RBL BANK
apno ka bank

June 10, 2019

The Secretary,
Listing Department,
BSE Limited,
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
Scrip Code: 540065

The Manager,
Listing Department,
The National Stock Exchange of India Limited,
'Exchange Plaza', C-1 Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051
Scrip Symbol: RBLBANK

Dear Sir/Madam,

Sub.: Submission of Annual Report pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Pursuant to regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015("Listing Regulations"), please find enclosed herewith a soft copy of the Annual Report of the Bank for the Financial Year 2018-19 along with all the reports and annexures thereon and Business Responsibility Report of the Bank for the Financial Year 2018 - 19. Further, in terms of regulation 46 (2), the complete set of Annual Report will be available on the Bank's website https://ir.rblbank.com

You are requested to take the same on your record.

Thanking you.

Yours faithfully,
For **RBL Bank Limited**

Deepak Ruiya
Chief Financial Officer *(interim)*

Encl: As above.

RBL Bank Limited
Controlling Office: One Indiabulls Centre, Tower 2B, 6th Floor, 841, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra, India |Tel:+91 43020600 |Fax:+9143020520
Registered Office: 1st Lane, Shahupuri, Kolhapur- 416 001, India. | Tel. : +91 231 6650214 | Fax : +91 231 2657386
CIN: L65191PN1943PLC007308 • E-mail: customercare@rblbank.com

76th ANNUAL REPORT
2018-19

RBL BANK
apno ka bank



CONSISTENTLY
PERFORMING.

CONSISTENTLY
EVOLVING.

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View Our Report Online:
www.rblbank.com

About RBL Bank



Financial Highlights of FY 2018-19

Total Deposits
₹ 58,394 Crore
33% Y-O-Y

Net Advances
₹ 54,308 Crore
35% Y-O-Y

Net Worth
₹ 7,336 Crore
12% Y-O-Y

Profit After Tax
₹ 867 Crore
37% Y-O-Y



VISHWAVIR AHUJA
Managing Director and CEO

Our people feel a sense of ownership towards the Bank, work cohesively with multiple cross-functional teams and follow a 'can-do' spirit to drive excellence.

Page **10**

Who we are

RBL Bank is one of India's fastest growing private sector banks with an expanding presence across the country. The Bank offers specialised services under six business verticals, namely: Corporate & Institutional Banking (CIB), Commercial Banking (CB), Branch & Business Banking, Retail Assets, Development Banking and Financial Inclusion (DB&FI) and Treasury & Financial Markets Operations.

It currently services over 65 Lakh customers through a network of 324 bank branches and 993 business correspondent outlets spread across 28 Indian States and Union Territories. RBL Bank is listed on both National Stock Exchange and Bombay Stock Exchange (RBL BANK).

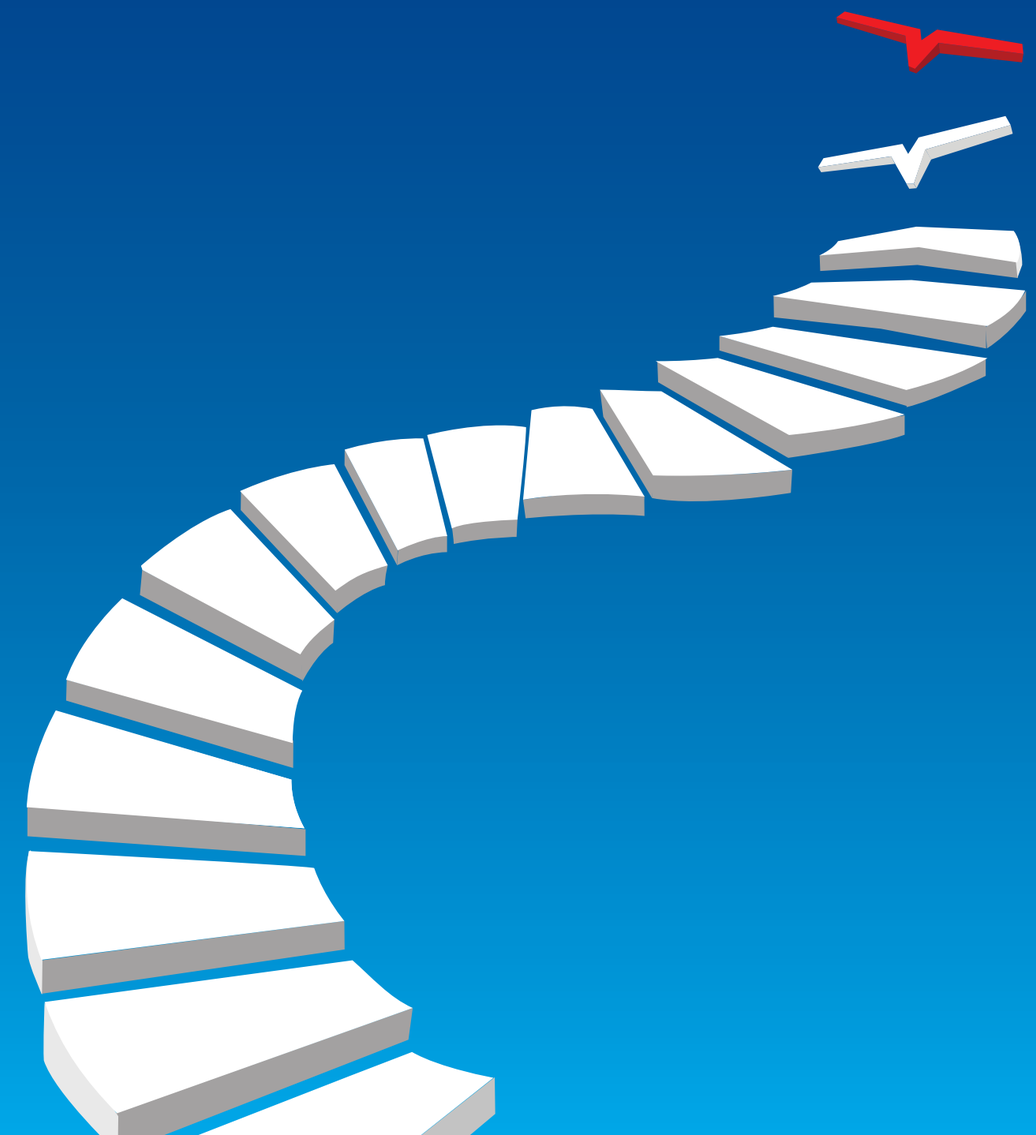
CONSISTENTLY PERFORMING.

CONSISTENTLY EVOLVING.

As we enter the last lap of Vision 2020 - our five year strategy formed in 2015, we are happy to have delivered on our commitments and are ready to reflect on the long road ahead.

Despite the challenging landscape, we remained undeterred on our path, delivering strong financial performance and solid growth. Being an agile and committed Bank, we have consistently evolved to serve our customers better through the rapidly changing business ecosystem. We have been growing from strength to strength creating value along the way for our stakeholders. This achievement is a consequence of our focus on high-quality lending, coupled with strong risk practices, strategic investments in processes and people, collaborative partnerships and effective management of the balance sheet.

We started this journey with a commitment to build an institution that represents inclusion, good governance, deep value system and high quality of service standards. As we take long strides towards a more promising future, we are confident of consistently performing and consistently evolving.



What Drives Us

OUR VISION

BANK OF CHOICE
To be the preferred choice for the banking needs of our customers

CREATING AND NURTURING ENDURING RELATIONSHIPS
To create and build lasting partnerships with all our customers based on full disclosure and transparency

TRUST AND RESPECT OF OUR STAKEHOLDERS
To engage and ensure that all our stakeholder commitments are fulfilled, while working as a team

OUR MISSION

CUSTOMERS AT THE HEART
To engage and understand customer needs, provide best-in-class products and services, be responsive and quick in resolving queries – resulting in true customer delight and peace of mind

SHAREHOLDER VALUE AS THE FOCUS
To demonstrate high corporate governance standards that protects and balances stakeholder interests in the journey to achieving short and long-term business goals

EMPLOYEES AS THE PILLAR
To provide an enabling work culture where career aspirations can be realised through consistent performance and demonstration of the Bank's core values and beliefs

COMMUNITY AS THE CAUSE
To deliver robust and cost-effective banking services that promote financial inclusion, catalyse growth and reduce social inequalities



OUR VALUES

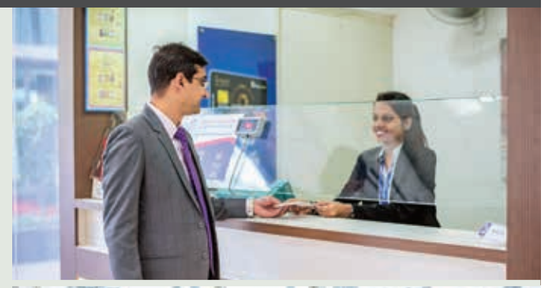
P **ROFESSIONALISM**
To conduct our duties with good judgement and in good faith

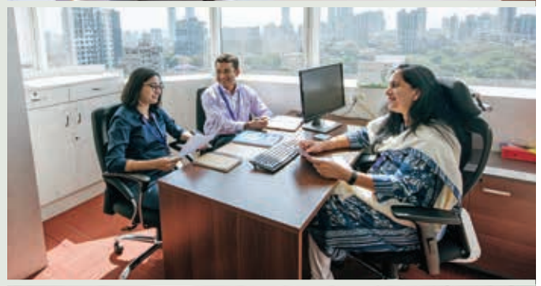
R **ESPECT**
To be sensitive and responsible for what we say and do

E **XCELLENCE**
To act in a manner that earns the trust and admiration of others

E **NTREPRENEURIAL**
To be enterprising and take ownership of our actions

T **EAMWORK**
To be successful together





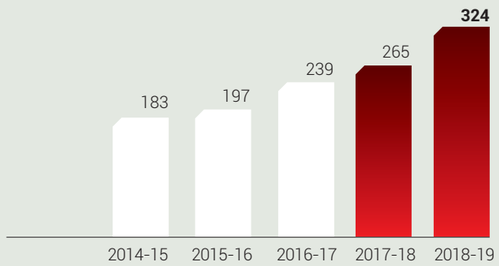




Expanding Rapidly. Growing Responsibly.

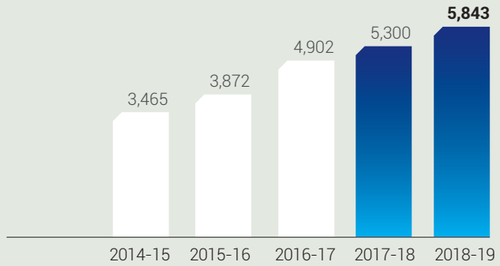
Steadily expanding our footprint

Branches



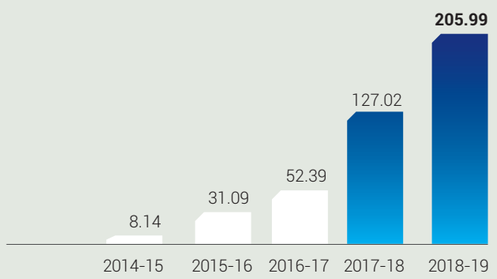
Scaling up our talent pool

Employees



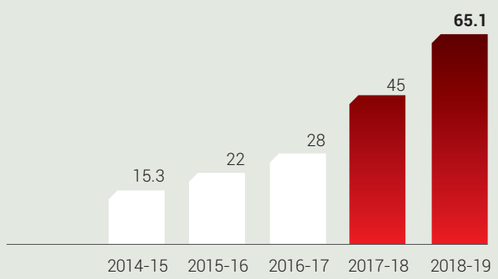
No. of unique visitors on our website

No. of visitors (Lakhs)



Serving more customers

Customers (Lakhs)



2014-15
- ✓ Recognised as Global Growth Company by the World Economic Forum

2015-16
- ✓ Successfully raised ₹488 Crore as pre-IPO preferential placement

2016-17
- ✓ Successfully concluded the Initial Public Offering (IPO), oversubscribed almost 70 times

2017-18
- ✓ Raised ₹1,680 Crore from marquee domestic and international investors

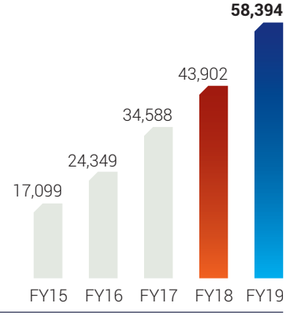
2018-19
- ✓ Recognised as the Best Bank for Microfinance in India by Asia Money
- ✓ Acquired 100% stake in RBL Finserve (Formerly known as Swadhaar Finserve)

2013-14
- ✓ New identity adopted, 'RBL Bank'
- ✓ Successfully raised ₹328 Crore from marquee investors
- ✓ Acquired the Business Banking, Credit Card and Mortgage business of Royal Bank of Scotland (RBS) in India

Financial and Operational Highlights

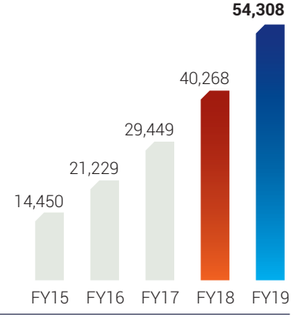
Deposits

₹ (in Crore)



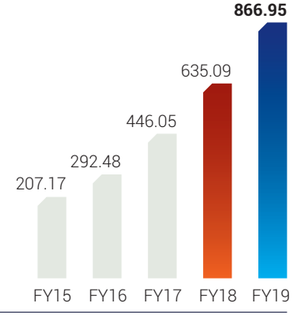
Advances (Net)

₹ (in Crore)



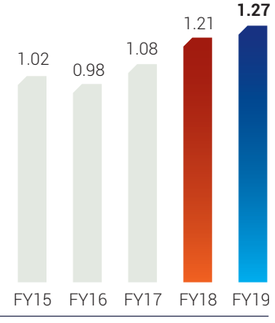
Net Profit

₹ (in Crore)



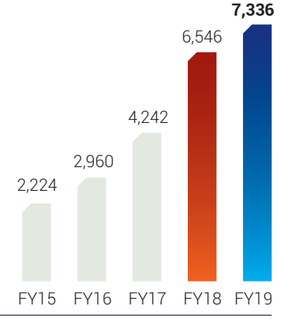
RoA

%



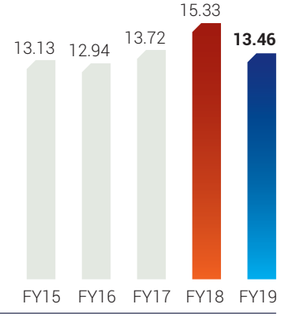
Net Worth

₹ (in Crore)



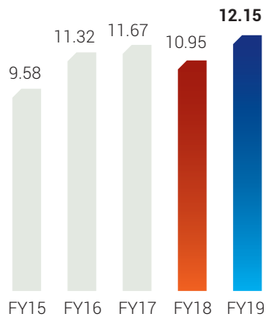
Capital Adequacy Ratio

%



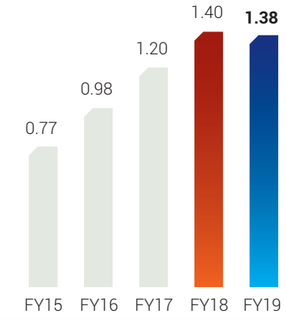
RoE

%



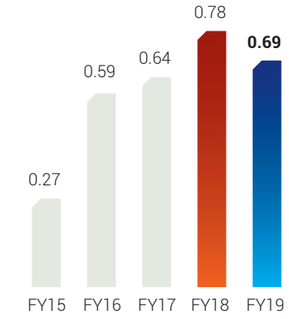
Gross NPA

%



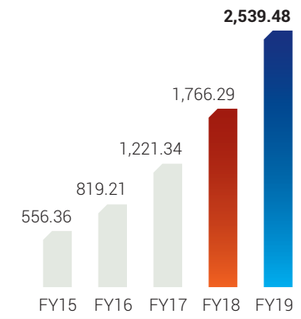
Net NPA

%



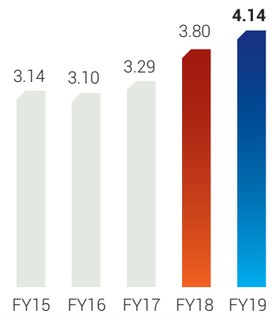
Net Interest Income

₹ (in Crore)



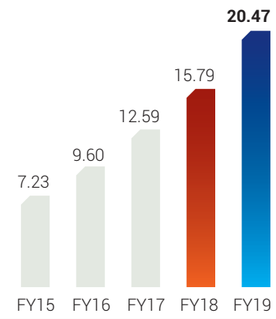
Net Interest Margin

%



EPS

₹



BOOK VALUE (BV PER SHARE)

FY15	FY16	FY17	FY18	FY19
₹75.77	₹91.17	₹113.07	₹155.99	₹171.93

Consistently Performing. Consistently Evolving.

