Draft Reserve Bank of India (Small Finance Banks - Financial Statements: Presentation and Disclosures) Directions, 2025

DRAFT FOR COMMENTS

RBI/2025-26/--

DOR.ACC.REC.No.0-00-000/2025-26 XX, 2025

Reserve Bank of India (Small Finance Banks - Financial Statements: Presentation and Disclosures) Directions, 2025

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In exercise of the powers conferred by section 35A of the Banking Regulation Act, 1949, the Reserve Bank of India being satisfied that it is necessary and expedient in the public interest and in the interest of banking policy to do so, hereby, issues the Directions hereinafter specified.

Chapter I - Preliminary

A. Short title and commencement

1. These Directions shall be called the Reserve Bank of India (Small Finance Banks – Financial Statements: Presentation and Disclosures) Directions, 2025.
2. These Directions shall come into force with immediate effect.

B. Applicability

3. These Directions shall be applicable to Small Finance Banks (hereinafter collectively referred to as 'banks' and individually as a 'bank'), subject to licensing conditions and extant operating guidelines.

Chapter II - Balance sheet and profit and loss account

A. Format of the balance sheet and profit and loss account

4. In terms of the provisions of section 29 of the Banking Regulation Act, 1949, a bank shall in respect of all business transacted by them prepare a balance sheet and profit and loss account as on the last working day of the year or the period, as the case may be, in the Forms set out in the Third Schedule of the Banking Regulation Act, 1949. In exercise of the powers conferred by section 29(4) of the Banking Regulation Act, 1949, the Government of India has specified the Forms in the Third Schedule, vide notification S.O.240(E) dated March 26, 1992, published in the Gazette of India. These are reproduced in **Annex I** to these Directions.

B. Notes and instructions for compilation

5. A bank shall follow the general instructions for the compilation of balance sheet and profit and loss account as specified in paragraph 5(1) below. A bank shall ensure strict compliance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2021, as amended from time to time, subject to Directions / Guidelines issued by the Reserve Bank of India.

   Note: Mere mention of an activity, transaction or item in instructions for compilation does not imply that it is permitted, and the bank shall refer to the extant statutory and regulatory requirements while determining the permissibility or otherwise of an activity or transaction.

(1) Instructions for compilation of balance sheet

Item	Sch		Coverage	Notes and instructions for compilation
Capital	1		Nationalised Banks Capital (Fully owned by Central Government)	-
			Banks incorporated outside India: Capital	-
			Other Banks (Indian)	Authorised, Issued, Subscribed, Called-up capital shall be given separately. Calls in

Item	Sch		Coverage	Notes and instructions for compilation
			Authorised Capital (__ shares of ₹ ___ each) Issued Capital (__ shares of ₹ ___ each) Subscribed Capital (__ shares of ₹ ___ each) Called up Capital (__ shares of ₹ ___ each) Less: Calls unpaid Add: Forfeited shares Paid up Capital	arrears will be deducted from Called-up capital while the paid-up value of forfeited shares shall be added thus arriving at the paid-up capital. Where necessary, items which can be combined shall be shown under one head, for instance 'Issued and Subscribed Capital'. Notes - General: 1. The changes in the above items, if any, during the year, say, fresh contribution made by Government, fresh issue of capital, capitalisation of reserves, etc. shall be explained in the notes. 2. Perpetual Non-Cumulative Preference Shares (PNCPS) included as part of Tier 1 regulatory capital shall be included here.
Reserves and Surplus	2	(I)	Statutory Reserves	Reserves created out of the profits in compliance with section 17(1) (read with paragraph 13 of this Master Direction) or any other section of the Banking Regulation Act, 1949 shall be separately disclosed.
		(II)	Capital Reserves	The expression 'Capital Reserves' shall not include any amount regarded as free for distribution through the Profit and Loss Account. Surplus on revaluation shall be treated as Capital Reserves.
		(III)	Share Premium	Premium on issue of share capital shall be shown separately under this head.
		(IV)	Revenue and Other Reserves	The expression 'Revenue Reserve' shall mean any reserve other than Capital Reserve. This item will include all reserves, other than those separately classified. The expression 'reserve' shall not include any amount retained by way of providing for depreciation, renewals, or diminution in value of assets or retained by way of providing for any known liability. Investment Fluctuation Reserve shall be shown under this head.

Item	Sch		Coverage	Notes and instructions for compilation
		(V)	Balance in Profit and Loss Account	Includes balance of profit after appropriations. In case of loss the balance shall be shown as a deduction. <u>Notes - General:</u> Movements in various categories of reserves shall be shown as indicated in the schedule.
Deposits	3	A.I)	Demand Deposits	
		(i)	From banks	Includes all bank deposits repayable on demand.
		(ii)	From others	Includes all demand deposits of the non-bank sectors. Credit balances in overdrafts, cash credit accounts, deposits payable at call, overdue deposits, inoperative current accounts, matured time deposits, cash certificates and certificates of deposits, etc. shall be included under this category.
		(II)	Savings Bank Deposits	Includes all savings bank deposits (including inoperative savings bank accounts)
		(III)	Term Deposits	
		(i)	From banks	Includes all types of bank deposits repayable after a specified term.
		(ii)	From others	Includes all types of deposits of the non-bank sector repayable after a specified term. Fixed deposits, cumulative and recurring deposits, cash certificates, certificates of deposits, annuity deposits, deposits mobilised under various schemes, ordinary staff deposits, foreign currency non-resident deposits accounts, etc. shall be included under this category.
		B. i)	Deposits of branches in India	The total of these two items should match the total deposits shown in the balance sheet. <u>Notes - General:</u>

Item	Sch		Coverage	Notes and instructions for compilation
		ii)	Deposits of branches outside India	1. Interest payable on deposits which is accrued but not due shall not be included but shown under other liabilities. 2. Matured term deposits shall be treated as demand deposits. 3. Deposits under special schemes shall be included under term deposits if they are not payable on demand. When such deposits have matured for payment, they shall be shown under demand deposits. 4. Deposits from a bank will include deposits from the banking system in India, Co-operative banks, Foreign banks which may or may not have a presence in India. 5. A bank shall disclose by way of a footnote to this schedule, the amount of deposits against which lien is marked out of the total deposits. (For current and previous year)
Borrowings	4	(I)	Borrowings in India	
		(i)	Reserve Bank of India	Includes repo, other borrowings or refinance obtained from Reserve Bank of India.
		(ii)	Other banks	Includes repo, other borrowings or refinance obtained from banks (including Co-operative banks) and balances in Repo Account.
		(iii)	Other institutions and agencies	Includes borrowing / refinance obtained from Export-Import Bank of India, NABARD and other institutions, agencies (including liability against participation certificates-without risk sharing, if any) and balances in Repo Account.
		(II)	Borrowings outside India	Includes borrowings of the bank from outside India .
			Secured borrowings included in above	This item shall be shown separately. Includes secured borrowings / refinance in India and outside India.
				Notes - General:

Item	Sch		Coverage	Notes and instructions for compilation
				1. The total of I and II should match the total borrowings shown in the balance sheet. 2. Inter-office transactions shall not be shown as borrowings. 3. Refinance obtained by a bank from Reserve Bank of India and various institutions shall be shown under the head 'Borrowings'. Accordingly, advances shall be shown at the gross amount on the asset side. 4. The following shall be included here: a) Perpetual Debt Instruments b) Tier 2 Capital Instruments / Upper Tier 2 Capital Instruments c) Perpetual Cumulative Preference Shares (PCPS) d) Redeemable Non-Cumulative Preference Shares (RNCPS) e) Redeemable Cumulative Preference Shares (RCPS) f) Subordinated Debt.
Other Liabilities and Provisions	5	(I)	Bills Payable	Includes drafts, telegraphic transfers, traveller's cheques, mail transfers payable, pay slips, bankers cheques and other miscellaneous items.
		(II)	Inter-office adjustments (net)	The inter-office adjustments balance, if in credit, shall be shown under this head. The bank should first segregate the credit entries outstanding for more than 5 years in the inter-branch account and transfer them to a separate Blocked Account which should be shown under 'Other Liabilities and Provisions - Others'. While arriving at the net amount of inter-branch transactions for inclusion here, or Schedule 11, as the case may be, the aggregate amount of Blocked Account should be excluded and only the amount representing the remaining credit entries should be netted against debit entries. Only net position of inter-office accounts, shall be shown here.

Item	Sch		Coverage	Notes and instructions for compilation
		(III)	Interest accrued	Includes interest accrued but not due on deposits and borrowings.
		(IV)	Others (including provisions)	Includes net provision for income tax and other taxes like interest tax (less advance payment, tax deducted at source, etc.), deferred tax (if after netting as per AS 22 is a liability), floating provisions, contingency funds which are not disclosed as reserves but are actually in the nature of reserves, other liabilities which are not disclosed under any of the major heads such as unclaimed dividend, provisions and funds kept for specific purposes, unexpired discount, outstanding charges like rent, conveyance, etc. Aggregate Net Credit in the Clearing Differences transferred to a separate Blocked Account shall be shown here. Outstanding credit entries in nostro accounts transferred to Blocked Account shall also be shown here. <u>Notes - General:</u> 1. For arriving at the net balance of inter-office adjustments all connected inter-office accounts shall be aggregated and the net balance only will be shown, representing mostly items in transit and unadjusted items. 2. The interest accruing on all deposits, whether the payment is due or not, shall be treated as a liability. 3. It is proposed to show only deposits under the head ‘deposits’ and hence all surplus provisions for bad and doubtful debts, contingency funds, etc. which are not netted off against the relative assets, shall be brought under the head ‘Others (including provisions)’. 4. Provisions towards Standard Assets shall not be netted from gross advances and shown separately as ‘Provisions against Standard Assets’ under ‘Others’ in Schedule 5 of the Balance Sheet. 5. Where any item under the ‘Others (including provisions)’ exceeds one percent of the total assets, particulars of all such

Item	Sch		Coverage	Notes and instructions for compilation
				items shall be disclosed in the notes to accounts.
ASSETS				
Cash and balances with the Reserve Bank of India	6	(I)	Cash in hand (including foreign currency notes)	Includes cash in hand including foreign currency notes.
		(II)	Balances with Reserve Bank of India (i) in Current Account (ii) in Other Accounts	All type of reverse repos with the Reserve Bank including those under Liquidity Adjustment Facility shall be presented under sub-item (ii) 'in Other Accounts'.
Balances with banks and money at call and short notice	7	(I) (i) (a) (b)	In India Balances with banks in Current Accounts in Other Deposit Accounts	Includes all balances with banks in India (including Co-operative banks), except Money at Call and Short Notice as explained below. Balances in current account and other deposit accounts shall be shown separately.
		(ii) (a) (b)	Money at Call and Short notice with banks with other institutions	Includes the following if they are for original tenors up to and inclusive of 14 days: (i) Money lent in the call / notice money market (ii) Reverse Repo with banks and other institutions The balances in Reverse Repo A/C shall be classified under Schedule 7 under item I (ii) a or I (ii) b as appropriate.
		(II) (i) (ii) (iii)	Outside India in Current Accounts in Other Deposit Accounts Money at Call and Short Notice	Includes balances held outside India by the bank. The amounts held in 'current accounts' and 'deposit accounts' shall be shown separately. 'Money at Call and Short Notice' outside India includes deposits usually classified as per that foreign jurisdiction's laws, regulations, or market practices as money at call and short notice where such money is lent.

Item	Sch		Coverage	Notes and instructions for compilation
Investments	8	(I)	Investments in India in	
		(i)	Government securities	Includes Central and State Government Securities and Government Treasury Bills.
		(ii)	Other Approved Securities	Securities other than Government Securities, which have been specified by the Reserve Bank as 'approved securities' under section 5(a) of the Banking Regulation Act, 1949 shall be included here.
		(iii)	Shares	Investments in shares of companies and corporations not included in item (ii) shall be included here.
		(iv)	Debentures and Bonds	Investments in debentures (as defined by the Companies Act, 2013) and bonds of companies and corporations not included in item (ii) shall be included here.
		(v)	Subsidiaries and / or Joint Ventures	-
		(vi)	Others	Residual investments, if any, like mutual funds, gold, etc.
		(II)	Investments outside India	
		(i)	Government Securities (including local authorities)	All foreign Government Securities including securities issued by local authorities shall be classified under this head.
		(ii)	Subsidiaries and / or Joint ventures abroad	-
		(iii)	Others investments	All other investments outside India shall be shown under this head.
Advances	9	A.(i)	Bills purchased and discounted	In classification under section A, all outstanding advances net of provisions made, will be classified under three heads as indicated and shall include both secured and unsecured advances as well as overdue instalments.

