

BALANCE SHEET

	<u>Schedule</u>	<u>Audited</u> <u>As at</u> <u>31-Mar-2022</u> (Amount in Rs.'000)	<u>Audited</u> <u>As at</u> <u>31-Mar-2021</u> (Amount in Rs.'000)
<u>CAPITAL & LIABILITIES</u>			
Capital	1	82,36,251	75,69,584
Reserves & Surplus	2	(10,90,047)	(15,79,703)
Deposits	3	6,79,94,463	3,85,51,831
Borrowings	4	31,90,000	16,89,837
Other Liabilities and Provisions	5	25,15,580	11,61,494
Total		8,08,46,247	4,73,93,043
<u>ASSETS</u>			
Cash and Balances with Reserve Bank of India	6	45,05,372	10,84,214
Balances with banks and Money at Call and Short Notice	7	74,51,414	31,48,117
Investments	8	2,22,78,658	1,22,65,178
Advances	9	4,35,35,662	2,91,73,284
Fixed Assets	10	6,96,274	5,77,756
Other Assets	11	23,78,867	11,44,494
Total		8,08,46,247	4,73,93,043
Contingent Liabilities	12	8,34,67,100	5,69,60,426
Bills for Collection		38,82,138	27,43,873
Accounting Policies & Notes on Accounts	17		

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

As per our attached Report of even date.

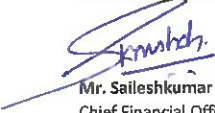
For K S Aiyar & Co
Chartered Accountants
ICAI Firm Registration No. 100186W

Mr. Rajesh Joshi
Partner
ICAI Membership No. 038526

Place : Mumbai
Date : May 11, 2022

For SBM Bank (India) Ltd.


Mr. Sidharth Rath
Managing Director &
Chief Executive Officer


Mr. Saileshkumar Shah
Chief Financial Officer


Mr. Ameet Patel
Independent Director


Mrs. Bhavana Shinde
Company Secretary



PROFIT AND LOSS ACCOUNT

	<u>Schedule</u>	<u>Year Ended</u> <u>31-Mar-2022</u> <u>(Amount in Rs.'000)</u>	<u>Year Ended</u> <u>31-Mar-2021</u> <u>(Amount in Rs. '000)</u>
I. INCOME			
Interest earned	13	39,72,949	23,31,909
Other income	14	11,58,807	7,35,999
Total		51,31,756	30,67,908
II. EXPENDITURE			
Interest expended	15	27,22,132	15,50,196
Operating expenses	16	18,68,267	12,67,836
Provisions & contingencies	17B - (14-e)	3,78,295	63,432
Total		49,68,694	28,81,464
III. PROFIT/LOSS			
Net profit/(loss) for the year		1,63,062	1,86,444
Profit/(loss) brought forward		(27,53,517)	(27,55,330)
Total		(25,90,455)	(25,68,886)
IV. APPROPRIATIONS			
Transfer to Statutory Reserves		40,766	46,611
Transfer to Capital Reserve		3,799	32,613
Transfer to Investment Fluctuation Reserve		91,847	1,05,407
Balance carried over to Balance Sheet		(27,26,867)	(27,53,517)
Total		(25,90,455)	(25,68,886)
V. BASIC AND DILUTED EARNING PER SHARE (INR)	17B-(23)	0.21	0.25

The Schedules referred to above form an integral part of the Profit & Loss Account.

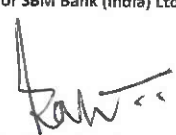
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Company Secretary



STATEMENT OF CASH FLOW

	Particulars	Year Ended 31-Mar-2022 (Amount in Rs.'000)	Year Ended 31-Mar-2021 (Amount in Rs.'000)
A	Cash Flow from Operating Activities		
	Net Profit after Taxes	1,63,062	1,86,444
	Adjustments to profit/(loss) from operations		
	Loss/(Profit) from sale of fixed assets	(4)	846
	Depreciation on Fixed Assets	1,13,765	1,47,847
	Amortization of premium on investments	21,520	22,240
	Specific Provision for NPA	1,39,107	(1,66,036)
	Diminution on Investment	(56,406)	1,10,026
	Direct Taxes	12,945	100
	Non performing Advances written off	1,88,112	1,16,974
	Provision for Standard Advances	55,746	92,455
	Provision for country exposure	(1,176)	1,176
	Provision for Diminution in fair value of restructured accounts	9,700	4,416
	Provision for NPA automation- RBI direction	12,029	-
	Sub-Total	6,58,400	5,16,488
	Changes in working capital		
	(Increase)/Decrease in Investments	(45,35,930)	(24,19,282)
	(Increase)/Decrease in Advances	(1,46,89,597)	(1,64,61,721)
	(Increase)/Decrease in Other Assets	(12,49,916)	(4,81,151)
	Increase/(Decrease) in Deposits	2,94,42,632	2,02,51,459
	Increase/(Decrease) in Other Liabilities	12,77,789	5,81,426
	Net Cash from Operating Activities before Income Tax	1,09,03,378	19,87,219
	Advance Income tax paid	(2,800)	-
	Refund received from Income Tax	5,399	-
	Net Cash from Operating Activities after Income Tax	1,09,05,977	19,87,219
B	Cash Flow from Investing Activities		
	(Increase)/Decrease in Held To Maturity (HTM) securities	(54,42,665)	(43,00,156)
	Purchase of Fixed Assets	(2,39,066)	(1,18,572)
	Proceeds from sale of Fixed Assets	46	401
	Net Cash from Investing Activities	(56,81,685)	(44,18,327)
C	Cash Flow from Financing Activities		
	Additional capital infused	10,00,000	-
	Increase/(Decrease) in Borrowings	15,00,163	15,39,837
	Net Cash from Financing Activities	25,00,163	15,39,837





SBM Bank (India) Ltd.

STATEMENT OF CASH FLOW

	Particulars	Year Ended 31-Mar-2022 (Amount in Rs.'000)	Year Ended 31-Mar-2021 (Amount in Rs.'000)
D	Cash and Cash Equivalent at the beginning of the year		
	I. Cash in Hand (including foreign currency notes and gold)	19,231	24,784
	II Balances with Reserve Bank of India	10,64,983	7,51,951
	III Balances with Banks and Money at Call and Short Notice	31,48,117	43,46,867
		42,32,331	51,23,602
E	Cash and Cash Equivalent at the end of the year		
	I. Cash in Hand (including foreign currency notes and gold)	20,527	19,231
	II Balances with Reserve Bank of India	44,84,845	10,64,983
	III Balances with Bank and Money at Call and Short Notice	74,51,414	31,48,117
		1,19,56,786	42,32,331
A	Cash Flow from Operating Activities	1,09,05,977	19,87,219
B	Cash Flow from Investing Activities	(56,81,685)	(44,18,327)
C	Cash Flow from Financing Activities	25,00,163	15,39,837
	Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	77,24,455	(8,91,271)
D	Cash and Cash Equivalent at the beginning of the year	42,32,331	51,23,602
E	Cash and Cash Equivalent at the end of the year (A+B+C+D)	1,19,56,786	42,32,331

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SCHEDULES FORMING PART OF THE BALANCE SHEET

	<u>31-Mar-2022</u> (Amount in Rs.'000)	<u>31-Mar-2021</u> (Amount in Rs. 000)
<u>SCHEDULE 1 : CAPITAL</u>		
Authorised Capital :		
1,000,000,000 equity shares of Rs. 10 each (P.Y. 1,000,000,000)	1,00,00,000	1,00,00,000
Issued, subscribed and paid-up capital :		
Opening Balance (756,958,418 equity shares of Rs. 10 each)	75,69,584	75,69,584
Additions during the year (66,666,666 equity shares of Rs. 10 each)	6,66,667	-
Deductions during the year	-	-
Total	82,36,251	75,69,584
<u>SCHEDULE 2 : RESERVES AND SURPLUS</u>		
I. Statutory Reserve		
Opening Balance	4,11,250	3,64,639
Additions during the year	40,766	46,611
Deductions during the year	-	-
Sub Total	4,52,016	4,11,250
II. Capital Reserve		
Opening Balance	98,521	65,908
Additions during the year	3,799	32,613
Deductions during the year	-	-
Sub Total	1,02,320	98,521
III. Retained Earnings		
Opening Balance	3,20,098	3,20,098
Additions during the year	-	-
Deductions during the year	-	-
Sub Total	3,20,098	3,20,098
IV. Investment Fluctuation Reserve		
Opening Balance	1,11,830	6,423
Additions during the year	91,847	1,05,407
Deductions during the year	-	-
Sub Total	2,03,677	1,11,830
V. Revaluation Reserve		
Opening Balance	2,32,115	2,38,854
Additions during the year	-	-
Deductions during the year	6,739	6,739
Sub Total	2,25,376	2,32,115
VI. Share Premium		
Opening Balance	-	-
Additions during the year	3,33,333	-
Deductions during the year	-	-
Sub Total	3,33,333	-
VII. Balance in Profit and Loss Account	(27,26,867)	(27,53,517)
Total (I + II + III + IV + V + VI + VII)	(10,90,047)	(15,79,703)



SCHEDULES FORMING PART OF THE BALANCE SHEET

	<u>31-Mar-2022</u> <u>(Amount in Rs.'000)</u>	<u>31-Mar-2021</u> <u>(Amount in Rs. 000)</u>
<u>SCHEDULE 3 : DEPOSITS</u>		
A.I. Demand Deposits		
(i) From Banks	2,33,644	1,20,081
(ii) From Others	1,40,23,035	57,30,999
A.II. Savings Bank Deposits	42,76,010	23,70,849
A.III. Term Deposits		
(i) From Banks	31,39,648	8,65,493
(ii) From Others	4,63,22,126	2,94,64,409
Total	<u>6,79,94,463</u>	<u>3,85,51,831</u>
B.I. Deposits of branches in India	6,79,94,463	3,85,51,831
B.II. Deposits of branches outside India	-	-
Total	<u>6,79,94,463</u>	<u>3,85,51,831</u>
<u>SCHEDULE 4 : BORROWINGS</u>		
I. Borrowings in India		
i) Reserve Bank of India	1,90,000	1,90,000
ii) Other Banks	-	-
iii) Other Institutions and Agencies	30,00,000	14,99,837
Sub Total	<u>31,90,000</u>	<u>16,89,837</u>
II. Borrowings outside India	-	-
Total (I + II)	<u>31,90,000</u>	<u>16,89,837</u>
Secured Borrowings included in I & II above	31,90,000	16,89,837
<u>SCHEDULE 5 : OTHER LIABILITIES AND PROVISIONS</u>		
I. Bills Payable	76,074	44,728
II. Interest Accrued	1,04,825	1,69,489
III. Deferred Tax Liability (Net)	-	-
IV. Provision for standard advances (includes provision on Unhedged Foreign Currency Exposure)	2,17,937	1,52,492
V. Others (including Provisions)	21,16,744	7,94,785
Total	<u>25,15,580</u>	<u>11,61,494</u>
<u>SCHEDULE 6 : CASH AND BALANCES WITH RBI</u>		
I. Cash in Hand (including Foreign Currency Notes - NIL)	20,527	19,231
II. Balances with Reserve Bank of India		
in Current Account	44,84,845	10,64,983
in Other Accounts	-	-
Total	<u>45,05,372</u>	<u>10,84,214</u>



SCHEDULES FORMING PART OF THE BALANCE SHEET

	31-Mar-2022 (Amount in Rs.'000)	31-Mar-2021 (Amount in Rs.'000)
SCHEDULE 7 : BALANCES WITH BANKS & MONEY AT CALL & SHORT NOTICE		
I. In India		
i) Balances with banks in		
(a) Current Accounts	79,207	10,675
(b) Other Deposit Accounts	-	-
ii) Money at call and short notice		
(a) with Banks (including LAF with RBI)	69,00,000	29,60,000
(b) with Other Institutions	-	-
Sub Total	69,79,207	29,70,675
II. Outside India		
i) in Current Accounts	4,72,207	1,77,442
ii) in Other Deposit Accounts	-	-
iii) in Money at Call and Short Notice	-	-
Sub Total	4,72,207	1,77,442
Total (I & II)	74,51,414	31,48,117
SCHEDULE 8 : INVESTMENTS		
I. Investments in India in		
i) Government Securities	2,10,09,856	1,18,46,905
ii) Other Approved Securities	-	-
iii) Shares	8,062	10,089
iv) Debentures and Bonds	11,10,390	3,11,034
v) Subsidiaries and /or Joint Venture	-	-
vi) Others	1,50,350	97,150
Total	2,22,78,658	1,22,65,178
II. Investments outside India	-	-
Total (I & II)	2,22,78,658	1,22,65,178
SCHEDULE 9 : ADVANCES		
A i) Bills Purchased and Discounted	15,68,727	16,54,448
ii) Cash Credits, Overdrafts and Loans repayable on Demand	1,10,10,485	60,21,849
iii) Term loans	3,09,56,450	2,14,96,987
Total	4,35,35,662	2,91,73,284
B i) Secured by Tangible Assets (includes advances against Book debts)	4,02,97,713	2,79,89,642
ii) Covered by Bank / Government Guarantees (includes advance against standby letter of credit)	2,73,048	2,26,495
iii) Unsecured	29,64,901	9,57,147
Total	4,35,35,662	2,91,73,284
C. i) Advances in India		
i) Priority Sectors	81,37,268	34,53,641
ii) Public Sector	-	-
iii) Banks	14,833	99,281
iv) Others	3,53,83,561	2,56,20,362
Total	4,35,35,662	2,91,73,284
II Advances outside India	-	-
Total (CI & CII)	4,35,35,662	2,91,73,284



SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 10 : FIXED ASSETS

	<u>31-Mar-2022</u> (Amount in Rs.'000)	<u>31-Mar-2021</u> (Amount in Rs.'000)
I. Premises		
At Cost at beginning of year	4,90,739	4,90,739
Additions during the year	-	-
Deductions during the year	-	-
Depreciation to date	1,55,499	1,45,519
Sub Total	3,35,240	3,45,220
II. Other Fixed Assets (including Furniture & Fixtures)		
At Cost at beginning of year	6,01,696	5,04,081
Additions during the year	1,69,299	1,42,012
Deductions during the year	2,242	44,397
Depreciation to date	4,92,771	3,84,445
Sub Total	2,75,982	2,17,251
III. Capital Work in Progress	85,052	15,285
Total (I, II & III)	6,96,274	5,77,756

SCHEDULE 11 : OTHER ASSETS

I. Inter-Office Adjustment (Net)	-	-
II. Interest Accrued	3,27,443	2,56,864
III. Tax paid in Advance / Tax Deducted at Sources (Net of Provisions)	90,913	96,838
IV. Deferred Tax Assets (Net)	-	-
V. Stationery and Stamps	33	15
VI. Others	19,60,478	7,90,777
Total	23,78,867	11,44,494

SCHEDULE 12 : CONTINGENT LIABILITIES

I. Claims against the Bank not acknowledged as Debts	89,105	92,521
II. Liability for Partly Paid Investments	-	-
III. Liability on account of outstanding Forward Exchange Contracts & Derivatives	5,98,87,438	4,46,44,603
IV. Guarantees given on behalf of Constituents		
a) In India	51,15,267	33,94,913
b) Outside India	38,97,149	16,55,787
V. Acceptances, Endorsements and Other Obligation	51,26,561	24,12,868
VI. Other items for which the Bank is Contingently Liable	93,51,580	47,59,734
Total	8,34,67,100	5,69,60,426



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	Year Ended <u>31-Mar-2022</u> (Amount in Rs.'000)	Year Ended <u>31-Mar-2021</u> (Amount in Rs.'000)
<u>SCHEDULE 13 : INTEREST EARNED</u>		
I. Interest / Discount on Advances / Bills	28,49,891	16,78,077
II. Income on Investments	8,60,222	4,41,333
III. Interest on Balances with RBI and Other Inter-Bank Funds	1,72,929	1,39,702
IV. Others*	89,907	72,797
Total	39,72,949	23,31,909
*Includes Swap Gain on Funding Swaps		
<u>SCHEDULE 14 : OTHER INCOME</u>		
I. Commission, Exchange and Brokerage	6,29,176	3,36,044
II. Profit/(loss) on sale of Investments	1,23,669	1,02,323
III. Profit/(loss) on Revaluation of Investments	(56,406)	(88,326)
IV. Profit/(loss) on sale of Land Building & Other Assets	4	(846)
V. Profit on Exchange Transactions	4,54,710	2,26,202
VI. Income earned by way of Dividends etc. from Companies and / or Joint Ventures in India & Aboard	-	-
VII. Profit/(loss) on Derivative Trade	-	-
VIII. Miscellaneous Income	7,654	1,60,602
Total	11,58,807	7,35,999
<u>SCHEDULE 15 : INTEREST EXPENDED</u>		
I. Interest on Deposits	23,76,147	12,54,519
II. Interest on Reserve Bank of India /Inter Bank Borrowings	30,673	14,344
III. Others*	3,15,312	2,81,333
Total	27,22,132	15,50,196
*includes Swap Cost on Funding Swaps		
<u>SCHEDULE 16 : OPERATING EXPENSES</u>		
I. Payments to and Provision for Employees	7,30,826	5,54,418
II. Exchange Commission and Brokerage	55,484	42,337
III. Rent, Taxes and Lighting	1,01,288	84,805
IV. Printing and Stationery	8,085	4,137
V. Advertisement and Publicity	24,232	20,488
VI. Depreciation on Bank's Property	1,13,765	1,47,847
VII. Directors' fees, allowances and expenses	11,484	9,643
VIII. Auditors' Fee	4,905	1,635
IX. Law charges (includes Professional Fees)	1,78,125	78,092
X. Postages, Telegrams, Telephones, etc.	15,025	7,949
XI. Repairs and Maintenance	5,423	5,042
XII. Insurance	69,433	40,471
XIII. Other Expenditure	5,50,192	2,70,972
Total	18,68,267	12,67,836



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

SCHEDULE 17.A – SIGNIFICANT ACCOUNTING POLICIES

a) Background

The financial statements for the year comprise the accounts of the SBM Bank (India) Limited, ('the Bank') which is incorporated in India and is a wholly owned subsidiary of SBM (Bank) Holdings Limited, Mauritius ('the Parent'). The Bank is engaged in providing banking and financial services as a banking company governed by the Banking Regulation Act, 1949. The branches of the Bank as at March 31, 2022 are located at Mumbai, Chennai, Hyderabad, Ramachandrapuram, New Delhi, Bengaluru, Palghar and Ahmedabad.

b) Basis of preparation

The financial statements have been prepared in accordance with requirements prescribed under the Third Schedule (Form A and Form B) of the Banking Regulation Act, 1949. The accounting and reporting policies of the Bank used in the preparation of these financial statements conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by the Reserve Bank of India ("RBI") from time to time, the Accounting Standards notified under section 133 of the Companies Act 2013, read with the Companies (Accounts) Rules 2014 and other relevant provisions of the Companies Act, 2013 ("the Act") and the Companies (Accounting Standards) Amendment Rules, 2016, in so far as they apply to banks and practices generally prevalent in the banking industry in India. The financial statements are prepared under the historical cost convention, with fundamental accounting assumptions of going concern, consistency and accrual unless otherwise stated.

c) Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current or future periods.

d) Revenue recognition

Income and expenses are recognized on accrual basis except as otherwise stated. Interest income is recognized in the Profit and Loss account on accrual basis except in case of interest on non-performing assets which is recognized on receipt basis. Interest income on discounted instruments is recognized over the tenor of the instrument on a straight-line basis. Processing Fees, Commission on Letters of Credit and Locker Fees income are recognized upfront on becoming due. Commission on bank guarantees issued is amortized over the period of guarantees. Dividend income is recognized when the right to receive the dividend is established. The Bank derecognizes its financial assets when it sells to Securitization Company (SC)/ Reconstruction Company (RC), and accounts for as under:

- If the sale is at a price below the Net Book Value (NBV) (i.e. book value less provisions held), the shortfall is debited to the Profit and Loss Account in the year of sale.
- If the sale is for a value higher than the NBV, the excess provision is written back in the year the amounts are received.

Profit on sale of investments in the 'Held to Maturity' category is recognized in the profit and loss account and profit is thereafter appropriated (net of applicable taxes and statutory reserve requirements) to Capital Reserve. Profit/loss on sale of investments in 'Available for Sale' and 'Held for Trading' categories is recognized in the profit and loss account.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

e) Foreign Exchange Transactions

Income and expenditure items are recorded at the exchange rates prevailing on the date of the transaction. Assets and liabilities denominated in foreign currencies as at the Balance Sheet date are revalued at the year-end rates as notified by Foreign Exchange Dealers Association of India (FEDAI). Net exchange differences arising on the settlement of transactions and on account of assets and liabilities are charged or credited to the Profit and Loss account as prescribed by RBI.

Outstanding forward exchange contracts are revalued at rates of exchange notified by FEDAI and the resulting profits or losses are included in the Profit and Loss account. Guarantees and Acceptances, endorsements and other obligations are stated at the year-end closing rate as notified by FEDAI.

f) Derivatives

Derivatives are financial instruments comprising of forward exchange contracts, interest rate swaps and cross currency swaps which are undertaken for either trading or hedging purposes.

Trading derivatives are marked to market as per the generally accepted practices prevalent in the industry and the resultant unrealized gain or loss is recognized in the Profit and Loss Account, with the corresponding net unrealized amount reflected in Other Assets or Other Liabilities in the Balance Sheet.

Forward Exchange contracts and other derivative contracts which have overdue receivables remaining unpaid for over 90 days or more are classified as non-performing assets and are provided as prescribed by RBI.

The Bank also maintains a general provision on derivative exposures computed as per marked to market value of the contracts in accordance with the RBI guidelines.

The Bank has undertaken funding swaps to hedge certain loans and deposits. Premium/discount on such funding swaps is recognized as interest income/expense and is amortized on a pro-rata basis over the underlying swap period.

g) Investments

Classification

Investments are classified under "Held to Maturity" (HTM), "Available for Sale" (AFS) and "Held for Trading" (HFT) categories in accordance with RBI norms. For the purpose of disclosure of balance sheet, they are classified under 6 groups viz. i) Government Securities, ii) Other Approved Securities, iii) Shares, iv) Debentures and Bonds v) Subsidiaries and / or joint ventures and vi) Other Investments.

Purchase and sale transactions in securities are recorded under settlement date of accounting, except in the case of equity shares where trade date accounting is followed.

Valuation

Investments held under HTM category are carried at acquisition cost. If the acquisition cost is more than the face value, the premium is amortized over the remaining tenor of the investments.

Investments classified under AFS and HFT portfolio are marked to market on daily basis. Investments under AFS and HFT classification are valued as per rates declared by Financial Benchmarks India Pvt. Limited (FBIL) and in accordance with the RBI guidelines. Consequently, net depreciation, if any, under these classifications mentioned in Schedule 8 is provided for in the Profit and Loss account. The net appreciation, if any, under any classification is ignored, except to the extent of depreciation previously provided. The book value of the individual securities is not changed consequent to periodic valuation of investments.

Treasury Bills, Commercial Paper and Certificate of Deposit are valued at carrying cost.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

The valuation of other unquoted fixed income securities (viz. State government securities, Other approved securities, bonds and debentures) wherever linked to the YTM rates, is computed with a mark-up (reflecting associated credit and liquidity risk) over the YTM rates for government securities published by FBIL.

Security Receipts are valued as per the net asset value provided by the issuing Asset Reconstruction Company from time to time.

Investments in pass through certificates (PTC's) are valued by adopting base yield curve and FIMMDA spread matrix relative to weighted average maturity of the security. Priority sector PTC's are valued at carrying cost.

The Bank undertakes short sale transactions in dated central government securities in accordance with RBI guidelines. The short positions are categorized under HFT category and are marked to market. The mark-to-market loss is charged to profit and loss account and gain, if any, is ignored.

Broken period interest is accounted as per the RBI guidelines.

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

Unquoted equity shares are valued at the break-up value if the latest Balance Sheet is available or at `1 as per the RBI guidelines.

In case of sale of NPA (financial asset) to Securitization Company (SC)/ Asset Reconstruction Company (ARC) against issue of Security Receipts (SR), investment in SR is recognized 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.

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 realization 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.

Non-Performing Investments are identified, and provision is made as per RBI guidelines.

Investment Fluctuation Reserve

In accordance with the RBI Circular DBR.No.BP.BC.102/21.04.048/2017-18, an Investment Fluctuation Reserve was created to protect against systemic impact of sharp increase in the yields on Government Securities. As required by the aforesaid circular the transfer to this reserve shall be lower of the following – i) net profit on sale of investments during the year; ii) net profit for the year less mandatory appropriations, until the amount of the reserve is at least 2 percent of the HFT and AFS portfolio, on a continuing basis.

Transfer of Securities between Classifications

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

Repurchase transactions

Repurchase and reverse repurchase transactions (if any) are accounted in accordance with the prescribed RBI guidelines. The difference between the clean price of the first leg and the second leg is recognized as interest income/expense over the period of the transaction in the Profit and Loss account.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
Others

Brokerage, fees and commission on acquisition of securities including money market instruments, are recognized as expenses in Profit and Loss account.

h) Advances

The Bank follows prudential norms formulated by RBI for classifying the assets as Standard, Sub-Standard, Doubtful and Loss assets and are stated at net of the required provision made on non-performing advances. Provision for advances classified as Standard, Sub-Standard, Doubtful & Loss assets are made based on management's assessment, subject to minimum provisions as per RBI guidelines. In addition to the provisions required to be held according to the assets classifications status, provisions are held for country exposures as per RBI guidelines. Further the Bank also maintains a provision on unhedged foreign currency exposures as per the RBI guidelines.

i) Fixed Assets

Office Premises is stated at revalued amount less accumulated depreciation / amortization and all other Fixed Assets are stated at cost less accumulated depreciation / amortization. Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use as at the reporting date

Depreciation on the Fixed Assets is charged on straight-line method over the useful life of the fixed assets prescribed in Schedule II of the Companies Act, 2013. The useful life of the group of fixed assets are given below.

Type of Assets	Useful life as per Companies Act, 2013	Useful life as per Bank's Accounting Policy
Office Premises	60 years	60 years
Office equipment (including Air conditioner)	5 years	5 years
EDP Equipment's, Computers*	6 years	3 years
Software*	6 years	3 years
Furniture & Fixtures	10 years	10 years
Motor Car	8 years	8 years

* As per RBI guidelines

Revaluation of Fixed Assets

Premises are revalued every five years by an independent valuer to reflect current market valuation. Appreciation, if any, on revaluation is credited to Revaluation Reserve. Depreciation on the revalued portion of asset is adjusted from revaluation reserves. The last such revaluation was done in FY 2018-19.