DEAR SHAREHOLDERS,
It is my pleasure to present to you RBL Bank's Annual Report for FY 2018-19. I am glad to report that we have delivered robust performance yet again. Our bank has continued to demonstrate strong profitable growth across all businesses and we remain confident of sustaining this momentum in the coming years as well.

FY 2018 – 19: A CHALLENGING YEAR FOR THE INDIAN BANKING AND FINANCIAL SERVICES SECTOR

The Banking sector witnessed a tough year with many banks challenged by deterioration in asset quality, stricter provisions as well as governance issues. Both the Government as well as the RBI continued to make efforts to improve the health of the sector: RBI, through prescriptions on liquidity and regulatory interventions, while the government, through capital infusion in public sector banks.

The year, however, was also marked by turnaround in some underlying trends for the industry. After growing in single digits for the past three consecutive years, bank credit growth reverted to double digits. Lending to industry picked up after remaining muted for the past five years. Asset quality on banks' books has now started to show improvement.

With these slow yet steady changes in the environment, we are now expecting positive developments in the banking landscape in terms of creation of more opportunities, moderating credit costs and pick up in deposits.

ANOTHER MILESTONE YEAR FOR RBL BANK

Amidst the challenging industry environment, FY 18-19 has been another year of focused execution for us wherein we performed well on most of the parameters.

Our advances grew 35% over FY 2017-18 to ₹ 54,308 crore. Strong growth across all business segments fuelled this performance. Within advances our wholesale advances grew 25% while our non-wholesale advances grew 49%

Within the non-wholesale segment, retail loans grew by 58% and the Development Banking and Financial Inclusion business (DB&FI) grew by 34%. We are looking to ramp up our non-wholesale book to form about 50% of total advances in the next few years. Currently, it forms about 44.3% of our loans.



VISHWAVIR AHUJA
Managing Director and CEO

This has been another year of focused execution for us wherein we performed well on most of the parameters.

Net interest income grew 44% to ₹ 2,539 crore with core fee income growing 52% to ₹ 1,348 crore. Continued traction in the retail segment was the catalyst behind NII as well as fee income. Retail now contributes 70% of fee income.

Parallelly, our deposits clocked a 33% growth to reach ₹ 58,394 crore. The CASA ratio increased to 25% up 70 basis points y-o-y and was propelled by growth in SA deposits. Our net interest margin or NIM grew by 34 basis points to 4.14% owing to rising share of high-yielding assets & tightly managed cost of funds. The strength in both top-line and NIM translated to the bottom-line as well, with net profit growth of 37% to ₹ 867 crore.

Our asset quality remained on solid turf this year and the key ratios witnessed improvement over the preceding year. Our net NPA, for instance, stood at 0.69% in FY 2018-19 versus 0.78% in FY 2017-18.

I believe this performance of our bank is a testimony to our clear strategic thinking, diligent planning process and strong execution around growth, profitability, effective governance and risk management. We believe that through this performance, we have yet again lived up to the expectations of all our shareholders and I am pleased to share that the Board of Directors have recommended a dividend of 27% i.e ₹ 2.70 per share to our valued shareholders.

I would like to point out that this year the dividend recommended in 6% higher than our last year's dividend of 21%. It is also 3% higher than our average incremental increase that we have been recommending every year. The additional 3% has been done to mark the completion of 75 years of existence of our bank.

NINE YEARS OF TRUST!

In order to keep a good eye on the road ahead, a rear view is important too. The financial year gone by marks the ninth year of an extraordinary journey for RBL Bank which started in late 2010 under a new management team. I am proud and honoured to have led this transformation through which we have managed to create a vibrant and competitive institution of scale and substance. The amount of trust which has been reposed in our capabilities by various stakeholders throughout our journey has been outstanding.

Over the last nine years, the bank has consistently delivered on almost every key business and financial parameter by growing approx. 40 times in size and over 50 times in profit. Our customer base has grown from about 1.5 Lakh customers in FY 2010 to over 65 Lakh customers by FY 2019 and we are now present across 28 Indian states and union territories through a network of 324 branches & 993 Business Correspondent Outlets.

Apart from the growth statistics mentioned above, I am also happy to share that over this period, we have managed to put together a robust institution aiming to deliver best in class banking services, grounded on the principles of strong governance, best professional standards and an ethical value system. I am truly grateful to everyone who has partnered with us in ensuring that we create a robust financial institution.

PAT (CAGR)
71%
SINCE FY10

Our asset quality remained on solid turf this year and the key ratios witnessed improvement over the preceding year.

CREATING VALUE, CONSISTENTLY!
Looking back on our journey, we have gone through a remarkable phase of evolution and have built a responsible, scalable as well as profitable business model that empowers our future and enables us to consistently create value for all our stakeholders. We have grown ahead of the sector for the last few years, and are confident of maintaining this trend in the future. We are making requisite investments to further strengthen and grow our businesses.

OUR PROMINENT GROWTH ENABLERS:

1. Corporate Banking Business

Our Corporate Banking Business has now started yielding rich dividends.
We have spent the last nine years building scale (including capital strength) and enhancing our capabilities in terms of acquiring & deepening client relationship and expanded our range of products and services. Our strategy of attracting talent specialising in this domain and of making requisite investments in technology, risk and governance has helped in building a prominent competitive position in the industry and emerge as a 'go-to bank' for a wide array of corporate banking & transaction banking solutions. We are now considered one of the leading private banks in the areas of corporate lending, FX / Trade, transaction banking and digital products and services. We are confident of further growing our market share as well as enhancing our reputation in this business.

2. Commercial Banking Business

Our Commercial Banking segment extends services to the mid-corporates and SMEs with customized products that can take care of their unique requirements. Add to this, simplified processing and assessment procedures, competitive pricing, quick turnaround time and a single point contact is what makes us popular with our clients.

We have grown ahead of the sector for the last few years, and are confident of maintaining this trend in the future.

Starting initially with simple lending solutions, we have gone on to add forex management, digital banking platforms as well as variety of financial advisory solutions to our bouquet of offerings.
We also position ourselves as an Open Bank, wherein we have been enabling integration between the backend systems of the bank with the client's internal systems through our partner API programs thereby opening up new business opportunities for our clients. We have also been investing in technology to provide seamless service to our customers through digital channels.

Our client selection approach in this space is backed by a strong risk management architecture and underwriting standards to ensure a prudential growth for this business. This segment is expected to deliver increased growth once the macroeconomic conditions stabilize.
We have built a scalable architecture which will allow us to capitalise on the next phase of growth which we envisage will pick up in the near term.

3. Branch Banking Business

Branch and Business Banking is our primary engine for generating retail liabilities and is also the face of the Bank in various geographies across the country. This business has shown consistent growth and productivity enhancement across various metrics. Our focus on segmentation of the Liability customers, carefully chosen branch locations, reliance on analytics, effective use of technology and digitisation has helped us convert an increasing number of customers in making RBL Bank as their primary bank.

With the addition of 59 branches during the year (taking the total of number branches to 324), we have accelerated the pace of our physical network expansion. Going forward, we are focused on further fortifying our scale and network. In 2019-20, we will add another 60-80 branches with a focus on metro and urban cities. The retail business adds critical granularity to the liability franchise and our focus on acquiring new customers through our branch banking network will remain our top priority.

4. Focus on financial inclusion

Our bank has been playing an instrumental role in driving financial inclusion across India. We have taken banking services to the hinterlands of India and thereby facilitated access to formal financial services for the underserved, underbanked sections of the community as well as small businesses in such areas. In a move to further solidify our commitment to this business, we acquired complete ownership of Swadhaar Finserve in early FY 2018-19 and renamed it RBL Finserve.

We have been judicious in our credit underwriting and monitoring policies which have enabled us to keep a check on our asset quality – which is certainly amongst the best in the industry.

This acquisition gives us greater control in achieving our stated objective of strengthening our market position in the inclusive banking space. This business also has a thriving network of business correspondents (BCs) across the country that helps us by providing micro finance loans to our borrowers. We also focus on the micro, small and medium enterprises (MSME) segment which has been performing exceptionally well.

5. Credit Cards

We have been consistently attempting to stay ahead of the curve and venturing into the cards business was one such initiative we took five years back.
With our firm conviction in the business as well as its fast adoption, we have been successful in growing this business from strength to strength.

The credit card business has continued to show robust growth with a card base of 1.7 million cards. This business is among the top 5 in the industry in terms of retail spends per card as well as new card additions.

We look to significantly enhance our capability to offer new innovations and better services to our customers through technology and maximising synergies with our partners. The co-branded cards provide high convenience to the customers with features such as no-cost EMI, easy borrowing rates and digital payment solutions. This year also saw the RBL Bank - Bajaj Finance co-brand portfolio cross the 1 million cards mark, making it one of the largest co-branded card partnerships in the country.

6. Strong risk management and governance

In today's fast paced, complex and increasingly unpredictable world of business, effective risk management has become pivotal to any banks growth as well as sustainability. While growing rapidly, it is crucial that we manage the risks prudently and in a structured manner. We have been judicious in our credit underwriting and monitoring policies which have enabled us to keep a check on our asset quality – which is certainly amongst the best in the industry. Constantly training of our people, keeping a close watch on the emerging developments, and adoption of best practices as well as technologies has helped us in our risk mitigation effort. We will continue to work on these lines to help keep the Bank in good shape.

7. Our people

Investing in people has been a key to our growth since 2010. They have been our driving force. In the early stages of our transformation, we assimilated the then existing employees of the bank with the new people who joined us and managed to integrate them successfully to achieve our vision. We have created an employee-friendly organisation over the last few years and follow the philosophy of 'One Bank' across all our business segments.

We believe that linking the goals of the organisation with that of our people helps us move ahead together, faster. We also believe that our employees carry a sense of ownership towards the Bank, which enables them to work cohesively and follow a 'can-do' spirit to drive excellence.

On a closing note:
We are excited to take the Bank to greater heights and will continue delivering on our promise of being the 'Apno Ka Bank' for all our stakeholders. I would like to extend my heart-felt gratitude to all the employees of our Bank for being the pillars of our growth. I would also like to thank all our investors who have trusted and supported us throughout our journey. I am confident of maintaining your trust and look forward to building a long-lasting bond with you, for which I seek your continued support.



VISHWAVIR AHUJA
Managing Director and CEO

Board of Directors



BOTTOM ROW (LEFT TO RIGHT)

Prakash Chandra
Non-Executive Part-Time Chairman

Vishwavir Ahuja
Managing Director & CEO

TOP ROW (LEFT TO RIGHT)

Rajeev Ahuja
Executive Director

Dhanushkodi Sivanandhan
Independent Director

Ishan Raina
Independent Director

Jairaj Purandare
Independent Director

Vijay Mahajan
Non-Executive Director

Palepu Sudhir Rao
Independent Director

Leadership Team



Neeta Mukerji
Chief Credit Officer

Rajeev Ahuja
Executive Director

Vishwavir Ahuja
Managing Director & CEO

Shanta Vallury Gandhi
Head – HR, CSR and Internal Branding

MIDDLE ROW L TO R

Andrew Gracias
Head – Financial Markets

Surinder Chawla
Head – Retail Liabilities and Wealth Management

Brijesh Mehra
Head – Corporate, Institutional and Transaction Banking

R. Gurumurthy
Head – Risk and Governance

Vincent Valladares
Head - Commercial Banking

Harjeet Toor
Head – Retail, Inclusion and Rural Business

Sunny Uberai
Head – Client Services

TOP ROW L TO R

Ramnath Krishnan
Chief Risk Officer

Pankaj Sharma
Chief Operations Officer

Sankarson Banerjee
Chief Information Officer

Jaideep Iyer
Head – Strategy

Mohit Kapoor
Head – Legal

DELIVERING ON COMMITMENTS



Over the last 9 years starting FY10, our Bank has grown approximately 40 times in size and over 50 times in profit.

Crafted in 2015, Vision 2020 is a well-articulated strategy aimed at achieving all-round growth for our bank. Since the last four years, we have been progressing steadily on the path to achieve these targets.

We are confident of maintaining this momentum and have already started building a robust growth strategy for the next few years.

Particulars	RBL Bank Vision 2020	RBL Bank in FY19
Advances	30-35% CAGR growth	**35%**
CASA ratio	0.75-1% increase every year	FY16 : 18.64%; FY17 : 21.98% FY18 : 24.32%; **FY19 : 25.00%**
Other income (% of net total income)	~1/3rd of net total income	**36% of net total income**
Operational efficiency	Cost/Income ratio of 51 -52% by 2020	FY16 : 58.62%; FY17 : 53.46% FY18 : 53.04%; **FY19 : 51.30%**
Return ratios	~1.50% RoA by 2020	FY16 : 0.98%; FY17 : 1.08% FY18 : 1.21%; **FY19 : 1.27%**





CREATING OPPORTUNITIES FOR OUR PEOPLE



Our employee strength has grown almost 8 times over the last 9 years and they continue to remain the driving force behind our growth.

We focus on recognising and rewarding performance, ensuring an inclusive workplace for all our employees and creating opportunities for them to develop and grow.

By consistently providing our people with a nurturing and fulfilling work environment, we have earned high brand equity as an employer in the minds of existing as well as potential employees.



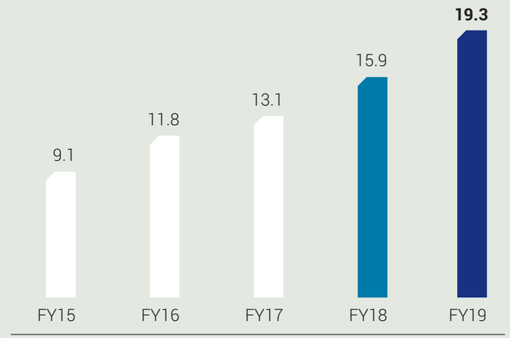








Business Per Employee ₹ (in Crore)



CONSISTENTLY BUILDING OUR CUSTOMERS' TRUST



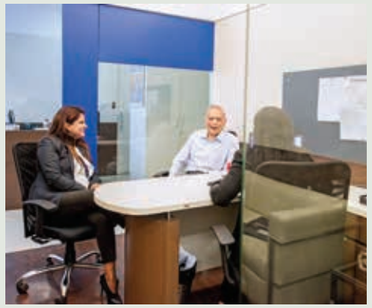
To our customer base of over 65 Lakh, which continues to grow rapidly, we remain committed to providing a high quality service experience.

