0.82
State Govt. Securities	16.93	37.99
Debt Securities, Money Market Securities and Bank Deposits	16.46	28.69
Mutual Funds	3.42	2.80
Insurer Managed Funds	62.95	29.36
Others	0.02	0.34
Total	100.00	100.00

Principal Actuarial Assumptions	PENSION PLANS	
	Current Year	Previous Year
	FY(23-24)	FY(22-23)
Discount Rate	7.20%	7.40%
Expected Rate of Return on Plan Assets	7.20%	7.40%

Salary Escalation Rate	5.00%	5.00%
Pension Escalation Rate	4.00%	4.00%
Attrition Rate	2.50%	2.50%
Mortality Table	IALM(2012-14)	

Principal Actuarial Assumptions	GRATUITY PLANS	
	Current Year	Previous Year
	FY(23-24)	FY(22-23)
Discount Rate	7.20%	7.40%
Expected Rate of Return on Plan Assets	7.20%	7.40%
Salary Escalation Rate	5.00%	5.00%
Attrition Rate	2.50%	2.50%
Mortality Table	IALM(2012-14)	

SURPLUS/DEFICIT IN THE PLAN

(Amount ₹ in Crore)

GRATUITY PLAN	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2020	31-03-2021	31-03-2022	31-03-2023	31-03-2024
Liability at the end of the year	1,623.23	1,726.66	1,730.20	1,651.72	1,752.82
Fair Value of Plan Assets at the end of the year	1,720.32	1,534.62	1,630.51	1,637.42	(1,726.03)
Difference	(97.09)	192.04	99.69	14.30	26.79
Amount Recognized in the Balance Sheet	(97.09)	192.04	99.69	14.30	26.79

(Amount ₹ in Crore)

EXPERIENCE ADJUSTMENT	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2020	31-03-2021	31-03-2022	31-03-2023	31-03-2024
On Plan Liability (Gain)/ Loss	(6.34)	249.60	145.94	(15.07)	122.94
On Plan Asset (Loss) / Gain	(3.38)	32.99	45.41	(54.23)	31.64

SURPLUS/DEFICIT IN THE PLAN

(Amount ₹ in Crore)

PENSION PLAN	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2020	31-03-2021	31-03-2022	31-03-2023	31-03-2024
Liability at the end of the year	15,421.82	15,557.67	16,237.43	16,729.00	17,504.59
Fair Value of Plan Assets at the end	14,939.64	15,198.04	15,807.88	16,483.92	17,372.81

of the year					
Difference	482.18	359.63	429.55	245.08	131.78
Amount unrecognized in the Balance Sheet (w.r.t. past service cost)	-	-	277.43	-	-
Amount Recognized in the Balance Sheet	482.18	359.63	152.12	245.08	131.78
Amount Recognized in the Balance Sheet (w.r.t. past service cost)	-	-	544.52	277.43	-

(Amount ₹ in Crore)

EXPERIENCE ADJUSTMENT	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2020	31-03-2021	31-03-2022	31-03-2023	31-03-2024
On Plan Liability (Gain)/ Loss	12.65	2,279.00	847.41	1,126.87	1,199.14
On Plan Asset (Loss) / Gain	346.19	276.30	98.07	1,013.25	191.75

The expected contribution to the Pension and Gratuity fund for next year is ₹ 131.78 crore and ₹ 26.79 Crore respectively which is to be received in the FY 2024-25.

ii. Defined Contribution Plan:

The bank has a defined contribution pension scheme (DCPS) applicable to all categories of officers and employees joining bank on or after 01/04/2010. The scheme is managed by NPS trust under the aegis of the Pension Fund Regulatory and Development Authority. Protean eGov Technologies Ltd (Formerly NSDL e-Governance Infrastructure Limited) has been appointed as the Central Record Keeping Agency for the NPS. During FY 2023-24, the bank has contributed ₹ 252.94 crore (Previous year ₹ 244.48 crore).

iii. Employees' Provident Fund:-

During the year bank has recognized expenses of ₹ 0.77 Crore and corresponding year ₹ 0.96 Crore on account of employer contribution for the employees covered under PF option Scheme i.e. PF Optees.

iv. A) Long Term Employee Benefits (Unfunded Obligation):

During the year bank has recognized expenses of ₹ 131.38 crore (Previous Year ₹ 78.70 crore) towards leave encashment expenses based on actuarial valuation.

Actuarial Valuation Report as per AS15 (revised 2005) - Privilege Leave Benefits

(Amount ₹ in Crore)

Asset and Liabilities		
Particulars	Current Year	Previous Year
	FY(23-24)	FY (22-23)
Defined Benefit Obligation	1,201.71	1,070.33
Fair Value of Plan Assets	-	-
Net Liability (Asset)	1,201.71	1,070.33

Financial Assumptions		
Particulars	Current Year	Previous Year
	FY(23-24)	FY (22-23)
Discount Rate	7.20%	7.45%

Salary Growth Rates	5.00%	5.00%
Withdrawal rates Per Annum		
Age Band	Current Year	Previous Year
	FY(23-24)	FY (22-23)
25& Below	2.50%	2.50%
26 to 35	2.50%	2.50%
36 to 45	2.50%	2.50%
46 to 55	2.50%	2.50%
56 & above	2.50%	2.50%

Mortality Rates: Indian Assured Lives Mortality (2012-14) Table

Sample Rates of (Indian Assured Life Mortality)IALM		
Age (In Years)	Current Year	Previous Year
	FY(23-24)	FY (22-23)
20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%
50	0.44%	0.44%
60	1.12%	1.12%

B) Other Long Term Employee Benefits

1. Actuarial Valuation Report as per AS15 (revised 2005) – Retirement Benefits

(Amount ₹ in Crore)

Asset and Liabilities		
Particulars	Current Year	Previous Year
	FY(23-24)	FY (22-23)
Defined Benefit Obligation	8.09	2.74
Fair Value of Plan Assets	-	-
Net Liability (Asset)	8.09	2.74

Financial Assumptions		
Particulars	Current Year	Previous Year
	FY(23-24)	FY (22-23)
Discount Rate (P.a)	7.20%	7.40%
Inflation Rate (p.a)	-	-
Expected Rate of Return (p.a)	Not Applicable	Not Applicable

Withdrawal rates Per Annum		
Age Band	Current Year	Previous Year
	FY(23-24)	FY (22-23)
25& Below	2.50%	2.50%
26 to 35	2.50%	2.50%
36 to 45	2.50%	2.50%
46 to 55	2.50%	2.50%
56 & above	2.50%	2.50%

Mortality Rates: Indian Assured Lives Mortality (2012-14) Table

Sample Rates of (Indian Assured Life Mortality)IALM		
Age (In Years)	Current Year	Previous Year
	FY(23-24)	FY (22-23)
20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%
50	0.44%	0.44%
60	1.12%	1.12%

2. Actuarial Valuation Report as per AS15 (revised 2005) – Long Service Benefits

(Amount ₹ in Crore)

Asset and Liabilities		
Particulars	Current Year	Previous Year
	FY(23-24)	FY (22-23)
Defined Benefit Obligation	1.33	1.21
Fair Value of Plan Assets	-	-
Net Liability (Asset)	1.33	1.21

Financial Assumptions		
Particulars	Current Year	Previous Year
	FY(23-24)	FY (22-23)
Discount Rate (P.a)	7.20%	7.40%
Inflation Rate (p.a)	-	-
Expected Rate of Return (p.a)	Not Applicable	Not Applicable

Withdrawal rates Per Annum		
Age Band	Current Year	Previous Year
	FY(23-24)	FY (22-23)
25& Below	2.50%	2.50%
26 to 35	2.50%	2.50%
36 to 45	2.50%	2.50%
46 to 55	2.50%	2.50%
56 & above	2.50%	2.50%

Mortality Rates: Indian Assured Lives Mortality (2012-14) Table

Sample Rates of (Indian Assured Life Mortality)IALM		
Age (In Years)	Current Year	Previous Year
	FY(23-24)	FY (22-23)
20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%
50	0.44%	0.44%
60	1.12%	1.12%

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b) Accounting Standard 17 –

Segment Reporting

As per the revised guidelines of Reserve Bank of India the Bank has recognized Treasury Operations Corporate/ Wholesale Banking Retail Banking and other Banking business as primary reporting segments. There are no secondary reporting segments.

Primary (Business Segment)

The following are the primary segments of the Bank:-
- Treasury
- Corporate / Wholesale Banking
- Retail Banking
- Other Banking Business.

The present accounting and information system of the Bank based on the present internal, organizational and management reporting structure and the nature of their risk and returns, the data on the primary segments have been computed as under:

i. Treasury –
The Treasury Segment includes the entire investment portfolio and trading in foreign exchange contracts and derivative contracts. The revenue of the treasury segment primarily consists of fees and gains or losses from trading operations and interest income on the investment portfolio.

ii. Corporate / Wholesale Banking –
The Corporate / Wholesale Banking segment comprises the lending activities of Corporate Accounts, Trust / Partnership Firms Companies and statutory bodies which are not included under Retail Banking and Stressed Assets Management Branch. These include providing loans and transaction services to corporate and institutional clients.

iii. Retail Banking –
The Retail Banking Segment comprises of retail branches, which primarily includes Personal Banking activities including lending activities to corporate customers having banking relations with these branches. The Retail Banking Segment consists of all exposures up to a limit of ₹ 7.50 crore (including Fund Based and Non Fund Based exposures) subject to orientation product granularity criteria and individual exposures. This segment also includes agency business and ATMs.

iv. Other Banking business –
Segments not classified under (1) to (3) above are classified under this primary segment.

Secondary (Geographical Segment)

1) Domestic Operations - Branches/Offices having operations in India

2) The Bank has only one geographical segment i.e. Domestic Segment.

(Amount in ₹ Crore)

Business Segments	Treasury		Corporate/Wholesale Banking		Retail Banking		Other Banking Operations		Total	
Particulars	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Revenue	11,812.74	10,974.59	8,279.47	6,564.56	15,013.91	11,701.76	-	-	35,106.12	29,240.91
Result	2,704.34	2,585.67	702.13	1,226.84	775.73	(1,208.26)		-	4,182.20	2,604.25

							-			
Unallocated Expenses									(128.82)	41.09
Operating Profit									4,053.38	2,645.34
Income Taxes									1,504.32	1,063.14
Extraordinary profit/loss	-	-	-	-	-	-	-	-	-	-
Net Profit									2,549.06	1,582.20
Other information:										
Segment Assets	184,685.69	184,294.75	96,548.66	77,326.33	151,756.14	130,251.75	-	-	432,990.49	391,872.83
Unallocated Assets									13,682.19	14,292.65
Total Assets									446,672.68	406,165.48
Segment Liabilities	179,376.86	179,578.72	91,432.83	73,563.83	143,715.03	123,914.02	-	-	414,524.72	377,056.57
Unallocated Liabilities									-	-
Total Liabilities									414,524.72	377,056.57

* Segment Revenue and Expenses have been apportioned on the basis of the segment assets, wherever direct allocation is not possible. Figures have been regrouped wherever considered necessary to conform to current year classification.

The Bank has only one geographical segment i.e. Domestic Segment

c) Related Party disclosures as per Accounting Standard 18 – Related Party

List of Related Parties:

I. Key Managerial Personnel –

	Name of Director	Designation
i)	Shri. M V Rao	Managing Director & CEO
ii)	Shri. Vivek Wahi	Executive Director
iii)	Shri. Rajeev Puri (till 30.06.2023)	Executive Director
iv)	Shri. M V Murali Krishna	Executive Director
v)	Shri. Mahendra Dohare (w.e.f. 09.10.2023)	Executive Director

II. Subsidiaries –

i)	Cent Bank Home Finance Limited
ii)	Cent Bank Financial Services Limited

III. Associates –

i)	Regional Rural Banks –
a.	Uttar Bihar Gramin Bank, Muzzaffarpur (Bihar)
b.	Uttarbanga Kshetriya Gramin Bank, Cooch Behar (West Bengal)
ii)	Indo – Zambia Bank Ltd., Zambia

d) Accounting Standard -10 & Accounting Standard - 19 & (Freehold & Leases)

i. The premises of the Bank were revalued to reflect the market value as on 31.03.2024 based on valuation reports of external independent valuers' and approved by the Board of Directors and ₹

490.00 crore (₹ 329.98 crore for Freehold properties and ₹ 160.02 crore. For Leasehold properties) increases in value thereof have been credited to Revaluation Reserve Account.

ii. In case of assets, which have been revalued, the depreciation is provided on the revalued amount charged to Profit & Loss Account and the amount of incremental depreciation attributable to the revalued amount ₹ 54.87 crore (₹ 38.71 crore for Freehold properties and ₹ 16.16 Crore for Leasehold properties) for F.Y. 2023-24 upto March 2024 (previous year 2022-23 ₹ 65.36 crore) is transferred from 'Revaluation Reserves' and credited to "Revenue and Other Reserves". Depreciation on increased value on account of revaluation has not been considered for the financial year ending 31.03.2024.

iii. Land obtained on lease by bank includes market value of buildings as on 31.03.2024 for ₹ 6.36 Crore (previous year ₹ 8.99 Crore) with written down value as NIL (previous year NIL), the lease period of which has expired and the bank is still having its offices/building on these lands and vacant land obtained on lease by the Bank includes market value as on 31.03.2024 is ₹ 16.43 Crore with written down value as NIL, where the lease period is expired, perusing with authorities for lease renewals.

iv. As per AS-19, operating leases primarily comprise office premises and staff residences, which are renewable at the option of the Bank.

i) Liability for Premises taken on Non-Cancellable operating lease are ₹ NIL as on 31.03.2024

ii) Amount of lease payments recognized in the P&L Account for operating lease is ₹ 454.39 Crore as on 31.03.2024 (Previous year ₹ 392.02 crore).

v. Additional Disclosure:
a) Premises obtained by bank include own property of ₹ 37.13 crore for which registration formalities are still under progress.

b) The title of property amounting to ₹ 37.13 crore acquired on disposal of security are not in favour of the Bank as the matter is sub-judice.

e) Accounting Standard 20 – Earnings per Share
Earnings per share as per AS 20 have been arrived at as follows:

Particulars	31.03.2024	31.03.2023
Net Profit after Tax available for Equity Share Holder (₹ in Crore)	2,549.06	1,582.20
Weighted Average number of Equity Share (No.)	8,68,09,39,432	8,68,09,39,432
Basic Earnings per Share (₹) *	2.94	1.82
Diluted Earnings per Share (₹) *	2.94	1.82
Nominal Value per Share (₹)	10	10

f) Accounting Standard 22 –Accounting for Taxes on Income
Provision for Income Tax for the year is arrived at after due consideration of relevant statutory provisions and judicial decisions on disputed issues.

I. Claims against the bank not acknowledged as debt under contingent liabilities (schedule 12) includes ₹ 5,964.67 crore (previous year ₹ 5,969.69 crore) towards disputed income Tax liability of the parent Bank. It includes Income tax appeals at various levels by bank and Income tax department. Provision for disputed amount of taxation is not considered necessary by the Bank on the basis of various judicial pronouncements and favorable decisions in Bank's own case. Payments/ adjustments against the said disputed dues are included under Other Assets (schedule 11). Disputed service tax matter as on March 31st, 2024 is ₹ 9.12 crore.

ii. Government of India has inserted Section 115BAA in the Income Tax Act 1961 ("Act") vide the Taxation Laws (Amendment) Ordinance 2019 dated September 20, 2019 which provides a non-reversible option to domestic companies to pay corporate tax at a reduced rate effective from April 01, 2019 subject to certain conditions. The Bank has assessed the applicability of the act and opted to continue the existing tax rate (i.e. 34.944%) for the financial year ended March 31st, 2024.

iii. In the Opinion of the Management, the provisions of Section 115JB of the Income Tax Act, 1961 are not applicable. Without prejudice to this stand, the Bank has recognized a MAT tax provision of ₹ 275.33 crore for the current financial year and the entire sum, being MAT credit entitlement (₹ 1,960.90 crore as on 31.03.2024) under section 115 JAA of the Income Tax act, 1961 has been recognized and treated as an asset. The applicability of provisions of Section 115JB (post amendment by the Finance Act, 2012) of the Income Tax Act, 1961 is under adjudication before Special Bench of Income Tax Appellate Tribunal, Mumbai.

iv. Keeping in view the significant provisioning requirements and revision in guidelines of Deferred Tax Assets (DTA) in CET1 calculation by RBI tax review based on management's estimate of possible tax benefits against timing difference has been carried out and ₹ 4,294.57 crore has been recognized as Deferred Tax Assets as at 31st March 2024. Component of deferred tax assets/ liabilities as on 31st March 2024 are as under:

(Amount in ₹ crore)

Particulars	Deferred Tax Assets		Deferred Tax Liability	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Business Loss	3,124.24	2,270.61	-	-
Provision for Leave Encashment	419.93	374.02	-	-
Provision for Loans and Advances	1,570.95	3,945.44	-	-
Interest on Income Tax Refund	-	-	61.87	40.96
Interest accrued but not due on investments	-	-	747.67	699.00
Special Reserve u/s36(1)(viii) of I.T. Act 1961	-	-	34.94	34.94
Depreciation on Fixed Assets	-	-	(23.94)	16.26
TOTAL	5,115.12	6,590.07	820.54	791.16
Net Deferred Tax Asset/Liability	4,294.58		-	

Net decrease in Deferred Tax Assets for the Financial Year 2023-24 is ₹ 1,504.33 crore (Previous year ₹ 1,063.14 crore) has been recognized in profit & loss account.

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ADB & COMPANY KANPUR (C.G.) CHARTERED ACCOUNTANTS

g) Accounting Standard – 28 –Impairment of Assets

A substantial portion of Bank's assets comprise financial assets to which Accounting Standard-28 on impairment of assets is not applicable. In the opinion of the Management there is no material impairment on Other Assets other than financial assets as at March 31, 2024 requiring recognition in terms of the Standard

h) Accounting Standard – 29 on Provisions, Contingent Liabilities and Contingent Assets

(Amount in ₹ crore)

Break-up of Provisions and Contingencies shown under the head Expenditure in P&L Account	31.03.2024	31.03.2023
Provisions/Depreciation on Investment (NPI)	(264.90)	214.59
Provision towards NPA	3,391.39	3,531.55
Provision towards Standard Asset	52.01	680.54
Provision made for Taxes	1,504.33	1,063.14
Provision for Restructured Advances	(33.83)	(221.81)
Other Provisions	164.63	30.80
TOTAL	4,813.63	5,301.57

i) Additional Disclosures:-

Implementation of the Guidelines on Information Security Electronic Banking Technology Risk Management and Cyber Frauds. The bank has formulated policies as per RBI circular RBI/2010-11/494 DBS.CO.ITC.BC.No. 6/31. 02.008/2010-11 dated April 29, 2011. These policies are being reviewed by the management of the bank on periodical basis. The policies were last reviewed by the Board of Directors in the meeting held on 28.02.2024.

j) Payment to Micro, Small & Medium Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006:- There has been no reported case of delayed payments of the principal amount or interest due thereon to Micro, Small & Medium Enterprises.

k) In terms of RBI guidelines DBOD No.BP.BC.57/62-88 dated December 31, 1988, Inter-Bank Participation Certificates (IBPC) Lending of ₹ NIL has been undertaken. Accordingly, these have been adjusted from the advances of the Bank. Interest income of ₹ NIL has been recognized against these borrowings.

l) Disclosure with respect to spreading of MTM losses in asset:

This has reference to RBI circular RBI/2017-18/200 DBR No BP.BC.113/21.04.048/2017-18 dated 15 June 2018 regarding the option to spread provisioning for mark to market (MTM) losses on investments held in AFS and HFT on account of sharp increase in the yields on Government Securities: NIL

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FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N. 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M. V. Rao
Managing Director & CEO

ATTENDED THROUGH VIDEO CONFERENCE

Hardik M. Sheth
Director

Charulatha S. Kar
Director

Dinesh Pangtey
Director

ATTENDED THROUGH VIDEO CONFERENCE

Pradip P. Khimani
Director

Priavrat Sharma
Director

As per our report of even date.

For KISHORE & KISHORE
Chartered Accountants
F. R. No 000291N

(CA P. R. KARANTH)
PARTNER

M. No. 018808

FOR A. R. & CO
Chartered Accountants
F. R. No.002744C

(CA PAWAN GOEL)
PARTNER

M. No. 072209

FOR A D B & COMPANY
Chartered Accountants
F. R. No. 005593C

(CA BANKIM SHUKLA)
PARTNER

M. No. 074272

Place: Mumbai
Date: April 30th, 2024

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A. R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

CENTRAL BANK OF INDIA

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

(₹ In Crore)

Sn	Particulars	31-03-24	31-03-23
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit/(Loss) before taxes	**4,053.39**	**2,645.34**
I	**Adjustments for:**		
	Depreciation on fixed assets	499.64	385.86
	Depreciation on investments (including on matured debentures)	(267.26)	214.10
	Bad Debts written off/Provision in respect of non performing assets	3,391.39	3,309.74
	Provision for Standard Assets	52.01	680.54
	Provision for Other items (Net)	133.16	34.05
	(Profit) / Loss on sale of fixed assets (Net)	14.67	1.34
	Dividend Received from Subsidiaries	(7.83)	(7.95)
	Sub total	**7,869.17**	**7,263.02**
II	**Adjustments for :**		
	Increase / (Decrease) in Deposits	25,714.85	16,604.53
	Increase / (Decrease) in Borrowings	11,686.90	644.39
	Increase / (Decrease) in Other Liabilities and Provisions	14.37	231.32
	(Increase) / Decrease in Advances	(43,813.36)	(38,123.31)
	(Increase) / Decrease in Investments	(7,072.75)	3,989.37
	(Increase) / Decrease in Other Assets	(60.89)	894.46
	Direct Taxes paid (Net of Refund etc.)	(254.51)	(297.96)
	Sub total	**(13,785.39)**	**(16,057.20)**
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**(5,916.22)**	**(8,794.18)**
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Sale / Disposal of Fixed Assets	3.01	3.62
	Purchase of Fixed Assets	(586.77)	(212.07)
	Dividend Received from Associates/Subsidiaries	7.83	7.95
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	**(575.93)**	**(200.50)**
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Share Capital (Including Share Premium)	-	-
	Share Application Money	-	-
	Dividend - Equity shares including Interim Dividend	-	-
	Dividend Tax	-	-
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-	-
D	Net increase in cash & cash equivalents (A + B + C) or (F - E)	(6,492.15)	(8,994.68)

Standalone Cash Flow 1

E	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Cash and Bank Balance with RBI	27,432.92	38,033.70
	Balance with Banks and Money at Call and Short Notice	16,666.73	15,060.63
	Net cash and cash equivalents at the beginning of the year (E)	**44,099.65**	**53,094.33**
F	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	Cash and Bank Balance with RBI	22,954.69	27,432.92
	Balance with Banks and Money at Call and Short Notice	14,652.81	16,666.73
	Net cash and cash equivalents at the end of the year (F)	**37,607.50**	**44,099.65**

Notes:

1) 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 ICAI.

2) Previous year figures have been regrouped/rearranged to conform to those of current years.

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M. V. Rao
Managing Director & CEO

ATTENDED THROUGH VIDEO CONFERENCE
Hardik M. Sheth
Director

Charulatha S. Kar
Director

Dinesh Pangtey
Director

ATTENDED THROUGH VIDEO CONFERENCE
Pradip P. Khimani
Director

Pravrat Sharma
Director

As per our report of even date.

For KISHORE & KISHORE
Chartered Accountants
F. R. No 000291N

(CA P. R. KARANTH)
PARTNER
M. No. 018808

FOR A. R. & CO
Chartered Accountants
F. R. No.002744C

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

(CA PAWAN GOEL)
PARTNER
M. No. 072209

FOR A D B & COMPANY
Chartered Accountants
F. R. No. 005593C

(CA BANKIM SHUKLA)
PARTNER
M. No. 072272

Place: Mumbai
Date: April 30, 2024

Standalone Cash Flow 2

KISHORE & KISHORE Chartered Accountants, C-7, Sector - E (New), Aliganj, **Lucknow** – 226024 (U.P.)	A R & CO. Chartered Accountants, A-403, Gayatri Apartments, Airlines Group Housing Society, Plot No. 27, Sector -10 Dwarka, **New Delhi** – 110075
A D B & COMPANY, Chartered Accountants, First Floor, Mahavir Gaushala Complex K.K. Road, Moudhapara, **Raipur** – 492001 (C.G.)	

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2024

To,
The Board of Directors
Central Bank of India
Mumbai

Report on Audit of the Consolidated Financial Results

OPINION

1. We have audited the accompanying Statement of Consolidated Financial Results of Central Bank of India (the "**Parent Bank**"), its subsidiaries (the Parent Bank and its subsidiaries collectively referred to as the "**Group**") and its associates for the Quarter and Year Ended 31st March 2024, the Consolidated Statement of Assets and Liabilities as on that date and the Consolidated Statement of Cash Flow for the year ended on that date("**the Statement**") attached herewith, being prepared and submitted by the Parent Bank pursuant to the requirement of regulation 33 and regulation 52 read with regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**LODR Regulations**"), except for the disclosures related to Pillar 3 disclosures as at 31st March 2024, including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio (NSFR) under Basel III Capital Regulations issued by Reserve Bank of India as have been disclosed in the Parent Bank's website and in respect of which a link has been provided in the aforesaid Consolidated Financial Results (Note No. 11) and have not been audited by us.

   In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of the other auditors on separate audited financial statements/financial information of one subsidiary provided by the management of the Bank, and separate unaudited financial statements / financial information of the other subsidiary and associates as furnished by the management, the aforesaid Statement:

a) includes the financial results of the following entities:

I. **SUBSIDIARIES**

a. Cent Bank Home Finance Limited.
b. CentBank Financial Services Limited.

II. **ASSOCIATES**

a. Regional Rural Banks (RRBs)
   i. Uttar Bihar Gramin Bank, Muzzaffarpur
   ii. Uttarbanga Kshetriya Gramin Bank, Cooch Behar
b. Indo-Zambia Bank Limited, Zambia

b) is presented in accordance with the requirements of Regulation 33 of the LODR Regulations in this regard except for the disclosures relating to Pillar 3 disclosures as at 31st March, 2024 including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio (NSFR) under Basel III Capital Regulation as have been disclosed on the Parent Bank's website and in respect of which a link has been provided in the aforesaid consolidated financial result (Note No. 11) and which have not been audited by us; and

c) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India from time to time ("**RBI Guidelines**") and other accounting principles generally accepted in India, of the consolidated net profit and other financial information of the Group and its associates for the quarter and year ended 31st March 2024.

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 ("ICAI"). Our responsibilities under those Standards are further described in the "Auditors' responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, its associates and jointly controlled entity in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the consolidated financial results, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their report referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

3. We draw attention to the following notes:

Note No. 6 of the Statement regarding deferred tax, wherein on the basis of tax review made by the Parent Bank's management with respect to the possible tax benefits arising out of the timing difference, the net deferred tax asset of ₹ 4,294.57 crore is recognised as on 31st March 2024 (₹ 5,798.91 crore as on 31st March 2023).

Our opinion is not modified in this matter.

Board of Director's Responsibility for the Consolidated Financial Results

4. The Statement has been compiled from the audited annual Consolidated Financial Statements approved by Board of Directors. The Parent Bank's Board of Directors are responsible for the preparation of the Statement that give a true and fair view of the net profit and other financial information of the Group and its associates in accordance with the Accounting Standards issued by the ICAI, the relevant provisions of the Banking Regulation Act, 1949, RBI Guidelines and other accounting principles generally accepted in India and in compliance with the LODR Regulations. The respective Board of Directors of the entities included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Banking Regulations Act, 1949 for safeguarding of the assets of the Group, and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimate 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 Consolidated Financial Results that give true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Parent Bank as aforesaid.

In preparing the Statement, the respective Board of Directors of the entities included in the Group, and its associates are responsible for assessing the ability of the Group and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group and its associates or to cease operations, or has no realistic alternative but to do so.

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY FRN RAIPUR (C.G.) CHARTERED ACCOUNTANTS

The respective Board of Directors of the entities included in the Group, and its associates are responsible for overseeing the financial reporting process of the Group and its associates.

Auditors' Responsibilities for Audit of the Consolidated Financial Results

5. Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Consolidated Financial Results.