Impairment of Assets

An asset is considered as impaired when at the balance sheet date, there are indications that the assets may be impaired and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e., the higher of the asset's net selling price and value-in-use). The Bank assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If such recoverable amount of the asset is less than the carrying amount, the carrying amount is reduced to the recoverable amount and the impairment loss is recognized as an expense in the Profit and Loss Account.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

j) Retirement and employee benefits

i) Leave salary - The employees of the Bank are entitled to carry forward leave balance to the subsequent year. This carried forward balance is en-cashable at the time of either retirement or resignation.

ii) Gratuity - The Bank provides for gratuity, a defined benefit retirement plan, covering eligible employees. The plan provides for lump sum payments to vested employees at retirement or upon death while in employment or on termination of employment for an amount equivalent to 15 days' eligible salary payable for each completed year of service if the service is more than 5 years. The Bank accounts for the liability for future gratuity benefits using the projected unit cost method based on annual actuarial valuation. Gratuity fund is being managed by "LIC Group Gratuity Scheme" and any actuarial gain / loss contribution determined by the actuary are charged to Profit and Loss account and are not deferred.

iii) Provident fund - In accordance with law, all employees of the Bank are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the Bank contribute monthly at a pre-determined rate. Contribution to provident fund is recognized as expense as and when the services are rendered. The Bank has no liability for future provident fund benefits other than its annual contribution.

iv) New Pension Scheme (NPS) - In respect of employees who opt for contribution to the NPS, the Bank contributes certain percentage of the basic salary of employees to the aforesaid scheme, a defined contribution plan, which is managed and administered by pension fund management companies. The Bank has no liability other than its contribution and recognizes such contributions as an expense in the year incurred.

k) Net Profit / Loss

Profit/Loss for the year is arrived at after providing for non-performing advances, adjustments on valuation of investments, taxes on income, depreciation on fixed assets and other necessary and mandatory provisions.

l) Taxation

Taxes on income are accounted for in accordance with Accounting Standard (AS 22) on "Accounting for Taxes on Income" and comprise current and deferred tax. Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and laws in respect of taxable income for the year, in accordance with the Income tax Act, 1961.

Deferred tax is recognized in respect of timing differences between taxable income and accounting income i.e., differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets arising on account of carry forward losses and unabsorbed depreciation under tax laws are recognized only if there is virtual certainty of its realization, supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets on account of other timing differences are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Bank will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Bank.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

m) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating leases. Lease transactions are accounted in accordance with AS 19 – Leases. For operating leases, lease payments are recognized as an expense in the statement of Profit and Loss account on a straight-line basis over the lease term.

n) Accounting for Provisions, Contingent Liabilities and Contingent Assets

The Bank has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long-term contracts. In accordance with Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Bank recognizes a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are measured based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

In cases where the available information indicates that the loss on the contingency is reasonably possible, but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Bank does not expect the outcome of these contingencies to have a materially adverse effect on its financial results. Contingent assets are neither recognized nor disclosed in the financial statements.

o) Floating and countercyclical provision

Countercyclical provisioning buffers and floating provisions is the specific amount that Bank has set aside in good times. The floating provisions can be used only for contingencies under extraordinary circumstances for making specific provisions in impaired accounts after obtaining board's approval and with prior permission of RBI. The Bank has utilized up to 33 percent and 50 percent of countercyclical provisioning buffer / floating provisions held as on March 31, 2013 and December 31, 2014 respectively, in accordance with RBI Notification dated March 30, 2015. These provisions are considered as part of NPA provisions for the purpose of compliance with the minimum RBI provisioning requirement. Further during current financial year, Bank has utilized remaining 50 percent of countercyclical provisioning buffer / floating provisions, in accordance with RBI Notification dated May 5, 2021 for making specific provisions for non-performing assets with prior approval of the Board.

p) Cash Flow Statement

Cash Flow Statement is prepared using the indirect method set out in Accounting Standard 3 on "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities of the Bank. Cash and Cash Equivalents, consist of Cash and Balances with Reserve Bank of India and Balances with Banks and Money at Call and Short Notice (including effect of changes in exchange rates on cash and cash equivalents in foreign currency).

q) Earnings per share

Earnings per share is calculated by dividing the Net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding as at the end of the period.

r) Segment Information

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



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
SCHEDULE 17.B: - NOTES TO THE FINANCIAL STATEMENTS
1. Regulatory Capital
a) Composition of Regulatory Capital

The Banks are required to disclose Capital adequacy ratio computed under Basel III capital guidelines of the RBI.

(Rs. in Crore)

Sr. No.	CRAR ratio as per Basel III	March 31, 2022	March 31, 2021
i)	Common Equity Tier 1 capital (CET 1) / Paid up share Capital and reserves (net of deductions, if any)	671.72	564.59
ii)	Additional Tier 1 Capital/ Other Tier 1 Capital	-	-
iii)	Tier 1 Capital (i + ii)	671.72	564.59
iv)	Tier 2 Capital	50.89	36.55
v)	Total Capital (Tier 1+Tier 2)	722.61	601.14
vi)	Total Risk Weighted Assets (RWAs)	4,181.89	2,901.32
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs) / Paid-up share Capital and reserves as percentage of RWAs	16.06%	19.46%
viii)	Tier 1 Ratio (Tier 1 Capital as a percentage of RWAs)	16.06%	19.46%
ix)	Tier 2 Ratio (Tier 2 Capital as a percentage of RWAs)	1.22%	1.26%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	17.28%	20.72%
xi)	Leverage Ratio	6.65%	9.85%
xii)	Percentage of the shareholding of the Government of India in public sector banks	-	-
	a) Government of India	-	-
	b) State Government	-	-
	c) Sponsor Bank	-	-
xiii)	Amount of paid-up equity Capital raised during the year	100*	-
xiv)	Amount of non-equity Tier 1 Capital raised during the year, of which:		
	a) Basel III compliant Perpetual Non-Cumulative Preference Shares	-	-
	b) Basel III compliant Perpetual Debt Instruments	-	-
xv)	Amount of Tier 2 capital raised during the year, of which		
	a) Perpetual Cumulative Preference Shares	-	-
	b) Redeemable Non-Cumulative Preference Shares	-	-

* Including Share premium of Rs 33.33 Crore

b) Draw down from Reserves

During FY 2021-22, there has been no drawdown from Reserves (Previous Year: NIL). Also Refer Schedule 2 – Reserves and Surplus.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
2. Asset Liability Management
a) Maturity pattern of certain items of Assets and Liabilities

The following table presents the maturity pattern of Assets and Liability pattern as on March 31, 2022

(Rs. in Crore)

Particulars	Day1	2 to 7 days	8 to 14 Days	15 to 30 Days	31 days and upto 2 months	Over 2 months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	364.31	389.58	211.10	237.08	261.37	199.96	903.28	1,908.41	2,199.20	118.09	7.07	6,799.45
Advances	17.18	69.76	34.98	30.22	617.24	143.79	144.16	146.80	1,760.68	736.20	652.56	4,353.57
Investments	1,003.98	0.40	-	1.13	1.15	1.18	407.58	332.17	230.67	129.17	120.44	2,227.87
Borrowings	-	-	-	-	-	-	15.00	43.00	126.00	135.00	-	319.00
Foreign Currency Assets	47.66	-	-	3.17	7.15	48.97	8.72	-	5.50	-	37.49	158.66
Foreign Currency Liabilities	78.56	0.29	16.87	87.28	17.90	7.23	20.51	71.15	97.40	113.89	0.09	511.17

The following table presents the maturity pattern of Assets and Liability pattern as on March 31, 2021

(Rs. in Crore)

Particulars	Day1	2 to 7 days	8 to 14 Days	15 to 30 Days	31 days and upto 2 months	Over 2 months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	188.52	187.72	182.58	162.91	317.55	259.21	399.84	888.63	1,221.12	46.90	0.20	3,855.18
Advances	13.26	89.65	33.50	116.24	226.62	72.89	157.47	131.53	1,013.73	677.71	384.73	2,917.33
Investments	610.77	0.50	-	-	5.01	5.01	98.38	199.06	239.94	6.37	61.48	1,226.52
Borrowings	-	149.98	-	-	-	-	-	-	19.00	-	-	168.98
Foreign Currency Assets	17.74	-	-	10.64	20.01	41.42	29.21	-	4.63	-	18.15	141.80
Foreign Currency Liabilities	71.03	0.23	2.44	1.42	39.44	7.77	44.28	318.63	91.15	43.91	0.15	620.45

b) Liquidity Coverage Ratio (LCR)

The Basel Committee for Banking Supervision (BCBS) had introduced the Liquidity Coverage Ratio (LCR) in order to ensure that a bank has an adequate stock of unencumbered High Quality Liquid Assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. The applicable minimum LCR required to be maintained by banks is 100% as on March 31, 2022.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
Quantitative Disclosure
FY 2021-22
(Rs. in Crore)

	June 30, 2021		September 30, 2021		December 31, 2021		March 31, 2022	
	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)		1,413.07		1,599.92		1,976.11		2,299.49
Cash Outflows								
2 Retail deposits and deposits from small business customers, of which:	632.08	63.21	758.70	75.87	960.21	96.02	1,290.07	129.01
(i) Stable deposits	-	-	-	-	-	-	-	-
(ii) Less stable deposits	632.08	63.21	758.70	75.87	960.21	96.02	1,290.07	129.01
3 Unsecured wholesale funding, of which:	1,767.63	1,049.47	2,330.77	1,369.16	2,468.15	1,348.63	2,664.90	1,426.54
(i) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii) Non-operational deposits (all counterparties)	1,767.63	1,049.47	2,330.77	1,369.16	2,468.15	1,348.63	2,664.90	1,426.54
(iii) Unsecured debt	-	-	-	-	-	-	-	-
4 Secured wholesale funding		-		-		-		-
5 Additional requirements, of which	449.79	75.66	370.74	64.29	426.85	89.05	538.98	101.66
(i) Outflows related to derivative exposures and other	8.10	8.10	2.66	2.66	4.60	4.60	5.03	5.03
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	441.69	67.56	368.08	61.63	422.25	84.45	533.95	96.63
6 Other contractual funding obligations	94.17	94.17	108.25	108.25	173.51	173.81	179.43	179.43
7 Other contingent funding obligations	712.70	21.37	752.92	22.58	893.69	26.85	1,149.77	34.96
8 TOTAL CASH OUTFLOWS		1,303.88		1,640.15		1,734.36		1,871.60
Cash Inflows								
9 Secured lending (e.g. reverse repos)	317.92	-	572.97	-	282.08	-	607.20	-
10 Inflows from fully performing exposures	179.94	132.71	215.39	165.34	202.72	149.55	198.64	145.02
11 Other cash inflows	80.69	42.71	88.93	45.89	119.80	62.16	135.77	71.33
12 TOTAL CASH INFLOWS	578.55	175.42	877.29	211.23	604.60	211.71	941.61	216.35
13 TOTAL HQLA		1,413.07		1,599.92		1,976.11		2,299.49
14 TOTAL NET CASH OUTFLOWS		1,128.46		1,428.92		1,522.65		1,655.25
15 LIQUIDITY COVERAGE RATIO (%)		125.22%		111.97%		129.78%		133.92%



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
FY 2020-21
(Rs. in Crore)

		June 30, 2020		September 30, 2020		December 31, 2020		March 31, 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)		940.63		1,051.04		977.98		1,219.83
Cash Outflows									
2	Retail deposits and deposits from small business customers, of which:	317.25	31.73	380.38	38.04	513.83	51.38	616.33	61.63
(i)	Stable deposits	-	-	-	-	-	-	-	-
(ii)	Less stable deposits	317.25	31.73	380.38	38.04	513.83	51.38	616.33	61.63
3	Unsecured wholesale funding, of which:	501.29	360.98	703.86	468.14	812.79	523.17	1,088.94	741.02
(i)	Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii)	Non-operational deposits (all counterparties)	501.29	360.98	703.86	468.14	812.79	523.17	1,088.94	741.02
(iii)	Unsecured debt	-	-	-	-	-	-	-	-
4	Secured wholesale funding		-		-		-		-
5	Additional requirements, of which	145.56	25.86	218.08	46.73	213.99	47.57	302.93	59.79
(i)	Outflows related to derivative exposures and other	2.20	2.20	1.55	1.55	2.46	2.46	4.93	4.93
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	143.36	23.66	216.53	45.18	211.53	45.11	298.00	54.86
6	Other contractual funding obligations	45.54	45.54	65.13	65.13	78.59	78.59	92.28	92.28
7	Other contingent funding obligations	322.42	9.67	439.02	13.17	562.40	16.87	698.27	20.95
8	TOTAL CASH OUTFLOWS		473.78		631.21		717.58		975.67
Cash Inflows									
9	Secured lending (e.g. reverse repos)	347.43	-	467.20	-	311.37	-	418.92	-
10	Inflows from fully performing exposures	119.68	119.68	161.78	141.95	171.44	133.95	226.39	176.71
11	Other cash inflows	21.21	11.72	14.88	8.98	37.77	20.71	50.68	26.83
12	TOTAL CASH INFLOWS	488.32	131.40	643.86	150.93	520.58	154.66	695.99	203.54
13	TOTAL HQLA		940.63		1,051.04		977.98		1,219.83
14	TOTAL NET CASH OUTFLOWS		342.38		480.28		562.92		772.13
15	LIQUIDITY COVERAGE RATIO (%)		274.74%		218.84%		173.73%		157.98%



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
Qualitative disclosure

The Reserve Bank of India has prescribed monitoring of sufficiency of Bank's liquid assets using Basel III – Liquidity Coverage Ratio (LCR). The LCR is aimed at measuring and promoting short-term resilience of Banks to potential liquidity disruptions by ensuring maintenance of sufficient high-quality liquid assets (HQLAs) to survive in acute stress scenario lasting for 30 days.