From crafting our strategies to executing them, we work diligently to create high-quality experiences for our customers. We have placed higher emphasis on replacing 'standardised' with 'personalised' and 'transaction' with 'emotion' & 'empathy' to create value for our customers at every stage that they engage with us.

In line with our commitment towards creating service excellence as a differentiator, and to bring in the best industry proven practices, we have embarked on a culture journey to get an outside-in perspective of our current capabilities. These efforts enable us to build on the solid foundation of trust placed in us by our valued customers and give them more reasons to bank with us.









SCORING HIGH ON RISK MANAGEMENT & GOVERNANCE



We have been judicious in our credit underwriting that is backed by a robust risk management framework.

We have a robust risk governance framework that encompasses good underwriting standards, internal controls, monitoring systems and independent audit function. Efficiency of the framework is overseen by numerous internal committees and by the Board. This framework is supported by comprehensive risk policies that are reviewed periodically.

These have played an important role in enabling us to manage our book better consistently reinforcing the trust and belief of all our stakeholders.







DRIVING SUSTAINABLE GROWTH



We have impacted lives of more than 1.5 Lakh people through our efforts around welfare of the society and the environment. Our goal is to touch and transform lives in order to create a sustainable world.

We embrace the best corporate governance practices, empower communities, focus on preserving the natural environment, and ensure the progress and well-being of people.

Standing true to our vision of being 'Apno ka Bank', we are creating thriving communities through our resources, capital deployment and the commitment of our employee volunteers. Our sustainability policy provides an overarching framework for our sustainability related activities.







EMPOWERING COMMUNITIES

1,50,000+

CSR beneficiaries

32,000+

women clients have undergone financial literacy training in 4 districts of Bihar in Phase I of our Financial Literacy programme 'Unnati'

9,471 MT

CO_2 EMISSION AVOIDED

through sustainable agri business initiatives (installation of micro-irrigation, solar pump sets and solar home appliances) in FY19

Sustainability is ingrained in our decision-making process. All wholesale transactions having exposure greater than $1 million and tenor more than 12 months are subjected to E&S risk assessment. This ensures our performance transcends beyond just financial sustainability, but also achieves 'environmental and social sustainability'.



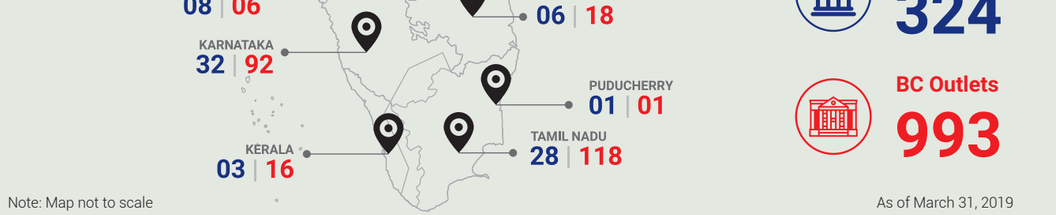
BRANCH BANKING: INCREASING OUR FOOTPRINT

Our Bank has a well-spread out presence throughout India with 324 Bank Branches and 993 BC Outlets across 28 states and union territories.

Over the years, we have extensively expanded our reach across the country and today, we are present in 28 States and Union Territories of India with 324 Bank Branches, 993 BC Outlets and 341 ATMs.

Our expansion strategy is crafted based on a prudent understanding of the prevailing market conditions and an in-depth analysis about future potential. During the year, we continued to make healthy additions to our distribution network. In FY20, we aim to further our presence across India. A growing footprint will play a pivotal role in taking our bank to the next level.

OUR GROWING MULTI-LAYERED DISTRIBUTION NETWORK



Note: Map not to scale

As of March 31, 2019



CREDIT CARDS: OUTPACING THE INDUSTRY

Over the last one year, our credit card customer base has more than doubled, taking the total count of our cards customers to over 17 Lakh.

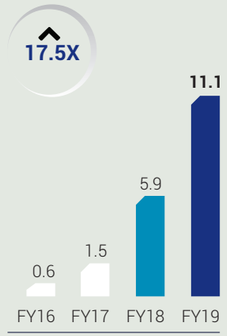
We acquired the credit cards portfolio of Royal Bank of Scotland back in 2014. From then until today, the business has seen its fair share of success, always emerging to only do better than before. Our business is the fifth largest in the country in terms of retail spends per account and is adding new customers every month.

We have established partnerships with several key players in various segments and hence, have been able to tap on to larger opportunities in this business. It has helped fuel our growth and enabled us to evolve faster in sync with the key emerging trends. We have been able to build a business model, which leverages each partner's strength effectively. Through these partnerships, we are able to effectively mitigate risk by leveraging partner information on their customer base. It additionally helps us to design bespoke customer proposition specific to a partner ensuring that the customer experiences relevant value vis-à-vis other cards in their wallet.

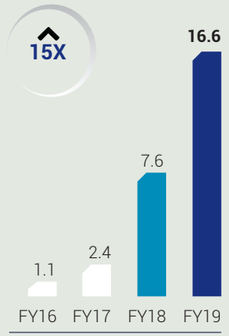


We offer a range of credit cards with a host of exclusive benefits and a best-in-class rewards programme.

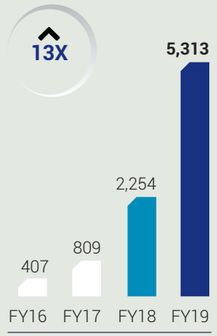
New card acquisition (Lakh)
Among Top 5 in India*



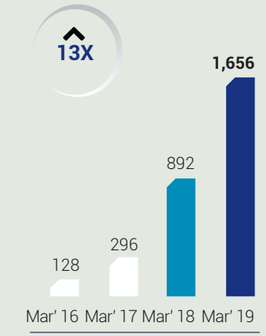
Customer base (Lakh)
Among Top 7 in India*



Book size ₹ (in Crore)
Grew by 135% y-o-y



Retail Spends ₹ (in Crore)
Among Top 8 in India*



* Source: RBI Bankwise ATM/ PoS/ Card Statistics – Jan'2019



WHOLESALE BANKING: A STRENGTHENING FRANCHISE

The Wholesale Banking Business witnessed a growth of 25% Y-o-Y and saw a healthy traction across different segments of its business.

CORPORATE AND INSTITUTIONAL BANKING

Our Corporate and Institutional banking business attained a reasonable size and scale, and now has over 750 large corporate clients across 19 states of the country. In FY18, we institutionalised a dedicated nationwide government banking group that caters to the banking requirements of the central government, state governments, central and state Public Sector Undertakings (PSUs), state and city development bodies and other government-owned institutions. In FY19, we also started offering savings account at competitive rates to the welfare trust management of leading central and state PSUs, in sync with our objective of building a sustainable CASA book.

The GIFT CITY branch at the International Financial Services Centre (IFSC) in Gandhinagar, Gujarat, India reached the milestone of 1,500 Crore of business during the year.

COMMERCIAL BANKING

In alignment with the Government of India's mission to promote and encourage the MSMEs, we entered into an MoU with NASSCOM to provide customised credit solutions to MSMEs in the Information and Communication Technology sector.







RBL FINSERVE: REACHING THE LAST MILE



In the last year, we added scale to our financial inclusion business by ramping up stake in our microfinance subsidiary, RBL Finserve to 100%.

RBL Finserve acts as a dedicated Business Correspondent for the Bank and is instrumental in driving our growth in the microfinance and MSME segments. It provides multiple loans, savings and insurance products to the economically weaker households and small businesses, empowering them with financial know-how and strengthening their future.

RBL Finserve has 452 offices across India, out of the 993 Banking Correspondent offices of the Bank. Its success is based on the strong growth enablers of customer-centric approach, robust processes, good understanding of the customers, wide product offerings and efficient digital platforms. We are confident of expanding this business further by catalysing these enablers and aspire to make it a market leader in its key segments.

With seasoned professionals steering the ship, this business follows some of the best practices in the industry and enjoys significant trust and credibility in the minds of all stakeholders.

RBL Finserve: Board of Directors



Seated (Left to Right): Anal Jain, Veena Mankar
Standing (Left to Right): Vikas Muttoo, Rajeev Ahuja, Harjeet Toor

RBL Finserve: Leadership Team



Seated (Left to Right): Anshu Mohta, Dhrumil Dalal, Kingshuk Guha, Vikas Muttoo
Standing (Left to Right): Mehraz Balaporia, Manouj Kabra, Amit Jain, Gunjan Grover



452
No. of Branches

5,972
No. of Employees

₹ 3,316 Crore
RBL Finserve AUM

* As of March 31, 2019.

Awards and Recognition



2015

BEST ENTERPRISE STATE BUS DEPLOYMENT
Awarded at the Finnoviti Awards

BANKING TECHNOLOGY EXCELLENCE AWARD
Awarded by the Institute for Development and Research in Banking Technology (IDRBT) for 'Use of Technology for Financial Inclusion'

INDIA'S BEST BANK (GROWTH)
Awarded in the mid-sized banks segment by Business Today – KPMG Best Bank Awards

INDIA'S BEST BANK (SMALL CATEGORY) AND BEST BANK (QUALITY OF ASSETS)
Awarded at the Business Today – KPMG Best Bank Awards

FASTEST GROWING SMALL BANK
Awarded by the Business World – PWC Best Bank Survey

BEST BANK (PRIORITY SECTOR)
Awarded at the Dun & Bradstreet Banking Awards.

BEST BANK (GROWTH)
Awarded at the Financial Express (FE) Best Bank Awards

2016

BEST DEBIT CARD INNOVATION
Awarded at the MasterCard Innovation Awards for the India Startup Club (ISC) Debit Card

BEST BANK AWARD FOR CYBER DEFENCE
Awarded at the Asian Banker Technology Implementation Awards

BEST CORPORATE PAYMENT PROJECT
Awarded at The Asian Banker Technology Innovation Awards

INDIA'S BEST BANK (SMALL CATEGORY)
Awarded at the Business Today – KPMG Best Bank Award

BEST BANK AWARD
Awarded at the FE Best Bank Awards in the Growth category for 2014, 2015 and 2016

2017

ERNST & YOUNG (EY) ENTREPRENEUR OF THE YEAR (FINANCIAL SERVICES CATEGORY)
Vishwavir Ahuja, MD & CEO, RBL Bank received the award for being a visionary entrepreneur for continuously creating value, generating jobs and contributing to building a better working world

INDIA TALENT MANAGEMENT AWARD
Awarded at CNBC TV18 India Business Leader Awards (IBLA)

FASTEST GROWING SMALL BANK
Awarded at the Business Today – KPMG Best Bank Awards.

BEST GROWING SMALL BANK
Awarded by Business World Best Bank Survey

FINANCIAL SERVICES COMPANY OF THE YEAR
Awarded at the VCCircle Awards

BEST IT RISK & CYBER SECURITY INITIATIVE + BEST PAYMENT INITIATIVE
Awarded at the IBA Banking Technology Awards

2018

MOST PROMISING COMPANY OF THE YEAR
Awarded at the CNBC TV18 India Business Leader Awards

BEST BANK OF THE YEAR
Awarded at the Outlook Money Awards

BEST SMALL BANK OF THE YEAR
Awarded at the Business Today Banking Awards

HIGH GROWTH - PRIVATE SECTOR BANK
Awarded at the Dun & Bradstreet Banking Awards

BEST SMALL BANK
Awarded at the Business World Magna Awards

FASTEST GROWING BANK
Awarded at the Business World Magna Awards

2019

MOST PROMISING COMPANY OF THE YEAR
Awarded at the CNBC-AWAAZ CEO Awards

INDIA'S BEST BANK FOR MICROFINANCE
Awarded at the Asiamoney Awards

BEST SMALL BANK
Awarded at the Business Today Financial Awards

PRIVATE SECTOR BANK OF THE YEAR CATEGORY-SILVER AWARD
Awarded at the Outlook Money Awards

BEST SELF SERVICE BANKING INITIATIVE
Awarded at the Asian Banker Financial Technology Innovation Awards 2019

OPENING HIGHEST PERCENTAGE OF AADHAAR CENTRES
Awarded at the Aadhaar Excellence Awards.

BEST ENTERPRISE MOBILITY
Awarded at the BFSI Digital Innovation Awards by Express Computers.

Products and Services

Branch & Business Banking

SAVINGS ACCOUNT
- Digital Savings Account
- Advantage Savings Account
- Prime Savings Account
- Prime Edge Savings Account
- Women's First Savings Account
- Seniors First Savings Account
- Special Institutions Account

CURRENT ACCOUNT
- Business & Business Plus Account
- Exceed Extra Account
- Exceed Express Account
- Exceed Elite Account
- Value Plus Gold 500 Account
- Traders Current Account
- Self Employed Professionals Account
- Indian Startup Club Account
- Exceed Global Extra Account
- Exceed Global Elite Account
- Special Institutions Account

FIXED DEPOSITS
- Regular Fixed Deposits
- Tax Savings Fixed Deposits
- Recurring Fixed Deposits
- MIBOR Linked Fixed Deposits

NRI BANKING
- Prime NRE & NRO Savings Account
- Prime Edge NRE & NRO Savings Account
- Ace NRE & NRO Savings Account
- Individual NRE & NRO Current Account
- Term Deposit (NRE, NRO & FCNR)
- NRO Tax Saver Fixed Deposit
- Portfolio Investment Scheme Savings/ Current Accounts

TRADE AND FOREIGN EXCHANGE SERVICES
- Import and export document handling /credits and payments
- Capital account transactions
- LCs/ SBLCs/ foreign bank guarantees
- Domestic Bank guarantees
- Remittances and payments under liberalised Remittance scheme

DIGITAL CHANNELS
- RBL MoBank
- Internet Banking
- ATM

DEBIT CARDS
- Visa Classic Debit card
- Visa Platinum Debit Card
- Titanium First Debit Card
- Platinum First Debit Card
- Woman's First Debit Card
- Business First Debit Card
- India Startup Club Debit Card
- Aspire Platinum Debit Card
- Insignia World Debit Card
- Signature World Debit Card
- RuPay Classic Debit Card
- RuPay Kisan Card

INVESTMENT SERVICE
- Financial Need Analysis
- Customer Risk Profiling
- Portfolio Review
- Risk Management
- Invest First – Online Investments

INSURANCE
- Life Insurance
- General Insurance
- Health Insurance

DEPOSITORY SERVICES
- Demat Account

SAFE DEPOSIT LOCKERS

CORPORATE SALARY ACCOUNTS & EMPLOYEE BANKING
- Classic Salary Account
- Executive Salary Account
- Executive Plus Salary Account

ASPIRE BANKING PROGRAM
- Personal Banking Program with value added benefits
- Aspire Debit Card
- Platinum Delight Credit card
- Doorstep Banking Service
- Preferential pricing on Loans

SIGNATURE BANKING
- Relationship Manager
- Family Banking Offering
- Signature World Debit MasterCard
- Platinum Maxima Credit Card
- Wealth Management Solutions
- Trade, Forex and CMS service

INSIGNIA PREFERRED BANKING
- Wealth Management
- Personal Accounts
- Business Accounts
- Insignia – World MasterCard® Debit & Credit Cards