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

   - Identify and assess the risks of material misstatement of the consolidated financial results, 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 the Board of Directors.
   - Conclude on the appropriateness of the Board of Directors' 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 ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial results 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 auditors' report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the consolidated

financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the consolidated financial results/ financial information of the entities within the Group and its associates to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the LODR, as amended, to the extent applicable

Other Matters

6. We further report that:

a) We did not audit the financial statements/ financial information of 1356 branches included in the Standalone Financial Statements of the Parent Bank whose financial statements/ financial information reflect total assets of ₹ 2,07,912 crore as at 31st March 2024 and total revenue of ₹ 8,313 crore for the year ended on that date, as considered in the Statement. The financial statements/ financial information of these branches have been audited by the respective 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 branches, is based solely on the report of such branch auditors.

b) In the conduct of our audit, we have taken note of the unaudited returns in respect of 3124 branches included in the Standalone Financial Statements of the Parent Bank certified by the respective branch's management whose financial statements/ information reflect total assets of ₹ 1,13,873 crore as at 31st March 2024 and total revenue of ₹ 7,632 crore for the year ended on that date.

c) We did not audit the financial statements / information of one subsidiary whose financial statement reflects total assets of ₹ 54.36 crore as at 31st March 2024, total revenues of ₹ 5.29 crore and total net profit of ₹ 2.98 crore for the year ended on that date as considered in the consolidated financial results. These financial statements/ information have been audited by another auditor whose report has been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of that subsidiary, is based solely on the report of the other auditor and the procedures performed by us are as stated in paragraph above.

d) We did not audit the financial statements / information of one subsidiary whose financial statement reflects total assets of ₹ 1625.37 crore as at 31st March 2024, total revenues of ₹ 162.30 crore and total net profit of ₹ 25.10 crore for the year ended on that date as considered in the consolidated financial results. These financial statements/ information have not been audited so far and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the unaudited statements certified by the management. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial results / financial information are not material to the Group.

e) The consolidated financial results include the Group's share of net profit of ₹ 100.64 crore for the year ended 31st March, 2024 in respect of 3 associates, whose financial statements / financial information have not been audited by us. These financial statements/ information have been not been audited , and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these 3 associates, is based solely on unaudited statements certified by the management. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial results / financial information are not material to the Group.

f) The figures for the quarter ended 31st March 2024 represent the balancing figures between audited figures in respect of full financial year ended 31st March 2024 and the published unaudited year-to-date figures up to 31st December 2023, being the date of the end of the third quarter of the current financial year which was previously subjected to limited review by us, as required under the LODR Regulations.

Our opinion is not modified in respect of above matters.

For KISHORE & KISHORE Chartered Accountants F.R. NO: 000291N **CA P. R. KARANTH** PARTNER M. No. – 018808 UDIN: 24018808BKDZIK4729	**For A R & CO.** Chartered Accountants F.R. NO: 002744C **CA PAWAN GOEL** PARTNER M. NO. – 072209 UDIN: 24072209BKFDGM1385
For ADB & COMPANY Chartered Accountants F.R.NO: 005593C **CA BANKIM SHUKLA** PARTNER M. No. – 074272 UDIN: 24074272BKEHFY9090	

Place : Mumbai
Date : 30.04.2024

सेन्ट्रल बैंक ऑफ़ इंडिया
Central Bank of India
CENTRAL TO YOU SINCE 1911

CONSOLIDATED BALANCE SHEET OF CENTRAL BANK OF INDIA
BALANCE SHEET AS ON MARCH 31, 2024

(000's omitted)

Particulars	Schedule No.	AS ON 31-Mar-2024 ₹	AS ON 31-Mar-2023 ₹
CAPITAL & LIABILITIES			
Capital	1	8,68,09,394	8,68,09,394
Reserves and Surplus	2	23,69,34,722	20,53,57,914
Minority Interest	2A	7,61,619	6,73,138
Deposits	3	3,85,54,07,764	3,59,77,51,185
Borrowings	4	20,01,28,769	8,33,39,157
Other Liabilities and Provisions	5	9,76,73,453	9,68,66,358
TOTAL		4,47,77,15,721	4,07,07,97,146
ASSETS			
Cash and Balances with Reserve Bank of India	6	22,95,47,930	27,43,29,199
Balances with Banks and Money at Call and Short Notice	7	14,65,30,059	16,66,90,249
Investments	8	1,44,01,00,245	1,36,56,93,837
Advances	9	2,44,39,92,774	2,03,89,32,569
Fixed Assets	10	5,33,63,509	4,77,66,959
Other Assets	11	16,40,92,308	17,72,95,437
Goodwill on Consolidation		88,896	88,896
TOTAL		4,47,77,15,721	4,07,07,97,146
Contingent Liabilities	12	96,29,97,995	1,32,70,78,967
Bills for Collection		10,05,70,676	11,03,90,657

The schedules referred to above form an integral part of the Consolidated Balance Sheet

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M. V. Rao
Managing Director & CEO

ATTENDED THROUGH VIDEO CONFERENCE
Hardik M. Sheth
Director

Charulatha S. Kar
Director

Dinesh Pangtey
Director

ATTENDED THROUGH VIDEO CONFERENCE
Pradip P. Khimani
Director

Priavrat Sharma
Director

As per our report of even date.

For KISHORE & KISHORE
Chartered Accountants
F. R. No 000291N

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

(CA P. R. KARANTH)
PARTNER
M. No. 018808

FOR A. R. & CO
Chartered Accountants
F. R. No.002744C

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

(CA PAWAN GOEL)
PARTNER
M. No. 072209

FOR A D B & COMPANY
Chartered Accountants
F. R. No. 005593C

RAIPUR (C.G.) CHARTERED ACCOUNTANTS

(CA BANKIM SHUKLA)
PARTNER
M. No. 074272

Place: Mumbai
Date: April 30, 2024

SCHEDULES FORMING PART OF THE CONSOLIDATED
BALANCE SHEET AS ON MARCH 31, 2024

(000's Omitted)

Particulars	AS ON 31-Mar-24		AS ON 31-Mar-23	
	₹	₹	₹	₹
SCHEDULE 1 : CAPITAL				
Authorised Capital		10,00,00,000		10,00,00,000
1000,00,00,000 shares of ₹ 10/- each				
Issued, Subscribed and Paid up Capital :	8,68,09,394		8,68,09,394	
(8680939432 Equity Shares of ₹ 10 each)				
Subscribed Capital	8,68,09,394		8,68,09,394	
(8680939432 Equity Shares of ₹ 10 each)				
Paid up	8,68,09,394		8,68,09,394	
(8680939432 Equity Shares of ₹ 10 each)				
8680939432 Equity Shares (previous year 8680939432 Equity shares) of ₹ 10/- each (includes 8080391687 Equity shares of ₹ 10/- each held by Central Govt.)				
TOTAL		8,68,09,394		8,68,09,394
SCHEDULE 2 : RESERVES AND SURPLUS				
I. Statutory Reserves				
Balance as per last Balance Sheet	2,72,03,582		2,32,48,079	
Additions during the year	63,72,645		39,55,503	
		3,35,76,227		2,72,03,582
II. Capital Reserves				
Investment Reserve				
Balance as per last Balance Sheet	1,88,02,225		1,74,69,228	
Additions during the year	3,60,861		13,32,997	
		1,91,63,086		1,88,02,225
III. Revaluation Reserve				
Balance as per last Balance Sheet	3,64,95,852		3,71,49,448	
Additions - Adjustments during the year	49,00,000		-	
Less: Transfer to Revenue and Other Reserves	5,48,671		6,53,596	
Deductions during the year	-		-	
		4,08,47,181		3,64,95,852
IV. Share Premium				
Balance as per last Balance Sheet	7,46,66,328		7,46,66,328	
Additions/Adjustments during the year	-		-	
Reduction during the year	-		-	
		7,46,66,328		7,46,66,328
V. Other Reserves				
a). Special Reserve U/S 36 (1)(viii)				
Balance as per last Balance Sheet	16,09,359		15,81,517	
Additions/Adjustments during the year	50,960		27,842	
Reduction during the year	-		-	
		16,60,319		16,09,359
VI. Revenue and Other Reserves				
i). Investment Fluctuation Reserve				
Balance as per last Balance Sheet	71,28,429		65,80,920	
Add:- Addition during the year	13,74,460		5,47,509	
Less:- Deduction during the year	-		-	
		85,02,889		71,28,429
ii). Investment Reserve				
Balance as per last Balance Sheet	1,23,146		1,13,846	
Add:- Addition during the year	4,45,596		9,300	
Less: Deductions during the year	-	5,68,742	-	1,23,146
iii). Revenue Reserves				
Balance as per last Balance Sheet	2,90,81,482		2,84,17,590	
Add: Transfer from Revaluation Reserves	5,48,671		6,53,596	
Additions/AdjusAtment during the year	19,236		10,296.00	
Add: Opening Balance Adjustments	-		-	
Add/Less: Adjustments during the year	-		-	
		2,96,49,389		2,90,81,482
VI. Balance in Profit and Loss Account				
Balance as per last balance sheet	1,02,47,511		(5,42,283)	
Add:- Adjustment in Profit & Loss	-		(1,14,541)	
Add:- Profit for the year after appropriation of Profit	1,80,53,050		1,09,04,337	
		2,83,00,561		1,02,47,511
TOTAL		23,69,34,722		20,53,57,914

Note : Figures of the previous periods have been regrouped/reclassified wherever considered necessary to conform to current period classification.

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2024

(Rs.000's omitted)

Particulars	AS ON 31-Mar-24		AS ON 31-Mar-23	
	₹	₹	₹	₹
SCHEDULE 2 A : MINORITY INTEREST				
Minority Interest at the date on which the parent/ subsidiary relationship came into existence	24,500		24,500	
Subsequent increase / decrease	7,37,119		6,48,638	
Minority interest on the date of Balance-Sheet		7,61,619		6,73,138
SCHEDULE 3 : DEPOSITS				
A. I. Demand Deposits				
i) From Banks	70,98,342		98,44,694	
ii) From Others	18,22,83,881		17,74,74,505	
		18,93,82,223		18,73,19,199
II. Savings Bank Deposits		1,73,72,09,212		1,62,53,14,529
III. Term Deposits				
i) From Banks	65,41,082		68,57,251	
ii) From Others	1,92,22,75,247		1,77,82,60,206	
		1,92,88,16,329		1,78,51,17,457
TOTAL (I,II and III)		3,85,54,07,764		3,59,77,51,185
B. i) Deposits of Branches in India		3,85,54,07,764		3,59,77,51,185
ii) Deposits of Branches outside India		-		-
SCHEDULE 4 : BORROWINGS				
I. Borrowings in India				
i) Reserve Bank of India	11,01,60,000		1,76,40,000	
ii) Other Banks	28,14,737		-	
iii) Other Institutions & Agencies	5,72,14,032		4,06,99,157	
iv) Unsecured Redeemable Bonds (Subordinated Debt)	-		-	
v) Upper Tier II Bonds	-		-	
vi) Innovative Perpetual Debt Instrument	-		-	
vii) Unsecured Redeemable NC Basel III Bonds(Tier II)	3,00,00,000		2,50,00,000	
		20,01,28,769		8,33,39,157
II. Borrowings outside India		-		-
TOTAL		20,01,28,769		8,33,39,157
Secured borrowings included in I & II above		-		-

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2024				
				(Rs.000's omitted)
Particulars	AS ON 31-Mar-24		AS ON 31-Mar-23	
	₹	₹	₹	₹
SCHEDULE 5 : OTHER LIABILITIES AND PROVISIONS				
I. Bills Payable	99,14,552		94,93,095	
II. Inter Office Adjustments (Net)	-		19,468	
III. Interest Accrued	64,93,844		89,15,697	
IV. Deferred Tax Liabilities (Net)	-		-	
V. Others(including provisions)	8,12,65,057	9,76,73,453	7,84,38,098	9,68,66,358
TOTAL		9,76,73,453		9,68,66,358
SCHEDULE 6 : CASH AND BALANCES WITH RESERVE BANK OF INDIA				
I. Cash in hand (including foreign currency notes)		1,42,62,877		1,50,01,105
II. Balances with Reserve Bank of India				
In Current Accounts	21,52,85,053		16,52,98,094	
In Other Accounts	-		9,40,30,000	
		21,52,85,053		25,93,28,094
TOTAL (I and II)		22,95,47,930		27,43,29,199
SCHEDULE 7 : BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE				
I. In India				
i) Balances with Banks				
a) In Current Accounts	2,93,307		4,05,075	
b) In Other Deposit Accounts	1,548		24,676	
		2,94,855		4,29,751
ii) Money at Call and Short Notice				
a) With Banks	-		-	
b) With Other Institutions	-		-	
		-		-
TOTAL.... I		2,94,855		4,29,751
II. Outside India				
a) In Current Accounts	19,44,554		20,02,668	
b) In Other Deposit Accounts	14,42,90,650		16,42,57,830	
c) Money at Call & Short Notice	-		-	
TOTAL.... II		14,62,35,204		16,62,60,498
TOTAL.... (I + II)		14,65,30,059		16,66,90,249

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2024

(Rs.000's omitted)

Particulars	AS ON 31-Mar-24 ₹	AS ON 31-Mar-24 ₹	AS ON 31-Mar-23 ₹	AS ON 31-Mar-23 ₹
SCHEDULE 8 : INVESTMENTS				
I. Investments in India in :				
i) Government Securities	1,12,75,91,015		1,03,03,86,822	
ii) Other approved Securities	-		-	
iii) Shares	73,94,335		74,05,592	
iv) Debentures and Bonds	29,16,51,534		31,90,42,322	
v) Associates	54,76,078		41,79,213	
vi) Others				
a) UTI Shares & Commercial Papers Mutual Fund Units etc.	49,69,639		22,66,922	
Total I		1,43,72,82,601		1,36,32,80,871
II. Investments outside India in				
i) Government Securities	-		-	
ii) Associates	28,17,644		24,12,966	
iii) Other Investments	-		-	
Total II		28,17,644		24,12,966
TOTAL (I and II)		1,44,01,00,245		1,36,56,93,837
III. Investments in India :				
Gross Value of Investments	1,49,34,29,036		1,42,39,75,024	
LESS: Aggregate of Provision for Depreciation	5,61,46,435		6,06,94,153	
Net Investments		1,43,72,82,601		1,36,32,80,871
IV Investments outside India :				
Gross Value of Investments	28,17,644		24,12,966	
LESS: Aggregate of Provision for Depreciation	-		-	
Net Investments		28,17,644		24,12,966
TOTAL		1,44,01,00,245		1,36,56,93,837
SCHEDULE 9 : ADVANCES				
A. i) Bills Purchased and Discounted	2,63,85,662		3,09,41,503	
ii) Cash Credits Overdrafts & Loans repayable on demand	86,50,95,143		79,06,06,898	
iii) Term Loans	1,55,25,11,969		1,21,73,84,168	
TOTAL (i,ii and iii)		2,44,39,92,774		2,03,89,32,569
B. Particulars of Advances :				
i) Secured by tangible assets Including advances against Book Debts	2,03,93,92,687		1,81,72,28,464	
ii) Covered by Bank/ Government Guarantees	1,24,01,090		75,94,346	
iii) Unsecured	39,21,98,997		21,41,09,759	
TOTAL (i,ii and iii)		2,44,39,92,774		2,03,89,32,569
C. Sectorial Classification of Advances				
(I) Advances in India				
i) Priority Sector	1,14,20,69,133		96,68,04,431	
ii) Public Sector	2,87,63,043		2,40,71,293	
iii) Banks	10,118		2	
iv) Others	1,27,31,50,480	2,44,39,92,774	1,04,80,56,843	2,03,89,32,569
TOTAL (i,ii, iii and iv)		2,44,39,92,774		2,03,89,32,569
(II) Advances outside India		-		-

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2024

(Rs.000's omitted)

Particulars	AS ON 31-Mar-24		AS ON 31-Mar-23	
	₹	₹	₹	₹
SCHEDULE 10 : FIXED ASSETS				
I. Premises				
(At cost / revalued cost)				
Balance as at 31st March of the preceding year	4,88,29,312		4,88,11,918	
Additions during the year	23,493		17,394	
Additions on account of revaluation during the year	49,00,000		-	
Total	5,37,52,805		4,88,29,312	
Deduction/Adjustments during the year	-		-	
Total	5,37,52,805		4,88,29,312	
Depreciation to date	1,05,59,264		99,17,382	
TOTAL..... I		4,31,93,541		3,89,11,930
II. Other Fixed Assets				
(Including furniture and fixtures)				
At cost as on 31st March of the preceding year	3,81,90,109		3,65,83,009	
Additions/Adjustments during the year	63,08,617		31,77,913	
Total	4,44,98,726		3,97,60,922	
Deductions/Adjustments during the year	11,91,273		15,70,812	
Total	4,33,07,453		3,81,90,110	
Depreciation to date	3,31,37,485		2,93,35,081	
TOTAL..... II		1,01,69,968		88,55,029
TOTAL..... (I + II)		5,33,63,509		4,77,66,959
II. Capital-work-in progress		-		-
Total (I, II & III)		5,33,63,509		4,77,66,959
SCHEDULE 11 : OTHER ASSETS				
I. Inter office adjustments (Net)	8,77,226		-	
II. Interest accrued	2,14,95,727		2,00,13,999	
III. Tax paid in advance/tax deducted at source	4,51,58,776		4,26,64,929	
IV. Stationery and Stamps	2,10,310		2,28,747	
V. Non-banking assets acquired in Satisfaction of claims	-		-	
VI. Deferred Tax Assets	4,28,35,179		5,78,81,749	
VII. Others	5,35,15,090		5,65,06,013	
		16,40,92,308		17,72,95,437
TOTAL		16,40,92,308		17,72,95,437
SCHEDULE 12 : CONTINGENT LIABILITIES				
I. a) Claims against the Bank not acknowledged as Debts		41,21,046		12,48,708
(b) Disputed income tax demands under appeals, revisions (includes appeals filed by the Income Tax Department of Rs. 54125695 ('000s omitted) as at 31st Mar 2024 as against Rs. 54125695 ('000s omitted) as at 31st Mar 2023.		5,96,46,738		5,96,96,875
II. Liability for partly paid Investments		1,25,02,962		1,26,58,798
III. Liability on account of outstanding forward exchange contracts		73,62,84,486		1,10,82,31,495
IV. Guarantees given on behalf of constituents				
a) In India	9,84,80,561		9,19,06,778	
b) Outside India	3,61,119		52,11,840	
		9,88,41,680		9,71,18,618
V. Acceptances Endorsements and Other Obligations		1,89,46,706		2,21,49,908
VI. Other items for which the bank is contingently liable		3,26,54,377		2,59,74,565
TOTAL		96,29,97,995		1,32,76,38,967

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

CONSOLIDATED PROFIT AND LOSS ACCOUNT OF CENTRAL BANK OF INDIA
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH-2024

(000's omitted)

Particulars	Schedule No.	YEAR ENDED 31-Mar-24	YEAR ENDED 31-Mar-23
		₹	₹
I. INCOME			
Interest Earned	13	30,84,89,210	25,65,71,000
Other Income	14	4,71,30,609	4,08,44,939
TOTAL		35,56,19,819	29,74,15,939
II. EXPENDITURE			
Interest Expended	15	17,88,23,691	13,90,51,019
Operating Expenses	16	10,27,48,949	8,90,99,979
Provisions and Contingencies		4,82,87,378	5,31,71,633
TOTAL		32,98,60,018	28,13,22,631
Share of earning/(loss) in Associates		10,06,367	7,90,621
Consolidated Net Profit/(Loss) for the period before deducting Minorities Interest		2,67,66,168	1,68,83,929
Less: Minorities Interest		89,360	96,145
Consolidated Profit/(Loss) for the period attributable to the Group		2,66,76,808	1,67,87,784
Add: -Brought forward consolidated Profit/(Loss) attributable to the Group		1,02,47,511	(5,42,285)
Add- Adjustment in Profit & Loss		-	(1,14,541)
IV. APPROPRIATIONS			
Transfer to Statutory Reserve		63,72,645	39,55,503
Transfer to Other Reserve		22,51,113	19,27,944
a. Capital Reserve		3,60,861	13,32,997
b. Revenue Reserve		19,236	10,296
c. Investment Reserve		4,45,596	9,300
d. Proposed Dividend- Equity Share Capital		-	-
e. Special Reserve U/S 36 (1) (viii)		50,960	27,842
f. Investment Fluctuation Reserve		13,74,460	5,47,509
Transfer to Government/Proposed Dividend		-	-
Balance Carried over to the Balance Sheet		2,83,00,561	1,02,47,511
TOTAL		3,69,24,319	1,61,30,958
Earnings Per Share (In ₹)- Basic (Nominal Value Rs 10/- per share)		3.07	1.93
Earnings Per Share (In ₹)- Diluted (Nominal Value Rs 10/- per share)		3.07	1.93

The schedules referred to above form an integral part of the Consolidated Profit and Loss Account

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M. V. Rao
Managing Director & CEO

ATTENDED THROUGH VIDEO CONFERENCE

Hardik M. Sheth
Director

Charulatha S. Kar
Director

Dinesh Pangtey
Director

ATTENDED THROUGH VIDEO CONFERENCE

Pradip P. Khimani
Director

Vrat Sharma
Director

As per our report of even date.

For KISHORE & KISHORE
Chartered Accountants
F. R. No 000291N

(CA P. R. KARANTH)
PARTNER
M. No. 018808

FOR A. R. & CO
Chartered Accountants
F. R. No.002744C

(CA PAWAN GOEL)
PARTNER
M. No. 072209

FOR A D B & COMPANY
Chartered Accountants
F. R. No.005593C

(CA BANKIM SHUKLA)
PARTNER
M. No. 074272

Place: Mumbai
Date: April 30, 2024

SCHEDULES FORMING PART OF THE CONSOLIDATED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH-2024

(000's omitted)

Particulars	YEAR ENDED 31-Mar-24	YEAR ENDED 31-Mar-23
	₹	₹
SCHEDULE 13 : INTEREST EARNED		
I. Interest/Discount on Advances / Bills	19,82,20,682	15,02,53,615
II. Income on Investments (Including Dividend)	9,51,39,133	8,71,84,229
III. Interest on balances with Reserve Bank of India and other inter-bank funds	1,12,02,930	1,44,38,269
IV. Others	39,26,465	46,94,887
TOTAL	**30,84,89,210**	**25,65,71,000**
SCHEDULE 14 : OTHER INCOME		
I. Commission, Exchange and Brokerage	1,83,84,698	1,78,69,428
II. Profit on sale of land, buildings and Other Assets	15	1
Less: Loss on sale of land, buildings and Other Assets	1,46,652	13,396
III. Profit on Exchange transactions	24,74,428	30,34,878
Less: Loss on Exchange transactions	-	-
IV. Profit on sale of Investments (Net)	63,68,616	27,36,829
Less: Loss on sale of Investments	-	-
V. Profit on revaluation of Investments	7,29,606	24,811
Less: Loss on revaluation of Investments	-	-
VI. Miscellaneous Income		
a. Income earned by way of dividends etc. from subsidiaries and Associates abroad/ in India	68,337.00	64,454.00
b. Others	1,92,51,561	1,71,27,934
TOTAL	**4,71,30,609**	**4,08,44,939**

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY FRN - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH-2024

(000's omitted)

Particulars	YEAR ENDED 31-Mar-24	YEAR ENDED 31-Mar-23
	₹	₹
SCHEDULE 15 : INTEREST EXPENDED		
I. Interest on Deposits	16,94,88,559	13,42,73,336
II. Interest on Reserve Bank of India / Inter-Bank borrowings	33,87,496	10,57,783
III. Others	59,47,636	37,19,900
TOTAL	**17,88,23,691**	**13,90,51,019**
SCHEDULE 16 : OPERATING EXPENSES		
I. Payments to and Provisions for employees	6,32,57,705	5,61,56,968
II. Rent, Taxes and Lighting	59,75,203	52,85,758
III. Printing and Stationery	4,03,765	3,30,635
IV. Advertisement and Publicity	2,50,496	1,75,363
V. a) Depreciation on Bank's property other than Leased Assets	49,98,343	38,59,798
b) Depreciation on Leased Assets	-	-
VI. Directors' Fees, Allowances and Expenses	13,794	10,258
VII. Auditors' Fees and Expenses (including Branch Auditors', Fees & expenses)	3,29,209	3,54,756
VIII. Law Charges	3,71,473	2,73,403
IX. Postages, Telegrams, Telephones etc.	8,83,199	9,37,895
X. Repairs and Maintenance	14,82,443	14,74,942
XI. Insurance	46,83,110	44,14,494
XII. Amortisation of Goodwill, if any	-	-
XIII. Other Expenditure	2,01,00,209	1,58,25,709
TOTAL	**10,27,48,949**	**8,90,99,979**

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SCHEDULE 17 - SIGNIFICANT ACCOUNTING POLICIES (CONSOLIDATED)

A. Background

Central Bank of India (the Bank) is a body corporate registered under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and is regulated by Reserve Bank of India. The principal business is providing banking and financial services with wide range of products and services to individuals, commercial enterprises, large corporates, public bodies and institutional customers. The business is conducted through its branches in India. The equity shares of the Bank are listed at BSE Limited and National Stock Exchange of India Limited.

B. Basis of preparation:

The financial statements have been prepared by following the going concern concept on the historical cost basis except in respect of the revaluation of premises and conform, in all material aspects, to Generally Accepted Accounting Principles (GAAP) in India, which encompasses applicable statutory provisions, regulatory norms prescribed by Reserve Bank of India (RBI) including those prescribed by the Banking Regulation Act 1949, National Housing Bank Act 1987, the Housing Finance Companies (NHB) Directions 2010, Companies Act 2013, Accounting Standards (AS) and pronouncements issued by The Institute of Chartered Accountants of India (ICAI) and the prevailing practices within the Banking industry in India.

C. Basis of Consolidation

Consolidated financial statements of the Group (comprising of 2 Subsidiaries, 3 Associates [including 2 RRBs]) have been prepared on the basis of:

a) Audited financial statements of Central Bank of India (Parent)
b) Line by line aggregation of like items of assets, liabilities, income and expenses of the subsidiaries with the respective item of Parent and after eliminating all material intra-group balances/ transactions, unrealized profit/ losses as per Accounting Standard 21 "Consolidated Financial Statement" issued by the ICAI.
c) Investments in associates, where the group holds 20% or more of the voting power has been accounted by using the equity method in terms of Accounting Standard – 23 "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the ICAI. The financial statements of the Indo Zambia Bank Limited, an Associate, have been prepared in accordance with the local regulatory requirements/ International Financial Reporting Standards. Financial statements received from these associates form the sole basis for their incorporation in these consolidated financial statements.
d) The Accounting year of the Associate, viz. Indo Zambia Bank Ltd. is calendar year. In case accounting year of Associates are different than that of Parent Bank, proportionate share of profit/ loss is taken based on audited figures of audited period and for unaudited period proportionate share of profit/ loss is taken based on unaudited figures.
e) The consolidated financial statements are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements except as otherwise stated.

Minority interest in the net assets of consolidated subsidiaries consists of:

a. The amount of equity attributable to the minority as at the date on which investments in a subsidiary is made, and

b. The minority share of movements in equity since date of parent-subsidiary relationship came into existence.

D. 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 on the date of the financial statements and the reported income and expenses for the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/ materialised.

D. Significant accounting policies:

1. Cash and Cash equivalents:

Cash and cash equivalents include cash in hand and ATMs, balances with the Reserve Bank of India, balances with other banks and money at call and short notice.

2. Revenue recognition:

I Parent Bank

2.1 General

Income/ expenditure is generally accounted for on accrual basis except for income accounted on cash basis as per regulatory provisions.

2.2 Income from investments

a) The Profit or loss on sale of investments is recognised in the Profit and Loss Account. In accordance with the guidelines issued by the Reserve Bank of India, profit on sale of investments in the Held to Maturity (HTM) category is appropriated (Net of applicable taxes and amount required to be transferred to "Statutory Reserve Account") to the "Capital Reserve Account".

b) Income (other than interest) on investments in "Held to Maturity (HTM)" category acquired at a discount to the face value, is recognised as follows:
(i) on interest bearing securities, it is recognised only at the time of sale/ redemption.

(ii) on zero-coupon securities, it is accounted for over the balance tenor of the security on a constant yield basis.

c) Dividend income is recognized when right to receive the dividend is established.

d) Upside on security receipts is recognised on realisation as 'Other income'.

2.3. Sale of financial assets

Financial Assets sold are recognized as under:

a) The sale of NPA is accounted as per guidelines prescribed by RBI. When the Bank sells its financial assets to Securitisation Company (SC)/ Reconstruction Company (RC), the same is removed from the books.

b) In case the sale to SC/ARC is at a price lower than the Net Book Value (NBV) the shortfall is charged to the Profit and Loss Account in the year of sale.

c) In case the sale is at a price higher than the NBV on cash basis, the surplus is taken to the credit of Profit and Loss Account.

2.4. Fee based income

Commission on letters of credit, bank guarantee and deferred payment guarantee are recognised on accrual basis proportionately over the period. All other commission and fee income are recognised on their realisation.

2.5 Others

a) Interest on income tax refund is accounted on receipt of refund order(s)/ intimation from Income Tax Department and acceptance by the Bank.

b) Provision for interest payable on overdue deposits is made as per Reserve Bank of India guidelines.