The ratio comprises of high-quality liquid assets (HQLAs) as numerator and net cash outflows in 30 days as denominator. HQLA has been divided into two parts i.e. Level 1 HQLA which comprises of primarily cash, excess CRR, excess SLR and a portion of mandatory SLR as permitted by RBI (under MSF and FALLCR) and Level 2 HQLA which normally contains the liquid Corporate Securities. Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by the outflow run-off rates and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by the rates at which they are expected to flow in within next 30 days.

For classification of deposits, the Bank segregates its deposits into various customer segments, viz Retail (which includes deposits from individuals), Corporate (which includes deposits from corporates) and Others (which includes all other residuary deposits including from Financial Counterparties).

Line items significant to LCR		Explanatory Note
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/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 Forward transactions. The Bank has considered the mark-to-market amounts for computing the net cash

SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		flows from derivative transactions including the CCIL deals in the LCR computation.
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 138.92% as against 157.98% for the quarter ended March 31, 2021 and above the present prescribed minimum requirement of 100%. The average HQLA for the quarter ended March 31, 2022 was Rs. 2,299.49 crore as against was Rs. 1,219.83 crore for the quarter ended March 31, 2021.

c) Net Stable Funding ratio (NSFR)
Qualitative Disclosure

The Net Stable Funding Ratio (NSFR) measures the extent to which assets are funded with stable sources of funding so that the risk of future funding stress can be mitigated. The RBI prescribes a minimum NSFR of 100%. Available Stable Funding (ASF) is calculated by applying weightages to capital and liabilities to reflect the portion that is expected to be available over a one-year time horizon. Required Stable Funding (RSF) captures the liquidity characteristics of the assets and the expectation that these assets and off-balance sheet exposures will require funding over the next year. The maturity of assets is taken as being the latest possible date at which the asset may mature. The aim of NSFR requirements is to restrict maturity mismatches between assets and liabilities and limit the reliance on unstable short-term funding to finance potentially illiquid long-term assets. The NSFR reduces long-term refinancing risk and assesses resilience over longer-term time horizon (over 1 year) of the Bank by measuring the extent of stable sources of funds with the Bank to fund its long term assets. The NSFR shows a bank's ability to manage structural liquidity risk over a one-year horizon. It ensures that a bank's long term illiquid assets are funded with a minimum amount of stable long-term funding.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

The guidelines for NSFR were effective from October 1, 2021, accordingly NSFR for quarter ended December 31, 2021 and March 31, 2022 have been disclosed below.

Quantitative Disclosure

(Rs. In Crore)

		December 31, 2021					March 31, 2022				
		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No Maturity	<6 months	6 months to <1 Yr	>=1 year		No Maturity	<6 months	6 months to <1 Yr	>=1 year	
	ASF Item										
1	Capital: (2+3)	707.73	-	-	-	707.73	724.02	-	-	-	724.02
2	Regulatory capital	707.73	-	-	-	707.73	724.02	-	-	-	724.02
3	Other capital instruments	-	-	-	-	-	-	-	-	-	-
4	Retail deposits and deposits from small business customers: (5+6)	308.28	544.10	381.58	433.08	1,519.19	383.21	382.45	515.16	558.39	1,678.67
5	Stable deposits	-	-	-	-	-	-	-	-	-	-
6	Less stable deposits	308.28	544.10	381.58	433.08	1,519.19	383.21	382.45	515.16	558.39	1,678.67
7	Wholesale funding: (8+9)	1,278.48	1,416.30	967.88	506.46	1,766.56	1,470.25	1,438.71	1,456.24	915.93	2,431.76
8	Operational deposits	-	-	-	-	-	-	-	-	-	-
9	Other wholesale funding	1,278.48	1,416.30	967.88	506.46	1,766.56	1,470.25	1,438.71	1,456.24	915.93	2,431.76
10	Other liabilities: (11+12)	184.57	1.73	-	-	-	239.69	0.58	-	-	-
11	NSFR derivative liabilities	-	-	-	-	-	-	-	-	-	-
12	All other liabilities and equity not included in the above categories	184.57	1.73	-	-	-	239.69	0.58	-	-	-
13	Total ASF (1+4+7+10)	2,479.06	1,962.13	1,349.46	939.54	3,993.48	2,817.17	1,821.74	1,971.40	1,474.32	4,834.45
	RSF Item										



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		December 31, 2021					March 31, 2022				
		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No Maturity	<6 months	6 months to <1 Yr	>=1 year		No Maturity	<6 months	6 months to <1 Yr	>=1 year	
14	Total NSFR high-quality liquid assets (HQLA)	-	-	-	-	108.48	-	-	-	-	118.68
15	Deposits held at other financial institutions for operational purposes	-	-	-	-	-	-	-	-	-	-
16	Performing loans and securities: (17+18+19+21+23)	35.81	877.25	156.94	2,245.58	2,432.17	55.14	1,038.77	97.70	2,730.14	2,907.23
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	35.81	877.25	156.94	-	535.00	55.14	1038.77	97.70	-	595.80
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:	-	-	-	2,181.24	1,854.06	-	-	-	2,677.15	2,275.58
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	-	-	-	-	-	-	-
21	Performing residential mortgages, of which:	-	-	-	57.88	37.62	-	-	-	45.96	29.87



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		December 31, 2021					March 31, 2022				
		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No Maturity	<6 months	6 months to <1 Yr	>=1 year		No Maturity	<6 months	6 months to <1 Yr	>=1 year	
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	57.88	37.62	-	-	-	45.96	29.87
23	Securities that are not in default and do not qualify as HQLA, including exchange traded equities	-	-	-	6.46	5.49	-	-	-	7.03	5.98
24	Other assets: (sum of rows 25 to 29)	701.35	-	-	-	707.54	871.77	-	-	-	856.77
25	Physical traded commodities, including gold	-	-	-	-	19.27	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	87.21	-	-	-	74.13	100.05	-	-	-	85.05
27	NSFR derivative assets	2.10	-	-	-	2.10	8.13	-	-	-	8.13
28	NSFR derivative liabilities before deduction of variation margin posted	1.69	-	-	-	1.69	1.55	-	-	-	1.55
29	All other assets not included in the above categories	610.35	-	-	-	610.35	762.04	-	-	-	762.04
30	Off-balance sheet items	1,660.97	-	-	-	63.26	2,017.06	-	-	-	72.58
31	Total RSF	2,398.13	877.25	156.94	2,245.58	3,311.45	2,943.97	1,038.77	97.70	2,730.14	3,955.26
32	Net Stable Funding Ratio (%)					120.60%					122.23%



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

3. Investments

a. Composition of Investment Portfolio

As at March 31, 2022

Particulars	Investments in India							Investments outside India				(Rs. in Crore)
	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	1,178.45	-	-	31.04	-	-	1,209.49	-	-	-	-	1,209.49
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	1,178.45	-	-	31.04	-	-	1,209.49	-	-	-	-	1,209.49
Available for Sale												
Gross	922.54	-	1.50	82.17	-	33.29	1,039.50	-	-	-	-	1,039.50
Less: Provision for depreciation and NPI	-	-	0.70	2.17	-	18.25	21.12	-	-	-	-	21.12
Net	922.54	-	0.80	80.00	-	15.04	1,018.38	-	-	-	-	1,018.38
Held for Trading												
Gross	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	2,100.99	-	1.50	113.21	-	33.29	2,248.99	-	-	-	-	2,248.99
Less: Provision for non-performing investments	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	-	-	0.70	2.17	-	18.25	21.12	-	-	-	-	21.12
Net	2,100.99	-	0.80	111.04	-	15.04	2,227.87	-	-	-	-	2,227.87



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
As at March 31, 2021
(Rs. in Crore)

Particulars	Investments in India							Investments outside India				Total investments
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	
Held to Maturity												
Gross	636.27	-	-	31.10	-	-	667.37	-	-	-	-	667.37
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	636.27	-	-	31.10	-	-	667.37	-	-	-	-	667.37
Available for Sale												
Gross	548.42	-	1.71	2.17	-	22.34	574.64	-	-	-	-	574.64
Less: Provision for depreciation and NPI	-	-	0.70	2.17	-	12.62	15.49	-	-	-	-	15.49
Net	548.42	-	1.01	-	-	9.72	559.15	-	-	-	-	559.15
Held for Trading												
Gross	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	1,184.69	-	1.71	33.27	-	22.34	1,242.01	-	-	-	-	1,242.01
Less: Provision for non-performing investments	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	-	-	0.70	2.17	-	12.62	15.49	-	-	-	-	15.49
Net	1,184.69	-	1.01	31.10	-	9.72	1,226.52	-	-	-	-	1,226.52

SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
b. Movement of Provisions for Depreciation and Investment Fluctuation Reserve

		<i>(Rs. in Crore)</i>	
Particulars	March 31, 2022	March 31, 2021	
1. Movement of provision held towards depreciation on investments:			
(i) Opening balance	15.49	4.49	
(ii) Add: Provision made during the year	5.63	11.00	
(iii) Less: Write-off/ write-back of excess provision during the year (including depreciation utilized on sale of securities)	-	-	
(iv) Closing balance	21.12	15.49	
2. Movement of Investment Fluctuation Reserve			
(i) Opening balance	11.18	0.64	
(ii) Add: Amount transferred during the year	9.18	10.54	
(iii) Less: Drawdown			
(iv) Closing balance	20.36	11.18	
3. Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category*	2.00%	2.00%	

*Net investment is considered

c. Sale and Transfers to/ from HTM Category

The Bank has not sold or transferred securities to or from Held to Maturity (HTM) category exceeding 5% of the book value of investment held in HTM category at the beginning of the financial year. The above threshold of 5% excludes one time transfer of securities to/from HTM with approval of the Board 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 Government of India.

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

Movement in non-performing Non SLR Investment is set out below: -

		<i>(Rs in Crore)</i>	
Particulars	March 31, 2022	March 31, 2021	
Opening Balance	2.87	0.70	
Additions during the year since 1 st April	-	2.17	
Reductions during the above period	-	-	
Closing balance	2.87	2.87	
Total Provision held	2.87	2.87	



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
i) Issuer composition of non-SLR investments

The issuer composition of Non-SLR investments of the Bank is given below:

As on March 31, 2022

(Rs. 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	PSUs	86.00	-	-	-	-
2	FIs	-	-	-	-	-
3	Banks	0.43	-	-	-	-
4	Private Corporates	39.23	-	-	2.17	-
5	Subsidiaries/Joint Ventures	-	-	-	-	-
6	Others*	22.34	-	-	22.34	-
7	Provision held towards Depreciation	(21.12)	-	-	(20.42)	-
	Total	126.88	-	-	4.09	-

*This includes security receipt received on sale of assets to ARC

**Excludes investments in equity shares in line with extant RBI guidelines. The amount shows the Book Value of the Investment.

#Excludes investments in equity shares, security receipts, commercial paper and certificate of deposits in line with extant RBI guidelines.

As on March 31, 2021

(Rs. 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	PSUs	6.00	-	-	-	-
2	FIs	0.45	-	-	-	-
3	Banks	-	-	-	-	-
4	Private Corporates	28.53	-	-	2.17	-
5	Subsidiaries/ Joint Ventures	-	-	-	-	-
6	Others*	22.34	-	-	22.34	-
7	Provision held towards Depreciation	(15.49)	-	-	(14.79)	-
	Total	41.83	-	-	9.72	-

*This includes security receipt received on sale of assets to ARC

**Excludes investments in equity shares in line with extant RBI guidelines.

#Excludes investments in equity shares, security receipts, commercial paper and certificate of deposits in line with extant RBI guidelines.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
e. Repo transactions (in face value terms)

The details of securities sold and purchased under repos and reverse repos including LAF during the year are given below:

(Rs in Crore)

FY 2021-22	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Balance as at March 31, 2022
Securities Sold under Repurchase Transactions *				
(i) Government Securities	19.00 [#]	676.04	80.55	19.00
(ii) Corporate Debt Securities	-	-	-	-
(iii) Any other securities	-	-	-	-
Securities purchased under Reverse Repurchase Transactions *				
(i) Government Securities	94.00 [#]	1,237.00	488.81	690.00
(ii) Corporate Debt Securities	-	-	-	-
(iii) Any other securities	-	-	-	-

* Consist of RBI LAF disclosed at face value.

[#] NIL outstanding on any day is ignored for reckoning minimum outstanding.

(Rs. in Crore)

FY 2020-21	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Balance as at March 31, 2021
Securities Sold under Repurchase Transactions *				
(i) Government Securities	15.00 [#]	493.96	32.91	168.98
(ii) Corporate Debt Securities	-	-	-	-
(iii) Any other securities	-	-	-	-
Securities purchased under Reverse Repurchase Transactions *				
(i) Government Securities	71.00 [#]	2,871.00	390.91	296.00
(ii) Corporate Debt Securities	-	-	-	-
(iii) Any other securities	-	-	-	-

* Consist of RBI LAF disclosed at face value.