Retail Assets

RETAIL LOANS
- Loan Against Property
- Overdraft Against Property
- Home Loan
- Business Loan
- Personal Loan
- Auto Loan
- Overdraft against Fixed Deposits
- Small Business Loan
- Working Capital Finance
  - Cash Credit and Overdraft facility
  - Term Loans - Foreign Currency and Indian rupee
  - Export Credit in Foreign Currency (Pre/Post Shipment)
  - Export Credit in Indian Rupee (Pre/Post Shipment)
  - Letter of Credit backed bill discounting
  - Bank Guarantee
  - Letter of Credit

CREDIT CARDS
- Insignia Credit Card
- Icon Credit Card
- Cookies Credit Card
- Blockbuster Credit Card
- Platinum Maxima Credit Card
- Platinum Delight Credit Card
- Movies and More Credit Card
- Titanium Delight Credit Card
- ShopRite Credit Card
- RBL Bank Moneytap Credit Card
- RBL Bank Moneytap Black Credit Card
- RBL Bank Paisa On Demand Credit Line
- RBL Bank ETMoney LoanPass

BAJAJ FINSERV RBL BANK CO-BRAND CREDIT CARDS
- Platinum Classic Supercard
- Platinum Prime Supercard
- Platinum Max Supercard
- Platinum Edge Supercard
- Platinum Choice Supercard
- Platinum Plus Supercard
- World Prime Supercard
- World Max Supercard
- World Plus Supercard
- World Select Supercard
- Platinum Classic Supercard
- Doctor's Supercard
- TravelEasy Supercard
- ValuePlus Supercard

RETAIL AGRIBUSINESS
- Crop Loan
- Kisan Credit Card (KCC)
- Horticulture Loan
- Polyhouse Finance
- Fisheries Loan
- Poultry Loan
- Drip Irrigation
- Dairy Loan

COMMODITY & WAREHOUSE FINANCE
- Warehouse Receipt Finance
- Trade/Pledge Finance

CORPORATE TIE-UPS
- Food Processing
- Fertiliser & Other Inputs
- Contract Farming
- Seed Companies
- Coffee & Tea Plantation

FARM MECHANISATION
- Tractor Financing
- Farm Equipment
- Light Commercial Vehicle

RENEWABLE ENERGY
- Solar Pumpsets
- Solar Cold Storage
- Solar home Lightning

Wholesale Banking

CORPORATE, INSTITUTIONAL, GOVERNMENT & COMMERCIAL BANKING
- Working Capital Finance
- Short-Term Finance
- Structured Finance
- Term Lending
- Diamond Dollar Accounts
- EEFC Accounts
- Offshore Financing
- Agricultural Lending
- GIFT Branch Capability
- Trade Finance Products
- Trade Service Products
- Treasury Products

TREASURY SERVICES
- Syndication Services for Loans & Bonds
- Forex Desk
- Money Market Desk
- Derivatives Desk
- Bullion Desk – Gold & Silver; Gold Metal Loan

VALUE ADDED SERVICES
- Trade Documents – Import, Export, Domestic
- Channel Financing - Dealer and Vendor Financing
- Accounts for Employees Trusts/ Societies/ Sec 25 Companies
- Corporate Salary Accounts
- Reimbursement/Expense Management
- Tax Payments
- Corporate Credit Cards
- Prepaid Cards
- Payment Gateway Services
- Corporate Internet Banking
- CSGL Accounts and related investments

EQUITY SOLUTIONS
- Private Equity Syndication
- Private Investments in Public Enterprises (PIPEs)
- Valuation/Fairness Opinions

MERGERS & ACQUISITIONS ADVISORY
- Acquisitions
- Divestitures
- Mergers
- Joint Ventures

Transaction banking

TRADE FINANCE
(A) TRADE FINANCE PRODUCTS:

- Sales Bill Discounting/Sales Invoice Discounting
- Purchase Bill Financing/Purchase Invoice Financing
- Letter of Credit backed Bill Discounting
- Export Credit in Foreign Currency (Pre-Shipment/Post-Shipment)
- Rupee Export Credit (Pre-Shipment /Post-Shipment)
- Trade Credits:
  - Buyer's Credit (from RBL Bank GIFT City branch)
  - Supplier's Credit (through Correspondent Banks)
- Channel Finance (Dealer/Supplier)
- Avalisation

(B) TRADE SERVICE PRODUCTS:

- Letters of Credit (Import/Inland)
- Bank Guarantees (Domestic/ Overseas/ through Correspondent Banks)
- Standby Letters of Credit (SBLC) (Domestic/ Overseas/ through Correspondent Banks)
- Documentary Collections (Imports/ Exports/ Domestic)
- Overseas Payments (Advance/ Direct Import Payments)
- Authorised Dealer (AD) approvals for Trade Credits

CASH MANAGEMENT SERVICES
(A) RECEIVABLES MANAGEMENT

- Pan India Enterprise Collections Solutions across
  - Cheque & Cash collections
  - E-Collect via 'Virtual Account'
- NACH/e-NACH collection management
- Bankers to Rights/Public Issue Management
- TAX Collections
- Escrow/ TRA/ RERA Accounts

(B) PAYABLES MANAGEMENT

- Supplier/ Vendor Bulk Payment Options (RTGS/ NEFT/ Funds Transfers/ IMPS)
- Positive Pay and Remote Cheque Printing Solutions
- Salary Payouts
- Integrated Corporate Electronic Portal facilitating:
  - Account Management/ Balances / Statement Reporting
  - Treasury Management & Online Payments Customised AR & AP Reporting & Scheduling
  - Auto Reconciliation
- Client ERP Integration through H2H/ SFTP/ API
- Dividend Payouts
- Non-Trade Related Overseas Remittances

(C) LIQUIDITY MANAGEMENT

- Target Balance Account Structures
- Auto Sweeps and Treasury Management Solutions

Digital Solutions

PAYMENTS

- API Banking Solutions
- Electronic Payments (RTGS, NEFT, IMPS)
- Prepaid Card/E-Wallets
- Aadhaar Enable Payments System

REMITTANCE

- DMT

COLLECTION

- Merchant Acceptance Services (PoS/ Payment Gateway)
- Virtual Account Solutions
- UPI Collect
- Aadhaar Pay
- eNACH
- Bharat QR

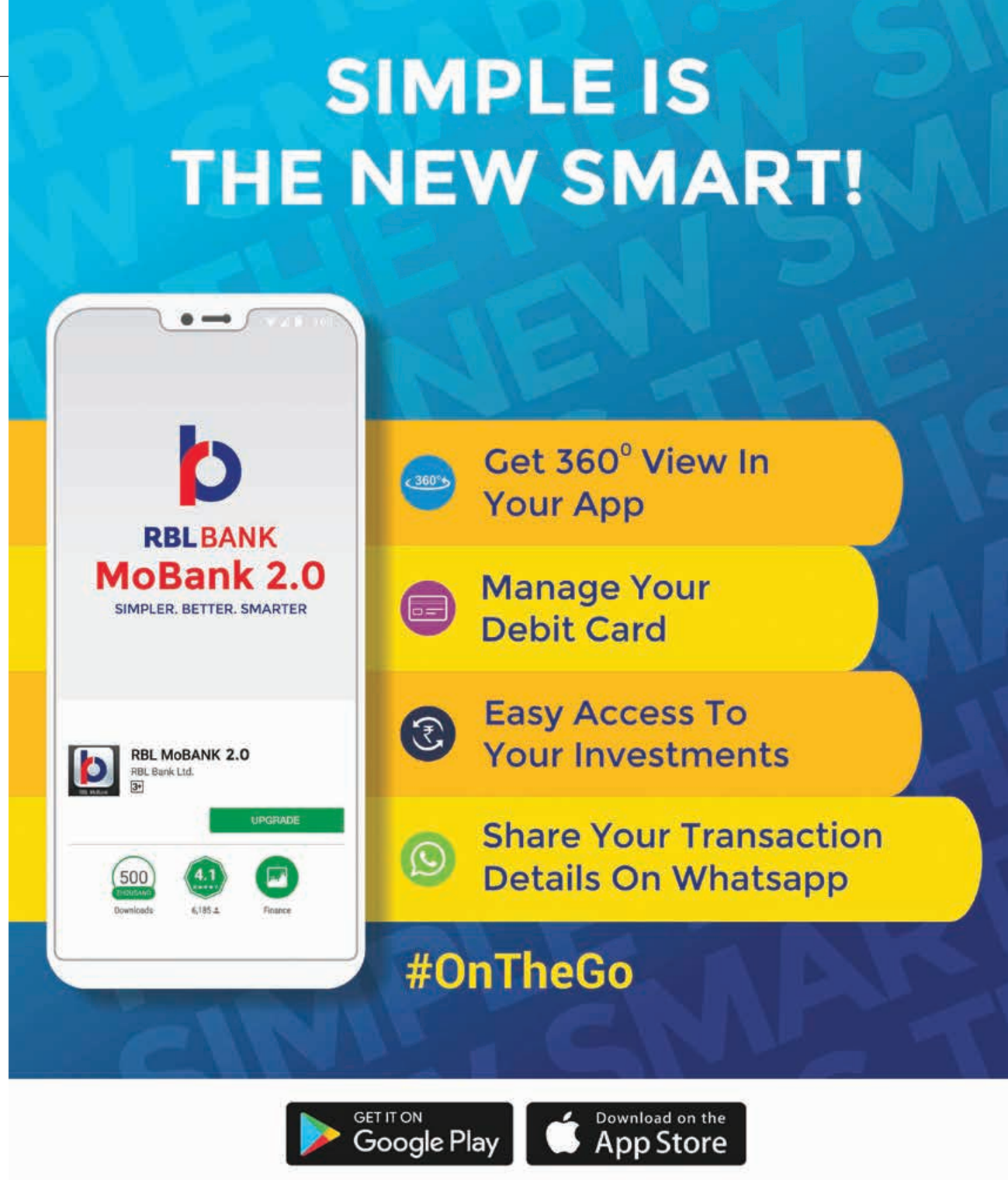
ACCOUNT MANAGEMENT

- Nodal Account Services
- API Banking Solutions

Development Banking & Financial Inclusion (DB & FI)

MICROBANKING/FI

- Basic Savings Bank Deposit Account
- No Frills Savings Account
- Micro-Insurance
- Hospital Insurance - Hospicash
- Micro Loans / JLG Finance
- Individual Business Loan



FOREX *Bole Toh* RBL BANK

Focus on your child's foreign education, we'll take care of money transfer overseas.



Transfer funds to universities or carry funds abroad with RBL Bank Forex services and save.

- Nil Corresponding Bank Charges
- Nil TT Processing Charges
- Preferred Forex Rates
- Day Zero Processing

Visit www.rblbank.com/remitoverseas
to know more.

POWER OF 4 IN 1

RBL BANK COOKIES CREDIT CARD

Movies | Dining | Cabs | Zomato Gold

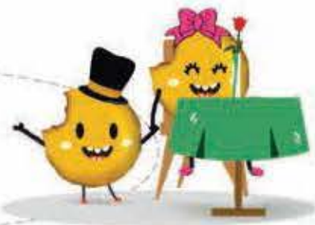


The First Bite
Welcome gift of 2500 Rewards Points, redeemable for an Amazon pay gift card worth ₹500.



Unlock Entertainment Pass
Spend ₹10,000,
Get 10% cashback, 10 times at BookMyShow.

Unlock Dining Pass
Spend ₹30,000,
Get 10% cashback, 10 times at Zomato.





Unlock Ride Pass
Spend ₹75,000,
Get 10% cashback, 10 times at Uber.

Unlock Gold Membership
Spend ₹1,50,000,
Get Zomato Gold membership for 12 months.



T&C apply



RBL BANK COOKIES CREDIT CARD

To know more, visit www.rblbank.com
or Scan the QR code:

RBL Bank raises ₹2.5 crores to support Girl Child Education

Funds raised through 'Umeed 1000' – the Bank's flagship CSR initiative.



30 cyclists. 1000kms. 10 days = Mission Accomplished!

Thank you to all our partners

Udbhav School – Event Beneficiary	manipalglobal Academy of BFSI – Academic Partner	weschool – Academic Partner	Academic Partner	GoPro – Imaging Partner	HDFC Life – Corporate Partner	ICICI Lombard – Corporate Partner	Bajaj Allianz – Corporate Partner
aditya Jyot – NGO Partner	Police Support	Police Support	Police Support	EVEREADY – Corporate Partner	HDFC ERGO – Corporate Partner	TMI GROUP – Corporate Partner	DATAWISE – Corporate Partner
MONTECARLO – Corporate Partner	NORTHERN ARC – Corporate Partner	INNOVEN CAPITAL – Corporate Partner	INDIA POWER – Corporate Partner	POSEIDON – Corporate Partner	Shrem – Corporate Partner	Goodera – Fundraising Partner	LetzChange – Fundraising Partner

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Management Discussion And Analysis



1. ECONOMIC OVERVIEW

1.1 Global Economy

The second half of 2018 saw global economic activity slow down considerably following the cyclical upswing that continued since the last quarter of 2016. While still expanding at over 3.5%, economic momentum across geographies began to peter out due to a confluence of factors such as elevated trade tensions, tighter financial conditions, geo-political uncertainties and tepid growth in some systemically important economies.

Protracted trade tensions and concerns over Brexit continue to erode the confidence of consumers and businesses in both advanced and developing economies. IMF expects global growth to moderate in the near term to 3.3% in 2019, before returning to 3.6% in 2020. Ongoing trade tensions among major global economies cloud the world trade outlook as well driving softer commodity prices and sluggish demand and thereby creating benign inflationary conditions across geographies. According to the IMF, in a global scenario fraught with uncertainties and downside risks, the need of the hour is to implement synchronised, country-specific policy stimulus across economies, complemented by an accommodative monetary policy.

Financial markets faced several disconcerting developments in 2018, including strengthening of the US dollar, trade disputes and sanctions, bouts of volatility and equities sell-off towards the end of the year as adverse macroeconomic and geopolitical developments gained prominence. The result is that financial conditions tightened across markets globally.

However, some of these headwinds ebbed and markets entered relatively calmer waters in 2019, as Central Banks signalled accommodation. The regulatory authorities across geographies have responded to the slowdown by adopting a largely dovish stance in monetary policy. This includes limiting their regulatory tightening, injecting liquidity through cuts in bank reserve requirements, and applying fiscal stimulus to kick-start growth. Accommodative policy stances and benign crude prices are gradually reviving sentiments in financial markets in 2019.

IMF expects global growth to moderate in the near term to 3.3% in 2019, before returning to 3.6% in 2020.

1.2 Risks to global growth

With sluggish global economic momentum and policy space getting restricted in many countries, risks to global growth remain skewed to the downside. Worldwide trade, investment, and output may suffer from policy uncertainty, continuing trade tensions or a deeper-than-envisaged slowdown in China.

While global growth could surprise favourably, if trade differences are resolved quickly, possibility of sharp deterioration in market sentiment and generally tighter financial conditions remain high. Global growth and trade concerns are expected to remain the dominant theme of 2019, which may have a bearing on market performance, consumer confidence and policies of regulators and governments across geographies.

1.3 Indian Economy

Although India continued to be one of the world's fastest growing major economies in FY2018-19, domestic economic activities remained sluggish in the second half of the year. Just when the economy began recovering from the twin impacts of demonetisation and Goods and Services Tax (GST) related transition, the crisis related to the performance of Non-Banking Financial Companies (NBFC) cast its shadow on consumption demand and market sentiments, putting economic growth off track. As economic activities decelerated towards the end of 2018 due to a slowdown in both public and private consumption, expectations for the real GDP growth were sequentially revised downwards.