II Subsidiaries

a) In case of Cent Bank Home Finance Ltd., the subsidiary, income recognition on Loans and Advances are made on the basis of Prudential norms laid down by National Housing Bank (NHB).

b) In case of Cent Bank Home Finance Ltd., the subsidiary, income from fee and other charges viz. login fee, penal interest on overdue, prepayment charges, interest on income tax refunds and other income etc. are recognized on receipt basis.

c) In case of Cent bank Financial Services Ltd., the subsidiary, income in relation to Executor Trusteeship business is accrued on occurrence of transactions relating to trust account. Revenue from debenture and security trusteeship services is recognized on period basis and accounted on accrual basis except the income from debenture trusteeship business of suit filed and/or BIFR companies, which is accounted on receipt basis.

3. Advances:

I Parent bank

3.1 Based on the guidelines/ directives issued by the RBI, loans and advances are classified as performing and non-performing, as follows:

a) The term loan is classified as a non-performing asset, if interest and/ or instalment of principal remains overdue for a period of more than 90 days.

b) An overdraft or cash credit is classified as a non-performing asset, if, the account remains "out of order", i.e. if the outstanding balance exceeds the sanctioned limit/ drawing power continuously for a period of 90 days, or if there are no credits continuously for 90 days, or if the credits are not adequate to cover the interest debited during the previous 90 days period.

c) The bills purchased/ discounted are classified as non-performing asset if the bill remains overdue for a period of more than 90 days.

d) The agricultural advances are classified as a non-performing if, (i) for short duration crops, where the instalment of principal or interest remains overdue for two crop seasons; and (ii) for long duration crops, where the principal or interest remains overdue for one crop season.

3.2 Non-performing assets are classified into sub-standard, doubtful and loss Assets, based on the following criteria stipulated by RBI:

a) Sub-standard: A loan asset that has remained non-performing for a period less than or equal to 12 months.
b) Doubtful: A loan asset that has remained in the sub-standard category for a period of 12 months.
c) Loss: A loan asset where loss has been identified but the amount has not been fully written off.

3.3 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 provision of 15% on the total outstanding. ii. Additional provision of 10% for exposures which are unsecured ab-initio (i.e. where realisable value of security is not more than 10 percent ab-initio). iii. Unsecured Exposure in respect of infrastructure advances where certain safeguards such as escrow accounts are available - 20%.	
Doubtful Assets:	
- Secured portion:	
Up to one year	25%
One to three years	40%
More than three years	100%
- Unsecured portion	100%
Loss Assets	100%

3.4 Advances are shown net of provisions (in case of NPA), Unrealised Interest, amount recovered from borrowers held in Sundries and claims received from CGTSI/ ECGC, etc.

3.5 For restructured/ rescheduled assets, provisions are made in accordance with the guidelines issued by the RBI, which inter alia require that the difference between the fair value of the loans/ advances before and after restructuring is provided for, in addition to provision for the respective loans/ advances. The provision for diminution in fair value and interest sacrifice, if any, arising out of the above, is reduced from advances.

3.6 In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI Guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others" and are not considered for arriving at the Net NPAs.

3.7 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.

3.8 Amounts recovered against debts written off in earlier years are recognised as revenue in the year of recovery.

3.9 Additional provisions higher than regulatory norms are made in specific assets in view of the identified weakness and/ or prevailing economic situation.

3.10 Partial recoveries in non-performing account (including partially written off accounts) are appropriated in the following order:

i. Principal Overdues / Irregularities
ii. Unrealised interest
iii. Partial Written Off principal
iv. Uncharged Interest
v. Unrealised charges

In case of suit filed/SARFAESI/ recalled accounts, recovery is appropriated in the following order:

i. Ledger outstanding balance
ii. Unrealised interest
iii. Partial Written Off principal
iv. Uncharged Interest
v. Unrealised charges

However, where any borrower account is required to be classified as non-performing from an earlier date, any recovery till the account was classified as Standard is first credited to Interest on Loans and Advances

II Subsidiaries

a) In case of Cent Bank Home Finance Ltd., the subsidiary, provisions on Loans and Advances are made on the basis of Prudential norms laid down by National Housing Bank.

b) In case of Cent Bank Home Finance Ltd., the subsidiary, Interest income is recognized on accrual basis except in case of Non-Performing Assets (NPA) where interest is accounted on realization. In loans, the repayment is received by the way of Equated Monthly Instalments (EMIs) comprising principal and interest. Interest is calculated on the outstanding balance at the beginning of the month. EMI commences once the entire loan is disbursed. Pending commencement of EMI, pre-EMI monthly interest is charged. Recovery in case of NPA is appropriated first towards interest portion of overdue EMIs and thereafter towards principal portion of overdue EMIs.

4 Provision for country exposure:

In addition to the specific provisions held according to the asset classification status, provisions are also made for individual country exposures (other than the home country). Countries are categorised into seven risk categories, namely, insignificant, low, moderate, high, very high, restricted and off-credit and provisioning made as per extant RBI guidelines. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is maintained on such country exposures.

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5. Investments:

I Parent bank

Investments are accounted for in accordance with the extant guidelines of investment classification and valuation, as given below:

5.1 Classification:

In accordance with the guidelines issued by the Reserve Bank of India, Investments are classified into "Held to Maturity (HTM)", "Held for Trading (HFT)" and "Available for Sale (AFS)" categories.

For disclosure in the Balance Sheet in Schedule 8, investments are classified as Investments in India and outside India.

Under each category, the investments in India are further classified as

a) Government Securities
b) Other Approved Securities
c) Shares
d) Debentures and Bonds
e) Subsidiaries, joint ventures/associates and sponsored institutions; and
f) Others (Commercial Papers and units of Mutual Funds etc.)

The investments outside India are further classified under 3 categories

a) Government Securities
b) Subsidiaries and Joint Ventures/Associates
c) Other Investments

5.2 Basis of Classification:

Classification of an investment is done at the time of purchase into the following categories:

a) Held to Maturity: Investments that the Bank intends to hold till maturity are classified as "Held to Maturity (HTM)".
b) Held for Trading: Investments that are held principally for resale within 90 days from the date of purchase are classified as "Held for Trading (HFT)".
c) Available for Sale: Investments, which are not classified in the above two categories, are classified as "Available for Sale (AFS)".
d) Transfer of Securities between categories: An investment is classified as HTM, HFT or AFS at the time of purchase and subsequent shifting amongst categories is done in conformity with the regulatory guidelines.
e) Investments in subsidiaries, joint ventures/associates and sponsored institutions are classified as HTM except in respect of those investments which are acquired and held exclusively with a view to its subsequent disposal. Such investments are classified as AFS.

5.3 **Valuation:**

The transactions in all securities are recorded on a Settlement Date and cost is determined on the weighted average cost method.

A. Incentive, front-end fees etc., received on purchase of securities are reduced from the cost of investments.
B. Expenses such as brokerage, fees, commission or taxes incurred at the time of acquisition of securities are charged to the Profit and Loss Account as revenue expenses.
C. Broken Period interest paid/ received on debt instruments is treated as interest expense/ income and is excluded from cost/ sale consideration.

a) **Valuation of investments classified as Held to Maturity:** The investments classified under this category are carried at acquisition cost. The excess of acquisition cost / book value over the face value is amortised over the remaining period of maturity. Such amortisation of premium is accounted as expense.

Investments (in India and abroad) in subsidiaries, joint ventures/ associates are valued at historical cost. A provision is made for diminution, other than temporary in nature, for each investment individually.

Investments in Regional Rural Banks are valued at carrying cost (i.e. book value).

b) **Valuation of investments classified as Available for sale and Held for Trading:** Investments classified as Available for Sale and Held for Trading are individually revalued at market price or fair value determined as per the regulatory guidelines and the net depreciation if any, of each group for each category (viz.(i) Government securities, (ii) Other Approved Securities, (iii) Shares, (iv) Bonds and Debentures, (v) Subsidiaries and Joint Ventures/Associates and (vi) others) is provided for and net appreciation is ignored.

c) **Valuation policy in event of inter category transfer of investments:**

i) Transfer of securities from HFT/ AFS category to HTM category is carried out at the lower of acquisition cost/ book value/ market value on the date of transfer. The depreciation, if any, on such transfer is fully provided for.
ii) Transfer of securities from HTM category to AFS category is carried out on acquisition cost / book value. On transfer, these securities are immediately revalued and resultant depreciation, if any, is provided, in the Profit and Loss Account.

d) **Valuation in case of sale of NPA (financial asset) to Securitisation Company (SC)/ Asset Reconstruction Company (ARC) against issue of Security Receipts:**

i) The investment in security receipts obtained by way of sale of NPA to SC/RC, is recognised at lower of: (i) Net Book Value (NBV) (i.e. book value less provisions held) of the financial asset; and (ii) Redemption value of SR.

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ii) SRs issued by an SC/ ARC are valued in accordance with the guidelines applicable to non-SLR instruments. Accordingly, in cases where the SRs issued by the SC/ ARC are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Net Asset Value, obtained from the SC/ ARC, is reckoned for valuation of such investments.

e) Treasury Bills and Commercial Papers are valued at carrying cost.

5.4 Investments (NPI):

Investments are classified as performing and non-performing, based on "Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2021" (as amended) and "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances", as under:

a) Interest/ instalment (including maturity proceeds) is due and remains unpaid for more than 90 days. The same is applied to preference shares where the fixed dividend is not paid.
b) In the case of equity shares, in the event the investment in shares of any company is valued at Re. 1 per company on account of non-availability of the latest balance sheet, those equity shares would be reckoned as NPI.
c) The Bank also classifies an investment as a non-performing investment, in case any credit facility availed by the same borrower/ entity has been classified as a non-performing asset and vice versa.
d) The investments in debentures/ bonds, which are deemed to be advance, are also subjected to NPI norms as applicable to investments.

5.5 Accounting for Repo/ Reverse Repo transactions

The Bank enters into repurchase and reverse repurchase transactions with RBI under Liquidity Adjustment Facility (LAF) and also with market participants. Repurchase transaction represents borrowing by selling the securities with an agreement to repurchase the securities. Reverse repurchase transactions on the other hand represent lending funds by purchasing the securities.

a) The securities sold and purchased under Repo/ Reverse Repo (other than LAF) are accounted as overnight Tri-party Repo (TREPS) dealing and settlement.
b) However, securities are transferred as in the case of normal outright sale/ purchase transactions and such movement of securities is reflected using the Repo/ Reverse Repo Accounts and contra entries.
c) The above entries are reversed on the date of maturity. Balance in Repo Account is classified under Schedule 4 (Borrowings) and balance in Reverse Repo Account is classified under Schedule 7 (Balance with Banks and Money at call & short notice).
d) Interest expended/ earned on Securities purchased/ sold under LAF with RBI is accounted for as expenditure/ revenue.

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II Subsidiaries

In case of Subsidiaries, the Investments are classified as current and non-current Investments. Current Investments are carried at lower of cost or market value and non-current investments are carried at cost. Provision for diminution, if any, in the value of the non-current investment is made only, if the diminution in the value is of permanent nature.

6. Derivatives:

The Bank enters into derivative contracts, such as interest rate swaps, currency swaps and cross currency swaps in order to hedge on balance sheet/ off-balance sheet assets and liabilities or for trading purposes.

6.1 Derivatives used for hedging are accounted as under:

a) In cases where the underlying assets/ liabilities are marked to market, resultant gain/loss is recognised in the Profit and Loss Account.
b) Derivative contracts classified as hedge are recorded on accrual basis. Hedge contracts are not marked to market unless the underlying assets/ liabilities are also marked to market.
c) Gain or losses on the termination of Swaps are recognised over the shorter of the remaining contractual life of the swaps or the remaining life of the assets/ liabilities.

6.2 Derivatives used for trading are accounted as under:

a) Currency futures and interest rate futures are marked to market on daily basis as per exchange guidelines of MCX-SX, NSE and BSE.
b) Mark to market profit or loss is accounted by credit/ debit to the margin account on daily basis and the same is accounted in the Bank's profit and loss account on final settlement.
c) Trading swaps are marked to market at frequent intervals. Any mark to market losses are booked and gains, if any, are ignored on net basis.
d) Gains or losses on termination of swaps are recorded immediately as income/ expense under the above head.

7. Transactions involving foreign exchange:

7.1 Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency.

7.2 Foreign currency monetary items are reported using the Foreign Exchange Dealers Association of India ("FEDAI") closing (spot/ forward) rates and the resultant profit or loss is recognised in the Profit and Loss Account.

Foreign currency non-monetary items, which are carried at historical cost, are reported using the exchange rate on the date of the transaction.

Contingent liabilities denominated in foreign currency are reported using the FEDAI closing spot rates.

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7.3 Outstanding foreign exchange spot and forward contracts are revalued at the exchange rates notified by FEDAI for specified maturities, and the resulting Profit or Loss is recognised in the Profit and Loss Account. Foreign exchange forward contracts which are not intended for trading and are outstanding at the balance sheet date, are valued at the closing spot rate.

7.4 Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognised as income or as expense in the period in which they arise.

7.5 Gains/ Losses on account of changes in exchange rates of open position in currency futures trades are settled with the exchange clearing house on daily basis and such gains/losses are recognised in the profit and loss account.

8. Fixed assets and depreciation:

I Parent bank

8.1 Fixed Assets are carried at cost less accumulated depreciation/ amortisation.
Cost includes cost of purchase and all expenditure such as site preparation, installation costs, taxes and professional fees incurred on the asset before it is put to use.

8.2 Subsequent expenditure(s) incurred on the assets put to use are capitalised only when it increases the future benefits from such assets or their functioning capability.

8.3 Fixed Assets are depreciated under 'Written Down Value Method' at the following rates (other than computers which are depreciated on Straight Line Method):

a. Premises At varying rates based on estimated life
a) Furniture, Lifts, Safe Vaults 10%
b) Vehicles, Plant & Machinery 20%
c) Air conditioners, Coolers, Typewriters etc. 15%.
d) Computers including Systems Software 33.33%

(Application Software is charged to the Revenue during the year of acquisition.)

8.4 Other fixed assets are depreciated on Straight Line Method on the basis of estimated useful life of the assets.

8.5 Land acquired on lease for over 99 years is treated as freehold land and those for 99 years or less is treated as leasehold land. Cost of leasehold land is amortized over the period of lease.

8.6 Where it is not possible to segregate the cost of land and premises, depreciation is charged on the composite cost.

8.7 In case of assets, which have been revalued, the depreciation/ amortization is provided on the revalued amount and is charged to the Profit and Loss Account. Amount of incremental depreciation/ amortization attributable to the revalued amount is transferred from 'Revaluation Reserve' and credited to 'Revenue and Other Reserves'.

8.8 Depreciation on additions to assets, made upto 30th September is provided for the full year and on additions made thereafter, is provided for the half year.
No depreciation is provided on assets sold before 30th September and depreciation is provided for the half year on assets sold after 30th September.

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8.9 The Bank considers only immovable assets for revaluation. Properties acquired during the last three years are not revalued. Valuation of the revalued assets is done every three years thereafter.

8.10 The increase in net book value of the asset due to revaluation is credited to the Revaluation Reserve Account without routing through the Profit and Loss Account.
Additional depreciation on the revalued asset is charged to the Profit and Loss Account and appropriated from the Revaluation Reserves to Other Revenue Reserve.

8.11 The revalued asset is depreciated over the balance useful life of the asset as assessed at the time of revaluation.

II Subsidiaries

a) Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes all expenses incidental to expenses to the acquisition of fixed assets.
b) Depreciation on fixed assets has been provided on straight line method at the rates specified in Schedule II to the Companies Act, 2013 except in case of Centbank Financial Services Ltd., the subsidiary, intangible assets have been amortized considering the economic life of the asset to be 5 years by the Management and amortized accordingly.

9 Leases:

Leases where risks and rewards of ownership are retained by lessor are classified as Operating Lease as per AS-19 (Leases). Lease payments on such lease are recognised in Profit and Loss account on a straight-line basis over the lease term in accordance with AS 19.

10 Impairment of Assets:

Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset and such impairment losses, if any, on fixed assets are recognised and charged to Profit & Loss Account in accordance with Accounting Standard-28 Impairment of Assets.

11. Employee Benefits:

11.1 Employee benefits are accrued in the year in which services are rendered by the employees.

11.2 **Short Term Employee Benefits:**

The undiscounted amounts of short-term employee benefits, which are expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

11.3 **Defined benefit plans:**

The Bank operates Gratuity and Pension schemes which are defined benefit plans.

a) The Bank provides for gratuity to all eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, or on death while in employment, or on termination of employment, for an amount equivalent to 15 days basic salary payable for each completed year of service, subject to the cap prescribed by the Statutory Authorities. Vesting occurs upon completion of five years of service. The Bank makes periodic contributions to a fund administered by Trustees based on an independent external actuarial valuation.

b) The Bank provides for pension to all eligible employees. The benefit is in the form of monthly payments as per rules to vested employees on retirement or on death while in employment, or on termination of employment. Vesting occurs at different stages as per rules. The pension liability is reckoned based on an independent actuarial valuation carried out annually and Bank makes such additional contributions periodically to the Fund as may be required to secure payment of the benefits under the pension regulations.

c) The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/ losses are immediately recognised in the Profit and Loss Account and are not deferred.

d) When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

Liability for long term employee benefit under defined benefit scheme such as contribution to gratuity, pension fund and leave encashment are determined at close of the year at present value of the amount payable using actuarial valuation technique.

e) Actuarial gain/losses are recognised in the year when they arise.

11.4 **Defined Contribution Plan:**

Provident fund is a defined contribution as the bank pays fixed contribution at predetermined rates. The obligation of the bank is limited to such fixed contribution. The contributions are charged to Profit and Loss account.

National Pension Scheme which is applicable to employees who have joined bank on or after 01.04.2010 is a defined contribution scheme. Bank pays fixed contribution at pre-determined rate. The obligation of the bank is limited to such fixed contribution. The contribution is charged to Profit and Loss Account

12. Accounting for Taxes on Income:

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The provision for tax for the year comprises of current tax liability computed in accordance with the Income Tax Act, 1961 and as per Accounting Standard 22 – "Accounting for Taxes on Income" respectively.

Deferred tax is recognized on timing differences between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised.

Deferred Tax Assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future profits.

The carrying amount of deferred tax assets is reviewed at each balance sheet date to reassess its realization. Disputed tax liabilities are accounted for in the year of finality of assessment/ appellate proceedings and till such times they are shown as contingent liability. The impact of changes in deferred tax assets and liabilities is recognised in the Profit and Loss Account.

13. Sundry Unallocated Income and Proceeds

In case of Centbank Financial Services Ltd., the subsidiary, the amounts received on behalf of beneficiaries of whom details about the beneficiaries cannot be ascertained, such amounts have been accounted in nominal account "Sundry Party Unclaimed Dividend / Interest" and "Unallocated / Unclaimed Proceeds on Redemption of Securities".

As and when the details are received from the payer about the beneficiaries, the amount is transferred to the respective beneficiary account.

14. Provisions, Contingencies and Contingent assets:

14.1 In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the Bank recognises provisions only when it has a present obligation as a result of a past event, and would result in a probable 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.

14.2 No provision is recognised for:

a) any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or

b) any present obligation that arises from past events but is not recognised because:

i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii. a reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities. These are assessed at regular intervals and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

14.3 Provision for reward points in relation to the debit card holders of the Bank is made on estimated basis.

14.4 Contingent assets are neither recognised nor disclosed in the Financial Statements.

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15 Special Reserves:

Revenue and other Reserve include Special Reserve created under Section 36(i)(viii) of the Income Tax Act, 1961. The Board of Directors of the Bank has passed a resolution approving creation of the reserve and confirming that it has no intention to make withdrawal from the Special Reserve.

16 Segment Reporting

The Bank recognises the business segment as the primary reporting segment and geographical segment as the secondary reporting segment in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 – "Segment Reporting" issued by The Institute of Chartered Accountants of India.

17 Earnings per Share:

a) The Bank reports basic and diluted earnings per share in accordance with AS 20 – "Earnings per Share" issued by the Institute of Chartered Accountants of India. Basic Earnings per Share is computed by dividing the Net Profit after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

b) Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is calculated by using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M. V. Rao
Managing Director & CEO

ATTENDED THROUGH VIDEO CONFERENCE
Hardik M. Sheth
Director

Charulatha S. Kar
Director

Dinesh Pangtey
Director

ATTENDED THROUGH VIDEO CONFERENCE
Pradip P. Khimani
Director

Prisyrat Sharma
Director

As per our report of even date.

For KISHORE & KISHORE
Chartered Accountants
F. R. No 000291N

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

(CA P. R. KARANTH)
PARTNER
M. No. 018808

FOR A. R. & CO
Chartered Accountants
F. R. No.002744C

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

(CA PAWAN GOEL)
PARTNER
M. No. 072209

FOR A D B & COMPANY
Chartered Accountants
F. R. No. 005593C

ADB & COMPANY FRN. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

(CA BANKIM SHUKLA)
PARTNER
M. No. 074272

Place: Mumbai
Date:- April 30th, 2024

SCHEDULE-18: NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS:

1. Subsidiaries and Associates considered in the preparation of the Consolidated Financial Statements

1.1. The Consolidated Financial Statements comprise the financial statements of Central Bank of India (Parent Bank), its two subsidiaries (collectively referred to as "the Group") and share of profit / loss in three Associates consisting of two Regional Rural Banks (RRBs) sponsored by the Parent Bank and Indo Zambia Bank Limited as per details given below:

Name of the Subsidiary/Associate	Country of Incorporation	Ownership interest as at March 31, 2024	Ownership interest as at March 31, 2023
Cent Bank Home Finance Limited (Subsidiary)	India	64.40%	64.40%
Centbank Financial Services Limited (Subsidiary)	India	100.00%	100.00%
Uttar Bihar Gramin Bank, Muzzaffarpur (Associate)	India	35.00%	35.00%
Uttarbanga Kshetriya Gramin Bank, Cooch Behar (Associate)	India	35.00%	35.00%
Indo Zambia Bank Limited (Associate)	Zambia	20.00%	20.00%

1.2. The financial statements of the Subsidiaries and Associates which are used in the consolidation have been drawn up to the same reporting date as that of Parent Bank i.e. 31st March, 2024, except Indo Zambia Bank Ltd., whose reporting period is calendar year and share in profit has been taken on unaudited figures for the financial year ended 31.03.2024. Financial Statement of Indo Zambia Bank is prepared as per the accounting policies adopted under local laws. In the opinion of the Management the impact is not material.

1.3. The accumulated share of profit/ loss of the Parent Bank in the associates has been added to/ reduced from the carrying cost of investments with corresponding adjustments in accumulated reserves of the Group.

1.4. Cent Bank Home Finance Ltd., the subsidiary, like other Housing Finance Institutions grant loans for longer tenure, while deposits received/ liabilities are for shorter tenure, resulting in mismatch of assets and liabilities. The same is being addressed by sufficient credit lines available.

1.5. Financial Statements of one of the Subsidiaries are audited by an auditor other than auditor of parent bank and another subsidiary financials is unaudited and certified by the management. The financial statements of three associates are unaudited and certified by the management.

2. In the preparation of consolidated financial statements, wherever, different accounting policies for similar transactions have been followed by subsidiaries and associates, adjustments have not been made as in the opinion of management of the Bank the same are not material.

3. PARENT BANK

3.1. CAPITAL:

3.1.1. Paid up Equity Share Capital of the Bank as on 31.03.2024 is ₹ 8,680.94 crore, the President of India (Government of India) has not infused any fresh capital during the Financial Year 2023-24. The shareholding of President of India (Government of India) in the Bank is 93.08%.

3.2. Balancing of Books / Reconciliation:

3.2.1. The parent Bank is under process of reconciling the outstanding balances/entries in various heads of accounts included in Inter office adjustment (IBR) account.

The Net balance of IBR account as at 31st March, 2024 is ₹ 87.72 crore (net debit) and as at 31st March, 2023 is ₹ 1.95 crore (net credit).

3.2.2. The reconciliation of the following items is in progress.

- Inter Branch Office Balance
- Inter Bank Accounts
- Suspense Accounts
- Clearing & other Adjustment Accounts
- Certain balances in nominal account
- Nostro Accounts
- Balances related to ATM Department
- Mirror Accounts maintained by Central Card Department and other balances
- Data/System updation of Agricultural and Priority Sector Advances
- Fixed Asset
- Other Assets
- Other Liabilities

The management is of the opinion that the overall impact, if any, on the accounts will not be significant.

3.3. Income Tax:

3.3.1. Provision for Income Tax for the year is arrived at after due consideration of relevant statutory provisions and judicial decisions on disputed issues.

3.3.2. Claims against the bank not acknowledged as debt under contingent liabilities (schedule 12) includes ₹ 5,964.67 crore (previous year ₹ 5,969.69 crore) towards disputed Income Tax liability of the parent Bank. It includes Income tax appeals at various levels by bank and Income tax department. Provision for disputed amount of taxation is not considered necessary by the Bank on the basis of various judicial pronouncements and favorable decisions in Bank's own case. Payments/ adjustments against the said disputed dues are included under Other Assets (schedule 11). Disputed service tax matter as on March 31st, 2024 is ₹ 9.12 crore.

3.3.3. Government of India has inserted Section 115BAA in the Income Tax Act 1961 ("Act") vide the Taxation Laws (Amendment) Ordinance 2019 dated September 20, 2019 which provides a non-reversible option to domestic companies to pay corporate tax at a reduced rate effective from April 01, 2019 subject to certain conditions. The Bank has assessed the applicability of the act and opted to continue the existing tax rate (i.e. 34.944%) for the financial year ended 31st March, 2024.

3.3.4. In the Opinion of the Management, the provisions of Section 115JB of the Income Tax Act, 1961 are not applicable. Without prejudice to this stand, the Bank has recognized a MAT tax provision of ₹ 275.33 crore for the current financial year and the entire sum, being MAT credit entitlement (₹ 1,960.90 crore as on 31.03.2024) under section 115 JAA of the Income Tax act, 1961 has been recognized and treated as an asset. The applicability of provisions of Section 115JB (post amendment by the Finance Act, 2012) of the Income Tax Act, 1961 is under adjudication before Special Bench of Income Tax Appellate Tribunal, Mumbai.

3.4. Advances / Provisions:

Advances to units which have become sick including those under nursing/ rehabilitation/ restructuring programme and other advances classified as doubtful/ loss assets have been considered secured/ recoverable to the extent of estimated realizable value of securities carrying first or second charge based on valuers' assessment of properties/ assets mortgaged to the Bank and other data available with the Bank.

3.5. Disclosure of Penalties imposed by RBI

During the financial year ended March 31, 2024, the Reserve Bank of India has levied/imposed a penalty of ₹ 0.84 crore on May 26, 2023 for non-compliance with certain provisions of 'Reserve Bank of India (Frauds classification and reporting by commercial banks and select FIs) directions 2016' and 'Master Circular on Customer Service in Banks'. Penalty amount was paid to RBI on May 31, 2023.

4. Compliance with Accounting Standards

The following information is disclosed in terms of Accounting Standards issued by The Institute of Chartered Accountants of India.

4.1. Accounting Standard 9 – Revenue Recognition

Certain items of income are recognized on realization basis as per significant accounting policy no.9. However, the said income is not considered to be material.