[#] NIL outstanding on any day is ignored for reckoning minimum outstanding



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
4. Asset quality
a. Classification of advances and provisions held
(Rs. in Crore)

	Standard	Non-Performing				Total
FY 2021-22	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening balance	2,891.09	1.00	79.05	8.38	88.43	2,979.52
Add: Additions during the year					29.29	
Less: Reductions during the year					24.48	
Closing balance	4,336.43	29.32	62.97	0.95	93.24	4,429.67
Reductions in Gross NPAs due to:						
i) Upgradation					-	
ii) Recoveries (excluding recoveries from upgraded accounts)					5.72	
iii) Technical/ Prudential Write-offs					18.76	
iv) Write-offs other than those under (iii) above					-	
Provisions (excluding Floating/Countercyclical Provisions)						
Opening balance of provisions held	15.16	0.83	50.47	8.38	59.68	74.84
Add: Fresh provisions made during the year					40.90	
Less: Excess provision reversed/ Write-off loans					24.48	
Closing balance of provisions held	21.79	12.34	62.81	0.95	76.10	97.89
Net NPAs						
Opening Balance		0.17	28.58	-	28.75	
Add: Fresh additions during the year					16.98	
Less: Reductions during the year					28.59	
Closing Balance		16.98	0.16	0.00	17.14	



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Crore)

	Standard	Non-Performing				Total
FY 2020-21	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening balance	1,229.47	21.59	84.49	9.50	115.58	1,345.05
Add: Additions during the year					0.74	
Less: Reductions during the year					27.89	
Closing balance	2,891.09	1.00	79.05	8.38	88.43	2,979.52
Reductions in Gross NPAs due to:						
i) Upgradation					-	
ii) Recoveries (excluding recoveries from upgraded accounts)					16.19	
iii) Technical/ Prudential Write-offs					11.70	
iv) Write-offs other than those under (iii) above					-	
Provisions (excluding Floating/Countercyclical Provisions)						
Opening balance of provisions held	5.56	10.95	55.84	9.50	76.29	81.85
Add: Fresh provisions made during the year					1.61	
Less: Excess provision reversed/ Write-off loans					18.22	
Closing balance of provisions held	15.16	0.83	50.47	8.38	59.68	74.84
Net NPAs						
Opening Balance		10.64	28.65	-	39.29	
Add: Fresh additions during the year					-	
Less: Reductions during the year					10.54	
Closing Balance		0.18	28.57	-	28.75	



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Crore)

	Standard	Non-Performing					Total
FY 2021-22	Total Standard Advances	Sub- standard	Doubtful	Loss	Total Non- Performing Advances		
Floating/Countercyclical Provisions							
Opening Balance							2.51
Add: Additional provisions made during the year							-
Less: Amount drawn down/utilized during the year*							2.51
Closing balance of floating provisions							-
Technical/prudential write-offs and the recoveries made thereon							
Opening balance of Technical/ Prudential written-off accounts							374.70
Add: Technical/ Prudential write-offs during the year							18.81
Less: Recoveries made from previously technical/ prudential written-off accounts during the year							3.82
Closing balance							389.69

*Bank has utilized countercyclical provisioning buffer / floating provisions, in accordance with RBI Notification dated May 5, 2021 for making specific provisions for non-performing assets with prior approval of the Board.

(Rs. in Crore)

	Standard	Non-Performing					Total
FY 2020-21	Total Standard Advances	Sub- standard	Doubtful	Loss	Total Non- Performing Advances		
Floating/Countercyclical Provisions							
Opening Balance							2.51
Add: Additional provisions made during the year							-
Less: Amount drawn down/utilized during the year							-
Closing balance of floating provisions							2.51
Technical/prudential write-offs and the recoveries made thereon							
Opening balance of Technical/ Prudential written-off accounts							363.74
Add: Technical/ Prudential write-offs during the year							11.70



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

	Standard	Non-Performing				Total
FY 2020-21	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Less: Recoveries made from previously technical/ prudential written-off accounts during the year						0.74
Closing balance						374.70

Ratios (%)	March 31, 2022	March 31, 2021
Gross NPA to Gross Advances	2.10%	2.97%
Net NPA to Net Advances	0.39%	0.90%
Provision coverage ratio	81.62%	70.33%

b. Sector wise Advances and Gross NPAs
(Rs. in Crore)

Sr. No.	Sector	FY 2021-22			FY 2020-21		
		Outstanding Total Gross Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Gross Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
A	Priority Sector						
1	Agriculture and Allied Activities	307.17	-	-	95.45	-	-
2	Advances to industries sector eligible as priority sector lending	205.57	4.44	2.16%	68.92	17.94	26.02%
3	Services	231.93	1.70	0.73%	72.51	-	-
4	Personal loans	73.75	-	-	126.42	-	-
	Sub-total (A)	818.42	6.14	0.75%	363.30	17.94	4.94%
B	Non-Priority Sector						
1	Agriculture and allied activities	4.57	-	-	-	-	-
2	Industry	1,558.57	80.22	5.15%	1,423.78	68.69	4.82%
	of which	428.62	79.31	18.50%	358.16	68.63	19.16%
	a. Infrastructure						
	b. Manufacturing-Basic Metal and Metal Products	263.64	-	-	163.20	-	-
	c. All engineering	148.56	-	-	163.09	-	-
3	Services	989.77	-	-	783.66	-	-
	of which	254.10	-	-	86.05	-	-
	a. Commercial Real Estate						
	b. NBFC	383.85	-	-	328.86	-	-



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Sr. No.	Sector	FY 2021-22			FY 2020-21		
		Outstanding Total Gross Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Gross Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
	c. Other Services	291.82	-	-	194.91	-	-
4	Personal loans	1,058.34	6.88	0.65%	408.79	1.80	0.44%
	of which						
	a. Other Retail Loans	944.81	3.93	0.42%	352.79	0.21	0.06%
	b. Housing loans	86.04	2.36	2.74%	52.50	1.59	3.03%
	Sub-total (B)	3,611.25	87.10	2.41%	2,616.23	70.49	2.69%
	Total (A+B)	4,429.67	93.24	2.10%	2,979.53	88.43	2.97%

c. Overseas Assets, NPAs and Revenue
(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
Total Assets	-	-
Total NPAs	-	-
Total Revenue for the year ended	-	-

d. Particulars of resolution plan and restructuring

There was no restructuring during FY 2021-22 (Previous Year: NIL). Details of loans restructured under COVID have been provided under Note 4(h).

e. Divergence in asset classification and provisioning

RBI, vide its circular dated August 30, 2021, had directed that banks shall make suitable disclosures, wherever either (a) the additional provisioning requirements assessed by RBI exceed 10 percent of the reported profit before provisions and contingencies for the reference period or (b) the additional Gross NPAs identified by RBI exceed 15 percent of the published incremental Gross NPAs for the reference period, or both.

No divergence was observed by RBI in respect of the Bank's asset classification and provisioning under the extant prudential norms on income recognition asset classification and provisioning (IRACP) post their select scope assessment of the books of accounts for the Financial Year 2020-21 which requires such disclosures. However, during the Financial Year 2021-22, Additional Specific Provision of Rs 19.98 Crore was made for the half year ended September 30, 2021 in one of the borrowal account as a matter of prudence on account of the delay in implementation of Resolution Plan though there was no change in the asset classification of the (NPA) account. The additional provisioning on the said exposure was also recommended by RBI during their said assessment. Subsequently, the borrowal account was declared as fraud in fourth quarter of Financial Year 2021-22, and further an Additional Specific Provision of Rs 8.59 Crore was made in pursuance of the RBI guidelines and said the exposure is fully provided as on March 31, 2022.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
f. Disclosure of transfer of loan exposure

- (i) The Bank has not transferred any stressed loans (Non-performing asset and Special Mention Account) and loan not in default during the year ended March 31, 2022.
- (ii) The Bank has not acquired any stressed loans (NPA and SMA accounts) during the year ended March 31, 2022.
- (iii) Details of loans not in default acquired through assignment as given below:

Particulars	March 31, 2022	March 31, 2021
Aggregate amounts of loans acquired (Rs in crore)	299.60	52.96
Aggregate consideration paid (Rs in crore)	239.68	42.37
Weighted average residual maturity (in years)	1.93	2.10
Weighted average holding period by originator (in years)	0.90	1.01
Retention of beneficial economic interest by the originator	20%	20%
Tangible security coverage	Unsecured loans	Unsecured loans
Rating wise distribution of rated loans*	Unrated	Unrated

*The loans are unrated as these are from non-corporate borrowers.

- (iv) Details on recovery ratings assigned for Security Receipts as on March 31, 2022:

(Rs. in Crore)

Recovery Rating [^]	Anticipated recovery as per recovery rating	March 31, 2022	March 31, 2021
		Book Value**	Book Value**
BWRR1/ BWRR1+	100%-150%	2.42	2.42
BWRR3	50% - 75%	2.25	2.25
RR5/Unrated*	0%-25%	17.67	17.67
Total		22.34	22.34

[^] Recovery rating is as assigned by various external agencies.

*Represents security receipts for which 8 years have been completed.

**The Bank has not made any investment in Security Receipts during the year ended March 31, 2022 and March 31, 2021. Provision against the outstanding Security Receipts as on March 31, 2022 is Rs. 18.25 Crore and as on March 31, 2021 is Rs 12.62 Crore.

g. Fraud accounts

(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
Number of frauds reported	1	3 [#]
Amount involved in fraud*	57.30	55.92
Amount involved in fraud net of recoveries/charge-offs as at the end of the year	-	-
Provisions held as at the end of the year	57.30	-
Un-amortized provision debited from 'other reserves'	-	-

* This excludes interest in suspension

[#]Fraud accounts mentioned above are written off in the books as at March 31, 2021.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
h. COVID-19

India is emerging from the after effect of COVID-19 virus, a global pandemic that affected the world economy over the last two years. The extent to which any new wave of COVID-19 will impact the Bank's operations and asset quality will depend on the future developments, which are highly uncertain.

Details of resolution plans implemented under the RBI Resolution Framework for COVID-19 related stress as per RBI circular dated August 6, 2020 (Resolution Framework 1.0) and May 5, 2021 (Resolution Framework 2.0) as at are given below:

(Rs. in Crore)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of March 31, 2021 (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Addition during the period**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of September 30, 2021
Personal Loans	-	-	-	-	-	-
Corporate Persons*	2.50	-	-	-	1.33	3.83
Of which, MSMEs	2.50	-	-	-	1.33	3.83
Others	0.44	-	-	-	1.31	1.75
Total	2.94	-	-	-	2.64	5.58

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**Also includes new additions on account of customers opted for resolution 2.0.

(Rs. in Crore)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of the September 30, 2021 (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Addition during the period**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end March 31, 2022
Personal Loans	-	-	-	0.77	0.77	-
Corporate Persons*	3.83	-	-	0.06	0.17	3.94
Of which, MSMEs	3.83	-	-	0.06	0.17	3.94
Others	1.75	-	-	0.10	3.41	5.06
Total	5.58	-	-	0.93	4.35	9.00

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**Also includes new additions on account of customers opted for resolution 2.0.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Disclosure as per RBI circular DOR. No. BP.BC/3/21.04.048/2020-21 dated 6th August 2020 on 'Resolution Framework for COVID-19 related stress'

The detailed requirement as per Resolution Framework for COVID-19 related Stress during the year 2020-21:

(Rs. in Crore)

Type of Borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	F(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	-	-
Corporate Persons*	2	2.50	-	-	0.25
Of which, MSMEs	2	2.50	-	-	0.25
Others	1	0.44	-	-	0.04
Total	3	2.94	-	-	0.29

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

5. Exposures
a. Exposure to Real Estate Sector

(Rs. in Crore)

Category	March 31, 2022	March 31, 2021
a) Direct Exposure		
(i) Residential Mortgages	292.66	171.52
(ii) Commercial Real Estate	497.10	270.72
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures		-
(a) Residential		-
(b) Commercial Real Estate		-
b) Indirect Exposure		-
Fund based and non-fund-based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).*	56.00	62.25
Total Exposure to Real Estate Sector	845.76	504.49

*includes investment exposure



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
b. Exposure to Capital Market
(Rs. in Crore)

Particulars		March 31, 2022	March 31, 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;	1.50	1.71
ii.	Advances against shares/bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii.	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv.	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances;	-	-
v.	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	149.00	165.00
vi.	Loans sanctioned to corporates against the security of shares / bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	12.00
vii.	Bridge loans to companies against expected equity flows/issues;	-	-
viii.	Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
ix.	Financing to stockbrokers for margin trading;	-	-
x.	All exposures to Venture Capital Funds (both registered and unregistered) will be deemed to be on par with equity and hence will be reckoned for compliance with the capital market exposure ceilings (both direct and indirect)	-	-
Total Exposure to Capital Market		150.50	178.71



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
c. Risk category-wise country exposure

As per the extant RBI guidelines, the country exposure of the Bank is categorised into various risk categories listed in the following table.:

Risk Category	(Rs. in Crore)			
	Exposure (net) as at March 31, 2022	Provision held as at March 31, 2022	Exposure (net) as at March 31, 2021	Provision held as at March 31, 2021
Insignificant	37.27	-	16.55	-
Low	13.56	-	47.97	0.12
Moderate	-	-	-	-
High	-	-	-	-
Very High	-	-	-	-
Restricted	-	-	-	-
Off-credit	-	-	-	-
Total	50.83	-	64.52	0.12

d. Unsecured advances

Unsecured advances have been appropriately classified under 'Schedule 9 – Advances'. During FY 2021-22, the Bank has not given loans against intangible securities such as rights, licenses, authority etc., hence no disclosure is required for reporting advances against intangibles. (Previous Year: NIL)

e. Factoring exposures

There were no factoring exposures during the current financial year. (Previous Year: NIL)

f. Intra-group exposures

Intra-Group exposures in accordance with RBI guidelines are as follows:

Sr. No.	Particulars	(Rs. in Crore)	
		March 31, 2022	March 31, 2021
1	Total amount of intra-group exposures	20.46	47.75
2	Total amount of top-20 intra-group exposures	20.46	47.75
3	Percentage of intra-group exposures to total exposure of the Bank on borrowers/customers*	0.33%	1.26%
4	Details of breach of limits on intra-group exposures and regulatory action thereon, if any.	-	-

*includes bank exposure



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
g. Unhedged Foreign Currency Exposure

The Bank closely monitors the unhedged foreign currency exposures of its corporate clients and also factors this risk into the pricing. The information on the unhedged foreign currency exposures of the corporate is obtained on a quarterly basis and riskiness of the same with respect to the USD – INR exchange rate fluctuation is assessed.