It is heartening to note that investment growth is gradually gaining momentum, supported primarily by the government's focus on the formalisation of the economy, infrastructure revamp and affordable housing. However, it must be admitted that weaker agricultural output and consumption slowdown have dragged GDP growth rate expectations from 7.2% to 7% for FY 2018-19.

Despite the sluggish pace of economic growth, the recent pick-up in capex cycle and the revival in construction and financial services, bode well for the sustainability of India's economic growth, going forward. Private investments are already seeing green shoots of recovery. Government-led infrastructure spending should help to support domestic demand, further strengthening investment and improving income growth in the year ahead.

IMF thus expects real GDP growth to recover to 7.3% in 2019-20 and 7.5% in 2020-21, supported by the continued recovery of investment and robust consumption, amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy.

Additional supporting factors such as an increase in investments in the commercial sector, improving capacity utilisation, stabilisation of crude prices and other commodity prices, consumption- and public spending in rural areas are likely to bolster economic activities as well. Private consumption is likely to remain the mainstay of growth and a pick-up in investment activities should lend additional support.

The monetary and fiscal easing bend should also boost aggregate demand in the economy. IMF thus expects real GDP growth to recover to 7.3% in 2019-20 and 7.5% in 2020-21, supported by the continued recovery of investment and robust consumption, amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy.

Nevertheless, several downside risks, both on the domestic and global fronts, persist for now. Private sector impetus is not picking up fast and greater than expected moderation in global growth or unanticipated volatility in global financial markets could derail domestic pick up. Domestic financial markets continued to be influenced by global developments, especially volatile capital flows and the direction of capital flows remains unpredictable, posing macroeconomic and liquidity challenges.

2. BANKING SECTOR OVERVIEW

Fiscal year 2018-19 was one of the most challenging years for the banking sector. Credit growth remained muted, asset quality continued to deteriorate, liquidity concerns following NBFC credit squeeze hit banks and stricter provisions and governance issues kept regulatory activities dominant in the sector.

Banking sector growth stayed lopsided as industrial credit growth continued to remain anaemic. Monetary transmission to the deposit and lending rates of commercial banks was partial and delayed as credit growth continually exceeded deposit growth.

The government raised its capital infusion into the sector to ₹ 1.06 Lakh Crore in FY 2018-19 to expedite the recapitalisation of public sector banks and proposed to merge three state-owned banks. Public sector banks, however, still struggled with inadequate capital buffer and Non-Performing Assets (NPA) provisioning pressures.

While FY 2018-19 might not have been good for India's overall banking sector, the year has set the foundation for a stronger banking ecosystem, as we begin the new fiscal year. In the new fiscal year, there is an apparent reversal in two of the biggest challenges to the sector — credit offtake and asset quality.

There are ample signs that asset quality concerns for the banking sector are peaking. As we entered 2019, NPA formation has slowed significantly across sectors and recoveries from recent NPAs are streaming in. Lower incremental slippages to NPAs and drop in special mention accounts reflect significant reduction in the quantum of potential stressed assets.

Incremental delinquencies are likely to be lower this year. We, thus expect, a continuing improvement in asset quality and bad loans ratios to move lower in the current fiscal year. The RBI in its latest Financial Stability Report has also acknowledged that gross bad loans would slide in fiscal 2019-20, the first since 2015. Resolution of stressed assets and plateauing of NPA levels on banking balance sheets will further improve credit flows, boost economic activities and in turn support banking sector's growth as well in this year.

Credit flows from banks continue to improve and are increasingly broad-based since February 2019. Banking credit hit double-digit growth, registering over 13% year-on-year growth in March 2019. RBI expects banking sector credit to grow by 13-14% annually in fiscal year

Credit flows from banks continue to improve and are increasingly broad-based since February 2019.



2019-20, driven by strong retail credit growth, higher disbursements to non-banks, exemption of six banks from Prompt Corrective Action (PCA) framework and resolution of big-ticket stressed assets.

A pick-up in credit offtake will provide a springboard for the overall banking sector's recovery. Private banks, supported by stronger balance sheets and significant presence in the retail segment, will likely grow at almost twice the rate than the systemic credit growth.

As the economy recovers and the capex cycle begins to move upwards, corporate lending will pick up as well, particularly for infrastructure, commodities and consumption companies. The Government's continued focus on the recapitalisation of public sector banks and the RBI's efforts to keep the funding costs low stack up in favour of strengthening the banking sector further. With some moderation in interest rates on new loans and focus on improved transmission, enhanced regulatory oversight would help the banking ecosystem.

As economic fundamentals get stronger and more issues get resolved giving banks more leeway for operations, the regulatory climate stays favourable, and transformation technologies are more readily accessible, 2019 will likely be a turning point for India's banking sector.

3. REVIEW OF BUSINESS SEGMENTS AND OPERATIONS AT RBL BANK

RBL Bank's operations span across various business segments comprising:

- Corporate and Institutional Banking (C&IB)
- Commercial Banking (CB)
- Branch and Business Banking (BBB)
- Retail Assets
- Development Banking and Financial Inclusion (DB&FI)
- Treasury and Financial Markets Operations

3.1 Corporate and Institutional Banking (C&IB)

The Bank's Corporate and Institutional Banking (C&IB) business segment offers extensive services to enterprises and corporate entities, especially large-sized corporations (i.e. companies with over ₹ 1,500 Crore annual turnover).

Sub-segments within C&IB have sectoral coverage and include: a) Financial Institutions – both multinational and local; b) Government undertakings that cater to public sector undertakings (PSUs), Government boards and c) Multinational clients.

Also, the C&IB team has industry specialised 'product' verticals (i.e. Gems and Jewellery, Real Estate and Infrastructure) that focus on such sectors and offer their expertise on a pan- bank basis.

C&IB aims to be primarily a working capital bank for its clients focussed on transactional businesses and uses term exposure where the overall relationship requires. C&IB products and services include various fund-based and non-fund-based products, including liability products such as current accounts, term deposits and salary accounts; loan products such as term loans, structured loans, working capital facilities, letter of credit, stand-by letter of credit and guarantees; cash management, and treasury risk management solutions.

C&IB further cross-sells the Bank's various other products and services such as corporate salary accounts, credit cards and other retail loan and agri-finance products and also distributes life insurance products, general insurance products and mutual funds to customers, their promoters and employees.

In addition to regular coverage, the Financial Institutions (FI) team engages with counterparties to facilitate inter-bank dealing, inter-bank trade support arrangements and inter-bank liquidity generation both onshore and offshore.

The C&IB segment recorded a year of high growth, both in terms of financial performance and offerings.



Key highlights of FY 2018-19:

1. During FY 2018-19, the unit saw steady growth in its client base and crossed the milestone of 750 client relationships through new offerings, establishment of focussed sub-verticals and strategic use of the Bank's branch network.

2. The unit also increased its on-ground location coverage to nine cities as per its target market. Going forward, it intends to further expand its reach to a few more cities primarily in northern and eastern India.

3. The unit continued to selectively broaden the wholesale banking portfolio with bespoke products that fit the Bank's growth strategy and are relevant to its marketplace. It also launched several product upgrades on the transaction banking space, such as the new corporate internet banking platform, trade finance related products and digital solutions, especially for its Foreign Institutional (FI) clients.

4. During the year, the C&IB business placed its focus on two major segments:

   a) Multinational Companies (MNCs): As core international banks are catering to MNCs, they are beginning to broaden their horizons and deal with local banks. RBL Bank initiated a focussed segmental coverage for MNCs and onboarded more than 20 reputed and well-established clients in the year. The Bank will continue to strengthen its coverage and offerings for clients in this domain, which are largely value accretive, given the lower risk profile and more liability- and fee-based products the clients

The GIFT CITY branch at the International Financial Services Centre (IFSC) in Gandhinagar, Gujarat, India continued its growth trajectory touching ₹ 1,500 Crore of business during the year.

require. Going forward, the intent is to offer customised solutions to large MNC processors, exchange houses and ecommerce companies by leveraging on the existing digital transaction processing capabilities.

b) Government Sector: While the dedicated government banking unit was set up in the previous financial year, this year was focussed on growing the liability base; and this contributed significantly towards the overall current and saving account balances of the bank.

5. The C&IB unit continued its focus on two dedicated 'product' sectoral teams (Real Estate and Infrastructure) within the Corporate Finance Group that are responsible to evaluate the Bank's position both from a risk management and value-add perspective, offering mutually beneficial solutions for its clients.

6. The GIFT CITY branch at the International Financial Services Centre (IFSC) in Gandhinagar, Gujarat, India continued its growth trajectory touching ₹ 1,500 Crore of business during the year.

   The focus in the coming financial year is to continue the broadening of client reach by penetrating unexplored geographies and deepening its existing client relationships by offering more value-added solutions.

3.2 Commercial Banking (CB)

This segment of the Bank finances the business needs of Small and Medium-sized Enterprises (SMEs) (i.e. companies and firms with annual revenue from ₹ 35 Crore to ₹ 250 Crore) and mid-sized companies (i.e. enterprises and companies with annual revenue from ₹ 250 Crore to ₹ 1,500 Crore). The unit's focus is to serve the banking requirements of fast-growing enterprises, sunrise sector businesses and industry segments of India's economy like logistics, e-commerce, consumer services and organised retail. It has presence across 11 cities including Mumbai, Delhi & NCR, Kolkata, Bengaluru, Chennai, Hyderabad, Pune, Coimbatore, Ahmedabad, Vadodara and Kolhapur.

The unit's predominant objective is to be the 'bank of choice' for transaction banking requirements of its clients through cash, trade and forex services. In the SME segment, where exposures are largely backed by significant collaterals, the strategy is to build a highly granular portfolio. It further aims to be the dominant player for all transaction banking requirements of clients to achieve higher returns on the capital invested. The Bank is also keen to develop and maintain promoter level relationships in this segment to cross-sell products and services to promoters and their families and provide timely and comprehensive banking solutions.

For this purpose, the group uses dedicated relationship managers with deep industry knowledge. These relationships have helped the Bank stay ahead in terms of understanding client's requirements and supplement the Bank's growth. The unit aims to encourage competence in sectors, which involve intensive transaction banking and offer innovative financial solutions to capture the transaction banking wallet. In addition, the CB segment focuses on utilising relationships and understanding of larger established companies to foster enduring bonds with suppliers or distributors.

During FY 2018-19, the CB team improved the granularity of its portfolio and right sized its ticket size from a client materiality perspective. The unit placed significant importance on building a strong deposit franchise on the corporate side. The focus was to be the transaction bankers to the clients and the Bank placed considerable focus on maximising risk-adjusted return and profitability by charging the customer according to the risk involved. The other goal was to foster customer relationships through enhanced cross-selling activities for increased penetration and stickiness of customers.



Key highlights of FY 2018-19

1. The CB business continued to demonstrate strong performance throughout FY 2018-19. The unit contributed significantly to the Bank's key advances growth. At present, 19% of the Bank's advances book is sourced by CB and the unit reported an advances growth of 12% y-o-y.

2. The unit was successful in capturing 10-15% of the wallet share of its clients in the mid-corporate sector in FY 2018-19. The Bank is also one of the top three banks for its clients in the SME segment.

3. As an important step towards facilitating inclusive and digital discounting for MSMEs operating in India, RBL Bank has signed a TReDS (Trades receivable discounting system) agreement with M1 exchange & Invoice Mart.

4. The Commercial Banking unit has signed an MoU with NASSCOM to boost MSME ecosystem by providing customised solutions and be the banking partner for all NASSCOM members.

5. RBL Bank and Dun & Bradstreet collaborated for a unique awards initiative, titled, 'Dun & Bradstreet – RBL Bank Limited SME Excellence Awards 2018'. These awards were designed to recognise the spirit of entrepreneurship and felicitate SMEs that have demonstrated exemplary performance in their respective fields. The theme for this initiative was 'It's Time to let the World Know' and the awards spanned ten sectors: i) Chemicals and Pharmaceuticals; ii) Electrical and Electronic Goods; iii) Engineering and Machinery; iv) Food Processing and Agro Products; v) IT and ITeS; vi) Plastic and Plastic Products; vii) Professional and Business Services; viii) Textiles and Garments; ix) Transportation and Logistics and Travel; and x) Tourism and Hospitality. Additionally, the awards initiative featured four theme-based categories, including Best Global Business, Best Woman Entrepreneur, Most Innovative Company of the Year and Emerging SME of the Year.

The CB business continued to demonstrate strong performance throughout FY 2018-19. The unit contributed significantly to the Bank's key advances growth. At present, 19% of the Bank's advances book is sourced by CB and the unit reported an advances growth of 12% y-o-y.

In FY 2019-20, the focus of the CB unit will be to expand its sourcing channels, adding digital and innovative alternatives to customer segments and underwriting methods, while penetrating unexplored geographies.

Going forward, the team will continue to foster strong partnerships and new strategic alliances to enable the Bank to tap new customer segments and diversify its portfolio. This includes collaborations with Fintechs, payment companies and companies that have a large network of service points. The team will also concentrate on improving its cross-selling practices, along with return on assets through expansion of margins.

3.3 Transaction Banking

3.3.1 Cash Management Services

The Transaction Banking unit straddles the entire 'financial value chain' for customers, with the primary focus to provide clear 'value-adds' both in the domestic and international operations. Driven by the principle of 'Follow the Money', the division plays a pivotal role in driving the Bank's overall CASA strategy. With a pan-India presence, the division services diverse client segments across services & distribution, manufacturing, financial & capital markets, government banking, among others spanning the bank's retail and wholesale business segments.

The Bank has invested in a state-of-the-art transaction management framework that complements its expanding branch network, including technologically advanced customer-facing internet and mobile-based applications. It has further enhanced its product suite to span the entire spectrum across the traditional and digital space. Some of the key offerings include bulk payment processing (across supplier and vendor payments), corporate salary processing, dividend and interest payout, tax payments, escrow services, NACH (National Automated Clearing House); virtual accounts and traditional collections for cash, cheques, among others.

The division specialises in providing structured Receivables, Payables & Liquidity Management solutions, encompassing bespoke offerings leveraging its strong product and service delivery abilities. It has been a strong CASA driver on both, growth of existing franchise and also on-boarding new client relationships.

3.3.2 Transaction Banking Trade

The RBL Bank trade franchise continues to grow as it extends trade services to all the clients, supported by four separate processing centres, handling domestic and international trade. This year, the Bank launched trade products from its GIFT City branch. It was one of the first banks to offer offshore buyers credit funding, following changes in the regulatory environment.

Key highlights of FY 2018 - 19

1. RBL Bank has played a leading role to promote the usage of blockchain technology for meeting the trade requirements of customers. The Bank believes that blockchain has the potential to revolutionise the paper intensive manner in which trade is currently conducted in India. The Bank led the creation of a first-of-its-kind consortium of 14+ private and public sector banks to digitise inland trade as a 'Make in India' initiative in co-creating a comprehensive trade ecosystem, which uses blockchain and other innovative technologies as its backbone. This initiative was also recognised with the Celent Model Bank Award 2018 in the 'Emerging Innovation' category for pioneering initiatives in the application of blockchain in the trade finance and supply chain segments.