4.2. Accounting Standard 15 – Employee Benefits

4.2.1. Defined Benefit Plans

i. Defined Benefit Plans, Employee's pension plan and Gratuity plan

The following table sets out the status of the Defined Benefit Pension Plans and Gratuity Plan as per Actuarial Valuation by the independent Actuary appointed by the Parent bank:-

(Amount in ₹ Crore)

Particulars	Pension Plan		Gratuity Plan	
	Current Year FY(23-24)	Previous Year FY(22-23)	Current Year FY(23-24)	Previous Year FY(22-23)
Change in the Present Value of the Defined Benefit Obligation				
Opening Defined Benefit Obligation 1st April, 2023	16,729.00	16,237.43	1,651.72	1,730.20
Current Service Cost	137.03	85.97	104.79	107.84
Interest Cost	1,237.95	1,177.21	112.99	109.69
Past Service Cost (Vested Benefit)	-	-	-	-
Actuarial Losses (gains)	1,199.14	909.56	122.95	(15.07)
Benefits Paid	(1,798.53)	(1,681.17)	(239.63)	(280.94)
Direct Payment by Bank	-	-	-	-
Closing Defined Benefit Obligation at 31st March ,2024	17,504.59	16,729.00	1,752.82	1,651.72

(Amount in ₹ Crore)

Change in Plan Assets	Current Year	Previous Year	Current Year	Previous Year
	FY(23-24)	FY(22-23)	FY(23-24)	FY(22-23)
Opening Fair Value of Plan Assets as at 1st April, 2023	16,483.92	15,807.88	1,637.42	1,630.51
Expected Return on Plan Assets	1,153.26	1,133.25	118.88	110.79
Contributions by Employer	1,342.40	1,327.65	177.73	231.29
Expected Contributions by the employees	-	-	-	-
Benefits Paid	(1,798.53)	(1,681.17)	(239.63)	(280.94)
Actuarial Gains /(Loss)on Plan Assets	191.76	(103.69)	31.63	(54.23)
Closing Fair Value of Plan Assets as at 31st March, 2024	17,372.81	16,483.92	1,726.03	1,637.42

(Amount in ₹ Crore)

Amount Recognized in the Balance Sheet	Current Year FY(23-24)	Previous Year FY(22-23)	Current Year FY(23-24)	Previous Year FY(22-23)
Present Value of Funded obligation at 31st March, 2024	17,504.59	16,729.00	1,752.82	1,651.72
Fair Value of Plan Assets at 31st March, 2024	(17,372.81)	(16,483.92)	(1,726.03)	(1,637.42)
Unrecognized past service Cost	-	-	-	-
Deficit/(Surplus)	131.78	245.08	26.79	14.30
Net Liability/(Asset)	131.78	245.08	26.79	14.30

(Amount in ₹ Crore)

Net Cost Recognized in the Profit and Loss Account	Current Year FY(23-24)	Previous Year FY(22-23)	Current Year FY(23-24)	Previous Year FY(22-23)
Current Service Cost	137.03	85.97	104.79	107.83
Past Service Cost-Recognized	-	657.56	-	-
Interest Cost	1,237.95	1,177.21	112.99	109.69
Expected Return on Plan Assets	(1,153.26)	(1,133.26)	(118.88)	(110.79)
Net Actuarial Losses/(Gain) Recognized During the Year	1,007.38	1,013.25	91.31	39.17
Total Cost of Defined Benefit Plans included in Schedule 16 "Payments to and provisions for Employees"	1,229.09	1,800.74	190.21	145.90

(Amount in ₹ Crore)

Reconciliation of Expected Return and Actual Return on Plan Assets	Current Year FY(23-24)	Previous Year FY(22-23)	Current Year FY(2023-24)	Previous Year FY(22-23)
Expected Return on Plan Assets	1,153.26	1,133.26	118.88	110.79
Actuarial Gain/(loss)on Plan Assets	191.76	(103.69)	31.63	(54.24)
Actual Return on Plan Assets	1,345.02	1029.57	150.51	56.55

(Amount in ₹ Crore)

Reconciliation of Opening and Closing Net Liability /(Asset) Recognized in Balance Sheet	Current Year	Previous Year	Current Year	Previous Year
	FY(23-24)	FY(22-23)	FY(23-24)	FY(22-23)
Opening Net Liability /(Asset) as at 1st April, 2023	245.08	(228.01)	14.30	99.69
Expenses as Recognized in Profit And Loss Account	1,229.09	1,800.74	190.21	145.90
Employer's Contribution	(1,342.40)	(1,327.65)	(177.73)	231.29
Net Liability/(Assets) Recognized in Balance Sheet	131.77	245.08	26.78	14.30

Investment under Plan Assets of Pension Funds & Gratuity Fund as on 31st March, 2024 are as follows-

CATEGORY OF ASSETS	PENSION FUND	GRATUITY FUND
	% OF PLAN ASSETS	% OF PLAN ASSETS
Central Govt. Securities	0.22	0.82
State Govt. Securities	16.93	37.99
Debt Securities, Money Market Securities and Bank Deposits	16.46	28.69
Mutual Funds	3.42	2.80
Insurer Managed Funds	62.95	29.36
Others	0.02	0.34
Total	100.00	100.00

Principal Actuarial Assumptions	PENSION PLANS	
	Current Year FY(23-24)	Previous Year FY(22-23)
Discount Rate	7.20%	7.40%
Expected Rate of Return on Plan Assets	7.20%	7.40%
Salary Escalation Rate	5.00%	5.00%
Pension Escalation Rate	4.00%	4.00%
Attrition Rate	2.50%	2.50%
Mortality Table	IALM(2012-14)	

Principal Actuarial Assumptions	GRATUITY PLANS	
	Current Year FY(23-24)	Previous Year FY(22-23)
Discount Rate	7.20%	7.40%
Expected Rate of Return on Plan Assets	7.20%	7.40%
Salary Escalation Rate	5.00%	5.00%
Attrition Rate	2.50%	2.50%
Mortality Table	IALM(2012-14)	

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SURPLUS/DEFICIT IN THE PLAN

(Amount in ₹ Crore)

GRATUITY PLAN AMOUNT RECOGNIZED IN THE BALANCE SHEET	YEAR ENDED				
	31-03-2020	31-03-2021	31-03-2022	31-03-2023	31-03-2024
Liability at the end of the year	1,623.23	1,726.66	1,730.20	1,651.72	1,752.82
Fair Value of Plan Assets at the end of the year	1,720.32	1,534.62	1,630.51	1,637.42	(1,726.03)
Difference	(97.09)	192.04	99.69	14.30	26.79
Amount Recognized in the Balance Sheet	(97.09)	192.04	99.69	14.30	26.79

(Amount in ₹ Crore)

EXPERIENCE ADJUSTMENT	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2020	31-03-2021	31-03-2022	31-03-2023	31-03-2024
On Plan Liability (Gain)/ Loss	(6.34)	249.60	145.94	(15.07)	122.94
On Plan Asset (Loss) / Gain	(3.38)	32.99	45.41	(54.23)	31.64

SURPLUS/DEFICIT IN THE PLAN

(Amount in ₹ Crore)

PENSION PLAN	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2020	31-03-2021	31-03-2022	31-03-2023	31-03-2024
Liability at the end of the year	15,421.82	15,557.67	16,237.43	16,729.00	17,504.59
Fair Value of Plan Assets at the end of the year	14,939.64	15,198.04	15,807.88	16,483.92	17,372.81
Difference	482.18	359.63	429.55	245.08	131.78
Amount unrecognized in the Balance Sheet (w.r.t. past service cost)	-	-	277.43	-	-
Amount Recognized in the Balance Sheet	482.18	359.63	152.12	245.08	131.78
Amount Recognized in the Balance Sheet (w.r.t. past service cost)	-	-	544.52	277.43	-

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(Amount in ₹ Crore)

EXPERIENCE ADJUSTMENT	YEAR ENDED				
AMOUNT RECOGNIZED IN THE BALANCE SHEET	31-03-2020	31-03-2021	31-03-2022	31-03-2023	31-03-2024
On Plan Liability (Gain)/ Loss	12.65	2,279.00	847.41	1,126.87	1,199.14
On Plan Asset (Loss) / Gain	346.19	276.30	98.07	1,013.25	191.75

The expected contribution to the Pension and Gratuity fund for next year is ₹ 131.78 crore and ₹ 26.79 Crore respectively which is to be received in the FY 2024-25.

ii. Defined Contribution Plan:
The bank has a defined contribution pension scheme (DCPS) applicable to all categories of officers and employees joining bank on or after 01/04/2010. The scheme is managed by NPS trust under the aegis of the Pension Fund Regulatory and Development Authority. National Securities Depositary Limited (NSDL) has been appointed as the Central Record Keeping Agency for the NPS. During 2023-24, the bank has contributed ₹ 252.94 crore (Previous year ₹ 244.48 crore).

iii. Employees' Provident Fund:-
During the year bank has recognized expenses of ₹ 0.77 Crore and corresponding previous year ₹ 0.96 Crore on account of employer contribution for the employees covered under PF option Scheme i.e. PF Optees.

iv. Long Term Employee Benefits (Unfunded Obligation):
During the year bank has recognized expenses of ₹ 131.38 crore (Previous Year ₹ 78.70 crore) towards leave encashment expenses based on actuarial valuation.

a) Actuarial Valuation Report as per AS15 (revised 2005) - Privilege Leave Benefits

(Amount in ₹ Crore)

Asset and Liabilities		
Particulars	Current Year	Previous Year
		FY (22-23)
Defined Benefit Obligation	1,201.71	1,070.33
Fair Value of Plan Assets	-	-
Net Liability (Asset)	1,201.71	1,070.33

Financial Assumptions		
Particulars	Current Year	Previous Year
		FY (22-23)
Discount Rate	7.20%	7.45%
Salary Growth Rates	5.00%	5.00%

Withdrawal rates Per Annum		
Age Band	Current Year	Previous Year
		FY (22-23)
25& Below	2.50%	2.50%
26 to 35	2.50%	2.50%
36 to 45	2.50%	2.50%
46 to 55	2.50%	2.50%
56 & above	2.50%	2.50%

Mortality Rates: Indian Assured Lives Mortality (2012-14) Table

Sample Rates of (Indian Assured Life Mortality)IALM		
Age (In Years)	Current Year	Previous Year
		FY (22-23)
20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%
50	0.44%	0.44%
60	1.12%	1.12%

b) Other Long Term Employee Benefits

1. Actuarial Valuation Report as per AS15 (revised 2005) – Retirement Benefits

(Amount in ₹ Crore)

Asset and Liabilities		
Particulars	Current Year	Previous Year
		FY (22-23)
Defined Benefit Obligation	8.09	2.74
Fair Value of Plan Assets	-	-
Net Liability (Asset)	8.09	2.74

Financial Assumptions		
Particulars	Current Year	Previous Year
		FY (22-23)
Discount Rate (P.a)	7.20%	7.40%
Inflation Rate (p.a)	-	-
Expected Rate of Return (p.a)	Not Applicable	Not Applicable

Withdrawal rates Per Annum		
Age Band	Current Year	Previous Year
		FY (22-23)
25& Below	2.50%	2.50%
26 to 35	2.50%	2.50%
36 to 45	2.50%	2.50%
46 to 55	2.50%	2.50%
56 & above	2.50%	2.50%

Mortality Rates: Indian Assured Lives Mortality (2012-14) Table

Sample Rates of (Indian Assured Life Mortality)IALM		
Age (In Years)	Current Year	Previous Year
		FY (22-23)
20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%
50	0.44%	0.44%
60	1.12%	1.12%

2. Actuarial Valuation Report as per AS15 (revised 2005) – Long Service Benefits

(Amount in ₹ Crore)

Asset and Liabilities		
Particulars	Current Year	Previous Year
		FY (22-23)
Defined Benefit Obligation	1.33	1.21
Fair Value of Plan Assets	-	-
Net Liability (Asset)	1.33	1.21

Financial Assumptions		
Particulars	Current Year	Previous Year
		FY (22-23)
Discount Rate (P.a)	7.20%	7.40%
Inflation Rate (p.a)	-	-
Expected Rate of Return (p.a)	Not Applicable	Not Applicable

Withdrawal rates Per Annum		
Age Band	Current Year	Previous Year
		FY (22-23)
25& Below	2.50%	2.50%
26 to 35	2.50%	2.50%
36 to 45	2.50%	2.50%
46 to 55	2.50%	2.50%
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Age (In Years)	Current Year	Previous Year
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20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%
50	0.44%	0.44%
60	1.12%	1.12%

4.3. Accounting Standard 17 – Segment Report of the Group

CONSOLIDATED SEGMENT REPORT FOR THE YEAR ENDED MARCH 31, 2024

As per the revised guidelines of Reserve Bank of India the Bank has recognized Treasury Operations Corporate/ Wholesale Banking Retail Banking and other Banking business as primary reporting segments. There are no secondary reporting segments.

The following are the primary segments of the Bank:-

- Treasury
- Corporate / Wholesale Banking
- Retail Banking
- Other Banking Business.

The present accounting and information system of the Bank based on the present internal, organisational and management reporting structure and the nature of their risk and returns, the data on the primary segments have been computed as under:

- Treasury – The Treasury Segment includes the entire investment portfolio and trading in foreign exchange contracts and derivative contracts. The revenue of the treasury segment primarily consists of fees and gains or losses from trading operations and interest income on the investment portfolio.
- Corporate / Wholesale Banking – The Corporate / Wholesale Banking segment comprises the lending activities of Corporate Accounts, Trust / Partnership Firms Companies and statutory bodies which are not included under Retail Banking and Stressed Assets Management Branch. These include providing loans and transaction services to corporate and institutional clients.
- Retail Banking – The Retail Banking Segment comprises of retail branches, which primarily includes Personal Banking activities including lending activities to corporate customers having banking relations with these branches. The Retail Banking Segment consists of all exposures up to a limit of ₹ 7.50 crore (including Fund Based and Non-Fund Based exposures) subject to orientation product granularity criteria and individual exposures. This segment also includes agency business and ATMs.
- Other Banking business – Segments not classified under (i) to (iii) above are classified under this primary segment.
- Secondary (Geographical Segment)
  i) Domestic Operations - Branches/Offices having operations in India

  ii) The Bank has only one geographical segment i.e. Domestic Segment.

(Amount in ₹ crore)

Business Segments	Treasury		Corporate/Wholesale Banking		Retail Banking		Other Banking Operations		Total	
Particulars	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Revenue	11,812.74	10,974.59	8,279.47	6,564.56	15,138.53	11,815.46	3.57	2.22	35,234.31	29,356.83
Result	2,704.34	2,585.67	702.13	1,226.84	809.78	(1,172.81)	2.39	1.24	4,218.64	2,640.94
Unallocated Expenses									(128.82)	41.09
Operating Profit									4,089.82	2,682.03
Income Taxes									1,513.84	1,072.70
xtraordinary profit/loss	-	-	-	-	-	-	-	-	91.70	69.45
Net Profit									2,667.68	1,678.78
Other Information:										
Segment Assets	184,685.68	184,294.75	96,548.66	77,326.32	152,836.43	131,141.05	7.33	8.88	434,078.11	392,771.00
Unallocated Assets									13,693.46	14,308.71
Total Assets									447,771.57	407,079.71
Segment Liabilities	179,376.86	179,578.72	91,432.83	73,563.83	144,570.60	124,708.58	16.87	11.85	415,397.16	377,862.98
Unallocated Liabilities										-
Total Liabilities									415,397.16	377,862.98

* Segment Revenue and Expenses have been apportioned on the basis of the segment assets, wherever direct allocation is not possible.

Figures have been regrouped wherever considered necessary to conform to current year classification.

The Group has only one geographical segment i.e. Domestic Segment

4.4. Related Party disclosures as per Accounting Standard 18 – Related Party (of Parent Bank)

4.4.1. List of Related Parties:

Key Managerial Personnel as on 31.03.2024

Sr. No.	Name	Designation
	PARENT BANK	
i.	Shri M V Rao	Managing Director & CEO
ii.	Shri Vivek Wahi	Executive Director
iii.	Shri Rajeev Puri	Executive Director
iv.	Shri M V Murali Krishna (w.e.f. 01.12.2022)	Executive Director
	SUBSIDIARIES	
	CENTBANK FINANCIAL SERVICES LIMITED	
i.	Shri Sunil Kumar Naik	Managing Director
ii.	Ms Aarti Sharma (till 31.12.2023)	Company Secretary
iii.	Ms Jaya Tiwari (w.e.f. 01.01.2024)	Company Secretary
	CENT BANK HOME FINANCE LIMITED	
i.	Shri Kushal Pal	Managing Director
ii.	Shri Sachin Sudhakar	General Manager
iii.	Shri Suyogya Chandra Mehta	Chief Financial Officer
iv.	Shri Ashish Shrivastava (till 07.03.2024)	Company Secretary

4.4.2. Transactions with Related Parties:

Remuneration paid to key managerial persons:

(Amount in ₹ crore)

Name	Designation	Key Management Personnel	
PARENT BANK:		31.03.2024	31.03.2023
Shri. M V Rao	Managing Director & CEO	0.44	0.41
Shri. Vivek Wahi	Executive Director	0.37	0.25
Shri. Rajeev Puri (till 30.06.2023)	Executive Director	0.14	0.34
Shri. M V Murali Krishna	Executive Director	0.34	0.37
Shri. Mahendra Dohare (w.e.f. 09.10.2023)	Executive Director	0.16	0.10
SUBSIDIARIES:			
CFSL			
Shri S. Venkataraman (Resigned as MD on 16.6.2022)	Managing Director	-	0.05
Shri Sunil Kumar Naik (Appointed as MD on 19.7.2022)	Managing Director	0.26	0.18
Ms Aarti Sharma (till 31.12.2023)	Company Secretary	0.07	0.08
Ms Jaya Tiwari (w.e.f. 01.01.2024)	Company Secretary	0.02	-
CBHFL			

(Amount in ₹ crore)

Name	Designation	Key Management Personnel	
Shri Kushal Pal	Managing Director	0.37	0.30
Shri Sachin Sudhakar	General Manager	0.36	0.30
Shri Suyogya Chandra Mehta	Chief Financial Officer	0.18	0.16
Shri Ashish Shrivastava (till 07.03.2024)	Company Secretary	0.13	0.12

Note: Keeping in line with para 9 of the AS - 18 - "Related Party Disclosure" issued by ICAI, the transactions with the Subsidiaries and Associates Enterprises have not been disclosed which exempts the State Controlled Enterprises from making any disclosures pertaining to transactions with other related State Controlled Enterprises.

Further, transactions in the nature of Banker-Customer relationship including those with KMP and relatives of KMP have not been disclosed in terms of Para 5 of AS-18.

4.5. Accounting Standard -10 & Accounting Standard - 19 & (Freehold & Leases)

i. The premises of the Bank were revalued to reflect the market value as on 31.03.2024 based on valuation reports of external independent valuers' and approved by the Board of Directors and ₹ 490.00 crore (₹ 329.98 crore for Freehold properties and ₹ 160.02 crore. For Leasehold properties) increases in value thereof have been credited to Revaluation Reserve Account.

ii. In case of assets, which have been revalued, the depreciation is provided on the revalued amount charged to Profit & Loss Account and the amount of incremental depreciation attributable to the revalued amount ₹ 54.87 crore (₹ 38.71 crore for Freehold properties and ₹ 16.16 Crore for Leasehold properties) for F.Y. 2023-24 upto March 2024 (previous year 2022-23 ₹ 65.36 crore) is transferred from 'Revaluation Reserves' and credited to "Revenue and Other Reserves". Depreciation on increased value on account of revaluation has not been considered for the financial year ending 31.03.2024.

iii. Land obtained on lease by bank includes market value of buildings as on 31.03.2024 for ₹ 6.36 Crore (previous year ₹ 8.99 Crore) with written down value as NIL (previous year NIL), the lease period of which has expired and the bank is still having its offices/building on these lands and vacant land obtained on lease by the Bank includes market value as on 31.03.2024 is ₹ 16.43 Crore with written down value as NIL, where the lease period is expired, perusing with authorities for lease renewals.

iv. As per AS-19, operating leases primarily comprise office premises and staff residences, which are renewable at the option of the Bank.

i) Liability for Premises taken on Non-Cancellable operating lease are ₹ NIL as on 31.03.2024

ii) Amount of lease payments recognized in the P&L Account for operating lease is ₹ 454.39 Crore as on 31.03.2024 (Previous year ₹ 392.02 crore).

v. Additional Disclosure:

Premises obtained by bank include own property of ₹ 37.13 crore for which registration formalities are still under progress.

The title of property amounting to ₹ 37.13 crore acquired on disposal of security not in favour of the Bank as the matter is sub-judice.

4.6. Earnings per Share as per AS 20 has been arrived at as follows:

(Amount in ₹ crore)

Particulars	31.03.2024	31.03.2023
Net Profit / (Loss) after Tax available for Equity Share Holder (Amount in ₹ crore)	2,667.68	1,678.78
Weighted Average number of Equity Share (No.)	8,680,939,432	8,680,939,432
Basic Earnings per Share (₹)	3.07	1.93
Diluted Earnings per Share (₹)	3.07	1.93
Nominal Value per Share (₹)	10	10

4.7. Accounting Standard 22 – Accounting for Taxes on Income (of the Group)

Keeping in view the significant provisioning requirements and revision in guidelines of Deferred Tax Assets (DTA) in CET1 calculation by RBI tax review based on management's estimate of possible tax benefits against timing difference has been carried out and ₹ 4,283.51 crore has been recognized as Deferred Tax Assets as at 31st March 2024.

Component of deferred tax assets/ liabilities as on 31st March 2024 are as under:

(Amount in ₹ crore)

Particulars	Deferred Tax Assets		Deferred tax Liability	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Parent Bank:-				
Business Loss	3,124.24	2,270.61		
Provision for Leave Encashment	419.93	374.02		
Provision for Loans and Advances	1,570.95	3,945.44		
Interest on Income Tax Refund			61.87	40.96
Interest accrued but not due on investments			747.67	699.00
Special Reserve u/s36(1)(viii) of I.T. Act 1961			34.94	34.94
Depreciation on Fixed Assets			(23.94)	16.26
Subsidiary:-				
Cent Bank Home Finance Ltd.				
Provision on Advances	7.34	5.97		
Depreciation on Fixed Assets	0.01	0.01		
Others	0.13	0.23	1.98	1.63
Special Reserve u/s36(1)(viii) of I.T. Act 1961			16.61	15.33
Cent Bank Financial Services Ltd (Net)	0.04	0.03		
TOTAL	**5,122.64**	**6,596.31**	**839.13**	808.12
Net Deferred Tax Asset/Liability	**4,283.51**	**5,788.19**		-

Net decrease in Deferred Tax Assets for the year 2023-24 is ₹ 1,504.68 crore (Previous year ₹ 1,067.78 crore) has been recognized in profit & loss account.

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4.8. Accounting Standard – 28 –Impairment of Assets

A substantial portion of Bank's assets comprise financial assets to which Accounting Standard-28 on impairment of assets is not applicable. In the opinion of the Management there is no material impairment on Other Assets other than financial assets as at 31st March, 2024 requiring recognition in terms of the Standard.

4.9. Accounting Standard – 29 on Provisions Contingent Liabilities and Contingent Assets (of Parent Bank)

4.9.1. Provisions and Contingencies

(Amount in ₹ crore)

Break-up of Provisions and Contingencies shown under the head Expenditure in P&L Account	31.03.2024	31.03.2023
Provisions/Depreciation on Investment (NPI)	(264.90)	214.59
Provision towards NPA	3,391.39	3,531.55
Provision towards Standard Asset	52.01	680.54
Provision made for Taxes	1,504.33	1,063.14
Provision for Restructured Advances	(33.83)	(221.81)
Other Provisions	164.63	30.80
TOTAL	4,813.63	5,301.57

5. Other Disclosures:

5.1 Corporate Social Responsibility

During the year Cent Bank Home Finance Limited the subsidiary has spent ₹ 0.69 crore (Previous year ₹ 0.58 crore towards corporate social responsibility under section 135 of companies Act 2013 and rules thereof.

5.2 Provisioning Coverage Ratio (PCR)

Ratios (in percent)	31.03.2024	31.03.2023
Gross NPA to Gross Advances	4.50	8.44
Net NPA to Net Advances	1.23	1.77
The Provisioning Coverage Ratio with Technical Write Off	93.58	92.48
The Provisioning Coverage Ratio without Technical Write Off	73.53	80.47

5.3 Centbank Financial Services Limited, the subsidiary, holds investments in the nature of shares, securities and immovable properties on behalf of its clients in a fiduciary capacity on a Trustee-Beneficiary relationships, which in the opinion of the Board of Directors are adequately safeguarded and properly recorded and all duties arising from such fiduciary relationships are adequately fulfilled.

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ADB & COMPANY F.R.N. 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

5.4 The Company has not transferred or allocated dividend, interest and other corporate benefits received over a period of time from various companies/undertakings, amounting to ₹ 1.59 Crore to the trusts/ beneficiaries, on whose behalf the investment portfolios are held under trusteeship services. The said amount stood at ₹ 2.06 Crore as on March 31, 2023 and has decreased to ₹ 1.59 Crore as at March 31, 2024. This decrease is mainly due to company has from this year onwards started collecting Annual Maintenance charges on unclaimed dividend as per board's Resolution (BM/436/8 meeting dt.30.9.2023) @ 4 % p.a. from the base year 1.4.2009 where holding of funds is 7 years or more. Company has collected maintenance of ₹ 0.61 Crore, of which ₹ 0.58 Crore pertains to period from 1.4.2009 to 31.3.2023, In our opinion current year profits are overstated to that extent.

Similarly, the Company has not transferred or allocated sales/ redemption proceeds of shares/ debentures amounting to ₹ 0.18 Crore to the respective trust/beneficiary, since it pertains to the debentures already sold. The same is outstanding since 2005-06. The company has kept the above funds in current account with its bank since long.

5.5 In terms of RBI guidelines DBOD No.BP.BC.57/62-88 dated December 31, 1988, Inter-Bank Participation Certificates (IBPC) Lending of ₹ NIL has been undertaken. Accordingly, these have been adjusted from the advances of the Parent Bank. Interest income of ₹ NIL has been recognized against these borrowings.

5.6 Implementation of the Guidelines on Information Security, Electronic Banking, Technology Risk Management and Cyber Frauds.

The Parent Bank has formulated policies as per RBI circular RBI/2010-11/494 DBS.CO.ITC.BC.No. 6/31. 02.008/2010-11 dated April 29, 2011. These policies are being reviewed by the management of the bank on periodical basis. The policies were last reviewed by the Board of Directors in the meeting held on 28.02.2024.

5.7 Additional statutory information disclosed in individual financial statements of the Parent and Subsidiaries having no bearing on the true and fair view of the Consolidated Financial Statements and the information pertaining to the items which are not material have not been disclosed in the Consolidated Financial Statements in view of the general clarification issued by the ICAI.

5.8 Disclosure with respect to NCLT provisions:

As per RBI circular No. DBR No. BP.15199/21.04.048/2016-17 and DBR No. BP.1906/21.04.048/2017-18 dated June 23, 2017 and August 28, 2017 respectively, for the accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank is holding total provision of ₹ 5,883.23 crore including FITL of ₹ 125.00 crore as at 31 March 2024 (₹ 6,316.13 crore for March 31, 2023 including FITL of ₹ 127.90 crore) i.e. 100 % of total outstanding including Investment as at March 31, 2024.

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N. 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

5.9 In accordance with RBI circular no. DBR No. BP.BC.18/21.04.048/2018-19 dated January 01,2019, DOR No. BP.BC.34/21.04.048/2019-20 dated February 11, 2020 and RBI/2020-21/17 DOR No. BP.BC/4/21.04.048/2020-21 dated August 6, 2020 on "Relief for MSME borrowers either exempted or registered under Goods and Services Tax(GST), the details of MSME restructured accounts as on 31st March, 2024 are as under:

No of Accounts Restructured	Amount in ₹ Crore
16,146.00	1,765.45

5.10 Disclosure on amortization of expending on account of enhancement in family pension of employees of Banks :-

RBI vide their Circular No.: RBI/2021-22/105 DORACC.REC.57/21.04.018/2021-22 dated 4th October 2021, has permitted Banks to amortize the additional liability on account of revision in family pension for employees over a period of not exceeding 5 (five) years, beginning with financial year ended 31st March 2022, subject to a minimum of 1/5th of the total amount being expensed every year. Based on the Actuarial Valuation report obtained by the Bank the additional liability on account of revision in family pension for employees is arrived at ₹ 821.95 crore. Bank has opted to amortize the same as per the said circular of RBI and has charged an amount of ₹ 544.52 crore out of ₹ 821.95 crore to the Profit & Loss account during the financial year ended 31st March, 2022. During the year ended March 31st, 2024, the Bank has charged ₹ 113.03 crore to the Profit and Loss account. The unamortized expense being carried forward to subsequent years is NIL.

5.11 Additional disclosure related to other asset & other liabilities:

Particulars	FY 2023-24	FY 2022-23
Schedule 5 Other liabilities-IV-5 any item under "others (including provisions)" exceeds 1% of total assets	Nil	Nil
Schedule 11 Other asset –VI any item under "others" in other assets exceeds 1% of the total assets	Nil	Nil
Schedule 14-VII "other miscellaneous income" any item under this head exceeds 1% of total income	Recovery received in accounts written off ₹1,433.32 Crore which is 4.05% of other Total income.	Recovery received in accounts written off ₹1,282.59 crore which is 4.33% of other total income.
Schedule 16-XII "other expenditure" any item under this head exceeds 1% of total income	Nil	Nil

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M. V. Rao
Managing Director & CEO

ATTENDED THROUGH VIDEO CONFERENCE

Hardik M. Sheth
Director

Charulatha S. Kar
Director

Dinesh Pangtey
Director

ATTENDED THROUGH VIDEO CONFERENCE

Pradip P. Khimani
Director

Priavrat Sharma
Director

As per our report of even date.