Item	Sch		Coverage	Notes and instructions for compilation
				Receivables acquired under factoring shall be reported under 'Bills purchased and Discounted'.
		(ii)	Cash credits, overdrafts and loans repayable on demand	All loans repayable on demand and short-term loans with original maturity up to one year shall be classified under 'Cash credits, overdrafts and loans repayable on demand'. Outstanding balances on credit cards shall be included under this category. Other balances pertaining to credit operations, even if they are dues from other banks / organisations shall be shown as part of advances. However, where such dues are in the nature of fee or other revenue receivable the same may be shown as Other Assets.
		(iii)	Term loans	A 'Term Loan' is a loan which has a specified maturity and is payable in instalments or in bullet form. All Term Loans with maturity in excess of one year shall be classified under this category(i.e. A(iii)) whereas as explained above short term loans with original maturity up to one year shall be categorised as loans repayable on demand.
		B.(i)	Secured by tangible assets	All advances or part of advances including advances against book debts which are secured by tangible assets shall be shown here. The item will include secured advances both in and outside India. The bank shall specify that advances secured by tangible assets includes advances against book debts.
		(ii)	Covered by Bank/Government Guarantee	Advances to the extent they are covered by guarantees of Indian / foreign governments, Indian / foreign banks, Deposit Insurance and Credit Guarantee Corporation (DICGC) and Export Credit Guarantee Corporation of India (ECGC) shall be included here. Further, advances to the extent they are covered by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and Credit Risk Guarantee Fund Trust for Low Income Housing (CRGFTLIH) and individual

Item	Sch		Coverage	Notes and instructions for compilation
				schemes under National Credit Guarantee Trustee Company Ltd. (NCGTC) which are backed by explicit Central Government Guarantee*, shall also be included here. **Note*: In terms of Reserve Bank of India (Small Finance Banks – Prudential Norms on Capital Adequacy) Directions, 2025 , as amended from time to time
		(iii)	Unsecured	All advances not classified under (i) and (ii) shall be included here. Rights, licenses, authorisations, etc. charged to a bank as collateral should not be reckoned as tangible security and therefore such advances shall be reckoned as unsecured under this head, with a disclosure of the same in the notes to the account. Total of 'A' should tally with total of 'B'.
		C. (I) (i) (ii) (iii) (iv) **(II)** (i) (ii) (iii) (iv) (v)	**Advances in India** Priority Sectors Public Sector Banks Others **Advances outside India** Due from banks Due from others Bills purchased and discounted Syndicated loans Others	Advances shall be classified on the sectoral basis as indicated. Advances, which qualify as priority sector lending according to extant Reserve Bank of India instructions are to be classified under the head 'Priority Sectors'. Such advances shall be excluded from item (ii) i.e., advances to public sector. Advances to Central / State Governments and other Government undertakings including Government Companies and statutory corporations shall be included in the category 'Public Sector'. All advances to the banking sector including Co-operative Banks shall come under the head 'Banks'. All the remaining advances will be included under the head 'Others' and typically this category will include non-priority sector advances to the private, joint and co-operative sectors. Notes - General: 1. Advances shall be reported net of provisions made thereon (other than provisions towards Standard Assets). To the extent that Floating provisions have not been treated as Tier 2 capital, they shall also be netted off from advances.

Item	Sch		Coverage	Notes and instructions for compilation
				2. Term loans reported shall not include loans repayable on demand. 3. Consortium advances shall be reported net of share of other participating banks / institutions. 4. All interest-bearing loans and advances granted to bank's own staff shall be included here. 5. Advances to other banks / organisations shall be included here. 6. Interest accrued but not due should not be reflected here. Instead, it shall be shown under 'Interest accrued' in other assets. 7. Rights, licenses, authorisations, etc. charged to the bank as security / collateral in respect of projects (including infrastructure projects) financed by them, shall not be reckoned as tangible security. Such advances shall be reckoned as unsecured. 8. Partial credit enhancement facilities to the extent drawn shall be treated as an advance. 9. The aggregate amount of inter - bank participations with risk sharing would be reduced from the aggregate advances outstanding by issuing bank. Participating bank shall show the amount of inter-bank participations under advances. Where the participation is without risk sharing, it shall be reflected by the participating bank as due from Banks under Schedule 9. 10. Reverse Repo with banks and other institutions having original tenors more than 14 days shall be shown under this Schedule under following head: i. A.(ii) 'Cash credits, overdrafts and loans repayable on demand'' ii. B.(i) 'Secured by tangible assets' iii. C.(I).(iii) Banks (iv) 'Others' (as the case may be)
Fixed Assets	10	(I) (i)	Premises At cost as on March 31 of the preceding year	Premises, including land, wholly or partly owned by the bank for the purpose of business including residential premises shall be shown against 'Premises'.

Item	Sch		Coverage	Notes and instructions for compilation
		(ii) (iii) (iv)	Additions during the year Deductions during the year Depreciation to date	In the case of premises and other fixed assets, the previous balance, additions thereto and deductions therefrom during the year as also the total depreciation written off shall be shown.
		(II) (i) (ii) (iii) (iv)	Other Fixed Assets (including furniture and fixtures) At cost as on March 31 of the preceding year Additions during the year Deductions during the year Depreciation to date	Furniture and fixtures, vehicles and all other fixed assets shall be shown under this head.
Other Assets	11	(I)	Inter-office adjustments (net)	The inter-office adjustments balance, if in debit, shall be shown under this head. Only net position of inter-office accounts shall be shown here. For arriving at the net balance of inter-office adjustment accounts, all connected inter-office accounts shall be aggregated and the net balance, if in debit only shall be shown representing mostly items in transit and unadjusted items.
		(II)	Interest accrued	Interest accrued but not due on investments and advances and interest due but not collected on investments will be the main components of this item. As banks normally debit the borrowers' account with interest due on the balance sheet date, usually there may not be any amount of interest due on advances. Only such interest as can be realised in the ordinary course shall be shown under this head.
		(III)	Tax paid in advance / tax deducted at source	The amount of advance tax paid, tax deducted at source (TDS), etc. to the extent that these items are not set off against relative tax provisions shall be shown against this item.

Item	Sch		Coverage	Notes and instructions for compilation
		(IV)	Stationery and stamps	Only exceptional items of expenditure on stationery like bulk purchase of security paper, loose leaf or other ledgers, etc. which are shown as quasi-asset to be written off over a period of time shall be shown here. The value shall be on a realistic basis and cost escalation shall not be taken into account, as these items are for internal use.
		(V)	Non-banking assets acquired in satisfaction of claims	Immovable properties / tangible assets acquired in satisfaction of claims are to be shown under this head.
		(VI)	Others	This will include items like claims which have not been met, for instance, clearing items, debit items representing addition to assets or reduction in liabilities which have not been adjusted for technical reasons, want of particulars, etc. Accrued income other than interest shall also be included here. All non-interest-bearing loans and advances granted to the bank's staff shall be reported here. Cash Margin Deposit with The Clearing Corporation India Limited (CCIL) shall be shown here. Deposits placed with NABARD / SIDBI / NHB, etc. on account of shortfall in priority sector targets shall be included here. Banks shall also disclose the details of such deposits, both for the current year and previous year, as a footnote in Schedule 11 of the Balance Sheet. Where any item under 'Others' exceeds one percent of the total assets, particulars of all such items shall be disclosed in the notes to accounts.
Contingent Liabilities	12	(I)	Claims against the bank not acknowledged as debts	--
		(II)	Liability for partly paid investments	Liability on partly paid shares, debentures, etc. will be included in this head.

Item	Sch		Coverage	Notes and instructions for compilation
		(III)	Liability on account of outstanding forward exchange contracts	Outstanding forward exchange contracts shall be included here.
		(IV) (i) (ii)	Guarantees given on behalf of constituents In India Outside India	Guarantees given shall be shown here.
		(V)	Acceptances, endorsements and other obligations	This item will include letters of credit and bills accepted by the bank on behalf of its customers.
		(VI)	Other items for which the bank is contingently liable	Arrears of cumulative dividends, bills rediscounted, commitments of underwriting contracts, estimated amount of contracts remaining to be executed on capital account and not provided for etc. are to be included here. All unclaimed liabilities (where amount due has been transferred to the Depositors Education and Awareness Fund established under the Depositor Education and Awareness Fund Scheme 2014) shall be shown here. The undrawn partial credit enhancement facilities shall be shown here. When Issued ('WI') securities should be recorded in books as an off balance sheet item till issue of the security. The off balance sheet net position in the 'WI' market should be marked to market scrip-wise on daily basis at the day's closing price of the 'WI' security. In case the price of the 'WI' security is not available, the value of the underlying security determined as per extant regulations may be used instead. Depreciation, if any, should be provided for and appreciation, if any, should be ignored. On delivery, the underlying security may be classified in any of the three categories, viz; 'Held to Maturity', 'Available for Sale' or 'Held for Trading', depending upon the nature of

Item	Sch		Coverage	Notes and instructions for compilation
				contractual cash flow and intent of holding, at the contracted price.
Bills for collection	--		--	Bills and other items in the course of collection and not adjusted will be shown against this item in the summary version only. No separate schedule is proposed.

(2) Instructions for compilation of profit and loss account

Item	Sch.		Coverage	Notes and Instructions for compilation
Interest earned	13	(I)	Interest / discount on advances / bills	Includes interest and discount on all types of loans and advances like cash credit, demand loans, overdrafts, export loans, term loans, domestic and foreign bills purchased and discounted (including those rediscounted), overdue interest and interest subsidy, if any, relating to such advances / bills.
		(II)	Income on investments	Includes all income derived from the investment portfolio by way of discount / interest and dividend. Any discount or premium on the securities under HTM, debt securities under AFS and FVTPL (where contractual cash flow meets criterion for solely payment of principle and interest) shall be amortised over the remaining life of the instrument. The amortised amount shall be reflected in the financial statements under item II ‘Income on Investments’ of Schedule 13:‘Interest Earned’ with a contra in Schedule 8:’Investments’.
		(III)	Interest on balances with RBI and other Inter-bank funds	Includes interest on balances with Reserve Bank of India and other banks, call loans, money market placements, etc.
		(IV)	Others	Includes any other interest / discount income not included in the above heads.
				Notes: General The balances in Reverse Repo Interest Income Account shall be classified under Schedule 13 (under item III or IV as appropriate).

Item	Sch.		Coverage	Notes and Instructions for compilation
Other Income	14	(I)	Commission, Exchange and Brokerage	Includes all remuneration on services such as commission on collections, commission / exchange on remittances and transfers, commission on letters of credit and bank guarantees, letting out of lockers, commission on Government business, commission on other permitted agency business including consultancy and other services, brokerage, etc. on securities. It does not include foreign exchange income.
		(II)	Profit on sale of investments *Less:* Loss on sale of investments	Includes profit / loss on sale of securities, furniture, land and building, motor vehicles, gold, silver, etc. Only the net position shall be shown. If the net position is a loss, the amount shall be shown as a deduction.
		(III)	Profit on revaluation of investments *Less:* Loss on revaluation of investments	The net profit / loss on revaluation of assets shall be shown under this item. Provision for non-performing investments (NPI) shall not be shown here and instead reflected under Provisions and Contingencies.
		(IV)	Profit on sale of land, buildings and other assets *Less:* Loss on sale of land, buildings and other assets	
		(V)	Profit on exchange transactions Less: Loss on exchange transactions	Includes profit / loss on dealing in foreign exchange, all income earned by way of foreign exchange, commission and charges on foreign exchange transactions excluding interest which will be shown under interest head. Only the net position shall be shown. If the net position is a loss, it is to be shown as a deduction.
		(VI)	Income earned by way of dividend etc. from subsidiaries, companies, joint ventures abroad / in India	

Item	Sch.		Coverage	Notes and Instructions for compilation
		(VII)	Miscellaneous income	Includes recoveries from constituents for godown rents, income from bank's properties, security charges, insurance etc. and any other miscellaneous income. In case any item under this head exceeds one percent of the total income, particulars shall be given in the notes. The fee received from the sale of Priority Sector Lending Certificates (PSLCs) shall be shown here.
Interest expended	15	(I)	Interest on deposits	Includes interest paid on all types of deposits including deposits from banks and other institutions.
		(II)	Interest on RBI / inter-bank borrowings	Includes discount / interest on all borrowings and refinance from Reserve Bank of India and other banks.
		(III)	Others	Includes discount / interest on all borrowings / refinance from financial institutions. All other payments like interest on participation certificates, penal interest paid, etc. shall also be included here.
				Notes :General 1. The balances in Repo Interest Expenditure Account shall be classified under Schedule 15 (under item II or III as appropriate). 2. While acquiring government and other approved securities, banks should not capitalise the broken period interest paid to seller as part of cost of the investment, but instead book it as an expense.
Operating Expenses	16	(I)	Payments to and provisions for employees	Includes staff salaries / wages, allowances, bonus, other staff benefits like provident fund, pension, gratuity, liveries to staff, leave fare concessions, staff welfare, medical allowance to staff, etc.
		(II)	Rent, taxes and lighting	Includes rent paid by the banks on buildings, municipal and other taxes paid (excluding income tax and interest tax), electricity and other similar charges and levies. House rent allowance and other similar payments to staff shall appear under the head 'Payments to and provisions for employees'.