The Bank addresses the currency induced credit risk in a comprehensive manner and the incremental provisioning and capital held by the Bank on account of the same as on March 31, 2022 is as follows:

Incremental Capital maintained by the Bank on account of unhedged foreign currency exposure is NIL since the exposure is fully backed by the Deposits.

Unhedged Foreign Currency Exposure provisions for current year:

(Rs. in Crore)

Incremental standard asset provision required as per RBI guideline	Outstanding as on March 31, 2022	Incremental standard advance provision as on March 31, 2022
0 bps	4,162.75	-
20 bps	126.10	0.25
40 bps	30.40	0.12
60 bps	15.13	0.09
80 bps	2.05	0.02

Unhedged Foreign Currency Exposure provisions for previous year:

(Rs. in Crore)

Incremental standard asset provision required as per RBI guideline	Outstanding as on March 31, 2021	Incremental standard advance provision as on March 31, 2021
0 bps	2,693.57	-
20 bps	155.89	0.31
40 bps	26.04	0.10
60 bps	12.59	0.08
80 bps	3.00	0.02

6. Concentration of deposits, advances, exposures and NPAs
a. Concentration of Deposits

(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
Total deposits of twenty largest depositors	2,301.43	1,463.12
Percentage of Deposits to twenty largest depositors to total deposits of the Bank	33.85%	37.95%



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
b. Concentration of Advances*
(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
Total advances to twenty largest borrowers	1,216.94	1,037.43
Percentage of Advances to twenty largest borrowers to total advances of the Bank	20.52%	28.18%

c. Concentration of Exposures*
(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
Total Exposures to twenty largest borrowers / customers	1,216.94	1,037.43
Percentage of Exposures to twenty largest borrowers / Customers to Total Exposures of the Bank on borrowers / Customers	20.02%	27.75%

*Excluding banking exposures

d. Concentration of NPA
(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
Total Exposure to the top twenty NPA accounts	91.02	87.78
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	97.62%	99.27%

7. Derivatives
a. Forward Rate Agreement / Interest Rate Swap
(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
The notional principal of swap agreements	-	-
Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
Collateral required by the Bank upon entering into swaps	-	-
Concentration of credit risk arising from the swaps (with Banks)	-	-
The fair value of the swap book [(Payable)/Receivable]	-	-

b. Exchange Traded Interest Rate Derivatives
(Rs. in Crore)

Sr. No.	Particulars	March 31, 2022	March 31, 2021
i.	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument-wise)	-	-
ii.	Notional principal amount of exchange traded interest rate derivatives outstanding (instrument-wise)	-	-
iii.	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	-	-
iv.	Mark-to-market value of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	-	-



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

C. Disclosures on risk exposure in derivatives

1. Qualitative Disclosures

The structure and organization for management of risk in derivatives trading:

Treasury operation is segregated into three different department's viz. front office, mid office and back office. The primary role of front office is to conduct business, that of mid office is to ensure compliance in accordance with set norms and policies and that of back office is to process/settle the transactions.

The Bank has in place policies and procedures, which have been approved by Board of Directors, to ensure adherence to various risk parameters and prudential limits.

The scope and nature of risk measurement, risk reporting and risk monitoring systems:

i. Risk Measurement

For foreign exchange contracts, risk is measured through a daily report called, Value at Risk (VAR), which computes VAR on the forex, gaps using FEDAI VAR factors. In addition, the Bank has set its Risk Appetite in the form of Stop Loss and Counterparty Exposure Limit.

ii. Risk Reporting and Risk monitoring systems:

The Bank has the following reports/systems in place, which are reviewed by the top management:

- VAR
- Net Open Position
- Aggregate Gap Limit (AGL)/Individual Gap Limit (IGL)
- Stop loss limits

iii. The Bank has the following policy paper in place, and approved by Board;

- Market Risk Policy
- Investment Policy
- Asset-Liability Management (ALM) policy

Accounting Policy:

All outstanding derivatives transactions (presently only forex forwards excluding spot for banking and Trading deals are considered as derivatives in the book of the Bank) are booked as off-balance sheet items. The trading positions are revalued on a marked to market basis whereas the funding/investment swaps follow the accrual basis of accounting.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
2. Quantitative Disclosures
(Rs. in Crore)

Sr. No.	Particulars	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
		March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
1.	Derivatives notional Principal Amount	4,225.94	-	2,810.75	-
	(a) For hedging	444.05	-	1,153.28	-
	(b) For trading	3,781.89	-	1,657.47	-
2.	Marked to Market position			-	
	(a) Asset (+)	38.28	-	22.18	-
	(b) Liability (-)	30.01	-	33.16	-
3.	Credit Exposure	160.75	-	90.87	-
4.	Likely impact of one percentage change in Interest Rate (100*PV01)				
	(a) On hedging derivatives	1.79	-	2.71	-
	(b) On trading derivatives	0.12	-	0.18	-
5.	Maximum and Minimum of 100*PV01 observed during the year				
	(a) On hedging	-	-	-	-
	Maximum	3.83	-	4.35	-
	Minimum	1.27	-	1.74	-
	(b) On trading	-	-	-	-
	Maximum	0.42	-	0.30	-
	Minimum	-	-	-	-

8. Disclosures relating to securitisation

The Bank has not sponsored any SPVs for securitization transactions during the year and there is no securitization transaction outstanding as at March 31, 2022 (Previous Year: NIL)

9. Off balance sheet SPVs sponsored

There have been no Off-balance sheet SPVs sponsored during the financial year. (Previous Year: NIL)

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

The details of amount transferred during the respective year to DEAF are as under

(Rs in Crore)

Particulars	March 31, 2022	March 31, 2021
Opening balance of amounts transferred to DEAF	0.66	0.54
Add : Amounts transferred to DEAF during the year	0.13	0.12
Less : Amounts reimbursed by DEAF towards claims	-	-
Closing balance of amounts transferred to DEAF	0.79	0.66



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
11. Disclosure of Complaints
a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman

Sr. No.	Particulars	FY 2021-22	FY 2020-21
Complaints received by the bank from its customers			
1	Number of complaints pending at the beginning of the year	2	2
2	Number of complaints received during the year	609	162
3	Number of complaints disposed during the year	611	162
	3.1 - Of which, number of complaints rejected by the bank	-	-
4	Number of complaints pending at the end of the year	-	2
Maintainable complaints received by the bank from OBOs			
5	Number of maintainable complaints received by the bank from OBOs	99	9
	5.1 - Of 5, number of complaints resolved in favor of the bank by BOs	97	9
	5.2 - Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Bos	2	-
	5.3 - Of 5, number of complaints resolved after passing of awards by BOs against the bank	-	-
6	Number of awards unimplemented within the stipulated time (other than those appealed)	-	-

FY 2021-2022

Grounds of complaints, i.e. (complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Account opening/difficulty in operation of accounts	2	245	402%	-	-
ATM/Debit Cards	-	10	-36%	-	-
Credit Cards	-	21	100%	-	-
Internet/Mobile/Electronic Banking	-	30	-49%	-	-
Levy of charges without prior notice/excessive charges/foreclosure charges	-	1	100%	-	-
Others	-	302	559%	2	-
Total	2	609	437%	2	-



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
FY 2020-2021

Grounds of complaints, i.e. (complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Internet Banking	-	61	226%	-	-
ATM/Debit Cards	-	28	175%	-	-
Account opening/difficulty in operation of accounts	-	19	135%	-	-
Others	2	54	218%	2	-
Total	2	162	219%	2	-

12. Disclosure of Penalties imposed by RBI

There are no penalties imposed on our bank by the Reserve Bank of India (RBI) during FY 2021-22. (Previous Year: NIL).

Additional provision as advised by RBI for Non-compliance of automation of IRAC

RBI vide its letter dated May 04, 2022 has advised the Bank to make additional provision of 0.5 % of the total operating income w.e.f. FY ending March 31, 2022 for non-compliance of material requirements for IRAC automation as pointed in the said communication. Accordingly, Bank has made provision of Rs. 1.20 Crore in the financial statements for March 31, 2022.

13. Disclosure on Remuneration

Qualitative disclosures	
(a) Information relating to the composition and mandate of the Remuneration Committee.	<p>The Nomination and Remuneration Committee (NRC) is constituted to oversee the framing, review and implementation of compensation policy of the Bank on behalf of the Board. The members of the committee are given below</p> <ol style="list-style-type: none"> 1. Mr. Shyam Sundar Barik 2. Mr. Ameet Patel 3. Mr. Umesh Jain 4. Mr. Raoul Gufflet



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Qualitative disclosures	
(b) Information relating to the design and structure of remuneration processes and the key features and objectives of Remuneration policy.	<p>The Bank follows the following practices and principles in designing and structuring the remuneration process:-</p> <p>A focus on long-term, risk-adjusted performance and reward mechanism by focusing on performance of the individual employee, the relevant line of business or function and the Bank as a whole. It seeks to drive accountability, and co-relate risk, financial performance and compensation.</p> <p>Key features and Objective of Remuneration policy are: The bank follows a Cash plus Benefits (Fixed Pay plus Benefits) approach in its Compensation framework by providing competitive level of compensation to attract and retain qualified and competent staff members. The compensation should be adjusted for all types of risk.</p>
(c) Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.	<p>SBM has in place a robust risk and performance management system to capture, monitor, and control the risks created by its business activities. The goal is to not only manage the risks of the bank, but also to create a culture of risk awareness, risk quantification and measurement and personal accountability. It seeks to ensure that the potential for any risk-taking by any individual, group, or business is controlled.</p>
(d) Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration.	<p>In determining total compensation, the bank considers the overall scope of an employee's responsibilities, the performance history of the individual with the Bank, comparisons with other staff within the bank, external market compensation, and the overall performance of the function and the Bank as whole. The Bank looks at sustained superior performance achieved across multiple factors over multiple time periods.</p>
(e) A discussion of the Bank's policy on deferral and vesting of variable remuneration and a discussion of the Bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.	<p>The bank is currently unlisted, with plans of listing at an appropriate time. Till that time, the long term incentives (LTI) will be paid as a cash payout to a limited number of eligible employees (MRTs & WTD) as decided by the Board and the following RBI guideline will apply:</p> <p>In terms of RBI circular on Compensation dated November 4, 2019 Annex Clause B II. 2.1.2 (a) "only in cases where the compensation by way of share-linked instruments is not permitted by law/regulations, the entire variable pay can be in cash"; and as per Clause B II. 2.1.2(b) (iii) "in the event that an executive is barred by statute or regulation from grant of share-linked instruments, his/her variable pay will be capped at 150% of the fixed p.a., but shall not be less than 50% of the fixed pay."</p> <p>The other relevant provisions in respect of variable pay such as deferral, vesting, malus/claw-back, etc. would be as per the RBI Guidelines. At least 50% of the cash variable will be deferred. The deferral period of variable pay will be decided based on evaluation at the end of Annual performance cycle each calendar year and will be between 3 to 5 years</p>



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Qualitative disclosures	
	<p>The other relevant provisions in respect of variable pay such as deferral, vesting, malus/claw-back, etc. would be as per the RBI Guidelines. At least 50% of the cash variable will be deferred. The deferral period of variable pay will be decided based on evaluation at the end of Annual performance cycle each calendar year and will be between 3 to 5 years.</p> <p>Post listing, in the eventuality of the Bank's equity shares being listed in the stock exchange(s), the Bank will use a Share-linked Long term incentive to help drive a 'pay for performance' culture and link employees' individual wealth creation to the organizational success. In such case, the deferred pay due to the employee shall be converted to non-cash component with immediate effect.</p> <p>In the event of negative contributions of the bank in any year, the deferred compensation will be subject to malus arrangements which permits the bank to prevent vesting of all or part of the amount of a deferred remuneration, but it does not reverse vesting after it has already occurred.</p>
(f) Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the Bank utilizes and the rationale for using these different forms.	There will be a proper balance between the fixed and the variable pay. The proportion of variable pay will be higher at higher levels of responsibility and could be in cash, or stock linked instruments or mix of both.