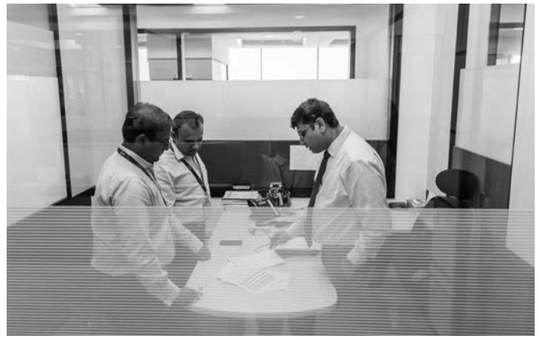
2. The Bank continued to innovate its cash management and transaction banking offerings, especially for non-banking financial institution clients, thereby sustainably growing its liability base.

3. The Bank has tied up with various domestic and foreign banks for reimbursement structure to provide funding for importers; and has established correspondent banking relationships with large global banks.

3.4 Banking as a Service (BaaS)

The unit Banking as a Service (BaaS) was established around three years ago. It primarily focuses on technology development and an enhanced service delivery, offering a seamless banking experience to customers.

The Unit provides industry-specific innovative solutions for businesses in the field of payment APIs, Unified Payments



Interface (UPI), prepaid cards, merchant acquiring, nodal accounts, Aadhaar-Enabled Payment System (AEPS) and Domestic Money Transfer (DMT).

The BaaS unit has partnered with several fintech innovators to create an advanced digital ecosystem for its customers. It has successfully customised transaction flows to meet client and end-user expectations through diligent authentication processes around onboarding and customer transactions, payouts, timely reconciliation and effective payment processing models. This has helped improve customer experience in terms of lower TAT and enhanced quality at a lower cost.

Through this unit, the Bank aims to promote an open banking culture where clients can use the Bank's systems and data to perform their businesses better and faster. This has been achieved through the development of a platform using an 'Application Programming Interface (API)' that allows clients to plug and play into the Bank's systems, thus enabling faster transaction processing, faster reconciliations and better account management.

Key highlights of FY 2018-19:

- With 6.90 Lakh PoS machines through merchant acquired channels, RBL Bank stands first in India for the total number of PoS machines deployed.

- In the year, business Correspondents helped the Bank in expanding the network to remote locations and successfully process transactions worth ₹ 30,000 Crore through AEPS and DMT.

3.5 Branch & Business Banking (BBB)

RBL Bank offers a wide array of products and services to its clients through the Branch & Business Banking segment.

The unit caters to the requirements of individuals and small businesses across rural and urban India.

The Bank provides several products and services through traditional branch outlets and multi-channel electronic banking system that comprises ATMs, internet banking, phone banking and account services.

3.5.1 Digital Banking

a) MoBank 2.0

Digitisation is perhaps most pervasive in the banking and financial sector worldwide; and there is an increased focus on digital interfaces, especially mobile banking as a core consumer touchpoint. In line with this trend, the Bank has revamped its mobile banking platform and launched MoBank 2.0 last year. The new application has an attractive and intuitive user interface with industry-first features, making it a highly rated banking application.

Apart from regular payment features, MoBank 2.0 provides a comprehensive 360-degree view of the customer's relationship with the Bank just by switching screens. The application has a debit card control module to enhance the customer's card security. Also, it is integrated with an in-app intelligence engine with notification capabilities. This engine shares consumer usage behaviour, enabling the Bank with real-time data to solve customer experience issues instantly.

The Bank has launched an online investments module i.e. INVEST FIRST on MoBank 2.0, thus enabling its clients to invest in online mutual funds and other products digitally and on the go without any need for documentation or branch visits. Through INVEST FIRST, clients can purchase mutual funds, redeem investments, transfer funds and download reports on MoBank 2.0 anywhere, anytime and in a convenient manner.

The Bank has witnessed a high adoption of digital platforms by retail investors and the investment AUM has seen 26% growth during the year.

The MoBank 2.0 has significantly improved customer experience through the following features:

- Instantly book term deposits, invest in mutual funds, apply for a loan and a credit card seamlessly.

- Access to a multifaceted account statement module to slice and dice and download account statements in one click.



- Request a call back from a relationship manager by using the 'Click2Call' feature.

- Change debit card pin, manage limits and block card in case of an SOS.

- The application includes a feedback module too, to share direct feedback on the Bank's products, technology and customer's banking experience.

- The Bank offers virtual cards for digital savvy customers on the Mobank app, thus not requiring the customers to carry a physical card in their wallet.

b) Internet Banking

Following the revamp of Retail Internet Banking in March 2017 and Corporate Internet Banking in March 2018, the Bank has seen a surge of customers migrating to these digital banking channels.

During the year, the customers transacting through these channels grew by 130% and the value of the transactions has grown by 68%. This is attributed to the consistent improvement in the user journey and enhanced security measures built within these applications.

c) Digital Savings Account

Continuing with the efforts towards paperless onboarding, the Bank has introduced one-click digital products across credit cards and health insurance business for liability customers. This has driven digital cross-selling of products and has improved the average product holding of the portfolio.

The Bank introduced an exclusive digital offer for women called the 'Woman's First Savings Account', which comes



with a specially designed debit card with multiple benefits for women.

While adapting to the change in regulatory environment on the usage of Aadhaar, the Bank has managed to grow the deposit book of digitally sourced accounts by over 110% in the last year.

3.5.2 Insurance

To provide insurance coverage across client segments, the Bank has introduced a host of new insurance products, catering to the requirements of customers in rural branches and the customers managed through the agri channel. There has also been a build-up of the existing insurance product offerings in the BBB and Retail Assets segments with multiple insurance providers, enriching the Bank's product bouquet on protection, savings, retirement planning and loan cover, among others.

The Bank leverages data analytics to gauge client behaviour and corresponding requirements. The analytics model enables relationship managers to help their customers purchase the life and health insurance products, basis their aspirations and lifestyles.

The unit continues to leverage technology-enabled platforms to integrate with the Bank's insurance service partners and help customers purchase insurance products digitally. All primary insurance products are now available on the Bank's website and net-banking platform. Customers are increasingly educated on various online channels, resulting in them migrating from traditional channels to online platforms. This has led to a growth in the premium collection across products by 60% this year.

Customers have access to insurance covers across all variants against loss, fraudulent activities, personal accidents, among others.

3.5.3 Client Segments

RBL Bank has strengthened its positioning in each of its managed programmes i.e. Insignia, Signature and Aspire. These segments were launched to cater to different groups of customers with similar characteristics, needs, interests and lifestyles.

These business divisions engage with diverse clients more efficiently and in a more structured manner to suit their personal and business banking requirements. The Bank's most premium offering, Insignia Preferred Banking, has expanded across most of the key urban centres. In FY 2018-19, assets under management in this segment has seen a robust 52% growth.

Concurrently, the Bank's distribution and service setup has strengthened across all centres, where Insignia is offered. The Bank follows a regimented programme for client on-boarding and life-cycle management, which is unique in the industry.

During the year, upskilling has been a clear focus of the business to distinguish the relationship management team vis-a-vis competition. Special emphasis has been laid on both internal and external partnerships for skill-building in relationship management and service teams. These cover training sessions related to products, skill development, behavioural science, relationship management, with an alignment to the best-in-class training institutes across industry on service parameters.

3.5.4 Debit Cards

The Bank's 11 debit card variants and propositions are designed towards addressing client's requirements and to create positive experiences.

As a part of its client engagement strategy, the Bank introduces, educates and trains clients on products and services as well as updates them on keeping their banking transactions safe and secure. Be it planned and/or unplanned, the Bank's debit card based payments are available 24/7 through POS/swipe machines, ATMs and internet banking.

The Bank offers choices to customers across all three card networks Mastercard, Visa and RuPay. The focus is to encourage digital payments while adding value to the proposition offered.

RBL Bank is India's only bank to offer foreign currency debit card services to diplomats. In the coming year, the Bank will also introduce industry-first options to its existing and prospective customers with enhanced security features, such as the vertical card. The features will provide additional flexibility to customers to enable and disable overseas transactions, manage limits and use contact-less cards.

Key highlights of FY 2018 - 19

- The card spends grew by 41% in comparison to Industry growth of 23%
- The transactions on POS and online grew by 54% while industry has grown at 27%.
- The transactions increased by 51% in calendar year 2018 vis-à-vis 2017.

3.5.5 TASC (Trust, Association, Society and Club):

TASC remains one of the key segments towards achieving the overall growth under Branch & Business Banking. With its competitive interest rate offering in Savings Account and Fixed Deposits along with a host of value added products under Digital banking and CMS, this segment has successfully garnered incremental business from key segments namely educational institutes, religious trusts and local bodies.

Under the TASC segment, Deposits (CASA & TD) grew by 46% in FY 19 over FY 18. The Bank will continue to focus on enhancing its the product proposition, sales approach and relationship management to make strongholds in this segment.

3.5.6 Diplomatic missions

The Bank's diplomatic segment continues to expand its market share and has become a high revenue-generating business unit with good potential across liability and foreign exchange streams. Additionally, this influential segment has great potential for lead generation for associated businesses of the Bank.

The Bank's experienced team offers bespoke solutions, customised products and an excellent service spectrum to this segment.

The Bank increased its market share in the diplomatic segment targeted base to 49%, maintaining a dominant market share. Currently, 70 embassies bank with RBL Bank, establishing it as a dominant player in this segment. The Bank works with Embassies, Consulates, Division (Defence, Cultural, Trade, Tourism and so on) of over 109 countries

The Bank increased its market share in the diplomatic segment targeted base to 49%, maintaining a dominant market share.

and caters to about 900 diplomats, increasing penetration across Chennai and Hyderabad, while expanding market share across Delhi, Mumbai and Kolkata.

During FY 2018-19, the Bank explored related business opportunities and made inroads into airlines, tourism offices, foundation accounts, international organisations and education accounts. Besides, existing trade commission relationships helped generate leads in foreign companies for corporate banking. Moving ahead, the focus in FY 2019-20 will be to penetrate further into the business across locations in India and focus on other related business opportunities.

3.5.7 India Start-up Club

RBL Bank's focus on start-ups and emerging enterprises segment has increased over the last few years. This year has been instrumental as 1,000+ start-ups are banking with the Bank. Enabling start-ups to scale up and continuously innovate through digital solutions, has played a key role in building this franchise. The Bank's start-up customers have leveraged the API and CMS solutions to facilitate faster pay-outs through IMPS, NEFT and RTGS, APIs and collection through NACH and Virtual Accounts solutions.

RBL Bank is increasing its focus on this segment through multiple offerings and tailor-made solutions for start-ups belonging to different stages of the entrepreneurial journey.

3.6 Retail Assets

Retail Assets business has seen robust growth continuing from previous years. The segments core to Retail Assets such as credit cards, loan against property and business instalment loans have seen strong demand and continue to expand. Apart from the traditional lending products, the Bank, through its partnership with Fintechs, caters to new customer segments that have added to the granularity of the portfolio. Additionally, through its partnerships the Bank has also launched new products, expanded to new geographies and has been using alternative/big data driven risk models.

a) Secured Loans

- Secured Loans are primarily extended to SMEs, wherein the eligibility is derived, based on the cash

flows of the business. These loans are primarily backed by self-occupied property as a collateral. Secured portfolio has continued to multiply with a y-o-y growth of 51% during FY 2018-19.

- The Bank has also taken initial steps in building an affordable housing segment through strategic partnerships.

b) Unsecured Loans

- The Bank offers unsecured loans to individuals and small businesses by assessing their cash flows. The unsecured business loans are extended on the principle of driving financial inclusion by providing collateral-free loans, based on the various methods of assessing credit worthiness. The Bank witnessed healthy growth in its business lending book with AUM growing by over 39% y-o-y during FY 2018-19.

- Active collaboration with multiple Fintech partners for new unsecured products; and customer segments was witnessed in FY 2018-19. In a short span, the partnerships AUM grew by over 106% with disbursals growing by 184% y-o-y.

c) MSME

RBL Bank offers small business loans of up to ₹ 25 Lakh in the MSME segment through a business correspondent model, largely through its wholly owned subsidiary, RBL Finserve Limited. The book size in this business has crossed ₹ 1,000 Crore in FY 2018-19 with 76% y-o-y growth. Around 75% of these loans fall under the MUDRA scheme of the Government of India, called Kishore and Tarun loans. The Mudra loan growth has been 63 % y-o-y.

d) Credit Cards

The Bank's credit cards portfolio continues to grow and deepen the franchise. With over 1.7 Million customers, the fifth largest in the country, the Bank is also one of the fastest-growing credit card issuers. The cards division also saw the highest growth in y-o-y spends in the domestic industry, with over ₹ 16,500 crore of total spends made by customers.

The number of cards increased by 119% in FY 2018-19, with more than 1.1 Million customers acquired this year. The book size grew to ₹ 5,311 Crore, approximately 10% of the total advances of the Bank.

New Products

Growth in the credit cards division has been driven largely through partnerships, on the back of a powerful product experience. The portfolio saw exciting new additions in FY 2018-19:

1.1 BFL RBL SuperCards

The Bajaj Finserv – RBL Bank partnership grew stronger with the addition of 3 new cards foraying into niche customer segments. These include:

1. Doctor's SuperCard, aimed at medical practitioners.
2. TravelEasy SuperCard, added with travel benefits.
3. ValuePlus SuperCard, added with fuel benefits.

1.2 Credit Line Products

RBL Bank continues to be the partner of choice for fintechs, both medium and large. The Bank launched two new credit line products, ETMoney LoanPass in partnership with ETMoney, and the RBL Bank Paisa On Demand Credit Line in association with PaisaBazaar.

These power-packed products offer seamless digital application journey. They have the added feature of chat-based query resolution and also offer a personal loan and a credit card bundled into a single product.

1.3 Cookies

The Cookies Credit Card, launched in March 2019, is a new-age product with a gamified user journey. It is aimed at the tech-savvy, online-centric customer segment that allows users to unlock exciting discounts in the form of passes at BookMyShow, Zomato and Uber.

2.1 Digitising Customer Journey through chat bots:

For service excellence and greater transparency, the cards division is focussing attention on seamless digital customer journeys. As a part of this move, following chat bots have been deployed:

1. Know your credit card bot: To educate customers about everyday processes related to their credit cards; topics covered include pin setup and bill payments among others, in multiple languages.

For service excellence and greater transparency, the cards division is focussing attention on seamless digital customer journeys.

2. Upgrade bots: To offer best suitable credit card variants to customers, while maintaining transparency and quick processing of requests.
3. Cross-sell bots: To make services such as short-term personal loans and balance transfers more accessible, transparent and quick.
4. Voice of Customer (Feedback) bot: To collect customer feedback on interactions with the Bank, which plays a crucial role in gathering insight about customer issues and introducing process improvements.

Impact of bots:

Around 45% of the sourcing for short-term personal loans is now being done via chatbots; chatbots have enabled reaching twice the number of customers at half the cost.

Key Highlights for FY 2018 - 19

3.1 Over a Million Card Customers

In July 2018, the division issued its 1 Millionth credit card. The card count currently stands at 1.7 Million for the entire cards portfolio, with over 1.1 Million cards sourced in FY 2018-19 alone.

3.2 BFL SuperCard Portfolio crosses 1 Million

The Bajaj Finserv RBL Bank Cards became the first co-branded Credit Cards in the Indian market to cross the 1 Million milestone, with 8,00,000+ cards sourced in FY 2018-19.