Item	Sch.		Coverage	Notes and Instructions for compilation
		(III)	Printing and stationery	Includes books and forms and stationery items used by the bank and other printing charges which are not incurred by way of publicity expenditure.
		(IV)	Advertisement and publicity	Includes expenditure incurred by the bank for advertisement and publicity purposes including printing charges of publicity material.
		(V)	Depreciation on bank's property	Includes depreciation on bank's own property, cars and other vehicles, furniture, electric fittings, vaults, lifts, leasehold properties, non-banking assets, etc.
		(VI)	Directors' fees, allowances and expenses	Includes sitting fees, allowances and all other expenses incurred on behalf of directors. The daily allowance, hotel charges, conveyance charges, etc. which though in the nature of reimbursement of expenses incurred shall be included under this head. Similar expenses of Local Board members, committees of the Board, etc. shall also be included under this head.
		(VII)	Auditors' fees and expenses (including branch auditors' fees)	Includes the fees paid to the statutory auditors and branch auditors for professional services rendered and all expenses for performing their duties, even though they may be in the nature of reimbursement of expenses. If external auditors have been appointed by banks themselves for internal inspections and audits and other services, the expenses incurred in that context including fees should not be included under this head but shall be shown under 'other expenditure'.
		(VIII)	Law charges	All legal expenses and reimbursement of expenses incurred in connection with legal services shall be included here.
		(IX)	Postage, Telegrams, Telephones, etc.	Includes all postal charges like stamps, telephones, etc.
		(X)	Repairs and maintenance	Includes repairs to bank's property, their maintenance charges, etc.

Item	Sch.		Coverage	Notes and Instructions for compilation
		(XI)	Insurance	Includes insurance charges on bank's property, insurance premia paid to DICGC, etc. to the extent they are not recovered from the concerned parties.
		(XII)	Other expenditure	All expenses other than those not included in any of the other heads like licence fees, donations, subscriptions to papers, periodicals, entertainment expenses, travel expenses, etc. shall be included under this head. In case any particular item under this head exceeds one percent of the total income, particulars shall be given in the notes. The fees paid for the purchase of the PSLCs shall be shown here.
Provisions and Contingencies				Includes all provisions made for bad and doubtful debts, provisions for taxation, provisions for non-performing investments, transfers to contingencies and other similar items.

C. Guidance on specific issues with respect to certain Accounting Standards

6. A bank shall also be guided by following with respect to relevant issues in the application of certain Accounting Standards for the bank.

(1) **Accounting Standard 5 - Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies**

(i) The objective of this standard is to prescribe the classification and disclosure of certain items in the statement of profit and loss so that all enterprises prepare and present such a statement on a uniform basis.

(ii) Accordingly, this Standard requires the classification and disclosure of extraordinary and prior period items, and the disclosure of certain items within profit or loss from ordinary activities. It also specifies the accounting treatment for changes in accounting estimates and the disclosures to be made in the financial statements regarding changes in accounting policies.

(iii) Paragraph 4.3 of Preface to the Statements on Accounting Standards issued by the ICAI states that Accounting Standards are intended to apply only to items which are material. Since materiality is not objectively defined, it has been decided that all banks should ensure compliance with the provisions of the Accounting Standard in respect of any item of prior period income or prior period expenditure which exceeds one percent of the total income / total expenditure of the bank if the income / expenditure is reckoned on a gross basis or one percent of the net profit before taxes or net losses as the case may be if the income is reckoned net of costs.

(iv) Since the format of the profit and loss accounts of a bank prescribed in Form B under Third Schedule to the Banking Regulation Act, 1949 does not specifically provide for disclosure of the impact of prior period items on the current year's profit and loss, such disclosures, wherever warranted, may be made in the 'Notes on Accounts' to the balance sheet of a bank.

(2) **Accounting Standard 9 – Revenue Recognition**

(i) Non-recognition of income by the bank in case of non-performing advances and non-performing investments, in compliance with the regulatory prescriptions of the Reserve Bank of India, shall not attract a qualification by the statutory auditors as this would be in conformity with provisions of the standard, as it recognises postponement of recognition of revenue where collectability of the revenue is significantly uncertain.

(3) **Accounting Standard 11 - The Effects of Changes in Foreign Exchange Rates**

AS 11 is applied in the context of the accounting for transactions in foreign currencies. The issues that arise in this context have been identified and a bank shall be guided by the following while complying with the provisions of the standard:

(i) **Exchange rate for recording foreign currency transactions**

(a) As per paragraphs 9 and 21 of the Standard, a foreign currency transaction shall be recorded on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. A bank may face difficulty in applying the exchange rate prevailing at the date of the transaction in respect of the items which are not being recorded in Indian Rupees or are currently being recorded using a notional exchange rate.A bank, which is in a position to apply the exchange rate prevailing on the date of the transaction for recording the foreign currency transactions as required under AS 11 shall comply with the requirements.

(b) A bank, which has an extensive branch network, have a high volume of foreign currency transactions and is not fully equipped on the technology front shall be guided by the following:

(i) Paragraph 10 of the Standard allows, for practical reasons, the use of a rate that approximates the actual rate at the date of the transaction The Standard also states that if exchange rates fluctuate significantly, the use of average rate for a period is unreliable. Since the enterprises are required to record the transactions at the date of the occurrence thereof, the weekly average closing rate of the preceding week can be used for recording the transactions occurring in the relevant week, if the same approximates the actual rate at the date of the transaction. In view of the practical difficulties which a bank may have in applying the exchange rates at the dates of the transactions and since the Standard allows the use of a rate that approximates the actual rate at the date of the transaction, the bank may use average rates as detailed below:

(ii) FEDAI publishes a weekly average closing rate at the end of each week and a quarterly average closing rate at the end of each quarter for various currencies.

(iii) In respect of those foreign currency transactions, which are currently not being recorded in Indian Rupees at the date of the transaction or are being recorded using a notional exchange rate shall now be recorded at the date of the transaction by using the weekly average closing rate of the preceding week, published by FEDAI, if the same approximates the actual rate at the date of the transaction.

(iv) If the weekly average closing rate of the preceding week does not approximate the actual rate at the date of the transaction, the closing rate at the date of the transaction shall be used. For this purpose, the weekly average closing rate of the preceding week would not be considered approximating the actual rate at the date of the transaction if the difference between (A) the weekly average closing rate of the preceding week and (B) the exchange rate prevailing at the date of the transaction, is more than three and a half percent of (B).

(v) A bank is encouraged to equip themselves to record the foreign currency transactions.

(ii) **Closing rate**

(a) Paragraph 7 of the Standard defines 'Closing rate' as the exchange rate at the balance sheet date.

(b) To ensure uniformity among banks, closing rate to be applied for the purposes of AS 11 (revised 2003) for the relevant accounting period would be the last <u>closing spot rate</u> of exchange announced by FEDAI for that accounting period.

(4) Accounting Standard 17 – Segment Reporting

The indicative formats for disclosure under ‘AS 17 – Segment Reporting’ are as below.

Format

Part A: Business segments

(Amount in ₹ crore)

Business Segments →	Treasury		Corporate / Wholesale Banking		Retail Banking		Other Banking Business		Total	
Particulars ↓	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue										
Result										
Unallocated expenses										
Operating profit										
Income taxes										
Extraordinary profit / loss										
Net profit										
Other information:										
Segment assets										
Unallocated assets										
Total assets										
Segment liabilities										
Unallocated liabilities										
Total liabilities										

Note: No disclosure need be made in the shaded portion

Note:

a) The business segments will be ‘Treasury’, ‘Corporate / Wholesale Banking’, ‘Retail Banking’ and ‘Other banking operations’.

b) A bank shall adopt its own methods, on a reasonable and consistent basis, for allocation of expenditure among the segments.

c) ‘Treasury’ shall include the entire investment portfolio.

d) Retail Banking shall include exposures which fulfil the four criteria of orientation, product, granularity, and low value of individual exposures for retail exposures laid down in Reserve Bank of India (Small Finance Banks – Prudential Norms on Capital Adequacy) Directions, 2025 .

Individual housing loans will also form part of Retail Banking segment for the purpose of reporting under AS-17.

e) Corporate / Wholesale Banking includes all advances to trusts, partnership firms, companies, and statutory bodies, which are not included under 'Retail Banking'.

f) Other Banking Business includes all other banking operations not covered under 'Treasury, 'Wholesale Banking' and 'Retail Banking' segments. It shall also include all other residual operations such as para banking transactions / activities.

g) Besides the above-mentioned segments, a bank shall report additional segments within 'Other Banking Business' which meet the quantitative criterion prescribed in the AS 17 for identifying reportable segments.

h) A bank shall sub-divide retail banking into (i) Digital Banking and (ii) Other Retail Banking segments. The business involving digital banking products acquired by Digital Banking Units (DBUs) or existing digital banking products would qualify to be clubbed under 'Digital Banking' Segment.

(5) **Accounting Standard 18 – Related Party Disclosures**

The manner of disclosures required by paragraphs 23 to 26 of AS 18 is illustrated as below. It may be noted that the format given below is merely illustrative in nature and is not exhaustive.

(Amount in ₹ crore)

Items/Related Party	Parent (as per ownership or control)	Key Management Personnel	Relatives of Key Management Personnel	Total
Borrowings#				
Deposits#				
Placement of deposits#				
Advances#				
Investments#				
Non-funded commitments#				
Leasing / HP arrangements availed#				
Leasing / HP arrangements provided#				
Purchase of fixed assets				
Sale of fixed assets				
Interest paid				
Interest received				
Rendering of services*				
Receiving of services*				
Management contracts*				

#The outstanding at the year end and the maximum during the year are to be disclosed

*Contract services etc. and not services like remittance facilities, locker facilities etc.

Note:

i) Related parties for a bank are its parent, subsidiary(ies), associates / joint ventures, Key Management Personnel (KMP) and relatives of KMP. KMP are the whole-time directors for an Indian bank. Relatives of KMP would be on the lines indicated in section 45 S of the RBI Act, 1934

ii) The name and nature of related party relationship shall be disclosed, irrespective of whether there have been transactions, where control exists within the meaning of the Standard. Control would normally exist in case of parent-subsidiary relationship. The disclosures may be limited to aggregate for each of the above related party categories and would pertain to the year-end position as also the maximum position during the year.

iii) The Accounting Standards is applicable to all nationalised banks. The accounting standard exempts state-controlled enterprises i.e., nationalised banks from making any disclosures pertaining to their transactions with other related parties which are also state controlled enterprises. Thus, a nationalised bank need not disclose its transactions with the subsidiaries as well as the Regional Rural Banks sponsored by them. However, it shall be required to disclose its transactions with other related parties.

iv) Secrecy provisions: If in any of the above category of related parties there is only one related party entity, any disclosure would tantamount to infringement of customer confidentiality. In terms of AS 18, the disclosure requirements do not apply in circumstances when providing such disclosures would conflict with the reporting enterprise's duties of confidentiality as specifically required in terms of statute, by regulator or similar competent authority. Further, in case a statute or regulator governing an enterprise prohibits the enterprise from disclosing certain information, which is required to be disclosed, non-disclosure of such information would not be deemed as non-compliance with the Accounting Standards. On account of the judicially recognised common law duty of the bank to maintain the confidentiality of the customer details, it need not make such disclosures. In view of the above, where the disclosures under the Accounting Standards are not aggregated disclosures in respect of any category of related party i.e., where there is only one entity in any category of related party, a bank need not disclose any details pertaining to that related party other than the relationship with that related party.