For KISHORE & KISHORE
Chartered Accountants
F. R. No 000291N

(CA P. R. KARANTH)
PARTNER
M. No. 018808

FOR A. R. & CO
Chartered Accountants
F. R. No.002744C

(CA PAWAN GOEL)
PARTNER
M. No. 072209

FOR A D B & COMPANY
Chartered Accountants
F. R. No. 005593C

(CA BANKIM SHUKLA)
PARTNER
M. No. 074272

Place: Mumbai
Date: April 30th, 2024

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A. R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.No. 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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Central Bank of India
CENTRAL TO YOU SINCE 1911

CENTRAL BANK OF INDIA

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

(₹ In Crore)

Sn	Particulars	31-Mar-24	31-Mar-23
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit/(Loss) before Taxes & Minority Interest	**4,190.46**	**2,761.10**
I	**Adjustments for:**		
	Depreciation on fixed assets	499.83	385.98
	Depreciation on investments (including on matured debentures)	(267.26)	214.10
	Bad Debts written off/Provision in respect of non performing assets	3,396.65	3,537.62
	Provision for Standard Assets	50.71	680.65
	Provision for Other items (Net)	134.80	(187.91)
	(Profit) / Loss on sale of fixed assets (Net)	14.66	1.34
	Sub total	**8,019.85**	**7,392.88**
II	**Adjustments for :**		
	Increase / (Decrease) in Deposits	25,765.66	16,610.56
	Increase / (Decrease) in Borrowings	11,678.96	670.62
	Increase / (Decrease) in Other Liabilities and Provisions	30.00	148.79
	(Increase) / Decrease in Advances	(43,902.67)	(38,392.11)
	(Increase) / Decrease in Investments	(7,173.38)	3,979.60
	(Increase) / Decrease in Other Assets	(69.76)	1,111.09
	Direct Taxes Paid (Net of Refund etc.)	(258.57)	(307.77)
	Sub total	**(13,929.76)**	**(16,179.22)**
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**(5,909.91)**	**(8,786.34)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Sale / Disposal of Fixed Assets	3.02	3.62
	Purchase of Fixed Assets	(587.25)	(212.28)
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	**(584.23)**	**(208.66)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Share Capital (Including Share Premium)	-	-
	Share Application Money	-	-
	Dividend - Equity shares Including Interim Dividend	-	-
	Dividend Tax	-	-
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-	-
D	**Net increase in cash & cash equivalents (A + B + C) or (F - E)**	**(6,494.14)**	**(8,995.00)**

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

ADB & COMPANY F.R.N. 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

Consolidated Cash Flow 1

E	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Cash and Bank Balance with RBI	27,432.92	38,033.70
	Balance with Banks and Money at Call and Short Notice	16,669.02	15,063.24
	Net cash and cash equivalents at the beginning of the year (E)	**44,101.94**	**53,096.94**
F	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	Cash and Bank Balance with RBI	22,954.79	27,432.92
	Balance with Banks and Money at Call and Short Notice	14,653.01	16,669.02
	Net cash and cash equivalents at the end of the year (F)	**37,607.80**	**44,101.94**

Notes:

1) The above Consolidated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 on Cash Flow Statement issued by ICAI.

2) Previous year figures have been regrouped/rearranged to conform to those of current years.

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M. V. Rao
Managing Director & CEO

ATTENDED THROUGH VIDEO CONFERENCE
Hardik M. Sheth
Director

Charulatha S. Kar
Director

Dinesh Pangtey
Director

ATTENDED THROUGH VIDEO CONFERENCE
Pradip P. Khimani
Director

Priyavrat Sharma
Director

As per our report of even date.

For KISHORE & KISHORE
Chartered Accountants
F. R. No 000291N

KISHORE & KISHORE CHARTERED ACCOUNTANTS LUCKNOW

(CA P. R. KARANTH)
PARTNER
M. No. 018808

FOR A. R. & CO
Chartered Accountants
F. R. No.002744C

A.R. & CO. FRN 002744C CHARTERED ACCOUNTANTS

(CA PAWAN GOEL)
PARTNER
M. No. 072209

FOR A D B & COMPANY
Chartered Accountants
F. R. No. 005593C

A D B & COMPANY 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

(CA BANKIM SHUKLA)
PARTNER
M. No. 074272

Place: Mumbai
Date: April 30, 2024

KISHORE & KISHORE
Chartered Accountants,
C-7, Sector - E (New)
Aliganj,
Lucknow – 226024 (U.P.)

A R & CO.
Chartered Accountants,
A-403, Gayatri Apartments,
Airlines Group Housing Society,
Plot No. 27, Sector - III Dwarka,
New Delhi – 110075

A D B & COMPANY,
Chartered Accountants,
First Floor, Mahavir Gaushala Complex
K.K. Road, Moudhapara,
Raipur – 492001 (C.G.)

Independent Auditors' Limited Review Report on Unaudited Standalone Financial Results of Central Bank of India for the Quarter and Nine Months ended December 31, 2023 pursuant to the Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors
Central Bank of India
Mumbai

INTRODUCTION

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Central Bank of India (the "**Bank**") for the Quarter and Nine Months ended December 31 2023 ("the **Statement**") attached herewith, being prepared and submitted by the bank pursuant to the requirement of regulation 33 and regulation 52 read with regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**LODR Regulations**"), except for the disclosures related to Pillar 3 disclosures as at December 31, 2023, including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio (NSFR) under Basel III Capital Regulations issued by Reserve Bank of India as have been disclosed in the Bank's website and in respect of which a link has been provided in the aforesaid financial results and have not been reviewed by us. We have initialled the Statement for identification purposes only.

2. The Statement, which is the responsibility of the Bank's Management and has been reviewed by the Audit Committee of the Board and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting ("**AS 25**") issued by The Institute of Chartered Accountants of India ("**ICAI**"), the relevant provisions of the Banking Regulation Act, 1949, and the circulars, guidelines and directions issued by the Reserve Bank of India ("**RBI**") from time to time ("**RBI Guidelines**") and other accounting principles generally

accepted in India. Our responsibility is to issue a report and express a conclusion on the Statement based on our review.

SCOPE OF REVIEW

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the ICAI. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of Interim Financial Information consists of making inquiries, primarily of Bank's personnel responsible for financial and accounting matters, and applying analytical procedures and other review procedures to the financial data. A Review is substantially less in scope than an Audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. The Statements incorporate the relevant returns of the Top 20 branches, Treasury and other Central Office Departments reviewed by us and un-reviewed returns of 4240 branches. In the conduct of our review, we have relied on the review reports in respect of non-performing assets received from the concurrent auditors of 234 branches specifically appointed for this purpose. These review reports, including the review reports of Top 20 branches, cover 58.49 % of the advance portfolio of the bank (excluding advances of Asset Recovery Branches/Stressed Assets Management Branches and outstanding food credit) and 73.97 % of the Non- Performing Assets of the Bank as at December 31 2023. Apart from these review reports, in the conduct of our review at the Central Office Departments, we have also relied upon various information and returns received from the un-reviewed branches of the bank and generated through centralized data base at Bank's Central Office.

CONCLUSION

5. Based on our review conducted as above and subject to limitations as mentioned in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Standalone Financial Results together with the notes thereon prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the LODR Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant guidelines/prudential norms issued by the Reserve Bank of India in respect of Income Recognition, Asset Classification, Provisioning and other Related Matters.

6. **Emphasis of Matter**

We draw attention to the following note

a) **Note No. 7** of the statement regarding Deferred Tax. Based on tax review made by the Bank's Management with respect to possible tax benefits arising out of the timing difference, the Net Deferred Tax Assets of ₹ 4,84,351 lakhs recognized as on December 31, 2023 (₹ 6,13,103lakhs as on December 31 2022)

Our Conclusion is not modified in respect of this matter

For KISHORE & KISHORE
Chartered Accountants
F.R. NO: 000291N

CA AKHILESH K. MATHUR
PARTNER
M. No. – 509176
UDIN: 24509176BKEZPQ3510

For A.R. & CO.
Chartered Accountants
F.R. NO: 002744C

CA ANIL GAUR
PARTNER
M. NO. – 017546
UDIN: 24017546BKASDC7458

For ADB & COMPANY
Chartered Accountants
F.R.NO. 005593C

CA SHIKHAR JAIN
PARTNER
M. No. – 074431
UDIN: 24074431BKCZRE1593

Place : Mumbai
Date : 19 January 2024

BALANCE SHEET AS AT DECEMBER 31, 2023

(000's Omitted)

PARTICULARS	SCHEDULE NO.	As at 31-Dec-23 ₹	As at 31-Dec-22 ₹
CAPITAL & LIABILITIES			
Capital	1	8,68,09,394	8,68,09,394
Reserves and Surplus	2	22,16,96,880	19,85,69,350
Deposits	3	3,77,72,15,392	3,44,84,74,547
Borrowings	4	22,96,72,222	8,55,93,326
Other Liabilities and Provisions	5	8,38,36,622	9,11,29,568
TOTAL		4,39,92,30,510	3,91,05,76,185
ASSETS			
Cash and Balances with Reserve Bank of India	6	21,89,56,896	19,38,70,196
Balances with Banks and Money at Call and Short Notice	7	16,40,22,896	18,74,87,588
Investments	8	1,46,93,55,000	1,34,41,75,320
Advances	9	2,31,81,52,441	1,94,49,15,110
Fixed Assets	10	4,74,69,984	4,78,87,912
Other Assets	11	18,12,73,293	19,22,40,059
TOTAL		4,39,92,30,510	3,91,05,76,185
Contingent Liabilities	12	93,58,01,187	1,35,13,08,891
Bills for Collection	-	10,25,30,242	11,07,22,352
Significant Accounting Policies	17		
Notes to Accounts	18		

The schedules referred to above form an integral part of the Balance Sheet.

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M.V. Rao
Managing Director & CEO

Place: Mumbai
Date: JANUARY 19, 2024

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT DECEMBER 31, 2023

(000's Omitted)

PARTICULARS	As at DECEMBER 31, 2023 ₹	As at DECEMBER 31, 2023 ₹	As at DECEMBER 31, 2022 ₹	As at DECEMBER 31, 2022 ₹
SCHEDULE 1 : CAPITAL				
Authorised Capital		10,00,00,000		10,00,00,000
1000,00,00,000 equity shares of ₹ 10/- each				
(prev year 1000,00,00,000 equity shares of ₹ 10/- each				
Issued, Subscribed and Paid up Capital :				
Equity Shares	8,68,09,394		8,68,09,394	
8680939432 Equity Shares (previous year 8680939432 Equity shares) of ₹ 10/- each (includes 8080391657 Equity shares of ₹ 10/- each held by Central Govt.)				
TOTAL		8,68,09,394		8,68,09,394
SCHEDULE 2 : RESERVES AND SURPLUS				
I. Statutory Reserves				
Balance as per last Balance Sheet	2,72,03,582		2,32,48,079	
Additions during the year				
		2,72,03,582		2,32,48,079
II. Capital Reserves				
Balance as per last Balance Sheet	1,87,72,225		1,74,39,228	
Additions during the year				
		1,87,72,225		1,74,39,228
III. Revaluation Reserve				
Balance as per last Balance Sheet	3,64,95,852		3,71,49,447	
Additions - during the year	-		-	
Less : Transfer to Revenue and Other Reserves	4,11,503		4,91,214	
Deductions during the year	-		-	
		3,60,84,349		3,66,58,233
IV. Share Premium				
Balance as per last Balance Sheet	7,46,66,328		7,46,66,328	
Reduction during the year	-			
Additions during the year	-			
		7,46,66,328		7,46,66,328
V. Special Reserve U/s 36(1)(viii) of Income Tax Act		10,00,000		10,00,000
VI. Revenue and Other Reserves				
a) Investment Fluctuation Reserve				
Balance as per last Balance Sheet	71,28,429		65,80,921	
Add : Addition during the year	-		1,32,691	
Additions/Adjustment during the year	-		-	
Less: Deductions during the year	-		-	
		71,28,429		67,13,612
ii) Investment Reserve				
Balance as per last Balance Sheet			1,13,846	
Add : Transfer from Revaluation Reserve	1,23,346		-	
Additions/Adjustment during the year	-		-	
Less: Deductions during the year	-		-	
		1,23,346		1,13,846
iii) Revenue Reserve				
Balance as per last Balance Sheet			2,82,59,808	
Add : Transfer from Revaluation Reserve	2,89,13,406		4,91,214	
Additions/Adjustment during the year	4,11,503		-	
Less: Deductions during the year	-			
		2,93,24,909		2,87,51,022
VII. Balance in Profit and Loss Account				
Balance as per last Balance Sheet	99,56,703		23,42,367	
Additions during the year	1,74,17,209		76,31,235	
		2,73,73,912		99,73,602
TOTAL		22,16,96,880		19,85,69,350

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT DECEMBER 31, 2023

(000's Omitted)

PARTICULARS	As at DECEMBER 31, 2023 ₹	₹	As at DECEMBER 31, 2022 ₹	₹
SCHEDULE 3 : DEPOSITS				
A. I. Demand Deposits				
i) From Banks	38,71,543		56,21,807	
ii) From Others	17,05,65,112		16,66,12,930	
		17,44,36,655		17,22,34,737
II. Savings Bank Deposits		1,67,08,53,824		1,59,42,26,912
III. Term Deposits				
i) From Banks	45,20,739		51,37,012	
ii) From Others	1,92,24,03,954		1,67,68,75,881	
		1,92,69,24,693		1,68,20,12,893
TOTAL		3,77,22,15,172		3,44,84,74,542
B. i) Deposits of Branches in India		3,77,22,15,172		3,44,84,74,542
ii) Deposits of Branches outside India		-		-
SCHEDULE 4 : BORROWINGS				
I. Borrowings in India				
i) Reserve Bank of India	13,56,30,000		1,76,40,000	
ii) Other Banks	73,04,531			
iii) Other Institutions & Agencies	5,67,38,691		4,29,53,526	
iv) Unsecured Redeemable Bonds(Subordinated Debt)	-			
v) Upper Tier II Bonds	-		-	
vi) Innovative Perpetual Debt Instrument	-		-	
vii) Unsecured Redeemable NCD Basel III Bonds(Tier II)	3,00,00,000		2,50,00,000	
		22,96,73,222		8,55,93,526
II. Borrowings outside India		-		-
TOTAL		22,96,73,222		8,55,93,526
Secured Borrowings included in I & II above		Nil		Nil

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT DECEMBER 31, 2023

(000's Omitted)

PARTICULARS	As at DECEMBER 31, 2023 ₹	₹	As at DECEMBER 31, 2022 ₹	₹
SCHEDULE 5 : OTHER LIABILITIES AND PROVISIONS				
I. Bills Payable		1,83,32,931		93,90,629
II. Inter Office Adjustments (Net)		49,952		-
III. Interest Accrued		70,50,752		42,81,936
IV. Deferred Tax Liability		-		
V. Others (including provisions)		6,84,03,047		7,74,57,003
TOTAL		9,38,36,682		9,11,29,568
SCHEDULE 6 : CASH AND BALANCES WITH RESERVE BANK OF INDIA				
I. Cash in Hand (including foreign currency notes)		1,47,60,450		1,41,66,291
II. Balances with Reserve Bank of India				
In Current Accounts	20,41,96,446		16,21,28,405	
In Other Accounts	-		1,75,80,000	
		20,41,96,446		17,97,08,405
TOTAL		21,89,56,896		19,38,74,696
SCHEDULE 7 : BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE				
I. In India				
i) Balances with Banks				
a) In Current Accounts	3,82,863		2,79,394	
b) In Other Deposit Accounts	1,373		5,320	
ii) Money at Call and Short Notice				
a) With Banks	-		-	
b) With Other Institutions	-		-	
		3,84,236		2,84,714
II. Outside India				
a) In Current Accounts	13,74,285		30,57,024	
b) In Other Deposit Accounts	16,22,64,375		18,41,45,850	
c) Money at Call & Short Notice	-		-	
		16,36,38,660		18,72,02,874
TOTAL		16,40,22,896		18,74,87,588

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT DECEMBER 31, 2023

(000's Omitted)

PARTICULARS	As at DECEMBER 31, 2023 ₹	₹	As at DECEMBER 31, 2022 ₹	₹
SCHEDULE 8 : INVESTMENTS				
I. Investments in India in :*				
i) Government Securities	1,15,18,01,967		1,00,77,77,065	
ii) Other approved Securities	-		-	
iii) Shares	31,58,846		43,68,573	
iv) Debentures and Bonds	30,60,70,849		32,25,73,228	
v) Subsidiaries and/or Sponsored Institutions	67,00,657		67,00,657	
vi) Others (Commercial Papers Mutual Fund Units etc.)	11,47,796		22,80,912	
		1,46,88,80,115		1,34,37,00,435
II. Investments outside India in **				
Subsidiaries and/or Associates Abroad		4,74,885		4,74,885
TOTAL		1,46,93,55,000		1,34,41,75,320
* Investments in India				
Gross Value	1,53,05,44,373		1,40,33,54,626	
Less:Provision for Depreciation	6,16,64,258		5,96,54,191	
Net Value		1,46,88,80,115		1,34,37,00,435
** Investments outside India				
Gross Value	4,74,885		4,74,885	
Less: Provision for Depreciation	-		-	
Net Value		4,74,885		4,74,885
SCHEDULE 9 : ADVANCES				
A. i) Bills Purchased and Discounted	3,09,76,553		2,59,95,744	
ii) Cash Credits, Overdrafts & Loans repayable on demand	84,48,53,219		78,00,56,056	
iii) Term Loans	1,44,32,22,669		1,13,88,63,310	
TOTAL		2,31,81,52,441		1,94,49,15,110
B. Particulars of Advances :-				
i) Secured by Tangible Assets (including advances against book debts)	1,98,66,43,088		1,58,22,31,912	
ii) Covered by Bank/Government Guarantees	1,42,98,232		58,64,614	
iii) Unsecured	31,72,11,121		35,68,18,584	
TOTAL		2,31,81,52,441		1,94,49,15,110
C. Sectoral Classification of Advances				
(I) Advances in India				
i) Priority Sectors	1,09,68,73,861		93,90,81,411	
ii) Public Sector	2,13,97,367		2,54,07,406	
iii) Banks	1,012		625	
iv) Others	1,19,98,80,201		98,04,25,668	
TOTAL		2,31,81,52,441		1,94,49,15,110
(II) Advances outside India		-		-

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT DECEMBER 31, 2023

(000's Omitted)

PARTICULARS	As at DECEMBER 31, 2023 ₹	₹	As at DECEMBER 31, 2022 ₹	₹
SCHEDULE 10 : FIXED ASSETS				
I. Premises				
(At cost / revalued cost)				
Balance as at 31st March of the preceding year	4,88,29,312		4,88,11,918	
Additions during the year	15,349		17,394	
Total	4,88,44,661		4,88,29,312	
Deductions / Adjustments during the year	-		-	
Total	4,88,44,661		4,88,29,312	
Depreciation to date	1,03,91,060		97,30,303	
Total		3,84,53,601		3,90,99,009
II. Other Fixed Assets				
(Including furniture and fixtures)				
At cost as at 31st March of the preceding year	3,81,55,228		3,66,50,164	
Additions / Adjustments during the year	39,59,526		22,65,984	
Total	4,21,14,754		3,89,16,148	
Deductions / Adjustments during the year	8,38,292		14,96,030	
Total	4,12,76,462		3,74,20,118	
Depreciation to Date	3,22,60,079		2,86,31,215	
Total		90,16,383		87,88,903
TOTAL (I & II)		4,74,69,984		4,78,87,912
SCHEDULE 11 : OTHER ASSETS				
I. Interest accrued	2,44,96,047		2,30,24,092	
II. Tax paid in advance / Tax deducted at source(net of provision)	4,71,49,886		3,98,03,031	
III. Stationery and Stamps	2,14,783		2,58,940	
IV. Non-banking assets acquired in satisfaction of claims	-		-	
V. Deferred Tax Assets	4,84,35,094		6,13,10,300	
VI. Inter Office Adjustments (Net)	-		7,26,244	
VII.Others	6,09,75,483		6,68,55,752	
TOTAL		18,12,71,293		19,22,40,059
SCHEDULE 12 : CONTINGENT LIABILITIES				
I. (a) Claims against the Bank not acknowledged as Debts		14,24,113		12,20,467
(b) Disputed income tax demands under appeals, revisions (includes appeals filed by the Income Tax Department of Rs. 5,16,955 ('000s omitted) as at 31st Dec 2023 as against Rs. 5,16,937 ('000s omitted) as at 31st Dec 2022.		5,31,61,882		5,32,68,896
II. Liability for partly paid Investments		1,27,33,557		19,91,178
III. Liability on account of outstanding forward Exchange Contracts		71,97,71,171		1,14,79,60,370
IV. Guarantees given on behalf of constituents				
a) In India	9,31,01,442		9,15,46,797	
b) Outside India	7,53,874		51,67,004	
		9,38,55,316		9,67,13,801
V. Acceptances, Endorsements and Other Obligations		2,04,51,529		2,28,19,054
VI. Other item for which the bank is contingently liable		2,94,25,619		2,42,65,145
TOTAL		93,08,23,187		1,35,13,08,891

PROFIT AND LOSS ACCOUNT FOR THE YEAR TO DATE ENDED DECEMBER 31, 2023

PARTICULARS	SCHEDULE NO.	9M ENDED 31-Dec-23 ₹	(000's Omitted) 9M ENDED 31-Dec-22 ₹
I. INCOME			
Interest Earned	13	22,38,51,485	18,39,80,325
Other Income	14	3,34,96,239	2,66,01,218
TOTAL		25,73,47,724	21,05,81,543
II. EXPENDITURE			
Interest Expended	15	13,02,96,833	10,22,39,742
Operating Expenses	16	7,40,57,617	6,05,61,795
Provisions and Contingencies		3,55,76,065	3,76,68,313
TOTAL		23,99,30,515	20,04,69,850
III. PROFIT/(LOSS) FOR THE Y.T.D. BEFORE PRIOR PERIOD ITEM		1,74,17,209	1,01,11,693
Less: Prior period item		-	
Net Profit /(Loss) for the Y.T.D after Prior period item		1,74,17,209	1,01,11,693
Profit /(loss) brought forward		-	-
TOTAL		1,74,17,209	1,01,11,693
IV. APPROPRIATIONS			
Transfer to			
Statutory Reserve			
Investment Fluctuation Reserve		-	1,32,691
Capital Reserve		-	-
Investment Reserve		-	-
Special Reserve u/s 36(1)(viii)		-	
Staff Welfare Fund		-	-
Revenue Reserve		-	-
Fund in lieu of Insurance		-	-
Proposed Dividend - Preference Capital		-	-
Proposed Dividend - Equity Capital		-	-
Dividend Tax		-	-
Balance carried over to Balance Sheet		1,74,17,209	99,79,002
(BF losses adjusted against Share Premium)			
TOTAL		1,74,17,209	1,01,11,693
EPS (Basic & Diluted) in ₹ (nominal value ₹ 10/- per share)		2.01	1.16
Significant Accounting Policies	17		
Notes to Accounts	18		

The schedules referred to above form an integral part of the Profit and Loss Account

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M.V. Rao
Managing Director & CEO

Place: Mumbai
Date: JANUARY 19, 2024

CENTRAL BANK OF INDIA

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR TO DATE ENDED DECEMBER 31, 2023

(000's omitted)

PARTICULARS	9M. ENDED 31-Dec-23 ₹	9M. ENDED 31-Dec-22 ₹
SCHEDULE 13 : INTEREST EARNED		
I. Interest / Discount on Advances / Bills	14,40,51,550	10,45,18,401
II. Income on Investments	6,96,40,480	6,47,24,545
III. Interest on balances with Reserve Bank of India and other Inter Bank Funds	85,14,939	1,14,00,574
IV. Others	16,64,716	32,76,805
TOTAL	22,38,51,485	18,39,80,425
SCHEDULE 14 : OTHER INCOME		
I. Commission, Exchange and Brokerage	1,39,35,314	1,32,57,948
II. Profit on Sale of Investments (Net)	58,37,162	21,96,327
III. Profit / (Loss) on Revaluation of Investments	2,07,082	2,49,738
IV. Profit / (Loss) on Sale of Land, Buildings and other Assets (Net)	(1,07,870)	(3,383)
V. Profit on Exchange Transactions (Net)	19,35,422	21,07,849
VI. Income earned by way of dividends etc. from Subsidiaries and Associates abroad / in India	10,000	15,000
VII. Miscellaneous Income	1,36,81,129	87,97,719
TOTAL	3,54,96,239	2,66,01,218

PARTICULARS	9M. ENDED 31-Dec-23 ₹	9M. ENDED 31-Dec-22 ₹
SCHEDULE 15 : INTEREST EXPENDED		
I. Interest on Deposits	12,47,94,874	9,88,00,409
II. Interest on Reserve Bank of India / Inter-Bank borrowings	15,44,745	7,12,729
III. Others	39,57,214	26,66,604
TOTAL	13,02,96,833	10,22,39,742
SCHEDULE 16 : OPERATING EXPENSES		
I. Payments to and Provisions for employees	4,50,00,532	3,85,28,761
II. Rent, Taxes and Lighting	41,74,244	36,96,171
III. Printing and Stationery	2,63,600	1,93,697
IV. Advertisement and Publicity	1,61,351	1,00,442
V. Depreciation on Bank's property	38,16,803	28,89,116
VI. Directors' Fees, Allowances and Expenses	9,097	6,734
VII. Auditors' Fees and Expenses (including Branch Auditors)	2,47,766	2,72,112
VIII. Law Charges	2,12,160	1,66,604
IX. Postages, Telegrams, Telephones etc.	7,40,441	6,63,364
X. Repairs and Maintenance	10,75,250	9,00,903
XI. Insurance	34,68,499	33,06,963
XII. Other Expenditure	1,39,47,794	98,47,928
TOTAL	7,30,57,617	6,05,81,795

KISHORE & KISHORE
Chartered Accountants,
C-7, Sector - E (New),
Aliganj,
Lucknow – 226024 (U.P.)

A R & CO.
Chartered Accountants,
A-403, Gayatri Apartments,
Airlines Group Housing Society,
Plot No. 27, Sector -10 Dwarka,
New Delhi – 110075

A D B & COMPANY,
Chartered Accountants,
First Floor, Mahavir Gaushala Complex
K.K. Road, Moudhapara,
Raipur – 492001 (C.G.)

Independent Auditors' Limited Review Report on Consolidated Unaudited Financial Results of Central Bank of India for the Quarter and Nine Months ended December 31, 2023 pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors
Central Bank of India
Mumbai

INTRODUCTION

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Central Bank of India (**"the Parent"** or" **the Bank"**) and its subsidiaries (collectively referred to as **"the Group"**) and its share of the net profit/(loss) after tax of its associates for the Quarter and Nine Months ended December 31, 2023 (**"the Statement"**), being prepared and submitted by the Parent pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"LODR Regulations"**), except the disclosures relating to consolidated Pillar 3 disclosures as at December 31, 2023, including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio (NSFR) under Basel III Capital Regulations issued by Reserve Bank of India as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid statement and have not been reviewed by us. We have initialled the Statement for identification purposes only.

2. The Statement, which is the responsibility of the Parent's Management and has been reviewed by the Audit Committee of the Parent's Board and been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" (**"AS 25"**) issued by The Institute of Chartered Accountants of India (**"ICAI"**), the relevant provisions of the Banking Regulation Act, 1949, and the circulars, guidelines and directions issued by the

Reserve Bank of India ("**RBI**") from time to time ("**RBI Guidelines**") and other accounting principles generally accepted in India. Our responsibility is to issue a report and express a conclusion on the Statement based on our review.

SCOPE OF REVIEW

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the ICAI. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of Interim Financial Information consists of making inquiries, primarily of the Bank's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

I. **SUBSIDIARIES**
   a. Cent Bank Home Finance Limited.
   b. CentBank Financial Services Limited.

II. **ASSOCIATES**
   a. Regional Rural Banks (RRBs)
      i. Uttar Bihar Gramin Bank, Muzzaffarpur
      ii. Uttarbanga Kshetriya Gramin Bank, Cooch Behar
   b. Indo-Zambia Bank Limited, Zambia

CONCLUSION

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph 6 & 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standards, RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the LODR Regulations, including the manner in which it is

to be disclosed, except for the disclosures relating to consolidated Pillar 3 disclosures as at December 31, 2023, including leverage ratio, liquidity coverage ratio and Net Stable Funding Ratio (NSFR) under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the statement and have not been reviewed by us, or that it contains any material misstatement.

6. **EMPHASIS OF MATTER**

We draw attention to the following note:

a. **Note No. 7** of the Statement regarding Deferred Tax, based on tax review made by Bank's management with respect to possible tax benefits arising out of the timing difference, the Net Deferred Tax Assets of ₹ 4,84,351 lakhs recognized as on December 31, 2023 (₹ 6,13,103 lakhs as on December 31, 2022).

Our conclusion is not modified in the respect of this matter.

7. We did not review the interim financial statements of 234 branches included in the standalone unaudited interim financial statements of the entities included in the Group, whose results reflect total assets of ₹ 56,16,740 lakhs as at December 31, 2023, and total revenues of ₹ 2,42,299 lakhs for the Quarter and Nine Months ended December 31, 2023, as considered in the respective standalone unaudited interim financial statements of the entities included in the Group. The interim financial statements of these branches have been reviewed by the concurrent auditors whose reports have been furnished to us and our conclusion 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 concurrent auditors and the procedures performed by us as stated in paragraph 3 above.