3.3 Digital Footprint

As the industry continues to go digital, there has been a significant behavioural change in the retail banking experience. The Bank is making greater use of technology to further reduce account opening time. Digital acquisition now accounts for 45% of all the sourcing for RBL Bank proprietary credit cards, leading to a 26% reduction in acquisition cost.

e) Agri Business Banking

FY 2018-19 was a mixed year for agribusiness. The growth was subdued on account of natural calamities and unseasonal rains in many geographies, falling commodity prices and debt waivers being announced in multiple states. The Bank worked with the government on providing relief and waiver to the farmers. Additionally, the Bank continued to support in activities such as agriculture, horticulture and livestock rearing, and worked with farmer producer



organizations' and Agritech companies to finance regular and progressive agricultural activity.

Key highlights of FY 2018-19

- RBL Bank became the leading financier for sugarcane harvesters in FY 2018-19 on the back of its strategy to promote farm mechanisation.
- The Bank continued to strengthen its agri-customer base through value-added offerings and customer engagement initiatives by offering diversified products for credit needs across the stages of sowing, growing, harvesting, warehousing, processing and distribution.
- Digital initiatives have been intrinsic to streamline the processes. The Bank's loan origination system was further strengthened by bringing in a tablet-based system to provide door-to-door banking.
- Over 8,000 households in the energy-deprived rural areas of Uttar Pradesh, Odisha and Bihar have benefitted under the Bank's initiative to provide solar home solutions.

3.6.1 Development Banking & Financial Inclusion (DB&FI)

RBL Bank addresses the requirements of financial services in semi urban and rural India by developing an insight into customer needs, understanding the uncertainty and unevenness of cash-flows, and customising products to suit the requirements of each customer segment. It has its presence in the financial Inclusion space since 2010.

The Bank's DB&FI segment provides access to basic financial products to underserved rural customers for various income-generating activities through a network of business correspondent branches. The Bank's business correspondent network is set up in a hub-and-spoke

framework, with RBL Bank branch being the hub and the spokes being the business correspondent outlet in the vicinity of customer's village or small town.

RBL Bank offers a comprehensive suite of financial services such as loan products, savings accounts, deposits, insurance and transactional facility to underserved customers, contributing 100% to its priority sector lending.

Portfolio Growth

RBL Bank is servicing 40 lac customers under the Financial Inclusion segment. Out of this 33 lac customers have savings account and 27 lac have loan accounts with the Bank as on Mar'19. During FY 2018-19, the micro-banking portfolio grew by 42% as compared to last financial year. 60% of the accounts are active and 85% are aadhaar linked.

RBL Finserve Pvt. Ltd. ("RBL Finserve", formerly known as Swadhaar Finserve Pvt. Ltd.) has become the Bank's fully owned subsidiary in this financial year. This will help the Bank to create a 'Bank within the Bank' by maximising the outreach, creating new financial products for existing clients and enabling cross-sell opportunities. RBL Finserve has crossed ₹ 2500 crore AUM in this year.

Distribution Network

The Bank's exclusive BC Branch network touched 833 branches in FY 2018-19 with a customer base of 40 Lakh. The Bank opened 171 new BC branches, most of them in unexplored geographies. It now has a presence in 20 states covering 319 districts, Meghalaya being the new state addition this year by RBL Finserve.

New Products

The Bank propelled individual business loans using direct/ BC branch channel, leveraging the existing customer base as well as new customers, offering them higher ticket size loans for income generation purpose. The product has been bought by 3,000+ customers in FY 2018-19. The Bank piloted the consumer durable loan product as well, providing access to finance for the purchase of consumer durables such as mobile phones, solar lights, among others.

With a customer-centric approach, RBL Bank has designed a unique health insurance product for its JLG customers, keeping in mind the specific requirements of this clientele. This product provides financial protection against any health-related issue, resulting in hospitalisation. Health insurance product 'Hospicash' was launched in June 2017, under which both borrower and spouse can be



covered for a cash benefit of ₹ 1,000 for up to 30 days for hospitalisation. The product enjoys 68.5% penetration across all geographies.

The unique proposition of Hospicash insurance is its simplicity in terms of product understanding, processing and claim documentation.

Banking Outlets

RBL Bank has classified 226 BC branches as banking outlets. Through these banking outlets the Bank can reach out to the unbanked population and provide basic banking facilities such as transactions through Micro ATMs, savings account, insurance products and other loan products.

Financial Literacy

An important aspect of inclusive growth is creating awareness about financial discipline and educating customers about the use of right financial product for the right purpose. Therefore, financial literacy is one of the core pillars of RBL Banks Financial Inclusion offering.

The Bank's financial literacy programme UNNATI was launched in collaboration with CDC group in Bihar. Over 31,000 women were provided a two-day location-based training. These women were trained to help understand a wide range of financial products, importance of savings, rights and responsibilities of customers, concept of over indebtedness, importance of Credit Bureaus and Grievance redressal mechanism. From this programme almost 2,500 of them have linked themselves to formal sources of banking and financial services.

The use of digital methods remains one of the key highlights of this project. Post training, women are made aware of Swadhaar Sathi App, a one-stop destination for any information on financial literacy topics or financial products. It is an interactive app in vernacular language, user-friendly with the effective use of audio visuals.

Technology Initiatives

The Bank has invested in robust technology platform and innovation, which are critical for scale and last-mile delivery. RBL is the only bank having dedicated core banking software, Ganaseva for its FI clients from the very first day of its operations in this space. The Bank has evolved as one of the significant players in the financial inclusion space by offering diversified liability and asset products to the target segment.

The Bank currently serves 33.2 Lakh saving account customers whose balances crossed 100 Crore in FY 2018-19. It has introduced m-ATM devices, where clients can transact in their saving banks account at BC outlets with the help of Aadhaar based biometric authentication. These small saving accounts are also Aadhaar seeded, hence linked to DBT schemes of Government.

RBL Bank has enabled 570 Micro ATMs across BC locations facilitating withdrawals of ₹ 32 Crore in FY 2018- 19. This transaction facility is also available at the banking outlets.

The Bank has also started end-to-end sourcing of JLG Loans through an Aadhaar based QR code scanning by tablet-based application for its BC partners. This initiation will help reduce customer onboarding time significantly, which is a paper-intensive process with manual intervention. This will help capture, real-time information and collections, credit bureau checks, thereby transmitting client information digitally to main systems. Intervention of these applications help reduce rejection rates because of in-built product level checks and balances before onboarding the customer completely.

3.7 Treasury and Financial Markets Operations

The Bank's treasury operation includes interfacing with the financial markets and performing broad functions like managing statutory reserves; day-to-day fund management and asset-liability management; investment and trading activities; and interest rate and exchange rate risk management. In addition, this segment also provides

The Bank continues to maintain sufficient liquidity and contingency buffer in the wake of volatile markets.



coverage through the Bank's centralised dealing room in Mumbai supported by sales staff in Delhi, Chennai, Hyderabad, Bengaluru and Kolkata branches.

3.7.1 Domestic Markets

The unit continued to perform well during FY 2018-19. The focus of the unit is day-to-day management of funds for the Bank; Asset Liability Management; complying with the cash and statutory reserves requirements; deployment of the Bank's liquidity in high-quality earning securities; maximising the Bank's revenue by taking proprietary positions (in rates and currency trading); managing the Bank's interface with professional inter-bank market and augmentation of counter-party lines.

3.7.2 Securities Trading

The Bank has a proprietary desk dealing in interest rates trading through government bonds, corporate bonds and interest rate futures and swaps. FY 2018-19 was a very volatile year on the back of higher oil prices, currency depreciation, fears of fiscal slippage and liquidity deficit. The Bank's trading desk took advantage of the volatility in fixed income markets, managing proprietary positions appropriately, which led to healthy trading profits for the Bank.

3.7.3 Liquidity Management

The Bank continues to maintain sufficient liquidity and contingency buffer in the wake of volatile markets. Through FY 2018-19, domestic liquidity came under strain due to increased cash in circulation, volatility in forex markets and NBFC liquidity crisis, but the bank was able to minimise the cost impact through prudent choice of liabilities. The Bank continues to strengthen and diversify its liquidity profile in view of the additional regulatory requirements — increased Liquidity Coverage Ratio (LCR) — and anticipation of the stringent liquidity management framework of Basel III. It has achieved this through a prudent mix of foreign currency



borrowings, long-term deposit mobilisation and rupee borrowings in the form of re-finance from various financial institutions.

The Bank continued the use of derivatives to hedge the interest rate risk associated with assets and liabilities in light of volatility in interest rates.

3.7.4 Foreign Exchange, Derivatives and Bullion Business

Foreign exchange and derivatives offer various hedging products, including interest rate swaps, currency swaps, options and currency derivatives, to facilitate effective risk management for foreign currency and interest rate exposures faced by clients. The team backed by experienced professionals provides advisory services to corporate, institutional and commercial banking and consumer banking customers.

The unit also caters to the forex needs of Resident as well as Non-Resident Individuals (NRI), as per the RBI guidelines. The team proactively assists clients by informing them about the risks they face with respect to capital raising, investments, exports, imports and other market risks. With service excellence as the primary objective the Bank has upgraded its core Treasury Derivative Application.

The Bank has a well laid-out set of operational policy guidelines, risk management policies including client suitability policy and appropriate systems support to monitor transactions and risks real time.

The Bank is among the 17 banks licensed by the Reserve Bank of India to import bullions for its clients. It has been undertaking this business on a consignment basis for its bullion clients and is a significant supplier of Bullion in the domestic market. The Bank ranks among the top 3 Banks supplying Bullion to the domestic market. The bullion business involves importing gold on metal loan for domestic manufacturers and exporters

3.7.5 Capital Markets

Capital Markets team focuses on Debt Capital Markets (DCM), Loan syndication and Structured Finance (SF) distribution business. As part of DCM, it is involved in origination, trading and distribution of bonds, ranging from vanilla corporate bonds and commercial papers across tenors and across the rating scale. The desk worked closely with asset managers, insurance companies, other banks and investors to understand their requirements and originate transactions, as well as for sell-down of underwritten positions.

In the loan syndication front, the Bank concentrated on participating in mid-ticket size transactions across infrastructure, renewable energy and other sectors. Due to the upward trend in interest rates and volatility in the fixed income market, the desk concentrated in lending to entities, which are more liquid and easily marketable.

The SF desk has now added capabilities to offer Structured Finance distribution solutions to its clients and has relationships across investor base including NBFCs, domestic and global credit funds. All syndication mandates run by the desk had significant cross-sell in terms of foreign exchange flow, current account floats, and trade finance business, among others.

RBL Bank's Financial Overview

The Bank continues to be one of India's fastest growing scheduled commercial banks in the private sector. During FY 2018- 19, the Bank continued to gain momentum and recorded strong performance, focussing on enhancing businesses across its branches and coverage network, while widening its product and service offerings. The Bank continued to improve and refine its operating and risk management infrastructure with a view to create a reliable, scalable institutionalised banking franchise during FY 2018-19.

Deposits and Borrowings

The Bank has continued to display healthy and robust growth in deposits, a key balance sheet parameter, for the year ended March 31, 2019. The total deposits of the Bank grew by 33.01% to ₹ 58,394.42 Crore as against ₹ 43,902.26 Crore in the previous year. Led by a differentiated interest rate strategy, savings account deposits increased by 54.41% to ₹ 8,244.76 Crore vis-à-vis ₹ 5,339.47 Crore in the last financial year. During FY 2018-19, current account deposits rose by 18.80% to ₹ 6,342.72 Crore compared to ₹ 5,338.79 Crore in the previous year. The proportion of current and savings deposits to total deposits was at 24.98% as on March 31, 2019, despite the external environment being highly competitive. The Bank's term deposits recorded a surge of 31.85% to ₹ 43,806.94 Crore as on March 31, 2019 as against ₹ 33,224.01 Crore on the same date of the previous year.

The total deposits of the Bank grew by 33.01% to ₹ 58,394.42 Crore as against ₹ 43,902.26 Crore in the previous year.

Advances

Net advances surged 34.87% from ₹ 40,267.84 Crore in FY 2017-18 to ₹ 54,308.24 Crore in FY 2018-19. The rise was driven by a comprehensive increase in the Bank's advances across business verticals. The Bank also added new client relationships and introduced more products and services during the year under review.

Revenue and Profit Growth

The Bank's Net Total Income (defined as the sum of interest income and other income less interest expense) increased by 40.48% from ₹ 2,834.47 Crore in FY 2017-18 to ₹ 3,981.85 Crore in FY 2018-19. The increase was driven by growth in net interest income and other incomes. In FY 2018-19, the Bank earned a net profit of ₹ 866.95 Crore as against ₹ 635.09 Crore in FY 2017-18, an increase of 36.51%. Operating expenses increased from ₹ 1,503.41 Crore in FY 2017-18 to ₹ 2,042.02 Crore in FY 2018-19, primarily due to increase in employee costs, outsourcing costs, new branch establishment, depreciation, technology, branding and communication expenses.

RBL Bank's Key Ratio Analysis

Profitability ratios Return on assets:
The return on assets has increased from 1.21% in FY 2017-18 to 1.27% in FY 2018-19.

Asset Quality Ratios
Gross NPA ratio:
During FY 2018-19, Gross NPA decreased to 1.38% from 1.40% in FY 2017-18.

Net NPA ratio:
The Bank's net NPA decreased to 0.69% in FY 2018-19 compared to 0.78% in FY 2017-18. In the backdrop of credit quality concerns across the financial sector, the Bank continues to enjoy a robust credit quality.

Earnings/Book value Per Share Ratios Earnings Per Share (EPS) (basic):
The Bank's earning capacity increased with its EPS touching ₹ 20.47 in FY 2018-19 from ₹ 15.79 per share in FY 2017-18. This was mainly due to increase in net profit for the year under review.

Book value per share:
Book value per share rose to ₹ 171.93 in FY 2018-19 from ₹ 155.99 in FY 2017-18. This ratio reflects increased shareholder's value in return for their investment.

Update on Ind AS Implementation

The Institute of Chartered Accountants of India (ICAI) has issued a revised set of accounting standards Indian Accounting Standards (Ind AS) which largely converges the existing Accounting Standards (AS) as issued by ICAI and further notified by Ministry of Corporate Affairs (MCA) with global accounting standards, named, International Financial Reporting Standards (IFRS). The Ministry of Corporate Affairs (MCA), Government of India notified the Companies (Indian Accounting Standards (Ind AS)) Rules, 2015 on February 16, 2015 for adoption and outlining the roadmap for implementation of Ind AS for banking companies. The Reserve Bank of India (RBI) vide its latest circular on Ind AS implementation dated March 22, 2019 has further deferred the implementation of Ind AS for scheduled commercial banks till further notice.

The Bank has formed a Steering Committee for Ind AS implementation. The Steering Committee (SC) comprises Head – Risk and Governance (Chairman), Chief Risk Offer, Chief Credit Officer, Head – Strategy, Chief Financial Officer (interim), Head - Treasury, Head – Retail Assets, Business Banking, Financial Inclusion and Cards and Head – Technology as its members and senior personnel from Finance, Risk, Technology, Business and Treasury Operations as invitees. The Committee closely reviews the progress of implementation and provides guidance and necessary directions on critical aspects like technology, people, business impact and project management. An update on Ind AS implementation is also placed before the Audit Committee on a quarterly basis.

The Bank has successfully submitted Pro-forma Ind AS financial statements to RBI for the periods as required by RBI from time to time. The Bank has evaluated various technology solutions to automate Effective Interest Rate (EIR), Expected Credit Loss (ECL) and other accounting

changes required under Ind AS to improve controls and robustness of the reporting process.