(6) Accounting Standard 24 - Discontinuing operations

(i) This Standard establishes principles for reporting information about discontinuing operations.

(ii) Merger / closure of branches of a bank by transferring the assets / liabilities to the other branches of the same bank may not be deemed as a discontinuing operation and hence this Accounting Standard will not be applicable to merger / closure of branches of a bank by transferring the assets / liabilities to the other branches of the same bank.

(iii) Disclosures shall be required under the Standard only when: (a) discontinuing of the operation has resulted in shedding of liability and realisation of the assets by the bank or decision to discontinue an operation which will have the above effect has been finalised by the bank and (b) the discontinued operation is substantial in its entirety.

(7) Accounting Standard 25 – Interim Financial Reporting

(i) This Standard prescribes the minimum content of an interim financial report and the principles for recognition and measurement in a complete or condensed financial statements for an interim period.

(ii) The disclosures required to be made by a listed bank in terms of the listing agreements would not tantamount to interim reporting as envisaged under AS 25 and as such AS 25 is not mandatory for the quarterly reporting prescribed for a listed bank.

(iii) The recognition and measurement principles laid down under AS 25 shall however, be complied with in respect of such quarterly reports.

(8) Accounting Standard 26 – Intangible asset

(i) This Standard prescribes the accounting treatment for intangible assets that are not dealt with specifically in another accounting standard.

(ii) With respect to computer software which has been customised for the bank's use and is expected to be in use for some time, the detailed recognition and amortisation principle in respect of computer software prescribed in the Standard adequately addresses these issues and may be followed by the bank.

(iii) It may be noted that intangible assets recognised and carried in the balance sheet of a bank in compliance with AS 26 shall attract provisions of section 15(1) of the Banking Regulation Act 1949, in terms of which a bank is prohibited from declaring any dividend until any expenditure not represented by tangible assets is carried in the balance sheet.

(iv) A bank desirous of paying dividend while carrying any intangible assets in its books must seek exemption from section 15(1) of the Banking Regulation Act, 1949 from the Central Government.

(9) Accounting Standard 28 – Impairment of assets

(i) This standard prescribes the procedures that an enterprise applies to ensure that its assets are carried at no more than their recoverable amount. It is clarified that the standard shall not apply to inventories, investments and other financial assets such as loans and advances and shall generally be applicable to a bank in so far as it relates to fixed assets.

(ii) The Standard shall generally apply to financial lease assets and non-banking assets acquired in settlement of claims only when the indications of impairment of the entity are evident.

Chapter III - Disclosure in financial statements – Notes to Accounts

7. A bank shall disclose information as specified in this chapter in the notes to accounts of the financial statements.

   Explanation 1: These disclosures are intended only to supplement and not to replace disclosure requirements under other laws, regulations, or accounting and financial reporting standards.

   Explanation 2: A bank is encouraged to make disclosures that are more comprehensive than the minimum required under these Directions, especially if such disclosures significantly aid in the understanding of the financial position and performance.

A. General

8. The items listed in these Directions shall be disclosed in the 'Notes to Accounts' to the financial statements. A bank shall make additional disclosures where material.

B. Presentation

9. In addition to the schedules to the balance sheet, a summary of 'significant accounting policies' and 'notes to accounts' shall be disclosed as separate Schedules.

C. Disclosure requirements

10. A bank shall, at the minimum, furnish the following information in the 'notes to accounts'. The bank shall note that mere mention of an activity, transaction or item in the disclosure template does not imply that it is permitted, and the bank shall refer to the extant statutory and regulatory requirements while determining the permissibility or otherwise of an activity or transaction. The bank shall disclose comparative information in respect of the previous period for all amounts reported in the current period's financial statements. Further, the bank shall include comparative information for narrative and descriptive information if it is relevant to understanding the current period's financial statements.

(1) Regulatory capital

(i) Composition of regulatory capital

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Common Equity Tier 1 capital (CET 1) (net of deductions, if any)		
ii)	Additional Tier 1 capital		
iii)	Tier 1 capital (i + ii)		
iv)	Tier 2 capital		
v)	Total capital (Tier 1+Tier 2)		
vi)	Total Risk Weighted Assets (RWAs)		
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs)		
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)		
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)		
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)		
xi)	Leverage Ratio		
xii)	Percentage of the shareholding of Government of India		
xiii)	Amount of paid-up equity capital raised during the year		
xiv)	Amount of non-equity Tier 1 capital raised during the year, of which: Give list* as per instrument type (perpetual non-cumulative preference shares, perpetual debt instruments, etc.). A bank shall also specify if the instruments are Basel II or Basel III compliant.		
xv)	Amount of Tier 2 capital raised during the year, of which Give list* as per instrument type (perpetual cumulative preference shares, debt capital instruments, etc.). A bank shall also specify if the instruments are Basel II or Basel III compliant.		

* Example: A bank may disclose as under

	Current year	Previous year
Amount of non-equity Tier 1 / Tier 2 capital raised during the year of which:	###	###
a) Basel II / III compliant instruments (please specify type of instrument) b) Basel II/ III compliant Instruments (please specify type of instrument)	### ###	### ###

(ii) Draw down from Reserves

Suitable disclosures mentioning the amount and the rationale for withdrawal shall be made regarding any draw down from reserves.

(2) Asset liability management

(i) Maturity pattern of certain items of assets and liabilities

(Amount in ₹ crore)

	Day 1	2 to 7 days	8 to 14 days	15 to 30 Days	31 days to 2 months	Over 2 months and to 3 months	Over 3 months and up to 6 Months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits*												
Advances												
Investments												
Borrowings												
Foreign Currency assets												
Foreign Currency liabilities												

(ii) Liquidity coverage ratio (LCR)

A bank shall disclose information on its LCR covering all the four quarters of relevant financial year in the format given below.

(Amount in ₹ crore)

		Quarter ended (Similarly, there will be column of each of the four quarters)	
		Total Un-weighted* Value (average)	**Total Weighted@ Value (average)**
1	Total High-Quality Liquid Assets (HQLA)		
Cash Outflows			
2	Retail deposits and deposits from small business customers, of which:		
i)	Stable deposits		
ii)	Less stable deposits		
3	Unsecured wholesale funding, of which:		
i)	Operational deposits (all counterparties)		
ii)	Non-operational deposits (all counterparties)		
iii)	Unsecured debt		
4	Secured wholesale funding		
5	Additional requirements, of which		
i)	Outflows related to derivative exposures and other collateral requirements		

		Quarter ended (Similarly, there will be column of each of the four quarters)	
		Total Un-weighted* Value (average)	**Total Weighted@ Value (average)**
ii)	Outflows related to loss of funding on debt products		
iii)	Credit and liquidity facilities		
6	Other contractual funding obligations		
7	Other contingent funding obligations		
8	**Total Cash Outflows**		
Cash Inflows			
9	Secured lending (e.g., reverse repos)		
10	Inflows from fully performing exposures		
11	Other cash inflows		
12	**Total Cash Inflows**		
			Total Adjusted$ Value
13	**Total HQLA**		
14	**Total Net Cash Outflows**		
15	**Liquidity Coverage Ratio (%)**		

*Un-weighted values shall be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows) except where otherwise mentioned in the circular and LCR template.

@Weighted values shall be calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows).

$Adjusted values shall be calculated after the application of both (a) haircuts and inflow and outflow rates and (b) any applicable caps (i.e., cap on Level 2B and Level 2 assets for HQLA and cap on inflows).

(a) Data shall be presented as simple averages of daily observations over the previous quarter (i.e., the average is calculated over a period of 90 days). A bank shall publish the number of data points used in calculating the average figures in template. The simple average shall be calculated on daily observations over the previous quarters. For most data items, both un-weighted and weighted values of the LCR components shall be disclosed as given in the disclosure format. The un-weighted value of inflows and outflows shall be calculated as the outstanding balances of various categories or types of liabilities, off balance sheet items or contractual receivables. The weighted value of HQLA shall be calculated as the value after haircuts are applied. The weighted value for inflows and outflows shall be calculated as the value after the inflow and outflow rates are applied. Total HQLA and total net cash outflows shall be disclosed as the adjusted value, where the adjusted value of HQLA is the value of total HQLA after the application of both haircuts and any applicable caps on Level 2B and Level 2 assets as indicated in this framework. The adjusted value of net cash outflows is to be calculated after the cap on inflows is applied, if applicable.

(b) A bank shall provide sufficient qualitative discussion around the LCR to facilitate understanding of the results and data provided. For example, where significant to the LCR, a bank could discuss:

(i) the main drivers of its LCR results and the evolution of the contribution of inputs to the LCR's calculation over time;

(ii) intra period changes as well as changes over time;

(iii) the composition of HQLA;

(iv) concentration of funding sources;

(v) derivative exposures and potential collateral calls;

(vi) currency mismatch in the LCR;

(vii) a description of the degree of centralisation of liquidity management and interaction between the group's units; and

(viii) 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.

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

(a) A bank shall publish this disclosure along with the publication of its financial statements / results (i.e., typically quarterly or semi-annually), irrespective of whether the financial statements / results are audited. The NSFR information shall be calculated on a consolidated basis and presented in Indian rupee.

(b) A bank shall either include these NSFR disclosures in its published financial reports or, at a minimum, provide a direct and prominent link to the complete disclosure on its websites or in publicly available regulatory reports.

(c) Data shall be presented as quarter-end observations. For a bank reporting on a semi-annual basis, the NSFR shall be reported for each of the two preceding quarters. For a bank reporting on an annual basis, the NSFR shall be reported for the preceding four quarters. Both unweighted and weighted values of the NSFR components shall be disclosed unless otherwise indicated. Weighted values are calculated as the values after Available Stable Funding (ASF) or Required Stable Funding (RSF) factors are applied.

(d) A bank shall, in addition to the template prescribed below, provide a sufficient qualitative discussion around the NSFR to facilitate an understanding of the results and the accompanying data.

Explanation: For example, where significant to the NSFR, a bank could discuss the drivers of its NSFR results and the reasons for intra-period changes as well as the changes over time (e.g., changes in strategies, funding structure, circumstances etc.).

NSFR Disclosure Template						
(₹ in Crore)		Unweighted value by residual maturity				Weighted value
		No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item						
1	Capital: (2+3)					
2	Regulatory capital					
3	Other capital instruments					
4	Retail deposits and deposits from small business customers: (5+6)					
5	Stable deposits					
6	Less stable deposits					
7	Wholesale funding: (8+9)					
8	Operational deposits					
9	Other wholesale funding					

NSFR Disclosure Template						
(₹ in Crore)		Unweighted value by residual maturity				Weighted value
		No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	
10	Other liabilities: (11+12)					
11	NSFR derivative liabilities					
12	All other liabilities and equity not included in the above categories					
13	**Total ASF (1+4+7+10)**					
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)					
15	Deposits held at other financial institutions for operational purposes					
16	Performing loans and securities: (17+18+19+21+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					
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:					
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:					
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk					
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities					
24	Other assets: (sum of rows 25 to 29)					
25	Physical traded commodities, including gold					

NSFR Disclosure Template						
(₹ in Crore)		Unweighted value by residual maturity				Weighted value
		No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
27	NSFR derivative assets					
28	NSFR derivative liabilities before deduction of variation margin posted					
29	All other assets not included in the above categories					
30	Off-balance sheet items					
31	Total RSF (14+15+16+24+30)					
32	Net Stable Funding Ratio (%)					

*****Items to be reported in the 'no maturity' time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.

(3) **Investments**

(i) **Composition of investment portfolio**

	Current Year					Previous Year				
	HTM		AFS	FVTPL		HTM		AFS	FVTPL	
	At cost	Fair Value		HFT	non-HFT	At cost	Fair Value		HFT	non-HFT
I. Investments in India										
(i) Government securities										
(ii) Other approved securities										
(iii) Shares										
(iv) Debentures and Bonds										
(v)Others										
Total										
Less: Provisions for impairment / NPI										
Net										
II. Investments outside India										
(i) Government securities (including local authorities)										
(ii) Other investments										
Total										
Less: Provisions for impairment / NPI										
Net										
Total investments (I+II)										

(ii) **Fair value hierarchy of investment portfolio measured at fair value on balance sheet**

(In ₹ Crore)																
	Current Year								**Previous Year**							
	AFS				**FVTPL**				**AFS**				**FVTPL**			
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
I. Investments in India																
(i) Government securities																
(ii) Other approved securities																
(iii) Shares																
(iv) Debentures and Bonds																
(v)Others																
Total																
II. Investments outside India																
(i) Government securities (including local authorities)																
(ii) Other investments																
Total																
Total investments (I+II)																

(iii) **Net gains / (losses) on Level 3 financial instruments recognised in AFS-Reserve and Profit and Loss Account**

	Current Year	Previous Year
Recognised in AFS-Reserve		
Recognised in Profit and Loss Account		

Note: This disclosure shall exclude Level 3 assets where the valuation of the asset is the price declared by FBIL / FIMMDA for that asset.