			March 31, 2022	March 31, 2021
Quantitative disclosures	(g)	Number of meetings held by the Nomination and Remuneration Committee during the financial year and remuneration paid to its members.	6 meetings held and Rs 0.10 Crore remuneration paid	5 meetings held and Rs 0.09 Crore remuneration paid
	(h)	i) Number of employees having received a variable remuneration award during the financial year. (ii) Number and total amount of sign-on/joining bonus made during the financial year. (iii) Details of severance pay, in addition to accrued benefits, if any.	5 NIL NIL	NIL NIL NIL
	(i)	(i) Total amount of outstanding deferred	0.61	NIL

SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

			March 31, 2022	March 31, 2021																												
		remuneration, split into cash, shares and share linked instruments and other forms. (ii) Total amount of deferred remuneration paid out in the financial year.	NIL	NIL																												
	(j)	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred	MD & CEO Chief Operations Officer & CIO Head – Corporate Banking Head – Retail Banking Head – Treasury <table><tr><th>Particulars</th><th>Total</th></tr><tr><td>Pay</td><td>7.49</td></tr><tr><td>Variable</td><td>0.88</td></tr><tr><td>Perquisites</td><td>-</td></tr><tr><td>PF Perk</td><td>0.17</td></tr><tr><td>PF Interest Perk</td><td>0.03</td></tr><tr><td>TOTAL</td><td>8.58</td></tr></table>	Particulars	Total	Pay	7.49	Variable	0.88	Perquisites	-	PF Perk	0.17	PF Interest Perk	0.03	TOTAL	8.58	MD & CEO Chief Operations Officer & CIO Head – Corporate Banking Head – Retail Banking Head – Treasury <table><tr><th>Particulars</th><th>Total</th></tr><tr><td>Pay</td><td>7.43</td></tr><tr><td>Variable</td><td>-</td></tr><tr><td>Perquisites</td><td>-</td></tr><tr><td>PF Perk</td><td>0.23</td></tr><tr><td>PF Interest Perk</td><td>0.01</td></tr><tr><td>TOTAL</td><td>7.67</td></tr></table>	Particulars	Total	Pay	7.43	Variable	-	Perquisites	-	PF Perk	0.23	PF Interest Perk	0.01	TOTAL	7.67
Particulars	Total																															
Pay	7.49																															
Variable	0.88																															
Perquisites	-																															
PF Perk	0.17																															
PF Interest Perk	0.03																															
TOTAL	8.58																															
Particulars	Total																															
Pay	7.43																															
Variable	-																															
Perquisites	-																															
PF Perk	0.23																															
PF Interest Perk	0.01																															
TOTAL	7.67																															
	(k)	(i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments. (ii) Total amount of reductions during the financial year due to ex post explicit adjustments. (iii) Total amount of reductions during the financial year due to ex post implicit adjustments	NIL NIL NIL	NIL NIL NIL																												
	(l)	Number of MRTs identified.	5	5																												
	(m)	i. Number of cases where malus has been exercised. ii. Number of cases where clawback has been exercised. iii. Number of cases where both malus	NIL NIL NIL	NIL NIL NIL																												

SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

			March 31, 2022		March 31, 2021	
		and clawback have been exercised.				
General Quantitative Disclosure	(n)	The mean pay for the bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean pay	Particulars	Rs in Crore	Particulars	Rs in Crore
			Mean salary + Perk	0.24	Mean salary + Perk	0.23
			WTD's salary +Perk	2.97	WTD's salary +Perk	2.89
			Difference / deviation in INR	2.74	Difference / deviation in INR	2.65

14. Other disclosures
a. Business ratios

Particulars	March 31, 2022	March 31, 2021
Interest Income as a percentage to Working Funds*	6.62%	7.01%
Non-Interest Income as a percentage to Working Funds*	1.93%	2.47%
Cost of Deposits	5.32%	5.82%
Net Interest Margin##	2.24%	2.54%
Operating Profit as a percentage to Working Funds*	0.90%	1.04%
Return on Assets**	0.27%	0.56%
Business (Deposits plus Advances) per employee (Rs. in crore) #	36.23	31.93
Profit / (Loss) per employee (Rs. in crore)	0.05	0.09

* Working Funds represent monthly average of total assets (excluding accumulated losses) during the year as reported to RBI in Form X under Section 27 of the Banking Regulation Act, 1949.

** Return on Assets is computed with reference to Average Working Funds (excluding accumulated losses).

Deposits exclude inter-bank deposits.

##Net Interest Income/ Average Earning Assets. Net Interest Income= Interest Income – Interest Expense

- All ratios are annualized

b. Bancassurance business

The details of fees/brokerage earned in respect of insurance broking, agency and bancassurance business by the Bank are as under:

(Rs. in Crore)			
Sr. No.	Nature of Income	March 31, 2022	March 31, 2021
1.	For selling life insurance policies	2.74	0.12
2.	For selling non-life insurance policies	2.54	0.08
3.	For selling mutual fund products	1.32	0.01
4.	Others	-	-



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
c. Marketing and distribution

There are no fees/remuneration received in respect of marketing and distribution function during the financial year.

d. Disclosures regarding Priority Sector Lending Certificates (PSLCs)

The amount of PSLCs (category wise) sold and purchased during the year:

(Rs. in Crore)

Sr. No.	Type of PSLCs	March 31, 2022		March 31, 2021	
		Purchase	Sale	Purchase	Sale
1	PSLC – Agriculture	-	-	-	-
2	PSLC - SF / MF	-	-	-	-
3	PSLC - Micro Enterprises	-	-	-	-
4	PSLC – General	-	20.00	-	-
	TOTAL	-	20.00	-	-

e. Provisions & Contingencies

(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
Provisions for Non-Performing Investment PI	-	2.17
Provision towards Non-Performing Assets (net off write-backs and recoveries)	28.91	(5.64)
Provision for Standard Assets	5.58	9.24
Provision for Income Tax (including Deferred Tax)	1.29	0.01
Provisions for diminution in fair value Restructured Advances	0.97	0.44
Provision for Country Risk	(0.12)	0.12
Provision for NPA Automation	1.20	-
Total	37.83	6.34

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

The Ministry of Corporate Affairs (MCA), Government of India has notified the Companies (Indian Accounting Standards) Rules, 2015 on February 16, 2015. Further, a press release was issued by the MCA on January 18, 2016 outlining the road map for implementation of Indian Accounting Standards (Ind-AS) converged with International Financial Reporting Standards (IFRS) for banks. Banks in India had to comply with the Ind-AS for financial statements for the accounting period beginning from April 01, 2018 onwards, with comparatives for the period ending March 31, 2018 or thereafter. However, necessary legislative amendments to make the format of financial statements, prescribed in the Third Schedule to Banking Regulation Act 1949, compatible with accounts under Ind AS are under consideration of the Government of India. In view of this implementation of Ind AS has been deferred till further notice. During the year ending March 31, 2022 the Bank had prepared and submitted proforma Ind AS financial statements as per RBI direction provided earlier for June 30, 2021 and September 30, 2021. As per latest RBI direction issued during the year the frequency for submission of proforma Ind AS financial statements have been changed to semi- annual from quarterly basis. The Bank will continue its preparation towards migration to adopting Ind-AS as per regulatory requirement.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
g. Payment of DICGC Insurance Premium
(Rs. in Crore)

Sr.No	Particulars	31 March, 2022	31 March, 2021
i)	Payment of DICGC Insurance Premium	5.63	2.94
ii)	Arrears in payment of DICGC premium	-	-

h. Disclosure of facilities granted to directors and their relatives

The Bank has not granted any fund or non-fund facilities extended to directors, their relatives, companies, or firms in which they are interested.

15. Description of contingent liabilities

Sr. No.	Contingent Liabilities	Brief
1	Claims against the Bank not acknowledged as debts	The Bank is a party to various legal and tax proceedings in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, results of operations or cash flows.
2	Liability on account of forward exchange and derivative contracts	The Bank enters into foreign exchange contracts, currency options, forward rate agreements, currency swaps and interest rate swaps with interbank participants and customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. Currency swaps are commitments to exchange cash flows by way of interest/principal in one currency against another, based on predetermined rates. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows. The notional amounts of financial instruments of such foreign exchange contracts and derivatives provide a basis for comparison with instruments recognized on the balance sheet but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Bank's exposure to credit or price risks. The derivative instruments become favorable (assets) or unfavorable (liabilities) as a result of fluctuations in market rates or prices relative to their terms. The aggregate contractual or notional amount of derivative financial instruments on hand, the extent to which instruments are favorable or unfavorable and, thus the aggregate fair values of derivative financial assets and liabilities can fluctuate significantly.
3	Guarantees given on behalf of constituents, acceptances, endorsements and other obligations	As a part of its commercial banking activities the Bank issues documentary credit and guarantees on behalf of its customers. Documentary credits such as letters of credit enhance the credit standing of the customers of the Bank. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfill its financial or performance obligations.
4.	Other items for which the Bank is contingently liable	- Purchase of securities pending settlement -Capital Commitments -Amount deposited with RBI under Depositors Education and Awareness Fund

Refer Schedule 12 for amounts relating to contingent liability



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
16. Contingent Liabilities

Claims against the Bank not acknowledged as Debts' item of Contingent Liability includes Income Tax of Rs. 8.69 Crore (Previous Year: Rs. 8.74 Crore) and Service tax of Rs. 0.22 Crore (Previous Year: 0.51 Crore). The Bank has gone in appeal to Income Tax Appellate Tribunal (ITAT) and High Court against the income tax assessment order of the department for AY 1996-97, 1997-98, 1999-00 to 2008-09, 2012-13 and 2014-14 to 2017-18. The appeals are pending for the final outcome of the ITAT and high court and the Bank is expecting favorable judicial decisions.

17. Provision for Long Term contracts

The Bank has assessed its long-term contracts (including Derivative Contracts) for material foreseeable losses and made adequate provisions in the books of accounts, under any law/accounting standards wherever applicable and disclosed the same under the relevant notes in the financial statements.

18. Deferred Tax

In accordance with AS-22 on "Accounting for Taxes on Income", the Bank has recognized Deferred Tax Assets on such timing differences where there is a reasonable certainty that such deferred tax assets can be reversed against the deferred tax liability. Deferred tax asset on accumulated carry forward business losses and depreciation is not recognized as there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

The major composition of Deferred Tax Liabilities (DTL) & Deferred Tax Assets (DTA) is as under:

<i>(Rs. in Crore)</i>			
Sr. No.	Particulars	March 31, 2022	March 31, 2021
A.	DTA		
(i)	Provision for Loan Losses, Floating Provision and counter cyclical provision	5.12	5.41
(ii)	Provision for Standard Advances	1.47	1.33
(iii)	Provision for Funded Interest Term Loan	-	-
(iv)	Disallowed Expenses	0.83	0.94
(v)	Unabsorbed Losses	-	-
	Total DTA	7.42	7.68
B.	DTL		
(i)	Depreciation on Fixed Assets	(7.42)	(7.68)
	Total DTL	(7.42)	(7.68)
C.	NET DTL / (DTA)	-	-

19. Segment Reporting
Part A: Business Segments

In accordance with RBI guidelines, the Bank has identified the following three primary segments: Treasury, Corporate Banking and Retail Banking. These segments are identified based on nature of services provided, risk and returns, organizational structure of the Bank and the internal financial reporting system.

Treasury Operations: Undertakes Derivative Trading, Money Market Operations and Investment in Bonds, Treasury Bills, Government Securities, CP, CD and Foreign Exchange Operations. The revenue of this segment consists of interest earned on funding, investment income and gains on Government Securities, CP, CD's and debentures/ bonds, profit/loss on exchange and derivative transactions. The principal expenses of this segment consist of cost of funds, personnel cost, other direct overheads and allocated expenses.



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Corporate Banking: Primarily comprises of funded advances to Corporate. Revenue of this segment consists of interest earned on loans made to corporate clients, interest earned on cash float and fees received from fee-based activities like letter of credit, guarantee etc. The principal expenses of this segment consist of interest cost on funds borrowed allocated based on personnel costs and allocated expenses.

Retail Banking: Consists of revenue arising out of personal loan, housing loan and other retail products. This also includes revenue arising out of digital & payments services.

FY 2021-2022

Business Segments	Corporate	Treasury	Retail	(Rs. in Crore) Total
Revenue	282.03	172.68	58.46	513.17
Results	22.36	(0.37)	(4.38)	17.71
Un-allocable Revenue/(Expense)				-
Operating Profit				17.61
Income Taxes				1.29
Extraordinary Profit/Loss				-
Net profit/(Loss)				16.32
Other Information				
Segment Assets	3,504.75	3,567.57	977.68	8,050.00
Un-allocable Assets				34.63
Total Assets				8,084.63
Segment Liabilities	5,410.71	580.60	2,083.14	8,074.45
Un-allocable Liabilities				10.18
Total Liabilities				8,084.63
Capital expenditure during FY 2021-2022				25.35
Depreciation expenditure during FY 2021-2022				11.38

FY 2020-2021

Business Segments	Corporate	Treasury	Retail	(Rs. in Crore) Total
Revenue	176.75	100.50	22.19	299.44
Results	22.17	(11.67)	(7.67)	2.83
Un-allocable Revenue/(Expense)				15.82
Operating Profit				18.65
Income Taxes				0.01
Extraordinary Profit/Loss				-
Net profit/(Loss)				18.64
Other Information				
Segment Assets	2,736.56	1,752.07	233.43	4,722.06
Un-allocable Assets				17.24
Total Assets				4,739.30
Segment Liabilities	2,818.93	649.26	1,258.99	4,727.18
Un-allocable Liabilities				12.12
Total Liabilities				4,739.30
Capital expenditure during FY 2020-2021				19.28
Depreciation expenditure during FY 2020-2021				14.78



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
Part B: Geographic Segments

The Bank operates as a single unit in India and as such has no identifiable geographical segments subject to dissimilar risks and returns. Hence, no information relating to geographical segments are presented.

Notes for segment reporting:

1. In computing the above information, certain estimates and assumptions have been made by the management and have been relied upon by the auditors.
2. Assets, liabilities, income and expenses which cannot be allocated to any segments have been classified as unallocated.