We did not review the interim financial statements of 2 subsidiaries included in the consolidated unaudited financial results, whose interim financial statements reflect total assets of ₹ 1,65,139 lakhs as at December 31, 2023 and total revenues of ₹ 12,300 lakhs and total net profit after tax of ₹ 2,358 lakhs for the Quarter and Nine Months ended December 31, 2023, as considered in the consolidated unaudited financial results. The interim financial statements of 2 subsidiaries have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the management's estimates. According to the information and explanations given to us by the management, these interim financial statements are not material to the group.

Our conclusion on the Statement is not modified in respect of the above matters.

8. The consolidated unaudited financial results includes the interim financial statements which have not been reviewed of 4240 branches, included in the standalone unaudited interim financial results of the entities included in the Group, whose results reflect total assets of ₹ 2,57,93,485 lakhs as at December 31, 2023, and total revenues of ₹ 8,34,988 lakhs for the Quarter and Nine months ended December 31, 2023, as considered in the respective standalone unaudited interim financial statements of the entities included in the Group.

The consolidated unaudited financial results include the interim financial information of 3 associates which have been reviewed by their auditors, whose interim financial statements reflects total net profit of ₹ 9,500 lakhs (Parent's share) for Quarter and Nine Months ended December 31, 2023 as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial statements are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matters.

For KISHORE & KISHORE
Chartered Accountants
F.R. NO: 000291N

CA AKHILESH K. MATHUR
PARTNER
M. No. – 509176
UDIN: 24509176BKEZOH222D

For A.R. & CO.
Chartered Accountants
F.R. NO 002744C

CA ANIL GAUR
PARTNER
M. No. 017546
UDIN- 24017546BKASDD8605

For ADB & COMPANY
Chartered Accountants
F.R.NO: 005593C

CA SHIKHAR JAIN
PARTNER
M. No. – 074411
UDIN: 24074411BKCZRF2644

Place : Mumbai
Date : January 19, 2024

CONSOLIDATED BALANCE SHEET OF CENTRAL BANK OF INDIA

BALANCE SHEET AS ON DECEMBER 31, 2023

(000's omitted)

Particulars	Schedule No.	AS ON 31-Dec-2023 ₹	AS ON 31-Dec-2022 ₹
CAPITAL & LIABILITIES			
Capital	1	8,68,09,494	8,68,08,994
Reserves and Surplus	2	22,53,71,788	9,94,17,905
Minority Interest	2A	7,49,990	6,62,041
Deposits	3	3,78,23,24,678	3,45,55,62,240
Borrowings	4	23,19,84,400	8,70,96,733
Other Liabilities and Provisions	5	8,44,29,919	9,20,47,589
TOTAL		4,41,01,68,847	3,91,94,26,002
ASSETS			
Cash and Balances with Reserve Bank of India	6	1,89,56,919	9,38,72,201
Balances with Banks and Money at Call and Short Notice	7	16,40,26,032	18,75,18,179
Investments	8	1,42,01,64,185	1,54,87,78,562
Advances	9	2,32,76,84,464	1,95,36,97,482
Fixed Assets	10	4,71,75,792	4,78,91,376
Other Assets	11	18,14,72,576	19,25,84,313
Goodwill on Consolidation		88,896	88,896
TOTAL		4,41,01,68,847	3,91,94,26,002
Contingent Liabilities	12	93,59,17,362	1,25,14,17,561
Bills for Collection		3,75,30,243	11,09,15,739

The schedules referred to above form an integral part of the Consolidated Balance Sheet

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M.V. Rao
Managing Director & CEO

Place: Mumbai
Date: January 19, 2024

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON DECEMBER 31, [illegible]

Particulars	As on 31-Dec-[illegible] ₹	₹	As on 31-Dec-[illegible] ₹	₹
SCHEDULE 1 - CAPITAL				
Authorised Capital 100,00,00,000 Shares of ₹ 10/- each		10,00,00,000		10,00,00,000
Issued, Subscribed and Paid up Capital : [illegible] Equity Shares of ₹ 10/- each	[illegible]		[illegible]	
Subscribed Capital [illegible] Equity Shares of ₹ 10/- each	[illegible]		[illegible]	
Paid up [illegible] Equity Shares of ₹ 10/- each	[illegible]		[illegible]	
[illegible] Equity Shares (previous year [illegible] Equity shares) of ₹ 10/- each (includes [illegible] Equity shares of ₹ 10/- each held by Central Govt.)				
TOTAL		8,05,19,394		8,05,19,394
SCHEDULE 2 - RESERVES AND SURPLUS				
I. Statutory Reserves				
Balance as per last Balance Sheet	[illegible]		[illegible]	
Additions during the year	-		-	
		2,71,36,031		2,53,21,211
II. Capital Reserves				
Investment Reserve				
Balance as per last Balance Sheet	1,87,72,229		1,74,79,228	
Additions during the year	-		-	
		1,87,72,229		1,74,79,228
III. Revaluation Reserve				
Balance as per last Balance Sheet	3,64,95,857		3,71,45,448	
Additions / Adjustments during the year	-		-	
Less: Transfer to Revenue and Other Reserves	[illegible]		[illegible]	
Deductions during the year	-		-	
		[illegible]		3,64,58,214
IV. Share Premium				
Balance as per last Balance Sheet	[illegible]		[illegible]	
Additions/Adjustments during the year	-		-	
Deduction during the year	-		-	
		7,46,46,328		7,46,46,328
V. Other Reserves				
a) Special Reserve U/s 36(1)(viii)	[illegible]		[illegible]	
		13,61,546		13,61,546
VI. Revenue and Other Reserves				
i) Investment Fluctuation Reserve				
Balance as per last Balance Sheet	[illegible]		[illegible]	
Add:- Addition during the year			[illegible]	
Less:- Deduction during the year				
		71,28,429		67,13,011
ii) Investment Reserve				
Balance as per last Balance Sheet	1,23,146		[illegible]	
Add : Transfer from Revaluation Reserve	-		-	
Additions/Adjustment during the year				
Less: Deductions during the year	-	1,23,146	-	[illegible]
iii) Revenue Reserves				
Balance as per last Balance Sheet	[illegible]		2,58,51,543	
Add: Transfer from Capital Reserves	[illegible]		[illegible]	
Addition during the year	-			
Add: Opening Balance Adjustments				
Add/Less: Adjustments during the year			-	
		2,60,24,042		2,63,50,757
VII. Balance in Profit and Loss Account				
Balance as per last balance sheet	[illegible]		1,42,581	
(-) Add:- Adjustment in Profit & Loss	-		[illegible]	
Add:- Profit for the year after appropriation of Profit	[illegible]		[illegible]	
		2,93,41,389		1,07,74,124
TOTAL		22,38,71,758		19,94,47,905

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON DECEMBER 31, 2023

(Rs.000's omitted)

Particulars	As on 31-Dec-23		As on 31-Dec-22	
	4	5	7	8
SCHEDULE 2A - MINORITY INTEREST				
Minority Interest at the date on which the parent subsidiary relationship came into existence	54,803		1,617	
Subsequent increase/ decrease	[illegible]		[illegible]	
Minority Interest on the date of Balance Sheet		2,40,490		6,62,041
SCHEDULE 3 - DEPOSITS				
A. I. Demand Deposits				
i) From Banks	18,[illegible]		[illegible]	
ii) From Others	17,40,97,863		[illegible]	
		17,59,61,408		17,20,98,219
II. Savings Bank Deposits		1,65,98,50,624		1,58,41,98,517
III. Term Deposits				
i) From Banks	[illegible]		[illegible]	
ii) From Others	[illegible]		[illegible]	
		1,93,25,02,816		1,66,30,65,154
TOTAL (I, II and III)		3,76,25,24,048		3,43,45,62,240
B. i) Deposits of Branches in India		3,76,25,24,048		3,43,45,62,240
ii) Deposits of Branches outside India		-		
SCHEDULE 4 - BORROWINGS				
I. Borrowings in India				
i) Reserve Bank of India	[illegible]		[illegible]	
ii) Other Banks	[illegible]			
iii) Other Institutions & Agencies	[illegible]		[illegible]	
iv) Unsecured Redeemable Bonds (Subordinated Debt)	-			
v) Upper Tier II Bonds	-		-	
vi) Innovative Perpetual Debt Instrument			-	
vii) Unsecured Redeemable Non Basel III Bonds (Tier II)	[illegible]		[illegible]	
		22,19,84,700		8,75,56,712
II. Borrowings outside India		-		
TOTAL		22,19,84,700		8,75,56,712
Secured borrowings included in I & II above		-		-

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON DECEMBER 31, 2023

(Rs. in thousands)

Particulars	As on 31-Dec-23		As on 31-Mar-23	
SCHEDULE 5 : OTHER LIABILITIES AND PROVISIONS				
I. Bills Payable	[illegible]		[illegible]	
II. Inter Office Adjustments (Net)	[illegible]		-	
III. Interest Accrued	[illegible]		[illegible]	
IV. Deferred Tax Liabilities (Net)	-			
V. Others (including provisions)	[illegible]	8,41,20,[illegible]57	[illegible]	9,20,17,649
TOTAL		8,41,20,[illegible]57		9,20,17,649
SCHEDULE 6 : CASH AND BALANCES WITH RESERVE BANK OF INDIA				
I. Cash in hand (including foreign currency notes)		1,47,81,456		1,41,61,706
II. Balances with Reserve Bank of India				
In Current Accounts	20,41,96,446		1[illegible],21,28,40[illegible]	
In Other Accounts	-		[illegible]	
		20,41,96,446		17,[illegible],06,405
TOTAL (I and II)		21,89,[illegible],902		19,[illegible],[illegible],511
SCHEDULE 7 : BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE				
I. In India				
i) Balances with Banks				
a) In Current Accounts	[illegible]		2,8[illegible],725	
b) In Other Deposit Accounts	[illegible]		[illegible]	
		[illegible]		[illegible]
ii) Money at Call and Short Notice				
a) With Banks				
b) With Other Institutions			-	
TOTAL I		[illegible]		[illegible]
II. Outside India				
a) In Current Accounts	[illegible]		[illegible]	
b) In Other Deposit Accounts	[illegible]		[illegible]	
c) Money at Call & Short Notice				
TOTAL II		[illegible]		18,5[illegible],02,694
TOTAL ..... (I + II)		[illegible]		[illegible]

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2023

Particulars		As on 31.03.2023 ₹		As on 31.03.2022 ₹
SCHEDULE 8 - INVESTMENTS				
I. Investments in India in				
i) Government Securities	[illegible]		[illegible]	
ii) Other approved Securities				
iii) Shares	[illegible]		[illegible]	
iv) Debentures and Bonds	[illegible]		[illegible]	
v) Associates	[illegible]		[illegible]	
vi) Others				
a) CD's, Commercial Papers, Mutual Fund Units etc.	[illegible]		[illegible]	
Total I		1,16,71,51,952		1,14,11,89,831
II. Investments outside India in				
i) Government Securities	-		-	
ii) Associates	26,49,213		22,84,738	
iii) Other Investments	-		-	
Total II		26,49,213		22,84,738
TOTAL (I and II)		1,17,01,84,165		1,14,57,74,562
III. Investments in India :				
Gross Value of Investments	[illegible]		[illegible]	
LESS: Aggregate of Provision for Depreciation	[illegible]		[illegible]	
Net Investments		1,16,71,64,952		1,14,11,80,851
IV. Investments outside India				
Gross Value of Investments	[illegible]		[illegible]	
LESS: Aggregate of Provision for Depreciation	-		-	
Net Investments		26,49,213		22,84,738
TOTAL		1,17,01,64,165		1,14,37,75,562
SCHEDULE 9 - ADVANCES				
A. i) Bills Purchased and Discounted	[illegible]		[illegible]	
ii) Cash Credits, Overdrafts & Loans repayable on demand	[illegible]		[illegible]	
iii) Term Loans	[illegible]	2,12,79,84,404	[illegible]	1,95,16,97,443
TOTAL (i, ii and iii)		2,12,79,84,404		1,95,16,97,443
B. Particulars of Advances				
i) Secured by tangible assets (including advances against Book Debts)	[illegible]		[illegible]	
ii) Covered by Bank/ Government Guarantees	[illegible]		58,21,511	
iii) Unsecured	[illegible]	2,12,79,84,404	[illegible]	1,95,16,97,443
TOTAL (i, ii and iii)		2,12,79,84,404		1,95,16,97,443
C. Sectoral Classification of Advances				
(I) Advances in India				
i) Priority Sector	[illegible]		44,06,42,898	
ii) Public Sector	[illegible]		2,51,67,105	
iii) Banks	1,317		535	
iv) Others	[illegible]	2,12,79,84,404	1,48,73,56,368	1,95,16,97,443
TOTAL (i, ii, iii and iv)		2,12,79,84,404		1,95,16,97,443
(II) Advances outside India		-		-

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON DECEMBER 31, 2023

(Rs. 000's omitted)

Particulars	As on 31-Dec-23		As on 31-Dec-22	
	[illegible]	[illegible]	[illegible]	[illegible]
SCHEDULE 10 - FIXED ASSETS				
I. Premises				
(At cost / revalued cost)				
Balance as at 31st March of the preceding year	[illegible]		[illegible]	
Additions during the year	[illegible]		[illegible]	
Total	[illegible]		[illegible]	
Deduction/Adjustments during the year				
Total	[illegible]		[illegible]	
Depreciation to date	[illegible]		[illegible]	
TOTAL - I		[illegible]		[illegible]
II. Other Fixed Assets				
(including furniture and fixtures)				
At cost as on 31st March of the preceding year	[illegible]		[illegible]	
Additions/Adjustments during the year	[illegible]		[illegible]	
Total	[illegible]		[illegible]	
Deductions/Adjustments during the year	[illegible]		[illegible]	
Total	[illegible]		[illegible]	
Depreciation to date	[illegible]		[illegible]	
TOTAL - II		90,22,151		67,91,567
TOTAL (I + II)		4,74,75,752		[illegible]
III. Capital work in progress				
Total (I, II & III)		4,74,75,752		[illegible]
SCHEDULE 11 - OTHER ASSETS				
I. Inter-office adjustments (Net)	[illegible]		[illegible]	
II. Interest accrued	[illegible]		[illegible]	
III. Tax paid in advance/tax deducted at source	[illegible]		[illegible]	
IV. Stationery and Stamps	[illegible]		[illegible]	
V. Non-banking assets acquired in satisfaction of claims				
VI. Deferred Tax Assets	[illegible]		[illegible]	
VII. Others	[illegible]	19,14,72,576	[illegible]	19,25,89,215
TOTAL		19,14,72,576		19,25,89,215
SCHEDULE 12 - CONTINGENT LIABILITIES				
I. a) Claims against the Bank not acknowledged as debts		[illegible]		12,71,467
b) Disputed Income tax demands under appeals, revisions (includes appeals filed by the Income Tax Department of Rs. [illegible] (000s omitted) as at 31st Dec 2023 as against Rs. [illegible] (000s omitted) as at 31st Dec 2022.		5,71,61,893		5,72,68,906
II. Liability for partly paid Investments		1,27,31,557		19,81,176
III. Liability on account of outstanding forward exchange contracts		71,87,71,171		1,14,79,67,278
IV. Guarantees given on behalf of constituents				
a) In India	[illegible]		[illegible]	
b) Outside India	[illegible]	9,38,55,510	[illegible]	9,67,17,80[illegible]
V. Acceptances, Endorsements and Other Obligations		2,14,53,729		2,28,35,034
VI. Other items for which the bank is contingently liable		2,06,48,414		2,13,34,05[illegible]
TOTAL		[illegible]		1,35,14,17,80[illegible]

CONSOLIDATED PROFIT AND LOSS ACCOUNT OF THE ... CENTRAL BANK OF INDIA
PROFIT & LOSS ACCOUNT FOR THE NINE MONTHS ENDED DECEMBER 31, 2013

(000's omitted)

Particulars	Schedule No.	NINE MONTHS ENDED 31-Dec-13 ₹	NINE MONTHS ENDED 31-Dec-12 ₹
I. INCOME			
Interest Earned	13	[illegible]	[illegible]
Other Income	14	[illegible]	[illegible]
TOTAL		25,47,76,852	21,11,59,892
II. EXPENDITURE			
Interest Expended	15	[illegible]	[illegible]
Operating Expenses	16	[illegible]	[illegible]
Provisions and Contingencies		[illegible]	[illegible]
TOTAL		24,16,59,386	20,11,16,765
Share of earnings/loss in Associates		[illegible]	[illegible]
Consolidated Net Profit/(Loss) for the period before deducting Minorities Interest		1,45,91,164	1,09,62,861
Less: Minorities Interest		[illegible]	[illegible]
Consolidated Profit/(Loss) for the period attributable to the Group		1,45,11,474	1,08,72,795
Add: Brought forward consolidated Profit/(Loss) attributable to the Group		[illegible]	[illegible]
Add: Adjustment in Profit & Loss			[illegible]
IV. APPROPRIATIONS			
Transfer to Statutory Reserve			
Transfer to Other Reserve		-	[illegible]
a. Capital Reserve		-	-
b. Revenue Reserve		-	-
c. Investment Reserve		-	-
d. Fund in lieu of Insurance			
e. Proposed Dividend- Equity Share Capital			-
f. Tax on Dividend		-	-
g. Special Reserve U/S 36(1)(viii)		-	-
h. Appropriation of Deferred Tax Liability on special Reserve as per NHB guidelines		-	-
i. Investment Fluctuation Reserve		-	[illegible]
Transfer to Government/Proposed Dividend			
Balance Carried over to the Balance Sheet		2,34,84,389	[illegible]
TOTAL		2,34,84,389	[illegible]
Earnings Per Share (in ₹)- Basic (Nominal Value Rs.10/- per share)		2.18	3.25
Earnings Per Share (in ₹)- Diluted (Nominal Value Rs.10/- per share)		2.15	3.25

The schedules referred to above form an integral part of the Consolidated Profit and Loss Account

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M.V. Rao
Managing Director & CEO

Place: Mumbai
Date: January [illegible], 201[illegible]

PROFIT & LOSS ACCOUNT FOR THE NINE MONTHS ENDED DECEMBER 2023

(000's omitted)

Particulars	NINE MONTH ENDED 31-Dec-23 ₹	NINE MONTH ENDED 31-Dec-22 ₹
SCHEDULE 13 : INTEREST EARNED		
I. Interest/Discount on Advances / Bills	14,78,75,807	10,51,09,123
II. Income on Investments (Including Dividend)	6,96,74,180	5,47,53,090
III. Interest on balances with Reserve Bank of India and other inter-bank funds	85,11,935	1,14,60,774
IV. Others	17,21,153	33,54,006
TOTAL	23,47,76,975	18,48,56,763
SCHEDULE 14 : OTHER INCOME		
I. Commission, Exchange and Brokerage	1,39,54,016	1,32,37,948
II. Profit on sale of land, buildings and Other Assets	15	1
Less: Loss on sale of land, buildings and Other Assets	1,07,870	3,363
III. Profit on Exchange transactions	15,75,422	21,07,866
Less: Loss on Exchange transactions	-	-
IV. Profit on sale of Investments (Net)	58,57,153	21,40,327
Less: Loss on sale of Investments		
V. Profit on revaluation of Investments	2,07,082	2,19,758
Less: Loss on revaluation of Investments	-	-
VI. a) Lease finance income	-	-
b) Lease management fee	-	-
c) Overdue charges	-	-
d) Interest on lease rent receivables	-	-
VII. Miscellaneous Income		
a. Income earned by way of dividends etc. from subsidiaries and Associates abroad/ in India		
b. Others	1,36,94,049	89,13,829
TOTAL	3,34,99,877	2,66,02,129

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

PROFIT & LOSS ACCOUNT FOR THE NINE MONTHS ENDED DECEMBER-2023

(000's omitted)

Particulars	NINE MONTH ENDED 31 Dec 23	NINE MONTH ENDED 31 Dec 22
	₹	₹
SCHEDULE 15 - INTEREST EXPENDED		
I. Interest on Deposits	12,50,82,719	9,91,35,592
II. Interest on Reserve Bank of India / Inter-Bank borrowings	16,50,550	7,87,777
III. Others	39,80,759	26,98,334
TOTAL	13,07,13,888	10,26,21,703
SCHEDULE 16 : OPERATING EXPENSES		
I. Payments to and Provisions for employees	4,09,10,682	3,26,15,981
II. Rent, Taxes and Lighting	41,68,109	37,87,284
III. Printing and Stationery	2,64,347	1,94,761
IV. Advertisement and Publicity	1,65,250	1,07,340
V. a) Depreciation on Bank's property other than Leased Assets b) Depreciation on Leased Assets	18,12,618	18,69,978
VI. Directors' Fees, Allowances and Expenses	9,642	7,960
VII. Auditors' Fees and Expenses (including Branch Auditors', Fees & expenses)	2,41,023	2,15,125
VIII. Law Charges	2,18,147	1,76,901
IX. Postages, Telegrams, Telephones etc.	7,41,719	6,81,579
X. Repairs and Maintenance	16,76,558	9,11,580
XI. Insurance	41,88,352	35,07,080
XII. Amortisation of Goodwill, if any		-
XIII. Other Expenditure	1,36,95,847	88,37,056
TOTAL	7,42,10,266	6,07,46,550

A.R. & CO. Chartered Accountants A-403, Gayatri Apartments, Airlines Groups Housing Society, Plot No. 27, Sector-10 Dwarka, New Delhi – 110075	**ADB & COMPANY** Chartered Accountants, First Floor, Mahavir Gaushala Complex, K.K Road, Moudhapara, Raipur, Chattisgarh-492001
AMIT RAY & CO. Chartered Accountants, 5-B, Sardar Patel Marg, Prayagraj, Uttar Pradesh-211001	**JAIN PARAS BILALA & CO.** Chartered Accountants, 50 Ka 2, Jyoti Nagar, Jaipur, Rajasthan 302005

Independent Auditors' Limited Review Report on Unaudited Standalone Financial Results of Central Bank of India for the Quarter and Nine Months ended December 31st, 2024, pursuant to the Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors
Central Bank of India
Mumbai

INTRODUCTION

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Central Bank of India (the "**Bank**") for the Quarter and Nine Months ended December 31st, 2024 ("the **Statement**") attached herewith, being prepared and submitted by the bank pursuant to the requirement of regulation 33 and regulation 52 read with regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**LODR Regulations**"), except for the disclosures related to Pillar 3 disclosures as at December 31st, 2024, including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio (NSFR) under Basel III Capital Regulations issued by Reserve Bank of India as have been disclosed in the Bank's website and in respect of which a link has been provided in the aforesaid financial results and have not been reviewed by us. We have initialled the Statement for identification purposes only.

2. The Statement, which is the responsibility of the Bank's Management and has been reviewed by the Audit Committee of the Board and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting ("**AS 25**") issued by The Institute of Chartered Accountants of India ("**ICAI**"), the relevant provisions of the Banking Regulation Act, 1949, and the

AMIT RAY & COMPANY
FRN No. 000483C
CHARTERED ACCOUNTANT

circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to issue a report and express a conclusion on the Statement based on our review.

SCOPE OF REVIEW

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the ICAI. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of Interim Financial Information consists of making inquiries, primarily of Bank's personnel responsible for financial and accounting matters, and applying analytical procedures and other review procedures to the financial data. A Review is substantially less in scope than an Audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. The Statements incorporate the relevant returns of the Top 20 branches, Treasury and other Central Office Departments reviewed by us and un-reviewed returns of 4338 branches. In the conduct of our review, we have relied on the review reports received from the concurrent auditors of 103 branches specifically appointed for this purpose. Apart from these review reports, in the conduct of our review at the Central Office Departments, we have also relied upon various information and returns received from the branches of the bank.

CONCLUSION

5. Based on our review conducted as above and subject to limitations as mentioned in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Standalone Financial Results together with the notes thereon prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the LODR Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant guidelines/prudential norms issued by the Reserve Bank of India in respect of Income Recognition, Asset Classification, Provisioning and other Related Matters.

AMIT RAY & COMPANY
FRN No. 000483C
CHARTERED ACCOUNTANTS

6. Emphasis of Matter

We draw attention to the following note:

a) **Note No. 6** of the statement regarding Deferred Tax, Based on tax review made by the Bank's Management with respect to possible tax benefits arising out of the timing difference, the Net Deferred Tax Assets of ₹ 3,27,049 lakh recognized as on December 31st, 2024 (₹ 4,81,351 lakh as on December 31st 2023)

Our Conclusion is not modified in respect of this matter.

For A.R. & CO.
Chartered Accountants
F.R. NO. 002744C

CA. Shelly Goel
PARTNER
M. No. – 307309
UDIN: 25307309BMMAJE7435

For ADB & COMPANY
Chartered Accountants
F.R.NO: 005593C

CA. Bankim Shukla
PARTNER
M. No. 074272
UDIN: 25074272BMJKIY2701

For Amit Ray & CO.
Chartered Accountants
F.R.NO. 000483C

AMIT RAY & COMPANY
FRN No. 000483C
CHARTERED ACCOUNTANT

CA. Jitendra Pandey
PARTNER
M. No. 177655
UDIN: 25177655BMM[illegible]63

For Jain Paras Bilala & Co.
Chartered Accountants
F.R.NO: 011046C

CA. Paras Bilala
PARTNER
M. No. – 400917
UDIN: 25400917BMIFJL7580

Place : Mumbai
Date : 20th January 2025

BALANCE SHEET AS AT DECEMBER 31, 2024

Central Bank of India

(000's Omitted)

PARTICULARS	SCHEDULE NO.	As at 31 December 2024 ₹	As at 31 December 2023 ₹
CAPITAL & LIABILITIES			
Capital	1	8,68,09,394	8,68,09,394
Reserves and Surplus	2	25,27,64,126	22,16,96,880
Deposits	3	3,97,90,74,442	3,77,72,15,392
Borrowings	4	27,21,56,804	22,96,72,222
Other Liabilities and Provisions	5	8,13,93,590	8,38,36,622
TOTAL		4,67,21,98,356	4,39,92,30,510
ASSETS			
Cash and Balances with Reserve Bank of India	6	20,06,75,428	27,89,56,896
Balances with Banks and Money at Call and Short Notice	7	12,09,49,412	10,40,22,896
Investments	8	1,51,24,76,459	1,46,93,55,000
Advances	9	2,61,87,44,129	2,31,81,52,441
Fixed Assets	10	5,17,59,591	4,74,69,984
Other Assets	11	16,75,93,337	18,12,73,293
TOTAL		4,67,21,98,356	4,39,92,30,510
Contingent Liabilities	12	94,20,59,869	93,82,29,166
Bills for Collection	-	8,80,51,089	10,25,30,242
Significant Accounting Policies	17		
Notes to Accounts	18		

The schedules referred to above form an integral part of the Balance Sheet.