(iv) **Details of sales made out of HTM**

Details of sales made out of HTM shall be disclosed in the notes to accounts of the financial statements as per the format mentioned below.

(all amounts in ₹ crore)

		Current Year	Previous Year
A	Opening carrying value of securities in HTM		
B	Carrying value of all HTM securities sold during the year		
C	Less: Carrying values of securities sold under situations exempted from regulatory limit*		
D	Carrying value of securities sold (D=B-C)		
E	Securities sold as a percentage of opening carrying value of securities in HTM (E=D÷A)		
F	Amount transferred to Capital Reserve in respect of HTM securities which were sold at a gain		

*In any financial year, the carrying value of investments sold out of HTM shall not exceed five percent of the opening carrying value of the HTM portfolio. The five percent threshold referred to above shall exclude sale of securities in the situations given under the Reserve Bank of India (Small Finance Banks: Classification, Valuation and Operation of Investment Portfolio) Directions, 2025.

(v) **Movement of provisions for non-performing investments (NPIs) and investment fluctuation reserve**

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
i) Movement of provisions held towards NPIs		
a) Opening balance		
b) Add: Provisions made during the year		
c) Less: Write off / write back of excess provisions during the year		
d) Closing balance		
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance		
b) Add: Amount transferred during the year		
c) Less: Drawdown		
d) Closing balance		
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT / Current category.		

(vi) **Non-SLR investment portfolio**

(a) Non-performing non-SLR investments

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
a)	Opening balance		
b)	Additions during the year since 1st April		
c)	Reductions during the above period		
d)	Closing balance		
e)	Total provisions held		

(b) Issuer composition of non-SLR investments

(Amount in ₹ crore)

Sr. No.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
(1)	(2)	(3)		(4)		(5)		(6)		(7)	
		Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
a)	PSUs										
b)	FIs										
c)	Banks										
d)	Private Corporates										
e)	Others										
	Total										

Note:

1. For a bank, the Total under column 3 shall match with the sum of total of Investments included under the following categories in Schedule 8 to the balance sheet:
   a) Investment in India in
      i) Shares
      ii) Debentures and Bonds
         a. Subsidiaries and /or Joint Ventures
         b. Others
   b) Investment outside India in (where applicable)
      i) Government securities (including local authorities)
      ii) Subsidiaries and / or joint ventures abroad
      iii) Other investments
2. Amounts reported under columns 4, 5, 6 and 7 above may not be mutually exclusive.

(vii) Repo transactions (in face value and market value terms)

(Amount in ₹ crore)

	Minimum outstanding during the year		Maximum outstanding during the year		Daily average outstanding during the year		Outstanding as on March 31	
	FV	MV	FV	MV	FV	MV	FV	MV
i) Securities sold under repo a) Government securities b) Corporate debt securities c) Any other securities								
ii) Securities purchased under reverse repo a) Government securities b) Corporate debt securities c) Any other securities								

Note:

(i) 'FV' means Face Value and 'MV' means Market Value.

(ii) The disclosure shall be as specified in Repurchase Transactions (Repo) (Reserve Bank) Directions, 2018 as amended from time to time. For ease of reference the disclosure template as on the date of issuance of this Master Direction has been reproduced here.

(viii) **Government Security Lending (GSL) transactions (in market value terms)**

As at … (current year balance sheet date)

(Amount in ₹ crore)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Total volume of transactions during the year	Outstanding as on March 31
Securities lent through GSL transactions					
Securities borrowed through GSL transactions					
Securities placed as collateral under GSL transactions					
Securities received as collateral under GSL Transactions					

As at … (previous year balance sheet date)

(Amount in ₹ crore)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Total volume of transactions during the year	Outstanding as on March 31
Securities lent through GSL transactions					
Securities borrowed through GSL transactions					
Securities placed as collateral under GSL Transactions					
Securities received as collateral under GSL Transactions					

Note - The disclosure shall be as specified in Reserve Bank of India (Government Securities Lending) Directions, 2023, as amended from time to time. For ease of reference the disclosure template as on the date of issuance of this Direction has been reproduced here.

(4) **Asset quality**

(i) **Classification of advances and provisions held**

	Standard	Non-Performing				Total
	Total Standard Advances	**Sub-standard**	**Doubtful**	**Loss**	**Total Non-Performing Advances**	
Gross Standard Advances and NPAs						
Opening Balance						
Add: Additions during the year						
Less: Reductions during the year*						
Closing balance						
*Reductions in Gross NPAs due to:						
i) Upgradation						
ii) Recoveries (excluding recoveries from upgraded accounts)						
iii) Technical / Prudential Write-offs						
iv) Write-offs other than those under (iii) above						
Provisions (excluding Floating Provisions)						
Opening balance of provisions held						
Add: Fresh provisions made during the year						
Less: Excess provision reversed / Write-off loans						
Closing balance of provisions held						
Net NPAs						
Opening Balance						

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Add: Fresh additions during the year						
Less: Reductions during the year						
Closing Balance						
Floating Provisions						
Opening Balance						
Add: Additional provisions made during the year						
Less: Amount drawn down during the year (Rationale for drawdown may be explained by way of a note below the table)						
Closing balance of floating provisions						
Technical write-offs and the recoveries made thereon						
Opening balance of Technical / Prudential written-off accounts						
Add: Technical / Prudential write-offs during the year						
Less: Recoveries made from previously technical / prudential written-off accounts during the year						
Closing balance						

Note –

1) While making disclosures in audited annual financial statements, a bank should invariably provide the figures for both the current and previous year to facilitate comparison.

2) Technical or prudential write-off is the amount of non-performing loans which are outstanding in the books of the branches but have been written-off (fully or partially) at Head Office level. Amount of Technical write-off should be certified by statutory auditors.

3) To the extent that floating provisions have not been reckoned for Tier 2 capital, they may be netted off from Gross NPAs to arrive at Net NPAs.

Ratios (in percent) (to be computed as per applicable regulatory instructions)	Current Year	Previous Year
Gross NPA to Gross Advances		
Net NPA to Net Advances		
Provision coverage ratio		

(ii) Sector-wise advances and Gross NPAs

(Amounts in ₹ crore)

Sr. No.	Sector*	Current Year			Previous Year		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
i)	**Priority Sector**						
a)	Agriculture and allied activities						
b)	Advances to industries sector eligible as priority sector lending						
c)	Services						
d)	Personal loans						
	Subtotal (i)						
ii)	**Non-priority Sector**						
a)	Agriculture and allied activities						
b)	Industry						
c)	Services						
d)	Personal loans						

(Amounts in ₹ crore)

Sr. No.	Sector*	Current Year			Previous Year		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
	Sub-total (ii)						
	Total (I + ii)						

*A bank shall also disclose in the format above, sub-sectors where the outstanding advances exceeds 10 percent of the outstanding total advances to that sector. For instance, if a bank's outstanding advances to the mining industry exceed 10 percent of the outstanding total advances to 'Industry' sector it shall disclose details of its outstanding advances to mining separately in the format above under the 'Industry' sector.

(iii) **Particulars of resolution plan and restructuring**

(a) A bank covered by the Reserve Bank of India (Small Finance Banks – Resolution of Stressed Assets) Directions, 2025 shall make appropriate disclosures in its financial statements relating to resolution plans implemented.

(b) As per the referenced circular, acquisition of shares due to conversion of debt to equity during a restructuring process shall be exempted from regulatory ceilings / restrictions on Capital Market Exposures, investment in Para-Banking activities and intra-group exposure. However, details of the same shall be disclosed by a bank in the 'Notes to Accounts' to its Annual Financial Statements.

(iv) **Divergence in asset classification and provisioning**

A bank shall make suitable disclosures as tabulated below, if either or both of the following conditions are satisfied:

(a) the additional provisioning for NPAs assessed by Reserve Bank of India as part of its supervisory process, exceeds five percent of the reported profit before provisions and contingencies for the reference period, and

(b) the additional Gross NPAs identified by the Reserve Bank of India as part of its supervisory process exceed five percent of the reported incremental Gross NPAs for the reference period.

Explanation - Reported incremental Gross NPAs refers to additions during the reference year to the Gross NPAs as disclosed in the Notes to the Financial Statements of the reference period.

(Amount in ₹ crore)

Sr.	Particulars	Amount
1.	Gross NPAs as on March 31, 20XX* as reported by the bank	
2.	Gross NPAs as on March 31, 20XX as assessed by Reserve Bank of India	
3.	Divergence in Gross NPAs (2-1)	
4.	Net NPAs as on March 31, 20XX as reported by the bank	
5.	Net NPAs as on March 31, 20XX as assessed by Reserve Bank of India	
6.	Divergence in Net NPAs (5-4)	
7.	Provisions for NPAs as on March 31, 20XX as reported by the bank	
8.	Provisions for NPAs as on March 31, 20XX as assessed by Reserve Bank of India	

Sr.	Particulars	Amount
9.	Divergence in provisioning (8-7)	
10	Reported Profit before Provisions and Contingencies for the year ended March 31, 20XX	
11.	Reported Net Profit after Tax (PAT) for the year ended March 31, 20XX	
12.	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 20XX after considering the divergence in provisioning	

* March 31, 20XX is the close of the reference period in respect of which divergences were assessed

The disclosures, as above, shall be made in the 'Notes to Accounts' in the ensuing Annual Financial Statements published immediately following communication of such divergence by Reserve Bank of India to the bank.

(v) **Disclosure of transfer of loan exposure**

Lenders should make appropriate disclosures in their financial statements, under 'Notes to Accounts', relating to the total amount of loans not in default / stressed loans transferred and acquired to / from other entities as prescribed below, on a quarterly basis:

(a) In respect of loans not in default that are transferred or acquired, the disclosures should cover, inter alia, aspects such as weighted average maturity, weighted average holding period, retention of beneficial economic interest, coverage of tangible security coverage, and rating-wise distribution of rated loans. Specifically, a transferor should disclose all instances where it has agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty. The disclosures should also provide break-up of loans transferred / acquired through assignment / novation and loan participation.

(b) In the case of stressed loans transferred or acquired, the following disclosures should be made:

Details of stressed loans transferred during the year (to be made separately for loans classified as NPA and SMA)			
(all amounts in ₹ crore)	To ARCs	To permitted transferees	To other transferees (please specify)
No: of accounts			
Aggregate principal outstanding of loans transferred			

Details of stressed loans transferred during the year (to be made separately for loans classified as NPA and SMA)			
Weighted average residual tenor of the loans transferred			
Net book value of loans transferred (at the time of transfer)			
Aggregate consideration			
Additional consideration realised in respect of accounts transferred in earlier years			

Details of loans acquired during the year		
(all amounts in ₹ crore)	From Scheduled Commercial Banks, Regional Rural Bank, Co-operative Banks, All India Financial Institutions, Small Finance Banks and Non-Banking Finance Companies including Housing Finance Companies	From ARCs
Aggregate principal outstanding of loans acquired		
Aggregate consideration paid		
Weighted average residual tenor of loans acquired		

(c) The transferor(s) should also make appropriate disclosures with regard to the quantum of excess provisions reversed to the profit and loss account on account of sale of stressed loans. Also, the lenders should disclose the distribution of the SRs held by them across the various categories of Recovery Ratings assigned to such SRs by the credit rating agencies.

(vi) **Fraud accounts**

A bank shall make disclose details on the number and amount of frauds as well as the provisioning thereon as per template given below.