20. Disclosure under Employee Benefits – Revised Accounting Standard 15

- a) The contribution to employees Provident Fund amounted to Rs. 3.08 Crore for the year ended March 31, 2022. (Previous Year: Rs. 5.01 Crore).
- b) The Bank has a policy to pay leave encashment to employees either at the time of resignation or on their retirement.
- c) The Bank does not have pension scheme for its employees. However, the Bank contributes up to 10% of eligible employees' salary per annum, to the New Pension Fund administered by a Pension Fund Regulatory and Development Authority (PFRDA) appointed pension fund manager. The Bank recognizes such contributions as an expense in the year when an employee renders the related service. Such contribution for the year is Rs. 0.42 Crore (Previous Year: Rs. 0.38 Crore).
- d) As per the actuarial valuation, the Bank expects to contribute Rs. 3.77 Crore to gratuity fund in financial year 2022-2023.

I) Change in the Present value of Projected Benefit Obligation:

	<i>(Rs. in Crore)</i>	
Particulars	March 31, 2022	March 31, 2021
Present Value of Benefit Obligation at the Beginning of the year	4.69	3.03
Interest Cost	0.32	0.21
Current Service Cost	1.63	1.38
(Benefit paid from the Fund)	(0.32)	(0.17)
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(0.00)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.16)	(0.01)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.08)	0.25
Present Value of Benefit Obligation at the End of the year	6.08	4.69

II) Change in the Fair Value of Plan Assets:

	<i>(Rs. in Crore)</i>	
Particulars	March 31, 2022	March 31, 2021
Fair Value of Plan Assets at the Beginning of the year	3.30	1.91
Expected Return on Plan Assets	0.23	0.13
Contributions by the Employer	1.45	1.44
Assets Transferred In/Acquisitions	-	-
(Benefit Paid from the Fund)	(0.32)	(0.17)
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	(0.03)	(0.01)
Fair Value of Plan Assets at the End of the year	4.63	3.30



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
III) Actuarial (Gains)/Losses Recognized in the Profit and Loss Account:
(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
Actuarial (Gains)/Losses on Obligation for the year	(0.24)	0.24
Actuarial (Gains)/Losses on Plan Asset for the year	0.02	0.01
Actuarial (Gains)/Losses Recognized in the Profit or Loss Account	(0.22)	0.25

IV) Actual Return on Plan Assets:
(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
Expected Return on Plan Assets	0.22	0.13
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	(0.02)	(0.01)
Actual Return on Plan Assets	0.20	0.12

V) Amount Recognized in the Balance Sheet:
(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
(Present Value of Benefit Obligation at the end of the year)	(6.08)	(4.69)
Fair Value of Plan Assets at the end of the year	4.63	3.30
Funded Status (Surplus/ (Deficit))	(1.45)	(1.39)
Unrecognized Past Service Cost at the end of the year	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	(1.45)	(1.39)

VI) Net Interest Cost:
(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
Present Value of Benefit Obligation at the Beginning of the year	4.69	3.03
(Fair Value of Plan Assets at the Beginning of the year)	(3.30)	(1.91)
Net Liability/(Asset) at the Beginning	1.39	1.12
Interest Cost	0.32	0.21
(Expected Return on Plan Assets)	(0.23)	(0.13)
Net Interest Cost for Current Year	0.09	0.08

VII) Expenses Recognized in the Profit or Loss Account:
(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
Current Service Cost	1.63	1.38
Net Interest Cost	0.09	0.08
Actuarial (Gains)/Losses	(0.22)	0.25
Past Service Cost - Vested Benefit Recognized During the year	-	-
Expenses Recognized in the Profit or Loss Account	1.50	1.71



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
VIII) Balance Sheet Reconciliation:

Particulars	(Rs. in Crore)	
	March 31, 2022	March 31, 2021
Opening Net Liability	1.39	1.12
Expense Recognized in Profit or Loss Account	1.50	1.71
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	(1.44)	(1.44)
Net Liability/(Asset) Recognized in the Balance Sheet	1.45	1.39

IX) Category of Assets:

Particulars	(Rs. in Crore)	
	March 31, 2022	March 31, 2021
Government of India Assets	-	-
State Government Securities	-	-
Special Deposits Scheme	-	-
Debt Instruments	-	-
Corporate Bonds	-	-
Cash And Cash Equivalents	-	-
Insurance fund	4.63	3.29
Asset-Backed Securities	-	-
Structured Debt	-	-
Other	-	-
Total	4.63	3.29

Actuarial assumptions:

Particulars	March 31, 2022	March 31, 2021
Expected Return on Plan Assets	7.15%	6.86%
Rate of Discounting	7.15%	6.86%
Rate of Salary Increase	6.88%	6.88%
Rate of Employee Turnover	6%	6%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)

Experience Adjustments:

Particulars	(Rs. in Crore)	
	March 31, 2022	March 31, 2021
Plan Assets	4.63	3.30
Defined Benefit Obligation	6.08	4.69
Surplus / (Deficit)	(1.45)	(1.39)
Experience adjustment gain / (loss) on plan assets	(0.25)	(0.01)
Experience adjustment (gain) / loss on plan liabilities	0.22	0.25



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
21. Related Party Transactions

Related Party Transactions in terms of AS-18 on "Related Party Disclosures" are disclosed below:

Relationship during FY 2021-22:

1	Ultimate Parent	SBM Holdings Limited
2	Parent	SBM (Bank) Holdings Limited
3	Subsidiaries of Parent	SBM Bank (Mauritius) Limited SBM Bank (Kenya) Limited
4	Key Management Personnel	a. Board of Directors b. Managing Director & Chief Executive Officer – Mr. Sidharth Rath c. Chief Financial Officer – Mr. Saileshkumar Shah d. Company Secretary – Mrs. Bhavana Shinde e. Chief Information Officer / Chief Operations Officer – Mr. Rajeev Panikath (Superannuated on 31.01.2022) f. Head of Corporate Banking – Mr. Dipak Agarwal g. Head of Treasury – Mr. Mandar Pitale h. Head of Consumer & Retail Banking – Mr. Neeraj Sinha

Transactions during the FY 2021-22:

Particulars	Parent		Subsidiaries of the Parent		Key Management Personnel		Total	
	Outstan- -ding	Maximum Balance	Outstan- -ding	Maximum Balance	Outstan- -ding	Maximum Balance	Outstan- -ding	Maximum Balance
Liabilities								
Deposit	-	-	8.08	298.88	5.31	5.31	13.39	304.19
Borrowings	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-
MTM loss on FX forwards	-	-	-	-	-	-	-	-
Payable to group	6.51	6.51	-	-	-	-	6.51	6.51
Total	6.51	6.51	8.08	298.88	5.31	5.31	19.90	310.70
Assets								
Lending	-	-	-	-	0.75	0.85	0.75	0.85
Balances with Bank	-	-	0.36	0.47	-	-	0.36	0.47
Interest receivable	-	-	-	-	0.00	0.00	0.00	0.00
MTM gain on FX forwards	-	-	-	-	-	-	-	-
Total	-	-	0.36	0.47	0.75	0.85	1.11	1.32
Off Balance Sheet items								
FX Forwards	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Crore)

Particulars	Parent	Subsidiaries of the Parent	Key Management Personnel	Total
Profit & Loss Account Items				
Interest Received	-	-	0.04	0.04
Interest Paid	-	-	0.31	0.31
Fees Paid	-	-	1.05	1.05
Salary Cost	-	-	9.67	9.67

Transactions during the FY 2020-21:
(Rs. in Crore)

Particulars	Parent		Subsidiaries of the Parent		Key Management Personnel		Total	
	Outstan- -ding	Maximum Balance	Outstan- -ding	Maximum Balance	Outstan- -ding	Maximum Balance	Outstan- -ding	Maximum Balance
Liabilities								
Deposit	-	-	6.76	211.87	5.42	6.01	12.18	217.88
Borrowings	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-
MTM loss on FX forwards	-	-	-	-	-	-	-	-
Payable to group	0.18	0.18	-	-	-	-	0.18	0.18
Total	0.18	0.18	6.76	211.87	5.42	6.01	12.36	218.06
Assets								
Lending	-	-	-	-	1.46	1.55	1.46	1.55
Balances with Bank	-	-	1.06	2.53	-	-	1.06	2.53
Interest receivable	-	-	-	-	0.00	0.00	0.00	0.00
MTM gain on FX forwards	-	-	-	-	-	-	-	-
Total	-	-	1.06	2.53	1.46	1.55	2.52	4.08
Off Balance Sheet items								
FX Forwards	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

(Rs. in Crore)

Particulars	Parent	Subsidiaries of the Parent	Key Management Personnel	Total
Profit & Loss Account Items				
Interest Received	-	-	0.10	0.10
Interest Paid	-	-	0.21	0.21
Fees Paid	-	-	0.88	0.88
Salary Cost	-	-	8.29	8.29



SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
22. Impairment of Assets

There is no impairment of any of the fixed assets and as such no provision is required as per AS-28 on "Impairment of Assets".

23. Earnings Per Share

Particulars	(Rs. in Crore)	
	March 31, 2022	March 31, 2021
Net profit after tax	16.30	18.65
Weighted average number of equity shares outstanding (in absolute no.)	776,319,148	756,958,418
Basic and diluted earnings per share in INR	0.21	0.25

24. Following disclosure is made as per the requirement of The Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	(Rs. in Crore)	
	March 31, 2022	March 31, 2021
The principal amount remaining unpaid to any supplier	0.07	0.02
The interest due thereon (above principal amount) remaining unpaid to any supplier	-	-
The amount of interest paid by the buyer in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day for the year ended	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	-	-

25. Revaluation of Fixed Assets

As at the end of FY 2018-19 the bank had revalued its Freehold Land buildings based on valuations made by independent valuers. The Bank computes depreciation on revalued premises over its estimated remaining useful life and accordingly an amount of Rs. 0.67 Crore (Previous Year: Rs. 0.67 Crore) has been accounted as depreciation and reduced from the Revaluation Reserve during FY 2021-22.

26. Software capitalized under Fixed Assets

Particulars	(Rs. in Crore)	
	March 31, 2022	March 31, 2021
Cost at beginning of the year (gross)	41.60	33.46
Additions during the year	11.30	10.03
Deductions during the year	0.00	1.89
Depreciation to date	37.41	29.48
Net Block	15.49	12.12

SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
27. Disclosure on Remuneration to Non-executive Directors

The Non-Executive Directors are paid remuneration by way of sitting fees for attending meetings of Board and its committees. An amount of Rs. 1.05 Crore (Previous Year: 0.88 Crore) was paid as sitting fees to the Non-Executive Directors during the year.

28. Accounting for leases
(a) Financial lease

Bank has not entered into any financial lease in current year as well as previous year.

(b) Operating lease

The lease agreement entered pertains to use of premises by the Corporate Office and Branches. There is no sub-lease arrangement.

(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
1. Total future minimum lease payments as at year end:	30.03	23.19
– Not later than one year	9.51	7.35
– Later than one year but not later than five years	18.12	14.41
– Later than five years	2.40	1.43
2. Lease payments recognized in the Profit and Loss Account in Schedule 16	8.62	7.48

29. Corporate Social Responsibility

Bank has constituted the Corporate Social Responsibility (CSR) Committee of the Board, in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014, as amended.

Bank has incurred average net loss during three immediately preceding financial years therefore provision of CSR relating to spending is not applicable.

The details of CSR expenditure are given below:

(Rs. in Crore)

Particulars	March 31, 2022	March 31, 2021
Amount required to be spent by the company during the year	-	-
Amount of expenditure incurred	0.20	0.11
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Computer centre for tribal candidates, funding of dental equipment	Skill development trainings, PM CARES fund
Details of related party transactions in relation to CSR expenditure as per relevant accounting standard	-	-
Movements in the provision during the year with respect to liability incurred by entering into a contractual obligation	0.17	-

SCHEDULE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
30. Capital Commitment

Capital Commitment outstanding as on March 31, 2022 amounts to Rs. 18.32 Crore. (Previous Year: Rs. 3.57 Crore).

31. Other expenditure:

Details of expenses included in Other Expenditure in Schedule 16, exceeding 1% of the total income are set out below:

Particulars	(Rs. in Crore)	
	FY 2021-22	FY 2020-21
IT expenses	26.66	18.10

32. During the financial year ended March 31, 2022, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines and internal policies, as applicable.

(a) The Company has not granted any advance/loans or investments or provided guarantee or security or the like to any other person(s) or entities with an understanding, whether recorded in writing or otherwise, to further lend/invest/provide guarantee or security or the like to any other person on behalf of the company.

(b) The Company has not received any funds from any person(s) or entities with an understanding, whether recorded in writing or otherwise, that the company shall further lend or invest or provide guarantee or security or the like in any other person on behalf of and identified by such person(s)/entities.

33. Previous year's figures have been regrouped / reclassified, wherever considered necessary, in order to make them comparable with figures for the current year.

For K.S. Aiyar & Co

Chartered Accountants

ICAI Firm Registration Number: 100186W

Mr. Rajesh Joshi

Partner

ICAI Membership No. 038526

For SBM Bank (India) Limited

Mr. Sidharth Rath

Managing Director &
Chief Executive Officer

Mr. Armeet Patel

Independent Director

Place: Mumbai

Date: May 11, 2022

Mr. Saileshkumar Shah

Chief Financial Officer

Mrs. Bhavana Shinde

Company Secretary