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M.V. Rao
Managing Director & CEO

Place: Mumbai
Date: January 20, 2025.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT DECEMBER 31, 2024

(000's Omitted)

PARTICULARS	As at DEC 31, 2024 ₹	As at DEC 31, 2024 ₹	As at DEC 31, 2023 ₹	As at DEC 31, 2023 ₹
SCHEDULE 1 : CAPITAL				
Authorised Capital: #		10,00,00,000		10,00,00,000
Issued, Subscribed and Paid up Capital :				
Equity Shares: @	8,68,09,394		8,68,09,394	
TOTAL		8,68,09,394		8,68,09,394
# [illegible] Equity Shares of ₹ [illegible] each (previous year [illegible] Equity Shares of ₹ [illegible] each)				
@ [illegible] Equity Shares (previous year [illegible] Equity Shares) of ₹ [illegible] each [illegible]				
SCHEDULE 2 : RESERVES AND SURPLUS				
I.Statutory Reserves				
Balance as per last Balance Sheet	3,35,76,227		2,72,03,582	
Additions during the year	-		-	
		3,35,76,227		2,72,03,582
II.Capital Reserves				
Balance as per last Balance Sheet	1,91,33,086		1,87,72,225	
Additions during the year			-	
		1,91,33,086		1,87,72,225
III. Revaluation Reserve				
Balance as per last Balance Sheet	4,08,47,181		3,64,95,852	
Additions -during the year / Revaluation	-		-	
Less : Transfer to Revenue and Other Reserves	11,98,661		4,11,503	
Deductions during the year			-	
		3,96,48,520		3,60,84,349
IV.Share Premium				
Balance as per last Balance Sheet	7,46,66,328		7,46,66,328	
Reduction during the year	-		-	
Additions during the year	-			
		7,46,66,328		7,46,66,328
V. Special Reserve U/s 36(1)(viii) of Income Tax Act		10,00,000		10,00,000
VI. Revenue / Other General Reserves				
i) Investment Fluctuation Reserve				
Balance as per last Balance Sheet	85,02,889		71,28,429	
Add :Addition during the year	5,68,742		-	
Additions/Adjustment during the year	-		-	
Less: Deductions during the year	-		-	
		90,71,631		71,28,429
ii) Investment Reserve				
Balance as per last Balance Sheet	5,68,742		-	
Add :Addition during the year	-		1,23,146	
Additions/Adjustment during the year	-			
Less: Deductions during the year	5,68,742		-	
		-		1,23,146
iii) AFS Reserve				
Balance as per last Balance Sheet	-		-	
Add :Addition during the year	30,16,197		-	
Additions/Adjustment during the year	-		-	
Less: Deductions during the year	-		-	
		30,16,197		-
iv) General Reserve Treasury:				
Balance as per last Balance Sheet	-		-	
Add :Addition during the year	3,69,74,062		-	
Additions/Adjustment during the year	-		-	
Less: Deductions during the year	4,94,13,534		-	
		-1,24,39,472		-
v) Revenue Reserve				
Balance as per last Balance Sheet	2,94,62,077		-	
Add : Transfer from Revaluation Reserve	11,98,661		2,89,13,406	
Additions/Adjustment during the year	-		4,11,503	
Less: Deductions during the year	-			
		3,06,60,738		2,93,24,909
VI. Balance in Profit and Loss Account				
Balance as per last Balance Sheet	2,69,13,721		99,76,703	
Additions during the year	2,75,17,150		1,74,17,209	
Balance in Profit & Loss A/c		5,44,30,871		2,73,93,912
TOTAL		25,27,64,126		22,16,96,880

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT DECEMBER 31, 2024

(000's Omitted)

PARTICULARS	As at DEC 31, 2024 ₹	As at DEC 31, 2024 ₹	As at DEC 31, 2023 ₹	As at DEC 31, 2023 ₹
SCHEDULE 3 : DEPOSITS				
A. I. Demand Deposits				
i) From Banks	69,56,291		48,71,543	
ii) From Others	18,80,27,472		17,45,65,332	
		19,49,83,763		17,94,36,875
II. Savings Bank Deposits		1,76,30,39,131		1,67,08,53,824
III. Term Deposits				
i) From Banks	48,92,333		45,20,739	
ii) From Others	2,01,61,59,215		1,92,24,03,954	
		2,02,10,51,548		1,92,69,24,693
TOTAL		3,97,90,74,442		3,77,72,15,392
B. i) Deposits of Branches in India		3,97,90,74,441		3,77,72,15,392
ii) Deposits of Branches outside India				
SCHEDULE 4 : BORROWINGS				
I. Borrowings in India				
i) Reserve Bank of India	16,00,00,000		13,56,30,000	
ii) Other Banks	1,95,38,024		73,03,531	
iii) Other Institutions & Agencies	7,26,18,780		5,67,38,691	
iv) Unsecured Redeemable Bonds (Subordinated Debt)	-		-	
v) Upper Tier II bonds	-		-	
vi) Innovative Perpetual Debt Instrument	-		-	
vii) Unsecured Redeemable NC Basel III Bonds (Tier 2)	2,00,00,000		3,00,00,000	
		27,21,56,804		22,96,72,222
II. Borrowings outside India		-		-
TOTAL		27,21,56,804		22,96,72,222
Secured Borrowings included in I & II above		NIL		NIL
SCHEDULE 5 : OTHER LIABILITIES AND PROVISIONS				
I. Bills Payable		1,02,22,959		1,05,52,831
II. Inter Office Adjustments (Net)		5,93,017		49,992
III. Interest Accrued		77,09,573		70,50,752
IV. Deferred Tax Liability		-		-
V. Others (including provisions)		6,28,68,021		6,64,03,047
TOTAL		8,13,93,590		8,38,36,652
SCHEDULE 6 : CASH AND BALANCES WITH RESERVE BANK OF INDIA				
I. Cash in Hand (including Foreign Currency Notes)		1,60,12,984		1,47,60,450
II. Balances with Reserve Bank of India				
In Current Accounts	18,46,62,444		20,41,96,446	
In Other Accounts	-		-	
		18,46,62,444		20,41,96,446
TOTAL		20,06,75,428		21,89,56,896

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT DECEMBER 31, 2024

(000's Omitted)

PARTICULARS	As at DEC 31, 2024 ₹	₹	As at DEC 31, 2023 ₹	₹
SCHEDULE 7 : BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE				
I. In India				
i) Balances with Banks				
a) In Current Accounts	3,32,249		5,82,863	
b) In Other Deposit Accounts	-		1,373	
ii) Money at Call and Short Notice				
a) With Banks	-		-	
b) With Other Institutions	2,03,341		-	
		5,35,590		5,84,236
II. Outside India				
a) In Current Accounts	22,58,222		12,74,285	
b) In Other Deposit Accounts	11,81,55,600		16,22,64,375	
c) Money at Call & Short Notice	-		-	
		12,04,13,822		16,35,38,660
TOTAL		12,09,49,412		16,41,22,896
SCHEDULE 8 : INVESTMENTS				
I. Investments in India in : *				
i) Government Securities	1,20,80,17,649		1,15,18,01,967	
ii) Other approved Securities				
iii) Shares	1,59,13,529		91,58,846	
iv) Debentures and Bonds	27,88,50,163		30,00,70,819	
v) Subsidiaries and Sponsored Institutions	73,95,862		67,00,687	
vi) Others (Commercial Papers,Mutual Fund Units etc.)	18,24,371		31,47,790	
		1,51,20,01,574		1,46,88,80,115
II. Investments outside India in ** Subsidiaries and / or Associates abroad		4,74,885		4,74,885
TOTAL		1,51,24,76,459		1,46,93,55,000
* Investments in India				
Gross Value	1,53,02,22,337		1,53,05,44,373	
Less:Provision for Depreciation	1,82,20,763		6,16,64,258	
Net Value		1,51,20,01,574		1,46,88,80,115
** Investments outside India				
Gross Value	4,74,885		4,74,885	
Less:Provision for Depreciation	-		-	
Net Value		4,74,885		4,74,885
SCHEDULE 9 : ADVANCES				
A. Facility Wise:				
i) Bills Purchased and Discounted	3,05,71,890		3,08,76,555	
ii) Cash Credits, Overdrafts & Loans repayable on demand	98,96,49,806		84,40,53,219	
iii) Term Loans	1,59,85,22,433		1,44,32,22,669	
TOTAL		2,61,87,44,129		2,31,81,52,443
B. Particulars of Advances :				
i) Secured by Tangible Assets (including advances	2,19,18,30,433		1,98,66,42,088	
ii) Covered by Bank / Government Guarantees	1,82,30,732		1,42,95,232	
iii) Unsecured	40,86,82,964		31,72,15,123	
TOTAL		2,61,87,44,129		2,31,81,52,443
C. Sectoral Classification of Advances				
(I) Advances in India				
i) Priority Sectors	1,26,58,98,314		1,09,68,73,863	
ii) Public Sector	1,61,15,535		2,23,87,207	
iii) Banks	-		1,012	
iv) Others	1,33,67,30,280		1,19,88,90,361	
TOTAL		2,61,87,44,129		2,31,81,52,443
(II) Advances outside India		-		-

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT DECEMBER 31, 2024

(000's Omitted)

PARTICULARS	As at DEC 31, 2024 ₹	As at DEC 31, 2024 ₹	As at DEC 31, 2023 ₹	As at DEC 31, 2023 ₹
SCHEDULE 10: FIXED ASSETS				
I. Premises				
(At cost / revalued cost)				
Balance as at 31st March of the preceding year	5,37,52,805		4,88,29,312	
Additions during the year (Including Revaluation)	505		15,349	
Total	5,37,53,310		4,88,44,661	
Deductions / Adjustments during the year	-		-	
Total	5,37,53,310		4,88,44,661	
Depreciation to date	1,18,19,779		1,03,91,060	
Total		4,19,33,531		3,84,53,601
II. Other Fixed Assets				
(Including furniture and fixtures)				
At cost as at 31st March of the preceding year	4,32,69,026		3,81,55,238	
Additions / Adjustments during the year	26,29,912		39,59,516	
Total	4,58,98,938		4,21,14,754	
Deductions / Adjustments during the year	1,46,00,416		8,38,292	
Total	3,12,98,522		4,12,76,462	
Depreciation to Date	2,14,72,462		3,22,60,079	
Total		98,26,060		90,16,383
TOTAL (I & II)		5,17,59,591		4,74,69,984
SCHEDULE 11: OTHER ASSETS				
I. Interest accrued	2,53,35,988		2,43,08,047	
II. Tax paid in advance / Tax deducted at source (Net of Provisions)	5,09,95,846		4,71,49,896	
III. Stationery and Stamps	2,72,582		2,14,787	
IV. Non-banking assets acquired in satisfaction of claims	-		-	
V. Deferred Tax Assets	3,27,04,903		4,84,35,094	
VI. Inter Office Adjustments (Net)	-		-	
VII. Others	5,82,94,018		6,09,75,483	
TOTAL		16,75,43,337		18,12,73,293
SCHEDULE 12 : CONTINGENT LIABILITIES				
I a. Claims against the Bank not acknowledged as Debts		46,61,897		11,24,113
b. Disputed income tax demands under appeals, revisions*		6,60,86,457		5,95,89,860
II. Liability for partly paid Investments		1,18,71,676		1,27,53,557
III. Liability on account of outstanding forward Exchange Contract.		69,58,17,763		71,97,71,171
IV. Guarantees given on behalf of constituents				
a) In India	9,77,68,808		9,31,01,642	
b) Outside India	2,59,116		3,53,874	
		9,80,27,924		9,34,55,516
V. Acceptances, Endorsements and Other Obligations		3,17,88,911		2,14,31,329
VI. Other items for which the bank is contingently liable		3,43,05,246		2,94,23,619
TOTAL		94,20,59,869		93,82,29,166

*Including appeals filed by the Income Tax Department of Rs. 6860,37.62 (000s omitted) as at 31 Dec 2024 as against Rs. 5412.96/[illegible] (000s omitted) as at 31 Dec 2023

PROFIT AND LOSS ACCOUNT FOR THE NINE MONTH ENDED DECEMBER 31, 2024

(000's Omitted)

PARTICULARS	SCHEDULE NO	NINE MONTH 31-Dec-24	NINE MONTH 31-Dec-23
		3	4
I. INCOME			
Interest Earned	13	25,04,68,495	22,38,51,485
Other Income	14	4,04,10,346	3,34,56,239
TOTAL		29,08,78,841	25,73,07,724
II. EXPENDITURE			
Interest Expended	15	14,54,85,080	13,02,96,855
Operating Expenses	16	8,13,80,155	7,46,57,017
Provisions and Contingencies		3,16,96,456	3,55,76,065
TOTAL		26,73,61,691	23,99,90,515
III. PROFIT/(LOSS) FOR THE Y-T-D BEFORE PRIOR PERIOD ITEM		2,35,17,150	1,74,17,269
Less: Prior period Item			-
Net Profit/(Loss) for the Y-T-D after Prior period item		2,35,17,150	1,74,17,269
Profit/(loss) brought forward		-	-
TOTAL		2,35,17,150	1,74,17,269
IV. APPROPRIATIONS			
Transfer to:			
Statutory Reserve		-	-
Capital Reserve		-	-
Investment Fluctuation Reserve			-
Special Reserve u/s 36(1)(viii)		-	
Staff Welfare Fund		-	-
General / Revenue Reserves :		-	-
General Reserve AFS			-
General Reserve (IBBI)		-	
General Reserve (VRS)		-	-
AFS Reserve		-	-
Proposed Dividend - Preference Capital		-	-
Proposed Dividend - Equity Capital		-	-
Dividend Tax		-	-
Balance carried over to Balance Sheet		2,35,17,150	1,74,17,269
(B/F losses adjusted against Share Premium)			-
TOTAL		2,35,17,150	1,74,17,269
EPS (Basic & Diluted) (in ₹) (nominal value ₹ 10/- per share)		3.17	2.41
Significant Accounting Policies	17		
Notes to Accounts	18		

The schedules referred to above form an integral part of the Profit and Loss Account

Vivek Wahi
Executive Director

M V Murli Krishna
Executive Director

Mahendra Dohare
Executive Director

M. V. Rao
Managing Director & CEO

Place: Mumbai
Date: January 20, 2025.

CENTRAL BANK OF INDIA

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE NINE MONTH ENDED DECEMBER 31, 2024

(000's omitted)

PARTICULARS	NINE MONTH	
	31-Dec-24	31-Dec-23
	₹	₹
SCHEDULE 13 : INTEREST EARNED		
I. Interest / Discount on Advances / Bills	16,19,27,661	14,10,31,190
II. Income on Investments	7,60,02,216	6,90,40,450
III. Interest on balances with Reserve Bank of India and other Inter Bank Funds	68,65,913	85,14,439
IV. Others	26,74,705	16,61,316
TOTAL	25,04,66,495	22,58,51,485
SCHEDULE 14 : OTHER INCOME		
I. Commission, Exchange and Brokerage	1,58,30,725	1,39,33,314
II. Profit on Sale of Investments (Net)	67,85,334	58,37,162
III. Profit / (Loss) on Revaluation of Investments	17,81,136	3,61,082
IV. Profit / (Loss) on Sale of Land, Buildings and other Assets (Net)	-2,35,207	-1,03,870
V. Profit on Exchange Transactions (Net)	15,95,467	19,75,422
VI. Income earned by way of dividends etc. from Subsidiaries and Associates abroad / in India	11,000	10,000
VII. Miscellaneous Income	1,46,41,248	1,36,81,129
TOTAL	4,04,16,346	3,51,90,559

CENTRAL BANK OF INDIA

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE NINE MONTH ENDED DECEMBER 31, 2024

(000's omitted)

PARTICULARS	NINE MONTH	
	31-Dec-24	31-Dec-23
	₹	₹
SCHEDULE 15 : INTEREST EXPENDED		
I. Interest on Deposits	13,67,30,873	12,47,94,674
II. Interest on Reserve Bank of India / Inter-Bank borrowings	26,01,354	15,04,745
III. Others	61,52,973	39,57,214
TOTAL	14,54,85,180	13,02,96,633
SCHEDULE 16 : OPERATING EXPENSES		
I. Payments to and Provisions for employees	5,55,35,206	4,90,00,512
II. Rent, Taxes and Lighting	47,18,614	41,74,414
III. Printing and Stationery	2,50,956	2,87,660
IV. Advertisement and Publicity	2,55,179	1,61,351
V. Depreciation on Bank's property	39,63,317	38,34,505
VI. Directors' Fees, Allowances and Expenses	5,652	5,097
VII. Auditors' Fees and Expenses (including Branch Auditors)	2,27,099	2,47,286
VIII. Law Charges	3,43,540	3,02,160
IX. Postages, Telegrams, Telephones etc.	6,62,433	7,40,441
X. Repairs and Maintenance	14,56,215	10,35,250
XI. Insurance	58,88,209	51,55,499
XII. Other Expenditure	1,52,86,711	1,39,47,794
TOTAL	8,41,56,155	7,44,57,617

A R & CO. Chartered Accountants, A-403, Gayatri Apartments, Airlines Group Housing Society, Plot No. 27, Sector -10 Dwarka, **New Delhi - 110075**	**ADB & COMPANY,** Chartered Accountants, First Floor, Mahavir Gaushala Complex, K K Road, Moudhapara, Raipur, Chattisgarh-492001
AMIT RAY & CO. Chartered Accountants, 5-B, Sardar Patel Marg, Prayagraj, Uttar Pradesh- 211001	**JAIN PARAS BILALA & CO.** Chartered Accountants, 50 Ka 2, Jyoti Nagar, Jaipur, Rajasthan-302005

Independent Auditors' Limited Review Report on Consolidated Unaudited Financial Results of Central Bank of India for the Quarter and Nine Months ended December 31st 2024 pursuant to the Regulation 33 and Regulation 52 read of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors
Central Bank of India
Mumbai

INTRODUCTION

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Central Bank of India ("**the Parent**" or" **the Bank**") and its subsidiaries (collectively referred to as "**the Group**") and its share of the net profit/(loss) after tax of its associates for the Quarter and Nine Months ended December 31st , 2024 ("**the Statement**"), being prepared and submitted by the Parent pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**LODR Regulations**"), except the disclosures relating to consolidated Pillar 3 disclosures as at December 31st 2024, including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio (NFSR) under Basel III Capital Regulations issued by Reserve Bank of India as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid statement and have not been reviewed by us. We have initialled the Statement for identification purposes only.

2. The Statement, which is the responsibility of the Parent's Management and has been reviewed by the Audit Committee of the Parent's Board and been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" ("AS 25") issued by The Institute of Chartered Accountants of India ("**ICAI**"), the relevant provisions of the Banking Regulation Act, 1949, and the circulars, guidelines and directions issued by the Reserve Bank of India ("**RBI**") from time to time ("**RBI Guidelines**") and other accounting principles generally accepted in India. Our responsibility is to issue a report and express a conclusion on the Statement based on our review.

AMIT RAY & CO. FRN 000483C CHARTERED ACCOUNTANTS

F-440

SCOPE OF REVIEW

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the ICAI. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of Interim Financial Information consists of making inquiries, primarily of the Bank's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

   I. SUBSIDIARIES

   a. Cent Bank Home Finance Limited.

   b. Cent Bank Financial Services Limited.

   II. ASSOCIATES

   a. Regional Rural Banks (RRBs)

      i. Uttar Bihar Gramin Bank, Muzzaffarpur

      ii. Uttarbanga Kshetriya Gramin Bank, Cooch Behar

   b. Indo-Zambia Bank Limited, Zambia

CONCLUSION

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph 7 & 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standards, RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the LODR Regulations, including the manner in which it is to be disclosed, except for the disclosures relating to consolidated Pillar 3 disclosures as at December 31st 2024, including leverage ratio, liquidity coverage ratio and Net Stable Funding Ratio (NSFR) under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the statement and have not been reviewed by us, or that it contains any material misstatement.

AMIT RAY & COMPANY
FRN 000483C
CHARTERED ACCOUNTANTS

6. **EMPHASIS OF MATTER**

We draw attention to the following note:

a. **Note No. 6** of the Statement regarding Deferred Tax, based on tax review made by Bank's management with respect to possible tax benefits arising out of the timing difference, the Net Deferred Tax Assets of 3,70,697 lakhs recognized as at December 31st 2024 (5,22,334 lakhs as at December 31st 2023).

Our conclusion is not modified in the respect of this matter.

7. We did not review the interim financial statements of 183 concurrent audit branches (Parent Entity) included in the standalone unaudited interim financial statements of the entities included in the Group, whose results reflect total assets of ₹ 57,35,192 lakh as of December 31st 2024, and total revenues of ₹ 2,30,296 lakh for the Quarter and Nine Months ended December 31st 2024, as considered in the respective standalone unaudited interim financial statements of the entities included in the Group. The interim financial statements of these 183 concurrent audit branches have been reviewed by the concurrent auditors whose reports have been furnished to us and our conclusion 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 concurrent auditors and the procedures performed by us as stated in paragraph 3 above.

We did not review the interim financial statements of 2 subsidiaries included in the consolidated unaudited financial results, whose interim financial statements reflect total assets of ₹ 1,77,851 lakh as of December 31st, 2024, and total revenues of ₹ 14,144 lakh and total net profit after tax of ₹ 2,506 lakh for the Quarter and Nine Months ended December 31st 2024, as considered in the consolidated unaudited financial results. The interim financial statements of 2 subsidiaries have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the management's estimates. According to the information and explanations given to us by the management, these interim financial statements are not material to the group.

Our conclusion on the Statement is not modified in respect of the above matters.

8. The consolidated unaudited financial results includes the interim financial statements which have not been reviewed of 4330 branches included in the standalone unaudited interim financial results of the entities included in the Group, whose results reflect total assets of ₹ 2,77,98,705 lakh as of December 31st 2024, and total revenues of ₹ 10,15,016 lakh for the Quarter and Nine Months ended December 31st 2024, as considered in the respective standalone unaudited interim financial statements of the entities included in the Group.

The consolidated unaudited financial results include the interim financial information of 3 associates (2 associates was reviewed and 1 associates is unaudited) out of which Regional Rural Banks mentioned in above Para 4 (II)(a) have been reviewed by their

AMIT RAY & COMPANY
FRN 000483C
CHARTERED ACCOUNTANTS

auditors, whose interim financial statements reflect a total net profit of ₹ 24,367 lakh for the Quarter and Nine Months ended December 31st 2024 and considered in proportion to shareholding pattern (Parent's share being ₹ 6095 lakhs) in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial statements are not material to the Group.

Our conclusion on the Statement is not modified regarding the above matters.

For A.R. & CO.
Chartered Accountants
F.R. NO: 002744C

CA. Shelly Goel
PARTNER
M. No. – 307309
UDIN: 25307309BMMAJF4668

For ADD & COMPANY
Chartered Accountants
F.R NO: 005593C

CA. Bankim Shukla
PARTNER
M. No. – 074272
UDIN: 25074272BMJKIZ6458

For Amit Ray & CO.
Chartered Accountants
F.R.NO: 000483C

AMIT RAY & COMPANY
FRN 000483C
CHARTERED ACCOUNTANTS

CA. Jitendra Pandey
PARTNER
M. No. – 177655
UDIN:
25177655BMMGYR8185

For Jain Paras Bilala & Co.
Chartered Accountants
F.R.NO: 011046C

CA. Paras Bilala
PARTNER
M. No. – 400917
UDIN: 25400917BMIFJM9602

Place : Mumbai
Date : 20th January 2025

Central Bank of India
CENTRAL TO YOU SINCE 1911

CONSOLIDATED BALANCE SHEET OF CENTRAL BANK OF INDIA
BALANCE SHEET AS ON DECEMBER 31, 2024

(000's omitted)

Particulars	Schedule No.	AS ON 31-Dec-2024 ₹	AS ON 31-Dec-2023 ₹
CAPITAL & LIABILITIES			
Capital	1	8,68,09,394	8,68,09,394
Reserves and Surplus	2	25,56,07,720	22,38,71,788
Minority Interest	2A	8,32,522	7,49,980
Deposits	3	3,98,47,74,500	3,78,25,24,078
Borrowings	4	27,45,39,624	23,29,84,308
Other Liabilities and Provisions	5	8,22,21,395	8,44,29,297
TOTAL		4,68,47,85,155	4,41,01,68,847
ASSETS			
Cash and Balances with Reserve Bank of India	6	20,06,73,850	21,89,56,902
Balances with Banks and Money at Call and Short Notice	7	12,09,51,602	16,40,26,032
Investments	8	1,51,40,02,061	1,42,07,64,185
Advances	9	2,62,95,60,651	2,37,79,84,262
Fixed Assets	10	5,17,68,285	4,74,75,792
Other Assets	11	16,77,47,404	18,14,72,576
Goodwill on Consolidation		88,896	88,896
TOTAL		4,68,47,85,155	4,41,01,68,847
Contingent Liabilities	12	94,21,05,652	93,80,45,96[illegible]
Bills for Collection		8,80,51,089	10,25,30,341

The schedules referred to above form an integral part of the Consolidated Balance Sheet

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M.V. Rao
Managing Director & CEO

Place: Mumbai
Date: January 20, 2025

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2024

Particulars	As on 31.Mar.24 ₹	₹	As on 31.Mar.23 ₹	₹
SCHEDULE 1 : CAPITAL				
Authorised Capital		10,00,00,000		10,00,00,000
100,00,00,000 Shares of ₹ 10/- each				
Issued, Subscribed and Paid up Capital	8,68,99,391		[illegible]	
868899432 Equity Shares of ₹ 10 each				
Subscribed Capital	8,68,99,391		[illegible]	
868899432 Equity Shares of ₹ 10 each				
Paid up	8,68,99,391		[illegible]	
868899432 Equity Shares of ₹ 10 each				
868899432 Equity Shares (previous year 868919432 Equity shares) of ₹ 10/- each (includes 800199667 Equity shares of ₹ 10/- each held by Central Govt.)				
TOTAL		8,68,99,391		8,68,99,391
SCHEDULE 2 : RESERVES AND SURPLUS				
I. Statutory Reserves				
Balance as per last Balance Sheet	[illegible]		2,72,07,582	
Additions during the year	[illegible]			
		3,15,70,227		2,72,07,582
II. Capital Reserves				
Investment Reserve				
Balance as per last Balance Sheet	[illegible]		1,85,02,275	
Additions during the year				
		1,91,61,806		1,85,02,275
III. Revaluation Reserve				
Balance as per last Balance Sheet	[illegible]		[illegible]	
Additions / Adjustments during the year				
Less: Transfer to Revenue and Other Reserves	[illegible]		[illegible]	
Deductions during the year				
		1,96,38,520		[illegible]
IV. Share Premium				
Balance as per last Balance Sheet	[illegible]		[illegible]	
Additions/Adjustments during the year				
Deduction during the year				
		7,46,66,128		7,46,66,128
V. Other Reserves				
a) Special Reserve U/S 36 (1)(viii)	[illegible]		[illegible]	
		16,83,781		16,09,159
VI. Revenue and Other Reserves				
i) Investment Fluctuation Reserve				
Balance as per last Balance Sheet	[illegible]		21,28,429	
Add: Addition during the year	[illegible]			
Less: Deduction during the year				
		90,71,671		11,28,429
ii) Investment Reserve				
Balance as per last Balance Sheet	[illegible]		1,21,146	
Add: Addition during the year				
Less: Deductions during the year	[illegible]			1,21,146
iii) AFS Reserve				
Balance as per last Balance Sheet				
Add: Addition during the year	[illegible]			
Additions/Adjustment during the year				
Less: Deductions during the year		30,16,195		
iv) General Reserve (Treasury)				
Balance as per last Balance Sheet				
Add: Addition during the year	[illegible]			
Additions/Adjustment during the year				
Less: Deductions during the year	[illegible]	(1,24,39,477)		
v) Revenue Reserves				
Balance as per last Balance Sheet	[illegible]		[illegible]	
Add: Transfer from Revaluation Reserves	[illegible]		[illegible]	
Additions Adjustment during the year				
Add: Opening Balance Adjustments				
Add/Less: Adjustments during the year				
		3,06,45,050		[illegible]
VII. Balance in Profit and Loss Account				
Balance as per last Balance Sheet	[illegible]		[illegible]	
Add: Adjustment in Profit & Loss				
Add: Profit for the year after appropriation of Profit	[illegible]		[illegible]	
		5,65,64,172		[illegible]
TOTAL		25,56,17,330		[illegible]

Note: Figures of the previous period have been regrouped / re-arranged / reclassified wherever considered necessary to conform to current period classification.