	Current year	**Previous year**
Number of frauds reported		
Amount involved in fraud (₹ crore)		
Amount of provision made for such frauds (₹ crore)		
Amount of unamortised provision debited from 'other reserves' as at the end of the year (₹ crore)		

(vii) **Disclosure related to project finance**

A lender shall make appropriate disclosures related to project finance as below:

Sl. No	Item Description	Number of accounts	Total outstanding (in ₹ crore)
1	Projects under implementation accounts at the beginning of the quarter.		
2	Projects under implementation accounts sanctioned during the quarter.		
3	Projects under implementation accounts where DCCO has been achieved during the quarter		
4	Projects under implementation accounts at the end of the quarter. (1+2-3)		
5	Out of '4' – accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked.		
5.1	Out of '5' – accounts in respect of which Resolution plan has been implemented.		
5.2	Out of '5' – accounts in respect of which Resolution plan is under implementation.		
5.3	Out of '5' – accounts in respect of which Resolution plan has failed.		
6	Out of '5', accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked due to change in scope and size of the project.		
7	Out of '5', account in respect of which cost overrun associated with extension in original / extended DCCO, as the case may be, was funded		
7.1	Out of '7', accounts where SBCF was sanctioned during financial closure and renewed continuously		
7.2	Out of '7', accounts where SBCF was not pre-sanctioned or renewed continuously		
8	Out of '4' – accounts in respect of which resolution process not involving extension in original / extended DCCO, as the case may be, has been invoked.		
8.1	Out of '8' – accounts in respect of which Resolution plan has been implemented.		
8.2	Out of '8' – accounts in respect of which Resolution plan is under implementation.		
8.3	Out of '8' – accounts in respect of which Resolution plan has failed.		

(viii) **Disclosure under resolution framework for COVID-19-related Stress**

A special window under the Prudential Framework was extended to enable the lenders to implement a resolution plan in respect of eligible corporate exposures, and personal loans, while classifying such exposures as Standard. A bank shall make disclosures in the format prescribed below every half-year, i.e., in the financial statements as on September 30 and March 31, starting from the half-year ending September 30, 2021 till all exposures on which resolution plan was implemented are either fully extinguished or completely slip into NPA, whichever is earlier.

Format for disclosures to be made half yearly starting September 30, 2021

(Amounts in ₹ crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half- year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans					
Corporate persons*					
Of which MSMEs					
Others					
Total					

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

Note: A bank that is not required by the listing requirements or otherwise to publish quarterly / half-yearly statements, shall make the disclosures for the full year in the annual financial statements.

(5) Exposures

(i) Exposure to real estate sector

(Amount in ₹ crore)

Category	Current Year	Previous Year
i) Direct exposure a) Residential Mortgages Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans eligible for inclusion in priority sector advances shall be shown separately. Exposure would also include non-fund based (NFB) limits. b) Commercial Real Estate Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits. c) Investments in Mortgage-Backed Securities (MBS) and other securitised exposures i. Residential ii. Commercial Real Estate ii) Indirect Exposure Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.		
Total Exposure to Real Estate Sector		

(ii) Exposure to capital market

(Amount in ₹ crore)

	Particulars	Current Year	Previous Year
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;		
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;		

Particulars		Current Year	Previous Year
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;		
vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;		
vii)	Bridge loans to companies against expected equity flows / issues;		
viii)	Underwriting commitments taken up 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)		
Total exposure to capital market			

For restructuring of dues in respect of listed companies, a bank may be ab initio compensated for its loss / sacrifice (diminution in fair value of account in net present value terms) by way of issuance of equities of the company upfront, subject to the extant regulations and statutory requirements. If such acquisition of equity shares results in exceeding the extant regulatory Capital Market Exposure (CME) limit, the same shall be disclosed in the 'Notes to Accounts' in the Annual Financial Statements. A bank shall separately disclose details of conversion of debt into equity as part of a restructuring which are exempt from CME limits.

(iii) Risk category-wise country exposure

(Amount in ₹ crore)

Risk Category*	Exposure (net) as at March... (Current Year)	Provision held as at March... (Current Year)	Exposure (net) as at March... (Previous Year)	Provision held as at March... (Previous Year)
Insignificant				
Low				
Moderately Low				
Moderate				

Risk Category*	Exposure (net) as at March… (Current Year)	Provision held as at March… (Current Year)	Exposure (net) as at March… (Previous Year)	Provision held as at March… (Previous Year)
Moderately High				
High				
Very High				
Total				

*Till a bank moves over to internal rating systems, it shall use the seven-category classification followed by Export Credit Guarantee Corporation of India Ltd. (ECGC) for the purpose of classification and making provisions for country risk exposures. ECGC shall provide to a bank, on request, quarterly updates of their country classifications and shall also inform banks in case of any sudden major changes in country classification in the interim period.

Note - If a bank has no exposure to country risk in both the current and previous year, it may omit disclosure of the table while mentioning that it has no exposure to country risk.

(iv) **Unsecured advances**

A bank shall disclose the total amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken as also the estimated value of such intangible collateral as per the following format.

(Amounts in ₹ crore)

Particulars	Current Year	Previous Year
Total unsecured advances of the bank		
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken		
Estimated value of such intangible securities		

(v) **Factoring exposures**

Factoring exposures shall be separately disclosed.

(vi) **Intra-group exposures**

A bank shall make the following disclosures for the current year with comparatives for the previous year:

(a) Total amount of intra-group exposures

(b) Total amount of top 20 intra-group exposures

(c) Percentage of intra-group exposures to total exposure of the bank on borrowers / customers

(d) Details of breach of limits on intra-group exposures anfd regulatory action thereon, if any.

(vii) **Unhedged foreign currency exposure**

A bank shall disclose its policies to manage currency induced credit risk. The bank shall also disclose the incremental provisioning and capital held by it towards this risk.

(viii) **Loans against gold and silver collateral**

(a) Details of loans extended against eligible gold and silver collateral

Particulars	**Loan outstanding**		**Average ticket size (₹ crore)**	**Average LTV ratio**	**Gross NPA (%)**
	₹ crore	**As % of Total Loans**			
1. **Opening balance of the FY** [(a)+(b)]					
(a) Consumption loans					
of which bullet repayment loans					
(b) Income generating loans					
2. **New loans sanctioned and disbursed during the FY** [(c)+(d)]					NA
(c) Consumption loans					NA
of which bullet repayment loans					
(d) Income generating loans					NA
3. **Renewals sanctioned and disbursed during the FY**					NA
4.**Top-up loans sanctioned and disbursed during the FY**					NA
4. **Loans repaid during the FY** [(e)+(f)]				NA	NA
(e) Consumption loans				NA	NA
of which bullet repayment loans				NA	NA
(f) Income generating loans				NA	NA
5. **Non-Performing Loans recovered during the FY** [(g) + (h)]				NA	NA
(g) Consumption loans				NA	NA
of which bullet repayment loans				NA	NA
(h) Income generating loans				NA	NA
6. **Loans written off during the FY** [(i) + (j)]				NA	NA
(i) Consumption loans				NA	NA
of which bullet repayment loans				NA	NA

Particulars	Loan outstanding		Average ticket size (₹ crore)	Average LTV ratio	Gross NPA (%)
	₹ crore	As % of Total Loans			
(j) Income generating loans				NA	NA
7. **Closing balance at the end of FY** [(k) + (l)]					
(k) Consumption loans					
of which bullet repayment loans					
(l) Income generating loans					

Note:

(i) The disclosure shall be as specified in Reserve Bank of India (Small Finance Banks - Credit Facilities) Directions, 2025, as amended from time to time. For ease of reference the disclosure template has been reproduced here.

(ii) Information may be disclosed separately for loans against gold collateral and loans against silver collateral

(iii) Average LTV ratio is calculated as ratio of sum of LTVs of loans at the time of sanction to total number of such loans.

(b) Details of gold and silver collateral and auctions

Sr. No.	Particulars		
(a)	Unclaimed gold or silver collateral at the end of the financial year (in grams)		
(b)	Number of loan accounts in which auctions were conducted		
(c)	Total outstanding in loan accounts mentioned in (b)		
(d)	Gold or silver collateral acquired during the FY due to default of loans (in grams)		
(e)	Gold or silver collateral auctioned during the FY (in grams)		
(f)	Recovery made through auctions during the FY (in ₹ crore)		
(g)	Recovery percentage:		
(h)		as % of value of gold or silver collateral	
(i)		as % of outstanding loan	

Note

(i) Weight and value of collateral to be calculated in accordance with Reserve Bank of India (Small Finance Banks – Credit Facilities) Directions, 2025 (as amended from time to time).

(ii) Unclaimed gold or silver collateral means As defined under Reserve Bank of India (Small Finance Banks – Credit Facilities) Directions, 2025 (as amended from time to time).

(6) Concentration of deposits, advances, exposures and NPAs

(i) Concentration of deposits

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
Total deposits of the twenty largest depositors		
Percentage of deposits of twenty largest depositors to total deposits of the bank		

(ii) Concentration of advances*

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
Total advances to the twenty largest borrowers		
Percentage of advances to twenty largest borrowers to total advances of the bank		

*Advances shall be computed based on credit exposure i.e., funded and non-funded limits including derivative exposures where applicable. The sanctioned limits or outstanding, whichever are higher, shall be reckoned. However, in the case of fully drawn term loans, where there is no scope for redrawal of any portion of the sanctioned limit, a bank may reckon the outstanding as the credit exposure

(iii) Concentration of exposures**

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
Total exposure to the twenty largest borrowers / customers		
Percentage of exposures to the twenty largest borrowers / customers to the total exposure of the bank on borrowers / customers		

**Exposures shall be computed as per applicable RBI regulation.

(iv) Concentration of NPAs

(Amount in ₹ crore)

	Current Year	Previous Year
Total Exposure to the top twenty NPA accounts		
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.		

(7) Derivatives

(i) Details of derivative portfolio

(all amounts in ₹ crore)

	Current year			Previous Year		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Interest Rate Derivatives						
MTM – Assets						

	Current year			Previous Year		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
MTM – Liabilities						
Net Gain / Loss recognised in Profit &Loss Account						
Exchange Rate Derivatives						
MTM – Assets						
MTM – Liabilities						
Net Gain / Loss recognised in Profit &Loss Account						
Other Derivatives (specify)						
MTM – Assets						
MTM – Liabilities						
Net Gain / Loss recognised in Profit &Loss Account						

(ii) Forward rate agreement / Interest rate swap

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
i) The notional principal of swap agreements ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements iii) Collateral required by the bank upon entering into swaps iv) Concentration of credit risk arising from the swaps (for example, exposures to particular industries, or swaps with highly geared companies.) v) The fair value of the swap book (Note - If the swaps are linked to specific assets, liabilities, or commitments, the fair value shall be the estimated amount that the bank would receive or pay to terminate the swap agreements as on the balance sheet date. For a trading swap the fair value shall be its mark to market value)		

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps shall also be disclosed.

(iii) **Exchange traded interest rate derivatives**

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument wise)		
ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on March 31 ….(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)		

(iv) **Disclosures on risk exposure in derivatives**

(a) **Qualitative disclosures**

A bank shall disclose its risk management policies pertaining to derivatives with particular reference to the extent to which derivatives are used, the associated risks and business purposes served. The disclosure shall also include:

(i) the structure and organisation for management of risk in derivatives trading,

(ii) the scope and nature of risk measurement, risk reporting and risk monitoring systems,

(iii) policies for hedging and / or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants, and

(iv) accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation.

(b) Quantitative disclosures

(Amount in ₹ crore)

Sr. No	Particular	Current Year		Previous Year	
		Currency Derivatives	Interest rate derivatives	Currency Derivatives	Interest rate derivatives
a)	Derivatives (Notional Principal Amount)				
b)	Marked to Market Positions [1]				
	i) Asset (+)				
	ii) Liability (-)				
c)	Credit Exposure [2]				
d)	Likely impact of one percentage change in interest rate (100*PV01)				
e)	Maximum and Minimum of 100*PV01 observed during the year				

1. The net position shall be shown either under asset or liability, as the case may be, for each type of derivatives.
2. A bank may adopt the Current Exposure Method on Measurement of Credit Exposure of Derivative Products as per extant Reserve Bank of India instructions.

(8) Disclosures relating to securitisation

In the annual 'Notes to Accounts', the originators should indicate the outstanding amount of securitised assets as per books of the Special Purpose Entities (SPEs) and total amount of exposures retained by the originator as on the date of balance sheet to comply with the MRR. These figures should be based on the information duly certified by the SPE's auditors obtained by the originator from the SPE. These disclosures should be made in the format given in the table below.

(Number / Amounts in ₹ crore)

Sl. No.	Particulars	Mar 31 (Current Year)	Mar 31 (Previous Year)
1.	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitisation exposures to be reported here)		
2.	Total amount of securitised assets as per books of the SPEs		

Sl. No.	Particulars	Mar 31 (Current Year)	Mar 31 (Previous Year)
3.	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures • First loss • Others		
	b) On-balance sheet exposures • First loss • Others		
4.	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures i) Exposure to own securitisations • First loss • Others ii) Exposure to third party securitisations • First loss • Others		
	b) On-balance sheet exposures i) Exposure to own securitisations • First loss • Others ii) Exposure to third party securitisations • First loss • Others		
5.	Sale consideration received for the securitised assets and gain / loss on sale on account of securitisation		
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.		
7.	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. (a) Amount paid (b) Repayment received (c) Outstanding amount		

Sl. No.	Particulars	Mar 31 (Current Year)	Mar 31 (Previous Year)
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc		(may mention average default rate of previous 5 years)
9.	Amount and number of additional / top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans, etc.		
10.	Investor complaints (a) Directly / Indirectly received and; (b) Complaints outstanding		

Note - A bank shall provide table separately for 'Simple, Transparent and Comparable' (STC) and non-STC transactions.

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

Name of the SPV sponsored	
Domestic	Overseas

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

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Opening balance of amounts transferred to DEA Fund		
ii)	Add: Amounts transferred to DEA Fund during the year		
iii)	Less: Amounts reimbursed by DEA Fund towards claims		
iv)	Closing balance of amounts transferred to DEA Fund		
A bank shall specify here that the closing balance of the amount transferred to DEA Fund, as disclosed above, are also included under 'Schedule 12 - Contingent Liabilities - Other items for which the bank is contingently liable' or 'Contingent Liabilities - Others,' as the case may be.			

(11) Disclosure of complaints

(i) Summary information on complaints received by a bank from customers and from the Offices of Ombudsman (previously office of banking ombudsman)

Sr. No		Particulars	Current Year	Previous Year
	Complaints received by the bank from its customers			
1.		Number of complaints pending at beginning of the year		
2.		Number of complaints received during the year		
3.		Number of complaints disposed during the year		
	3.1	Of which, number of complaints rejected by the bank		
4.		Number of complaints pending at the end of the year		
	Maintainable complaints received by the bank from Office of Ombudsman			
5.		Number of maintainable complaints received by the bank from Office of Ombudsman		
	5.1.	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman		
	5.2	Of 5, number of complaints resolved through conciliation / mediation / advisories issued by Office of Ombudsman		
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank		
6.		Number of Awards unimplemented within the stipulated time (other than those appealed)		
Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme.				

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

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
	Current Year				
Ground - 1					
Ground - 2					
Ground - 3					
Ground - 4					
Ground - 5					
Others					
Total					
	Previous Year				
Ground - 1					
Ground - 2					
Ground - 3					
Ground - 4					
Ground - 5					
Others					
Total					

Note - As per Master List for identifying grounds of complaints as provided in Appendix 1 to circular CEPD.CO.PRD.Cir.No.01/13.01.013/2020-21 dated January 27, 2021 on 'Strengthening the Grievance Redress Mechanism of Banks'.

1.ATM / Debit Cards	2. Credit Cards	3.Internet / Mobile / Electronic Banking	4. Account opening / difficulty in operation of accounts
5. Mis-selling / Para-banking	6. Recovery Agents / Direct Sales Agents	7. Pension and facilities for senior citizens / differently abled	8. Loans and advances
9. Levy of charges without prior notice / excessive charges / foreclosure charges	10. Cheques / drafts / bills	11. Non-observance of Fair Practices Code	12. Exchange of coins, issuance / acceptance of small denomination notes and coins
13. Bank Guarantees / Letter of Credit and documentary credits	14. Staff behaviour	15. Facilities for customers visiting the branch / adherence to prescribed working hours by the branch, etc	16. Others

(12) **Disclosure of penalties imposed by the Reserve Bank of India**

(i) Penalties imposed by the Reserve Bank of India under the provisions of the (i) Banking Regulation Act, 1949, (ii) Payment and Settlement Systems Act, 2007 and (iii) Government Securities Act, 2006 (for bouncing of SGL) shall be disclosed in the 'Notes to Accounts' to the balance sheet in the concerned bank's next Annual Report. A bank shall make appropriate disclosures on the nature of the breach, number of instances of default and the quantum of penalty imposed.

(ii) The defaulting participant in a reverse repo transaction shall make appropriate disclosure on the number of instances of default as well as the quantum of penalty paid to the Reserve Bank of India during the financial year.

(13) **Disclosures on remuneration**

(i) A bank is required to make disclosure on remuneration of Whole Time Directors / Chief Executive Officers / Material Risk Takers on an annual basis at the minimum, in its Annual Financial Statements.

(ii) The bank shall make the disclosures in table or chart format and make disclosures for previous as well as the current reporting year. Further, a bank (to the extent applicable), shall disclose the following information:

Type of disclosure		Information
Qualitative	(a)	Information relating to the composition and mandate of the Nomination and Remuneration Committee.

Type of disclosure		Information
	(b)	Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.
	(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.
	(d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.
	(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.
	(f)	Description of the different forms of variable remuneration (i.e., cash and types of share-linked instruments) that the bank utilises and the rationale for using these different forms.

			Current Year	**Previous Year**
Quantitative disclosures *(The quantitative disclosures should only cover Whole Time Directors/ Chief Executive Officer/ Material Risk Takers)*	(g)	Number of meetings held by the Nomination and Remuneration Committee during the financial year and remuneration paid to its members.		
	(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.		
	(i)	(i) Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms. (ii) Total amount of deferred remuneration paid out in the financial year.		
	(j)	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.		

			Current Year	Previous Year
	(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.		
	(l)	Number of MRTs identified.		
	(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 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.		

(iii) A bank shall also disclose remuneration paid to the non-executive directors on an annual basis at the minimum, in its Annual Financial Statements.

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

(14) Other Disclosures

(i) Business ratios

Particular	Current Year	Previous Year
i) Interest Income as a percentage to Working Funds[1] ii) Non-interest income as a percentage to Working Funds[1] iii) Cost of Deposits		

Particular	Current Year	Previous Year
iv) Net Interest Margin[2] v) Operating Profit as a percentage to Working Funds[1] vi) Return on Assets[3] vii) Business (deposits plus advances) per employee[4] (in ₹ crore) viii) Profit per employee (in ₹ crore)		

[1]Working funds to be reckoned as average of total assets (excluding accumulated losses, if any) as reported to Reserve Bank of India in Form X for Commercial Banks during the 12 months of the financial year.

[2]Net Interest Margin = Net Interest Income / Average Earning Assets where Net Interest Income= Interest Income – Interest Expense.

[3]Return on Assets would be with reference to average working funds (i.e., total of assets excluding accumulated losses, if any).

[4]For the purpose of computation of business per employee (deposits plus advances), inter-bank deposits shall be excluded.

(ii) **Bancassurance business**: The details of fees / brokerage earned in respect of insurance broking, agency and bancassurance business undertaken by a bank shall be disclosed for both the current year and previous year.

(iii) **Marketing and distribution:** A bank shall disclose the details of fees / remuneration received in respect of the marketing and distribution function (excluding bancassurance business) undertaken by it.

(iv) **Disclosures regarding Priority Sector Lending Certificates (PSLCs):** The amount of PSLCs (category-wise) sold and purchased during the year shall be disclosed.

(v) **Provisions and contingencies**

(Amount in ₹ crore)

Provision debited to Profit and Loss Account	Current Year	Previous Year
i) Provisions for NPI		
ii) Provision towards NPA		
iii) Provision made towards Income tax		
iv) Other Provisions and Contingencies (with details)		

(vi) **Implementation of IFRS converged Indian Accounting Standards (Ind AS)**

As the legislative amendments recommended by the Reserve Bank are under consideration of the Government of India, implementation of Indian Accounting Standards (Ind AS) for banks has been deferred till further notice. However, a bank shall continue to disclose the strategy for Ind AS implementation, including the progress made in this regard. These disclosures shall be made until implementation of Ind AS.

(vii) **Payment of DICGC Insurance Premium**

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Payment of DICGC Insurance Premium		
ii)	Arrears in payment of DICGC premium		

(viii) **Disclosure of Letters of Comfort (LoCs) issued by banks**

A bank should disclose the full particulars of all the Letters of Comfort (LoCs) issued by it during the year, including their assessed financial impact, as also their assessed cumulative financial obligations under the LoCs issued by it in the past and outstanding, in its published financial statements, as part of the 'Notes to Accounts'.

(ix) **Portfolio-level information on the use of funds raised from green deposits**

(Amount in ₹ crore)

Particulars	Current Financial Year	Previous Financial Year	Cumulative*
Total green deposits raised (A)			
Use of green deposit funds**			
(1) Renewable Energy			
(2) Energy Efficiency			
(3) Clean Transportation			
(4) Climate Change Adaptation			
(5) Sustainable Water and Waste Management			
(6) Pollution Prevention and Control			
(7) Green Buildings			
(8) Sustainable Management of Living Natural Resources and Land Use			
(9) Terrestrial and Aquatic Biodiversity Conservation			

Total Green Deposit funds allocated (B = Sum of 1 to 9)			
Amount of Green Deposit funds not allocated (C = A – B)			
Details of the temporary allocation of green deposit proceeds pending their allocation to the eligible green activities / projects			

* This shall contain the cumulative amount since the bank started offering green deposits. For example, if a bank has commenced raising green deposits from June 1, 2023, then the annual financial statement for the period ending March 31, 2025, would contain particulars of deposits raised and allocated from June 1, 2023, till March 31, 2025. Further, the actual amount of green deposits raised during the year and use of such funds shall be given under this disclosure.

**Under each category, a bank may provide sub-categories based on the funds allocated to each sub-sector. For example, the bank may provide sub-categories like solar energy, wind energy, etc. under 'Renewable Energy'.

Chapter IV - Other Instructions

A. Inter-branch account - provisioning for net debit balance

11. A bank shall adhere to following guidelines for unreconciled inter-branch account entries.

(1) The bank shall segregate the credit entries outstanding for more than five years in the inter-branch account and transfer them to a separate 'Blocked Account' which shall be shown under 'Other Liabilities and Provisions - Others'.

(2) Any adjustment from the Blocked Account should be permitted only with the authorisation of two officials, one of whom should be from the Controlling / Head Office if the amount exceeds Rupees One lakh.

(3) The balance in Blocked Account shall be reckoned as a liability for the purpose of the maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR).

(4) The bank shall maintain category-wise (head-wise) accounts for various types of transactions put through inter-branch accounts, so that the netting can be done category-wise. As on the balance sheet date, the bank shall segregate the debit and credit entries remaining unreconciled for more than six months and arrive at the net position category-wise, while also considering the balance in the Blocked Account.

(5) The net debit under all the categories of inter-branch accounts shall be aggregated and a provision equivalent to 100 percent of the aggregate net debit shall be made.

Provided that the bank shall ensure that the net debit in one category is not set-off against net credit in another category.

B. Reconciliation of Nostro account and treatment of outstanding entries

12. Treatment of outstanding entries in Nostro accounts of a bank shall be as under.

(1) The bank shall take steps to have a strong control over reconciliation and put in place a system of real-time reconciliation, which provides for immediate escalation of differences, if any.

(2) There shall be close monitoring of pending items in Nostro accounts by top management at short intervals.

(3) All unreconciled credit entries in Nostro accounts which are outstanding for more than three years shall be transferred to a Blocked Account and shown as outstanding liabilities.

(4) The balance in the Blocked Account shall be reckoned for the purpose of CRR / SLR.

(5) A bank shall make 100 percent provision in respect of all unreconciled debit entries in the Nostro accounts, which are outstanding for more than two years.

(6) A bank which, in the past, was permitted to transfer to profit and loss account (followed by subsequent appropriation to general reserve) outstanding credit entries of individual value less than USD 2,500 or equivalent in Nostro accounts originated up to March 31, 2002, subject to certain conditions, shall ensure that any future claims in respect of these entries are honoured.

Explanation: The amount appropriated to the general reserve shall not be available for the declaration of dividend.

C. Transfer to / appropriation from Reserve funds

13. In terms of sections 17(1) of the Banking Regulation Act, 1949 a bank is required to transfer, out of the balance of profit as disclosed in the profit and loss account, a sum equivalent to not less than 20 percent of such profit to Reserve Fund. These provisions are a minimum statutory requirement. However, in order to augment capital, a bank shall transfer not less than 25 percent of the 'net profit' before appropriations to the Statutory Reserve.

14. Unless specifically allowed by extant regulations, the bank shall take prior approval from the Reserve Bank of India before any appropriation is made from the Statutory Reserve or any other reserve.