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON DECEMBER 31, 2024

(Rs. 000's omitted)

Particulars	As on 31-Dec-24		As on [illegible]	
	₹	₹	₹	₹
SCHEDULE 2A : MINORITY INTEREST				
Minority Interest at the date on which the parent subsidiary relationship came into existence	[illegible]		[illegible]	
Subsequent increase / (decrease)	[illegible]		[illegible]	
Minority interest at the date of Balance Sheet		8,31,522		[illegible]
SCHEDULE 3 - DEPOSITS				
A. I. Demand Deposits				
i) From Banks	[illegible]		[illegible]	
ii) From Others	[illegible]	10,46,88,778	[illegible]	[illegible]
II. Savings Bank Deposits		1,96,36,30,191		1,67,05,55,824
III. Term Deposits				
i) From Banks	[illegible]		[illegible]	
ii) From Others	[illegible]	2,02,70,46,591	[illegible]	[illegible]
TOTAL (I, II and III)		[illegible]		[illegible]
B. i) Deposits of Branches in India		[illegible]		[illegible]
ii) Deposits of Branches outside India		-		-
SCHEDULE 4 - BORROWINGS				
I. Borrowings in India				
i) Reserve Bank of India	[illegible]		[illegible]	
ii) Other Banks	[illegible]		[illegible]	
iii) Other Institutions & Agencies	[illegible]		[illegible]	
iv) Unsecured Redeemable Bonds (Subordinated Debt)				
v) Upper Tier II Bonds	-		-	
vi) Innovative Perpetual Debt Instrument	-		-	
vii) Unsecured Redeemable NC Basel III Bonds Tier III	[illegible]	[illegible]	[illegible]	[illegible]
II. Borrowings outside India		-		
TOTAL		[illegible]		[illegible]
Secured Borrowings included in I & II above		-		-

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON DECEMBER 31, 2024

(Rs.000's omitted)

Particulars	As on 31-Dec-24 ₹	₹	As on 31-Dec-23 ₹	₹
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS				
I. Bills Payable	1,02,72,090		[illegible]	
II. Inter Office Adjustments (Net)	5,[illegible]		[illegible]	
III. Interest Accrued	77,70,087		[illegible]	
IV. Deferred Tax Liabilities (Net)	-			
V. Others (including provisions)	[illegible]	8,22,21,198	[illegible]	8,44,29,747
TOTAL		8,22,21,198		8,44,29,747
SCHEDULE 6 : CASH AND BALANCES WITH RESERVE BANK OF INDIA				
I. Cash in hand (including foreign currency notes)		1,60,13,406		1,47,06,456
II. Balances with Reserve Bank of India				
In Current Accounts	[illegible]		[illegible]	
In Other Accounts				
		18,45,62,444		20,41,98,446
TOTAL (I and II)		20,05,75,850		21,89,04,902
SCHEDULE 7 : BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE				
I. In India				
i) Balances with Banks				
a) In Current Accounts	3,34,439		[illegible]	
b) In Other Deposit Accounts	-		1,[illegible]	
		3,34,436		1,87,172
ii) Money at Call and Short Notice				
a) With Banks			-	
b) With Other Institutions	[illegible]		-	
		2,03,58,108		-
TOTAL ... I		5,37,784		1,87,172
II. Outside India				
a) In Current Accounts	[illegible]		[illegible]	
b) In Other Deposit Accounts	11,[illegible]		[illegible]	
c) Money at Call & Short Notice	-		-	
TOTAL ... II		12,04,13,818		36,38,38,680
TOTAL ... (I + II)		12,09,51,602		36,40,25,852

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON DECEMBER 31, 2024

(Rs. 000's omitted)

Particulars		As on 31-Dec-24 ₹		As on 31-Dec-23 ₹	
SCHEDULE 8 : INVESTMENTS					
I. Investments in India in :					
i) Government Securities		[illegible]		[illegible]	
ii) Other approved Securities		-			
iii) Shares		[illegible]		[illegible]	
iv) Debentures and Bonds		[illegible]		[illegible]	
v) Associates		[illegible]		[illegible]	
vi) Others					
a) CD's, CP's & Commercial Papers					
b) Mutual Fund Units etc.		[illegible]		[illegible]	
	Total I		1,51,04,58,966		1,46,74,64,972
II. Investments outside India in					
i) Government Securities		-			
ii) Associates		[illegible]		26,09,213	
iii) Other Investments		-		-	
	Total II		31,43,098		26,09,213
TOTAL (I and II)			1,51,40,02,064		1,47,00,74,185
III. Investments in India :					
Gross Value of Investments		[illegible]		[illegible]	
LESS: Aggregate of Provision for Depreciation		[illegible]		[illegible]	
Net Investments			[illegible]		1,46,74,64,972
IV. Investments outside India :					
Gross Value of Investments		[illegible]		26,09,213	
LESS: Aggregate of Provision for Depreciation		-		-	
Net Investments			31,43,098		26,09,213
TOTAL			1,51,40,02,064		1,47,00,74,185
SCHEDULE 9 : ADVANCES					
A. i) Bills Purchased and Discounted		[illegible]		[illegible]	
ii) Cash Credits, Overdrafts & Loans repayable on demand		[illegible]		[illegible]	
iii) Term Loans		[illegible]		[illegible]	
	TOTAL (i,ii and iii)		2,62,95,60,654		2,32,79,84,464
B. Particulars of Advances :					
i) Secured by tangible assets (including advances against Book Debts)		[illegible]		[illegible]	
ii) Covered by Bank/ Government Guarantees		[illegible]		[illegible]	
iii) Unsecured		[illegible]		[illegible]	
	TOTAL (i,ii and iii)		2,62,95,60,654		2,32,79,84,464
C. Sectorial Classification of Advances					
(I) Advances in India					
i) Priority Sector		[illegible]		[illegible]	
ii) Public Sector		[illegible]		[illegible]	
iii) Banks		-		[illegible]	
iv) Others		[illegible]	2,62,95,60,654	[illegible]	2,32,79,84,464
TOTAL (i,ii,iii and iv)			2,62,95,60,654		2,32,79,84,464
(II) Advances outside India					

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON DECEMBER 31, 2024

(Rs. in thousands)

Particulars	As on 31-Dec-24 ₹	₹	As on 31-Dec-23 ₹	₹
SCHEDULE 10 - FIXED ASSETS				
I. Premises				
(At cost / revalued cost)				
Balance as at 31st March of the preceding year	5,57,52,905		4,58,[illegible]	
Additions during the year	[illegible]		[illegible]	
Additions on account of revaluation during the year	-		-	
Total	[illegible]		[illegible]	
Deductions/Adjustments during the year				
Total	[illegible]		[illegible]	
Depreciation to date	1,18,19,[illegible]		[illegible]	
TOTAL ….. I		4,19,13,591		3,84,54,600
II. Other Fixed Assets (including furniture and fixtures)				
At cost as on 31st March of the preceding year	[illegible]		[illegible]	
Additions/Adjustments during the year	[illegible]		[illegible]	
Total	[illegible]		[illegible]	
Deductions/Adjustments during the year	[illegible]		[illegible]	
Total	[illegible]		[illegible]	
Depreciation to date	[illegible]		[illegible]	
TOTAL ….. II		98,34,755		91,22,191
TOTAL ….. (I + II)		5,17,48,246		4,74,75,792
III. Capital work in progress				
Total (I, II & III)		5,17,48,246		4,74,75,792
SCHEDULE 11 - OTHER ASSETS				
I. Inter-office adjustments (Net)			[illegible]	
II. Interest accrued	2,5[illegible]		[illegible]	
III. Tax paid in advance/tax deducted at source	5,1[illegible]		4,[illegible]	
IV. Stationery and stamps	[illegible]		[illegible]	
V. Non-banking assets acquired in satisfaction of claims	-		-	
VI. Deferred Tax Assets	3,26,[illegible]		4,03,[illegible]	
VII. Others	[illegible]		[illegible]	
		16,27,37,803		16,14,72,576
TOTAL		16,27,37,803		16,14,72,576
SCHEDULE 12 - CONTINGENT LIABILITIES				
I. (a) Claims against the Bank not acknowledged as Debts		41,67,897		38,24,115
(b) Disputed income tax demands under appeals, revisions *		6,06,86,457		5,95,89,851
II. Liability for partly paid Investments		1,16,71,671		1,27,53,537
III. Liability on account of outstanding forward exchange contracts		49,56,15,561		71,07,73,131
IV. Guarantees given on behalf of constituents				
a) In India	9,73,[illegible]		[illegible]	
b) Outside India	[illegible]		[illegible]	
		9,80,27,024		9,06,55,516
V. Acceptances, Endorsements and Other Obligations		3,17,68,010		2,14,90,429
VI. Other items for which the bank is contingently liable		5,44,51,029		2,05,40,411
TOTAL		94,21,65,652		93,82,45,861

[illegible]

CONSOLIDATED PROFIT AND LOSS ACCOUNT OF CENTRAL BANK OF INDIA
FOR THE NINE MONTHS ENDED DECEMBER 2024

(000's omitted)

Particulars	Schedule No.	NINE MONTHS ENDED 31-Dec-24 ₹	NINE MONTHS ENDED 31-Dec-23 ₹
I. INCOME			
Interest Earned	13	25,11,13,841	22,15,26,075
Other Income	14	4,01,27,16	3,54,99,977
TOTAL		29,19,19,097	25,83,76,052
II. EXPENDITURE			
Interest Expended	15	15,58,15,101	13,07,15,588
Operating Expenses	16	8,41,21,775	7,42,54,306
Provisions and Contingencies		2,58,24,441	3,56,65,202
TOTAL		26,41,61,207	24,06,35,156
Share of earning/(loss) in Associates		6,86,458	9,16,108
Consolidated Net Profit/(Loss) for the period before deducting Minorities Interest		2,85,83,176	1,85,91,004
Less: Minorities Interest		50,903	77,710
Consolidated Profit/(Loss) for the period attributable to the Group		2,82,96,273	1,85,13,874
Add : Brought forward consolidated Profit/(Loss) attributable to the Group		2,83,00,561	1,02,47,511
Add- Adjustment in Profit & Loss			-
IV. APPROPRIATIONS			
Transfer to Statutory Reserve		-	-
Transfer to Other Reserve		27,462	-
a. Capital Reserve		-	-
b. Revenue Reserve		-	-
c. Investment Reserve		-	-
d. Proposed Dividend- Equity Share Capital		-	-
e. Special Reserve U/S 36 (1) (viii)		27,462	-
f. Investment Fluctuation Reserve		-	-
Transfer to Government/Proposed Dividend		-	-
Balance Carried over to the Balance Sheet		5,65,69,372	2,87,61,385
TOTAL		5,65,96,834	2,87,61,385
Earnings Per Share (In ₹)- Basic (Nominal Value Rs 10/- per share)		3.26	2.21
Earnings Per Share (In ₹)- Diluted (Nominal Value Rs 10/- per share)		3.26	2.21

The schedules referred to above form an integral part of the Consolidated Profit and Loss Account

Vivek Wahi
Executive Director

M V Murali Krishna
Executive Director

Mahendra Dohare
Executive Director

M.V. Rao
Managing Director & CEO

Place: Mumbai
Date: January 20, 2025

SCHEDULES FORMING PART OF THE
CONSOLIDATED PROFIT AND LOSS ACCOUNT OF CENTRAL BANK OF INDIA
FOR THE NINE MONTHS ENDED DECEMBER 2024

(000's omitted)

Particulars	NINE MONTHS ENDED 31-Dec-24	NINE MONTHS ENDED 31-Dec-23
	₹	₹
SCHEDULE 13 : INTEREST EARNED		
I. Interest/Discount on Advances / Bills	16,58,15,861	14,48,75,847
II. Income on Investments (Including Dividend)	7,60,38,807	6,96,84,800
III. Interest on balances with Reserve Bank of India and other inter-bank funds	68,63,913	85,14,938
IV. Others	27,31,240	17,21,335
TOTAL	**25,14,41,844**	**22,47,70,975**
SCHEDULE 14 : OTHER INCOME		
I. Commission, Exchange and Brokerage	1,58,41,575	1,39,14,016
II. Profit on sale of land, buildings and Other Assets	15	15
Less: Loss on sale of land, buildings and Other Assets	2,15,767	1,07,875
III. Profit on Exchange transactions	15,95,067	19,35,022
Less: Loss on Exchange transactions		
IV. Profit on sale of Investments (Net)	57,85,334	18,57,163
Less: Loss on sale of Investments	-	-
V. Profit on revaluation of Investments	17,80,176	2,07,083
Less: Loss on revaluation of Investments	-	
VI. Miscellaneous Income		
a. Income earned by way of dividends etc. from subsidiaries and Associates abroad/ in India	-	-
b. Others	1,47,17,789	1,36,94,649
TOTAL	**4,04,77,161**	**3,14,99,877**

SCHEDULES FORMING PART OF THE
CONSOLIDATED PROFIT AND LOSS ACCOUNT OF CENTRAL BANK OF INDIA
FOR THE NINE MONTHS ENDED DECEMBER-2024

(000's omitted)

Particulars	NINE MONTHS ENDED 31-Dec-24 ₹	NINE MONTHS ENDED 31-Dec-23 ₹
SCHEDULE 15 : INTEREST EXPENDED		
I. Interest on Deposits	13,70,56,590	12,50,92,746
II. Interest on Reserve Bank of India / Inter-Bank borrowings	25,47,089	15,36,856
III. Others	62,11,402	40,83,781
TOTAL	14,50,15,601	13,07,13,388
SCHEDULE 16 : OPERATING EXPENSES		
I. Payments to and Provisions for employees	5,31,52,908	4,50,91,652
II. Rent, Taxes and Lighting	47,33,098	11,28,741
III. Printing and Stationery	2,82,809	2,84,747
IV. Advertisement and Publicity	2,34,617	1,65,280
V. a) Depreciation on Bank's property other than Leased Assets	39,61,975	38,22,675
b) Depreciation on Leased Assets	-	
VI. Directors' Fees, Allowances and Expenses	5,406	9,642
VII. Auditors' Fees and Expenses (including Branch Auditors' Fees & expenses)	2,30,475	2,49,021
VIII. Law Charges	5,54,940	2,34,347
IX. Postages, Telegrams, Telephones etc.	6,04,552	7,41,719
X. Repairs and Maintenance	14,57,813	10,76,598
XI. Insurance	35,98,205	34,88,562
XII. Amortisation of Goodwill, if any	-	-
XIII. Other Expenditure	1,54,70,655	1,39,95,847
TOTAL	8,44,21,225	7,42,40,266

DECLARATION

Our Bank certifies that all relevant provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Bank's business have been obtained, are currently valid and have been complied with.

Our Bank further certifies that all the statements in this Preliminary Placement Document are true and correct.

Signed by:

________________________	________________________
MATAM VENKATA RAO	**MUKUL N DANDIGE**
Managing Director and Chief Executive Officer	Chief Financial Officer

Place: Mumbai

Date: March 24, 2025

HEAD OFFICE OF OUR BANK

Central Bank of India
Chandermukhi, Nariman Point, Mumbai 400 021, Maharashtra, India.
Telephone: 022-66387818; **Website:** https://www.centralbankofindia.co.in/,
Email: : investors@centralbank.co.in

BOOK RUNNING LEAD MANAGERS

Systematix Corporate Services Limited
The Capital, A-Wing, No. 603-606, 6th Floor, Plot No. C-70, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, India

Batlivala & Karani Securities India Private Limited
11th Floor, Hallmark Business Plaza
Sant Dnyaneshwar Marg, Bandra East
Mumbai 400 051

Emkay Global Financial Services Limited
7 th Floor, The Ruby, Senapati Bapat Marg,
Dadar (W), Mumbai – 400 028

IDBI Capital Markets & Securities Limited
6th Floor, IDBI Tower, WTC Complex,
Cuffe Parade, Mumbai 400005, Maharashtra, India

Motilal Oswal Investment Advisors Limited
Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi,
Mumbai- 400 025, Maharashtra, India

Legal Advisor to the Bank

M/s. Crawford Bayley & Co.
State Bank Buildings
N.G. N. Vaidya Marg
Fort, Mumbai 400 023
Maharashtra, India

Legal Advisors to the Book Running Lead Managers

As to Indian law

Saraf and Partners
Tower 2, Unit No. 2402,
24th Floor, One International Center, Senapati Bapat Marg,
Prabhadevi West, Mumbai – 400 013, India

As to U.S. law

Dentons US LLP
100 Crescent Court 900, Dallas
Texas 75201 United States

STATUTORY AUDITORS

M/s. A R & Co.	**M/s. A D B & Company**	**M/s. Amit Ray & Co**	**M/s. Jain Paras Bilala & Co**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
A-403, Gayatri Apartment, Airlines Group Housing Society, Plot No.27, Sector 10, Dwarka, New Delhi - 110075	First Floor, Mahavir Gaushala Complex, K. K. Road, Moudhapara, Raipur – 492001 Chhattisgarh	5-B, Sardar Patel Marg, Prayagraj – 211001, Uttar Pradesh	50 KA 2, Jyoti Nagar, Jaipur – 302005, Rajasthan

SAMPLE APPLICATION FORM

Following is the indicative Application Form that formed part of this Preliminary Placement Document

APPLICATION FORM

(a) Name of the Bidder:

____

(b) Form No.: ___________

***(c)* Date:** _______________

CENTRAL BANK OF INDIA
Head Office: Chandermukhi, Nariman Point, Mumbai 400 021, Maharashtra, India
Website: https://www.centralbankofindia.co.in/
Tel: 022-66387818
Email: investors@centralbank.co.in

QUALIFIED INSTITUTIONS PLACEMENT OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH (THE "EQUITY SHARES") FOR CASH, AT A PRICE OF ₹[●] PER EQUITY SHARE (THE "ISSUE PRICE"), INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE, AGGREGATING UP TO ₹[●] CRORE IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS"), THE BANKING COMPANIES (ACQUISITION AND TRANSFER OF UNDERTAKINGS) ACT, 1970, AS AMENDED ("THE BANKING COMPANIES ACT"), THE BANKING REGULATION ACT, 1949, AS AMENDED (THE "BANKING REGULATION ACT"), THE CENTRAL BANK OF INDIA (SHARES AND MEETINGS) REGULATIONS, 1998, AS AMENDED (THE "CENTRAL BANK OF INDIA REGULATIONS") AND THE NATIONALISED BANKS (MANAGEMENT AND MISCELLANEOUS PROVISIONS) SCHEME, 1970, AS AMENDED (THE "NATIONALISED BANKS SCHEME"), BY CENTRAL BANK OF INDIA (THE "BANK") (AND SUCH ISSUE, THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ 42.62 PER EQUITY SHARE AND OUR BANK MAY OFFER A DISCOUNT OF UPTO 5% ON THE FLOOR PRICE, AS APPROVED BY ITS SHAREHOLDERS.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which are not (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or other applicable laws, including foreign exchange related laws; or (b) prohibited or debarred by any regulatory authority from buying, selling or dealing in securities, and are eligible to invest in this Issue. In addition to the above, with respect to the Issue, Eligible QIBs shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs participating through Schedule II of the FEMA Rules. Further, except as provided in (ii) above, other nonresident QIBs including foreign venture capital investors and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. Also, please note that AIFs or VCFs whose sponsor and manager are not Indian owned and controlled in terms of the FEMA Rules are not permitted to participate in this Issue

The Equity Shares offered in this Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, the Equity Shares offered in this Issue are being offered and sold only outside the United States in "*Offshore Transactions*" as defined in, and in compliance with, Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "*Selling Restrictions*" on page 267. Also see, "*Transfer Restrictions*" on page 274 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

ONLY ELIGIBLE QIBs ARE PERMITTED TO PARTICIPATE IN THE ISSUE. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE THROUGH SCHEDULE II OF THE FEMA RULES, IN THIS ISSUE, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER

APPLICABLE LAWS, INCLUDING THE BANKING COMPANIES ACT, IN THIS REGARD. ALLOTMENTS MADE TO AIFs AND VCFs IN THIS ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY. AIFs AND VCFs WHOSE SPONSOR AND MANAGER ARE NOT INDIAN OWNED AND CONTROLLED IN TERMS OF THE FEMA RULES, OR FVCIs, MULTILATERAL OR BILATERAL DEVELOPMENT FINANCIAL INSTITUTIONS ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,

The Board of Directors

Central Bank of India

Head Office: Chandermukhi, Nariman Point, Mumbai 400 021, Maharashtra, India

Dear Sir/ Madam,

On the basis of the serially numbered PPD of the Bank and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms and price indicated below. We confirm that we are an Eligible QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179 of the SEBI ICDR Regulations or other applicable laws, including foreign exchange related laws; or (b) been prohibited or debarred by any regulatory authority from buying, selling or dealing in securities, and are eligible to invest in this Issue. We are not a promoter of the Bank (as defined in the SEBI ICDR Regulations) or any person related to the promoter of the Bank, directly or indirectly.

STATUS (Please tick for applicable category)			
FI	Scheduled Commercial Bank and Financial Institutions	**IC**	Insurance Companies
MF	Mutual Funds	**VCF**	Venture Capital Funds
NIF	National Investment Fund	**FPI**	Foreign Portfolio Investor*
IF	Insurance Funds	**AIF**	Alternative Investment Funds**
SI-NBFC	Systematically Important Non – Banking Financial Companies	**OTH**	Others ________________ (Please specify)

Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "same group" or "common control", see "Application Form" under Issue Procedure section of the Preliminary Placement Document.

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.*

*** Sponsor and Manager should be Indian owned and controlled.*

Further, we confirm that we do not have any right under a shareholders' agreement, veto rights or right to appoint any nominee director on the Board. We confirm that we are either an Eligible QIB resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules nor a FVCI or a multilateral or bilateral development financial institution participating in this Issue. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation of the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020 and that we are neither an entity of a country which shares a land border with India nor is the beneficial owner of our investment situated in or a citizen of such country and that our investment is in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India. We confirm that the bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid does not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**"). We further understand and agree that our names, address, contact details, PAN number and bank account details will be recorded by the Bank and the percentage of our post-Issue shareholding in the Bank will be disclosed in the Placement Document pursuant and, the Bank will place our name in the register of members of the Bank or the relevant depository will record our name in the beneficial owner records maintained by the respective depositories, as a holder of such Equity Shares that may be Allotted to us. Further, we are aware and agree that if we together with any other QIBs belonging to the same group or under common control are Allotted more than 5% of the Equity Shares in the Issue, the Bank will disclose our name along with the name of such other Allottees and the number of Equity Shares Allotted to us and such other Allottees on the websites of National Stock Exchange of India Limited and BSE Limited (together referred to as the "**Stock Exchanges**"), and we consent to such disclosure. We are aware that, in accordance with Section 12B of the Banking Regulation Act, 1949 and the Master Direction – Reserve Bank of India (Acquisition and Holding of Shares or Voting Rights in Banking Companies) Directions, 2023 issued by the RBI on January 16, 2023 read together with the Guidelines on Acquisition and Holding of Shares or Voting Rights in Banking Companies issued by the Reserve Bank of India on January 16, 2023, no person (along with his relatives, associate enterprises or persons acting in concert with) can acquire or hold 5% or more of the total paid-up share capital of our Bank, or be entitled to exercise 5% or more of the total voting rights of our Bank, without prior approval of the RBI. Accordingly, a Bidder's aggregate holding in the paid-up share capital of our Bank, whether beneficial or otherwise: after subscription to the Equity Shares in this Issue by such Bidder, his or her relatives, associate enterprises or persons acting in concert with such Bidder, aggregated with any pre-Issue shareholding in the Bank of such Bidder, his or her relatives, associate enterprises or persons acting in concert; or after subscription to the Equity Shares in this Issue aggregated with any pre-Issue shareholding in our Bank of such Bidder, his or her relatives, associate enterprises or persons acting in concert; shall not amount to 5% or more of the total paid-up share capital of our Bank or would not entitle such Bidder to exercise 5% or more of the total voting rights of our Bank, except with the prior approval of the RBI. Accordingly, we hereby represent that our (direct or indirect) aggregate holding in the paid-up share capital of the Issuer, whether beneficial or otherwise: (i) after subscription to the Equity Shares in this Issue by us, our relatives, our associate enterprises or persons acting in concert with us, aggregated with any pre-Issue shareholding in the Bank of us, our relatives, our associate enterprises or persons acting in concert; or (ii) after subscription to the Equity Shares in this Issue by us aggregated with any pre-Issue shareholding in the Bank of us, our relatives, our associate enterprises or persons acting in concert with us shall not amount to 5% or more of the total paid-up share capital of the Bank or would not entitle us to exercise 5% or more of the total voting rights of the Bank, except with the prior approval of the RBI. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations and other applicable laws. We confirm that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations. and the terms and conditions mentioned in the Preliminary Placement Document and this Application Form. We confirm that, in relation to our application, each foreign portfolio investor ("FPI") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "Eligible FPIs"), have submitted separate Application Form, and asset management companies of mutual funds have specified the details of each scheme for which the application is being made along with the price and amount of Equity Shares to be Allotted under each such scheme. We undertake that we will sign and submit all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the undersigned is duly authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue. We note that the Board of Directors of the Bank, or any duly authorized committee thereof is entitled, in consultation with the BRLMs (as defined hereunder) in its absolute discretion, to accept or reject this Application Form without assigning any reason thereof. We hereby accept the Equity Shares that may be Allocated to us pursuant to the CAN and request you to credit the same to our beneficiary account as per the details given below, subject to receipt of this Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to or on Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in this Issue shall be at the sole and absolute discretion of the Bank, in consultation with the Systematix Corporate Services Limited, Batlivala & Karani Securities India Private Limited, Emkay Global Financial Services Limited, IDBI Capital Markets & Securities Limited and Motilal Oswal

Investment Advisors Limited ("**BRLMs**"); and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Bank is unable to issue and Allot the Equity Shares offered in this Issue or if there is a cancellation of the Issue, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount has been paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Bank to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

By signing and submitting this Application Form, we hereby confirm and agree (i) that the representations, warranties, acknowledgements and agreements as provided in the sections "*Notice to Investors*", "*Representations by Investors*", "*Issue Procedure*", "*Selling Restrictions*" and "*Transfer Restrictions*" of the PPD (ii) and the terms, conditions and agreements mentioned herein, are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Bank and the BRLMs, each of which is entitled to rely on and is relying on these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section "*Risk Factors*" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Bank, the BRLMs or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the CAN and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment and in compliance with the restrictions included in the section titled "Transfer Restrictions and Purchaser Representations" in the PPD; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Bank in consultation with the BRLMs and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) the number of Equity Shares Allotted to us pursuant to the Issue , together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue. For the purposes of this representation: The expression Eligible QIBs 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations i.e. entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, amongst the Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations; (8) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the Banking Companies Act, the Banking Regulation Act, the Central Bank Regulations and the Nationalised Banks Scheme, other applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

We acknowledge that the Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. By submitting this Application Form and checking the applicable box above, we hereby represent that we are located outside the United States and purchasing the Equity Shares in an "*offshore transaction*" as defined in, and in compliance with, Regulation S and in reliance on the applicable laws of the jurisdiction where those offers and sales are made.

By signing and submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of an Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

BIDDER DETAILS (In Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
PHONE NO.		**FAX NO.**	
MOBILE NO.			
EMAIL ID			
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NO. ______________________ ______________________		
FOR MF	SEBI MF REGISTRATION NO		
FOR AIFs***	SEBI AIF REGISTRATION NO.		
FOR VCFs***	SEBI VCF REGISTRATION NO.		
FOR SI-NBFC	RBI REGISTRATION DETAILS		
FOR INSURANCE COMPANIES	IRDAI REGISTRATION DETAILS. ______________________ ______________________		

**Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Bank and the BRLMs.*
*** In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*
**** Allotments made to AIFs and VCFs in this Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

NO. OF EQUITY SHARES BID FOR		**PRICE PER EQUITY SHARE (RUPEES)**	
(In Figures)	(In Words)	(In Figures)	(In Words)
BID AMOUNT (RUPEES)			
(In Figures)		(In Words)	

DEPOSITORY ACCOUNT DETAILS										
Depository Name	National Securities Depository Limited									Central Depository Services (India) Limited
Depository Participant Name										
DP – ID	I	N								
Beneficiary Account Number										(16-digit beneficiary A/c. No. to be mentioned above)

DEPOSITORY ACCOUNT DETAILS
The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purposes of refund, if any, only the bank details as mentioned below, from which the Bid Amount has been remitted for the Equity Shares applied for in this Issue will be considered.

PAYMENT DETAILS
REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER
By 3.00 p.m. (IST), [●], ("Issue Closing Date")

ESCROW BANK ACCOUNT DETAILS FOR PAYMENT OF BID AMOUNT THROUGH ELECTRONIC FUND TRANSFER			
Name of the Account	*CBoI QIP 2025*	**Account Type**	Escrow Account
Name of Bank	Central Bank of India	**Address of the Branch of the Bank**	Nariman Point Branch- Chandramukhi Building, Nariman Point, Mumbai-400021
Account No.	5776925109	**IFSC**	CBIN0281067
LEI Number	335800HLI3VBT9FVQE81	**Email**	agmmums1067@centralbank.co.in

The Bid Amount should be transferred pursuant to this Application Form only by way of electronic fund transfers, towards the Escrow Account. Payment of the entire Bid Amount should be made along with this Application Form on or before the closure of the Issue Period i.e. prior to or on the Bid/Issue Closing Date. All payments must be made in favor of "*CBoI QIP 2025*". The payment for subscription to the Equity Shares to be allotted in this Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in this Application Form.

You are responsible for the accuracy of the bank details mentioned below. You are aware that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank details provided by you. The Bank and the BRLMs shall not be liable in any manner for refunds that are not processed due to incorrect bank details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	

DETAILS OF CONTACT PERSON
Name: ______________________
Address: ______________________
____
Tel. No: ______________________ Fax No: ______________________
______________________ Email:
Mobile No. ______________________

OTHER DETAILS	ENCLOSURES ATTACHED
PAN** Signature of Authorised Signatory (may be signed either physically or digitally)*	• Copy of PAN Card or PAN allotment letter** • FIRC • Copy of the SEBI registration certificate as a Mutual Fund • Copy of the SEBI registration certificate as an Eligible FPI • Copy of the SEBI registration certificate as an AIF • Copy of the SEBI registration certificate as a VCF • Certified copy of certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank • Copy of the IRDA registration certificate • Intimation of being part of the same group • Certified true copy of the power of attorney • Other, please specify ___________________

**A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.*
***Please note that the Bidder should not mention the GIR number or any other identification number instead of the PAN, unless the Bidder is exempted from requirement of obtaining a PAN under the Income-tax Act, 1961, as the application is liable to be rejected on this ground.*

Note 1: Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD.
Note 2: This Application Form may be rejected if any information provided is incomplete or inadequate, at the discretion of the Bank in consultation with the BRLMs.

The Application Form and the PPD sent to you and the Placement Document which will be sent to you in electronic form, are specific to you and you may not distribute or forward the same and are subject to the disclaimers and restrictions contained or accompanying these documents.

(Note: The format of the Application Form included herein above is indicative and for the illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. The Bank, in consultation with the BRLMs, shall identify Eligible QIBs and circulate serially numbered copies of this Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in this Issue should be made only upon receipt of serially numbered copies of this Preliminary Placement Document and the Application Form and not on the basis of the indicative format above.)