15. Bank is further advised that

(1) all expenses including provisions and write-offs recognised in a period, whether mandatory or prudential, shall be reflected in the profit and loss account for the

period as an ‘above the line’ item (i.e., before arriving at the net profit / loss for the year);

(2) draw down from reserves, with the prior approval of Reserve Bank of India, shall be effected only ‘below the line’ (i.e. after arriving at the net profit / loss for the year); and

(3) suitable disclosures shall be made of such draw down in the ‘Notes on Accounts’ to the Balance Sheet.

(4) Subject to compliance with applicable laws, a bank, without prior approval of Reserve Bank of India, can utilise the share premium account for meeting issue expenses of shares to the extent that such expenses are incremental costs directly attributable to the transaction that otherwise would have been avoided.

Provided that the share premium account shall not be utilised for writing off the expenses relating to the issue of debt instruments.

Explanation: For the purposes of this Direction, issue expenses shall include registration and other regulatory fees, payments made to legal, accounting, and other professional advisers, printing costs, and stamp duties.

D. Provisioning for fraud

16. In respect of provisioning for frauds, a bank that has reported the fraud within the prescribed time shall have the option to make the provision for the same over a period, not exceeding four quarters, commencing from the quarter in which the fraud has been detected.

17. Where the bank chooses to provide for the fraud over two to four quarters and this results in the full provisioning being made in more than one financial year, subject to compliance with applicable laws, it may debit reserves other than the Statutory Reserve by the amount remaining un-provided at the end of the financial year by credit to provisions.

Provided that it should subsequently proportionately reverse the debits to the reserves and complete the provisioning by debiting profit and loss account, in the successive quarters of the next financial year.

18. Where there has been delay, beyond the prescribed period, in reporting the fraud to the Reserve Bank, the entire provisioning is required to be made at once.

E. Unreconciled balances

19. Unreconciled credit balances in any transitory account representing unclaimed balances shall not be transferred to the profit and loss account or to any reserves.

F. Deferred tax liability (DTL) on Special Reserve created under Section 36(1)(viii) of the Income Tax Act, 1961

20. A bank shall make provisions for DTL on the Special Reserve created under section 36(1)(viii) of Income Tax Act, 1961.

G. Window dressing

21. A bank shall ensure that balance sheet and profit and loss account reflect true and fair picture of its financial position.

22. Instances of window dressing of financials, short provisioning, misclassification of NPAs, under-reporting / incorrect computation of exposure / risk weight, incorrect capitalisation of expenses, capitalisation of interest on NPAs, deliberate inflation of asset and liabilities at the end of the financial year and subsequent reversal immediately in next financial year, etc. shall be viewed seriously and appropriate penal action in terms of the provisions of the Banking Regulation Act, 1949 shall be considered.

Chapter V - Repeal and Other Provisions

A. Repeal and saving

23. With the issue of these Directions, the existing Directions, instructions, and guidelines relating to Financial Statements- Presentation and Disclosures as applicable to Small Finance Banks stands repealed, as communicated vide notification dated XX, 2025. The Directions, instructions, and guidelines repealed prior to the issuance of these Directions shall continue to remain repealed.
24. Notwithstanding such repeal, any action taken or purported to have been taken, or initiated under the repealed Directions, instructions, or guidelines shall continue to be governed by the provisions thereof. All approvals or acknowledgments granted under these repealed lists shall be deemed as governed by these Directions.

B. Application of other laws not barred

25. The provisions of these Directions shall be in addition to, and not in derogation of the provisions of any other laws, rules, regulations or directions, for the time being in force.

C. Interpretations

26. For the purpose of giving effect to the provisions of these Directions or in order to remove any difficulties in the application or interpretation of the provisions of these Directions, the RBI may, if it considers necessary, issue necessary clarifications in respect of any matter covered herein and the interpretation of any provision of these Directions given by the RBI shall be final and binding.

Annex I

Format of the Balance Sheet and Profit and Loss Account

(Form A and Form B reproduced from original Government of India Notification SO 240(E) dated March 26, 1992)

Form A

Form of Balance Sheet

Balance Sheet of ___________________ (here enter name of the Banking Company)

Balance as on March 31 ________ (Year)

(000's omitted)

	Schedule	As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
Capital and Liabilities			
Capital	1		
Reserves and Surplus	2		
Deposits	3		
Borrowings	4		
Other liabilities and provisions	5		
Total			
Assets			
Cash and balances with Reserve Bank of India	6		
Balance with banks and money at call and short notice	7		
Investments	8		
Advances	9		
Fixed Assets	10		
Other Assets	11		
Total			
Contingent liabilities	12		
Bills for collection			

Annex V

Schedule 1 – Capital

		As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
I	For Nationalised Banks Capital (Fully owned by Central Government)		
II.	For Banks incorporated outside India Capital (i) The amount brought in by banks by way of start-up capital as prescribed by RBI should be shown under this head. (ii) Amount of deposit kept with the RBI under Section 11(2) of the Banking Regulation Act, 1949.		
	Total		
III.	For Other Banks Authorised Capital (________ shares of ₹ _______ each) Issued Capital (________ shares of ₹ _______ each) Subscribed Capital (________ shares of ₹ _______ each) Called-up Capital (________ shares of ₹ _______ each) Less: Calls unpaid Add: Forfeited shares		

Annex V

Schedule 2 - Reserves and Surplus

		As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
I.	Statutory Reserves		
	Opening Balance		
	Additions during the year		
	Deductions during the year		
II.	Capital Reserves		
	Opening Balance		
	Additions during the year		
	Deductions during the year		
III.	Share Premium		
	Opening Balance		
	Additions during the year		
	Deductions during the year		
IV.	Revenue and Other Reserves		
	Opening Balance		
	Additions during the year		
	Deductions during the year		
V.	Balance in Profit and Loss Account		
	Total (I, II, III, IV and V)		

Annex V

Schedule 3 – Deposits

		As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
A.I.	Demand deposits		
	(i) From banks		
	(ii) From others		
II.	Savings Bank Deposits		
III.	Term Deposits		
	(i) From banks		
	(ii) From others		
	Total (I, II and III)		
B.	(i) Deposits of branches in India		
	(ii) Deposits of branches outside India		
	Total		

Annex V

Schedule 4 – Borrowings

		As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
I.	Borrowings in India		
	(a) Reserve Bank of India		
	(b) Other banks		
	(c) Other institutions and agencies		
II.	Borrowings outside India		
	Total (I and II)		
	Secured borrowings included in I and II above -Rs.		

Annex V

Schedule 5 - Other Liabilities and Provisions

		As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
I.	Bills payable		
II.	Inter-office adjustment (net)		
III.	Interest accrued		
IV.	Others (including provisions)		
	Total		

Schedule 6 - Cash and Balances with Reserve Bank of India

		As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
I.	Cash in hand (including foreign currency notes)		
II.	Balances with Reserve Bank of India		
	(i) in Current Account		
	(ii) in Other Accounts		
	Total (I and II)		

Schedule 7 - Balances with Banks and Money at Call and Short Notice

	As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
I. In India		
(i) Balances with banks		
(a) in Current Accounts		
(b) in Other Deposit Accounts		
(ii) Money at call and short notice		
(a) with banks		
(b) with other institutions		
Total (i and ii)		
II. Outside India		
(i) in Current Accounts		
(ii) in Other Deposit Accounts		
(iii) Money at call and short notice		
Total (i, ii and iii)		
Grand Total (I and II)		

Schedule 8 – Investments

	As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
I. Investments in India in		
(i) Government Securities		
(ii) Other approved securities		
(iii) Shares		
(iv) Debentures and Bonds		
(v) Subsidiaries and/or joint ventures		
(vi) Others (to be specified)		
Total		
II. Investments outside India in		
(i) Government securities (including local authorities)		
(ii) Subsidiaries and/or joint ventures abroad		
(iii) Others investments (to be specified)		
Total		
Grand Total (I and II)		

Schedule 9 – Advances

		As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
A.	(i) Bills purchased and discounted		
	(ii) Cash credits, overdrafts and loans repayable on demand		
	(iii) Term loans		
	Total		
B.	(i) Secured by tangible assets		
	(ii) Covered by Bank/Government Guarantees		
	(iii) Unsecured		
	Total		
C.I.	Advances in India		
	(i) Priority Sectors		
	(ii) Public Sector		
	(iii) Banks		
	(iv) Others		
	Total		
C.II.	Advances outside India		
	(i) Due from banks		
	(ii) Due from others		
	(a) Bills purchased and discounted		
	(b) Syndicated loans		
	(c) Others		
	Total		
	Grand Total (C.I and II)		

Schedule 10 - Fixed Assets

		As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
I.	Premises		
	At cost as on March 31 of the preceding year		
	Additions during the year		
	Deductions during the year		
	Depreciation to date		
II.	Other Fixed Assets (including furniture and fixtures)		
	At cost as on March 31 of the preceding year		
	Additions during the year		
	Deductions during the year		
	Depreciation to date		
	Total (I and II)		

Annex V

Schedule 11 - Other Assets

		As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
I.	Inter-office adjustments (net)		
II.	Interest accrued		
III.	Tax paid in advance/tax deducted at source		
IV.	Stationery and stamps		
V.	Non-banking assets acquired in satisfaction of claims		
VI.	Others *		
	Total		

* In case there is any unadjusted balance of loss the same may be shown under this item with appropriate foot-note.

Schedule 12 - Contingent Liabilities

		As on March 31, ___ (Current year)	As on March 31, ___ (Previous year)
I.	Claims against the bank not acknowledged as debts		
II.	Liability for partly paid investments		
III.	Liability on account of outstanding forward exchange contracts		
IV.	Guarantees given on behalf of constituents		
	(a) In India		
	(b) Outside India		
V.	Acceptances, endorsements and other obligations		
VI.	Other items for which the bank is contingently liable		
	Total		

Annex V

Form B

Form of Profit and Loss Account for the year ended on March 31 (Year)

(000's omitted)

		Schedule	Year ended on March 31, ___ (Current year)	Year ended on March 31, ___ (Previous year)
I.	Income			
	Interest earned	13		
	Other income	14		
	Total			
II.	Expenditure			
	Interest expended	15		
	Operating expenses	16		
	Provisions and contingencies			
	Total			
III.	Profit/Loss			
	Net profit/loss(-) for the year			
	Profit/loss(-) brought forward			
	Total			
IV.	Appropriations			
	Transfer to statutory reserves			
	Transfer to other reserves			
	Transfer to Government/ proposed dividend			
	Balance carried over to balance sheet			

Schedule 13 - Interest Earned

		Year ended on March 31, ___ (Current year)	Year ended on March 31, ___ (Previous year)
I.	Interest/discount on advances/bills		
II.	Income on investments		
III.	Interest on balances with Reserve Bank of India and other inter-bank funds		
IV.	Others		
V.	Total		

Schedule 14 - Other Income

		Year ended on March 31, ___ (Current year)	Year ended on March 31, ___ (Previous year)
I.	Commission, exchange and brokerage		
II.	Profit on sale of investments		
	Less: Loss on sale of investments		
III.	Profit on revaluation of investments		
	Less: Loss on revaluation of investments		
IV.	Profit on sale of land, buildings and other assets		
	Less: Loss on sale of land, buildings and other assets		
V.	Profit on exchange transactions		
	Less: Loss on exchange transactions		
VI.	Income earned by way of dividends, etc. from subsidiaries/companies and/or joint ventures abroad/in India		
VII.	Miscellaneous Income		
	Total		

Note: Under items II to V loss figures shall be shown in brackets

Schedule 15 - Interest Expended

		Year ended on March 31, ___ (Current year)	Year ended on March 31, ___ (Previous year)
I.	Interest on deposits		
II.	Interest on Reserve Bank of India/ Inter-bank borrowings		
III.	Others		
	Total		

Schedule 16 - Operating Expenses

		Year ended on March 31, ___ (Current year)	Year ended on March 31, ___ (Previous year)
I.	Payments to and provisions for employees		
II.	Rent, taxes and lighting		
III.	Printing and stationery		
IV.	Advertisement and publicity		
V.	Depreciation on bank's property		
VI.	Director's fees, allowances and expenses		
VII.	Auditors' fees and expenses (including branch auditors)		
VIII.	Law charges		
IX.	Postages, Telegrams, Telephones, etc.		
X.	Repairs and maintenance		
XI.	Insurance		
XII.	Other expenditure		
	Total		