4. RISK REPORT

4.1 Risk Management Framework

The Bank operates in a rapidly evolving environment and hence is exposed to various risks that are inherent to the business and environment in which it operates. The goal of risk management is to mitigate the impact of risk and ensure that the Bank takes calculated risks keeping in mind its risk appetite, thereby minimising unexpected outcomes.

At the apex level, the Board of Directors define the Bank's risk appetite, which is then disseminated to various business functions through policies, processes, limits, controls and procedures. The Board of Directors also maintain oversight on the effective management of various risks.

The Bank has a governance framework in place to ensure strict compliance to policies, procedures and controls established to monitor, mitigate and manage these risks. The Bank's risk management framework covers key areas like capital adequacy ratio risk, credit risk, market risk, operational risk, liquidity risk, compliance risk, cyber security risk and all other risks.

4.2 Risk Management Committees

The Risk Management Committee of the Board (RMCB) monitors the risk management function of the Bank. The RMCB prescribes risk management policies, processes, systems and strategies for monitoring and managing the entire gamut of risks faced by the Bank, viz. credit risk, concentration risk, liquidity risk, interest rate risk, off-balance sheet and operational risks and regulatory & compliance. It is supported by various executive committees:- the Enterprise Risk Committee (ERC); Management Credit Committee (MCC); Asset Liability Management Committee (ALCO); Product Approval Committee (PAC); the Operational Risk Management Committee (ORMC); the Business Operations & Technology Committee (BOT); Compliance Implementation Committee (CIC) and the Environmental & Social Risk Governance Committee (ESGC).

The Board Investment and Credit Committee (BICC) monitors the Bank's investment performance and reviews investment policy. The committee also approves credit proposals as defined in the Bank's credit policy.

The Information Technology Strategy Committee of the Board oversees the overall IT strategy of the Bank, including cyber security risk. This committee prescribes policies and



procedures with respect to cyber security and is supported by the Information Security Steering Committee (ISSC).

Details and brief terms of reference of the various executive committees are as follows:

- ERC is responsible for identifying, monitoring and managing both current and emerging risks at the enterprise level, to ensure a holistic view of all risks. This committee reviews the adequacy of the enterprise risk management framework, policies and procedures towards this end.

- MCC is responsible for operationalising the credit policy and implementing credit framework as approved by the Board and RMCB. The committee recommends policies on standards for presentation of credit proposals, financial covenants, ratings, prudential limits on large credit exposures, standards for loan collaterals, etc. MCC also oversees portfolio risk management, loan review mechanism, risk concentrations, pricing of loans, provisioning and other regulatory/legal compliances. The committee also approves credit proposals as defined in the Bank's credit policy.

- ALCO is responsible for managing market risks (including rates risk, forex risk, equity risk and credit risk), liquidity risk, interest rate risk in the banking book, currency risk, funding policy and the pricing of deposits and advances.

- PAC is a cross-functional committee of senior executives to review and approve new product launches. The objective of this committee is to consider all risks in a holistic manner.

- ORMC is a cross-functional committee of senior management that oversees operational risk management across the Bank.

- The BOT oversees all aspects of technology across business, operations and control functions.

- The CIC oversees regulatory compliances.

- The ESGC oversees the implementation of the environmental and social risk management system across the Bank.

- The ISSC oversees implementation of cyber security and information security risk policies, procedures and controls across the Bank.

4.3 Risk Management Policies

The Enterprise Risk Management (ERM) policy of the Bank is based on best practices and provides a summary of its principles regarding risk taking and risk management. The Risk Appetite Framework, Internal Capital Adequacy Assessment Process (ICAAP) and Stress Testing Framework are integral pillars of the Bank's enterprise risk policy.

The Bank has various policies such as Liquidity Risk & Asset Liability Management (ALM) Policy; Commercial Credit Policy; Retail Assets Credit Policy; Investment Policy; Liquidity and Contingency Plan; FX & Derivatives Policy; Customer Suitability and Appropriateness Policy; Recovery Policy; KYC and AML Policy; Operational Risk Management Policy;

Risk-based Internal Audit Policy; Sustainability Policy; Policy on Transfer of Assets through Securitisation and Direct Assignment of Cash Flow, Cyber Security Policy, Information Security Management Policy, etc. These policies prescribe various methods for risk identification, measurement, grading, monitoring, reporting, risk control and mitigation techniques and management of problem loans and credit. They are reviewed annually by the Board.

4.4 Risk Management System

The Bank has a robust framework, whereby risk MIS is presented to senior executives and risk committees in the form of dashboards and reports. This aids in the identification, measurement, mitigation and monitoring of risks in all its activities. New products are launched after a detailed analysis of various risks.

The stringent credit framework helps the Bank maintain lower NPA ratios.

Portfolio-level risk is assessed with the help of various reports on credit, market, operational, liquidity and interest rate risk, among others. The same are reviewed by the Board/ RMCB/ Risk Committees/ Senior Management on an on-going basis.

4.5 Risk and Mitigation

4.5.1 Capital Adequacy Risk

The Bank maintains a strong capital position with the capital ratios well above the thresholds defined by the regulatory authorities. The Bank has strengthened its Tier I capital structure through continuous and timely capital infusion.

4.5.2 Credit Risk

Credit risk is defined as the probability of losses associated with reduction in credit quality of borrowers or counterparties. In a Bank's portfolio, losses may arise due to outright default or due to inability or unwillingness of a customer or counterparty to meet commitments in relation to lending, trading settlements, or any other financial transaction. Alternatively, losses occur from reduction in portfolio value due to deterioration in credit quality.

The Bank's credit policies prescribe sanction and monitoring procedures for various categories of loans. The Bank has separate credit origination and appraisal processes for wholesale and retail segments. Within the wholesale segment, Bank has adopted underwriting standards for different client segments that is based, inter alia, on internal risk ratings, availability of security and other risk parameters. The credit sanctions are provided by experienced credit professionals and/or credit committees with delegated approval authorities, basis detailed appraisal memorandum that takes into account business and financial risks of the proposal. The Retail segment, on the other hand, relies largely on standardised product programme for credit risk assessments and approvals.

The Bank also monitors credit concentration of exposures to a single borrower, group of borrowers, sensitive industry exposures, geography products, among other.

The stringent credit framework helps the Bank maintain lower NPA ratios.

4.5.3 Market Risk

Market Risk is defined as the risk of losses in on-balance sheet and off-balance sheet positions arising from movements in market prices. It is the risk of adverse deviation of the mark to market value of the trading portfolio, due to market movements, during the period required to liquidate the transactions.

The Bank manages market risk in accordance with the Board-approved investment policy, market risk management policy, foreign exchange & derivatives policy, and customer suitability and appropriateness policy. These policies are part of a well-defined organisational structure for market risk management function and processes, whereby the market risks of the Bank are identified, measured, monitored and controlled within the confines of its risk appetite.

The Market Risk Policy identifies all the risk factors, which arise out of treasury activities across products and risks, such as forex rates, interest rates, credit spreads, and volatilities, among others. Limits have been defined at position, product and portfolio level to ensure that all market risk is measured and monitored according to the risk appetite set by the Board.

The Investment Policy lays down the instruments that are permitted to be held as investments; and also defines prudential limits for various categories of instruments such as debentures & bonds, certificate of deposits, commercial paper, units of mutual funds, equities and venture capital funds, among others.

New products are approved after detailed assessment of various associated risk factors/ sensitivities including assessment of operational aspects related to the measurement and monitoring of limits and controls to manage these positions.

4.5.4 Liquidity Risk

Liquidity risk is the risk that the Bank faces if it is unable to meet its obligations as they become due. This could be due to reasons, including difficulty in liquidating assets (market liquidity risk) or in obtaining adequate funding (funding liquidity risk). The Bank lays special emphasis on the management of funding Liquidity Risk, as it is the most potent of risks.

RBL Bank has a comprehensive Liquidity Risk and ALM policy that incorporates RBI guidelines and industry best practices. The Bank maintains Liquidity Coverage Ratio (LCR) as per RBI guidelines and manages liquidity risk through the traditional gap analysis, based on the residual maturity/behavioural pattern of assets and liabilities as prescribed by the RBI. The Bank also monitors mismatches using a duration gap analysis. It monitors prudential (tolerance) limits set for different residual maturity time buckets, large deposits and loans, and various liquidity ratios. The Bank has also put in place a mechanism of short-term dynamic liquidity and contingency plan as a part of liquidity risk management. Contingency Funding Plan (CFP), approved by the Board sets forth a process of dealing with crisis situations in the event of liquidity crunch or a run on the Bank.

4.5.5 Compliance Risk

Compliance risk is the risk that the Bank may suffer in the event of material financial loss or damage to reputation, as a result of failure to comply with laws, regulations, rules, self-regulatory organisational standards and codes of conduct applicable to its activities.

The Bank has an independent compliance function for effective management of compliance to regulatory guidelines. The Chief Compliance Officer has direct access to the Board of Directors. The Bank practices zero tolerance to compliance breaches and has also included adherence to regulatory and internal guidelines into the code of conduct, which every employee must sign during onboarding.

The Bank has also adopted a code for the prevention of insider trading, which is applicable to its Board members and employees, as well as their dependent family members. Under the supervision of the Managing Director and CEO, the Company Secretary is tasked with the setting forth of policies and procedures and monitoring compliance with the rules related to the disclosure of price sensitive information.

4.5.6 Cyber Security Risk

Cyber security or information technology security risk is defined as the potential of loss or harm to the Bank, resulting from breaches to, attacks on, or unauthorised access to the Bank's information systems. This include computers, networks, hardware, software, switches, routers, mobile devices, applications, websites, data, information, among others.

Cyber security incidents can result in large financial losses, damage to reputation, legal liabilities and regulatory issues. Therefore, mitigating this risk is an integral aspect of enterprise risk management. The Bank has robust policies, procedures, controls and monitoring tools to manage and mitigate cyber security risk. The framework covers people, processes and technology.

The Board approved policies which govern this risk include the cyber security policy and the information security management policy. The Bank also has a robust cyber crisis management plan to establish strategic framework and actions to prepare for, respond to, and recover from a cyber-incident, should it occur.

4.5.7 Sustainability/Environment & Social Risk Management (E&S)

RBL Bank is committed to sustainable development; and has embedded it as an integral part of its business practices including risk management. Managing Environmental and Social (E&S) risk is an integral part of its risk management strategy. The system is implemented and overseen by the Environmental and Social Risk Governance (ESG) Committee, which also provides periodic updates to the Board.

The key objectives of the Bank's ESG framework are as follows:

- Setting strategic E&S objectives, such as offering new products that address E&S sustainability
- Incorporating E&S risk considerations into all financing activities and developing client awareness on this subject
- Excluding financing clients whose business activities do not meet the Bank's principles — the Bank has adopted the IFC Exclusion List
- Communicating E&S expectations to all staff, clients and other external stakeholders
- Committing to improving the overall E&S performance of its portfolio through enhanced risk management

RBL Bank has a dedicated E&S expert group within the risk team, which provides the necessary tools and templates to assist the transaction teams in performing E&S due diligence.

- Building consistently the Bank employees' capacity to identify E&S risks
- Developing and delivering financial products and services that enable more sustainable agricultural practices; and results in resource conservation/ enhancement of resource efficiency
- Conducting financial inclusion programmes for marginalised, economically weaker and business-wise less attractive sections in various states across the country.

E&S risk assessment is an integral part of the credit appraisal and sanction process.

All transactions are screened against the 'exclusion list'. An illustrative list of activities, which the Bank does not fund, includes production or trade in weapons and munitions; production or trade in alcoholic beverages excluding beer and wine; production or trade in tobacco; activities of gambling, casinos and equivalent enterprises, among others.

The transactions are then screened for E&S risks. This begins by risk categorisation, based on inherent risks associated with the business activities of a client. It may be noted that several factors influence the categorisation including scale, location, sensitivity and magnitude of impacts.

Additionally, the Bank engages with the client to perform a detailed E&S due diligence and to identify, assess and mitigate potential E&S risks, including impact to climate change. This is performed through discussions with the client and/or visits to clients' operating sites. In case material unmitigated risks are identified, the Bank requires the client to mitigate it in a time-bound manner through a Corrective Action Plan (CAP), which are discussed and agreed with the client. These are also incorporated into the legal documentation with the client. The CAPs are tracked and monitored by the Bank.

RBL Bank has a dedicated E&S expert group within the risk team, which provides the necessary tools and templates to assist the transaction teams in performing E&S due diligence. The group also reviews the E&S due diligence reports prepared by transaction teams for quality standards. The group provides updates on E&S risks to Senior Management and the Board at periodic intervals.

5. TECHNOLOGY AT RBL BANK

The Bank's technology unit complements the varied and growing business lines across portfolios and segments. The technology systems used by the Bank are best-in-class and are highly responsive and scalable. The solutions offered by the Bank are provided by well-known partners such as Infosys, IBM, Oracle, Ebixcash, Nucleus Software and First Data, among others.

The Bank has a service-oriented architecture and all real-time integrations across solutions are implemented as Web Service. The online integrations are routed through the Enterprise Service Bus (ESB). RBL Bank is one of the first movers in the space of API Banking and has a basket of APIs that are available for consumption by partners. Access to APIs is granted through a developer portal. This architecture allows the Bank to integrate quickly for new partner(s).

The infrastructure used within the Bank's data centre are completely virtualised and runs on an open architecture. This leads to better management and utilisation of available capacity. The Bank currently has its data centre in Mumbai and a Disaster Recovery Site in Chennai. It is further looking to implement 'Continuous Availability Architecture', which will involve multi-site deployment of applications resulting in higher uptime and resilience.

The Bank's made significant progress in cloud adoption and is working with AWS and Azure as the public cloud providers. Use cases on Big Data and Analytics on customer insights are helping the Bank grow its business by offering better and competitive products.

Key highlights of FY 2018-19

Risk and Vigilance domain for SAS® Platform

The Bank has collaborated with SAS Institute Pvt. Ltd. for creating a single platform to ensure Risk and Capital Management as well as Regulatory Compliance as per its vision. The Platform approach helps in efficient maintenance and stability of the application. Some of the key vigilance and risk domains being implemented on this platform are Fraud Risk and Operational Risk.

Foreign Inward Remittance

RBL Bank introduced capability in Foreign Inward Remittance through NPCI, which will make customer connections stronger and improve its brand acceptance as a banking partner. The Bank is now a certified bank from NPCI – IMPS for processing Foreign Inward Remittance transactions and collaborating through registered money transfer partners like Western Union/Money Gram, among others.

Credit Card System Upgrade

To support the rapidly growing credit card business, the current credit card system is being upgraded to new edge system to support digital solutions, handling large volumes in less processing time. The new system, implemented during the year, is a highly reliable, robust and scalable system. It offers extensive features and best-in-class services that will enhance customer experience, help prevent fraud, upgrade risk governance and implement real time services. Standardisation of the API layer was also conducted to achieve better turnaround time for the business.

Launch of 'One View' Report for Trade Customers

'One View' provides important information to all the trade clients through automated e-mailers triggered daily to the registered email ID of the customer. This enables the customer to have all information relating to his relationship with the Bank first thing in the morning in a single excel file.

CCMS application

CCMS application helps in migrating the excel based calculations process at the branches and the currency chest to 'application based'.

E-TD Advices

To offer enhanced customer experience and also to move a step closer towards digitisation, E-Advice is sent by the Bank for the FDs booked or renewed via Branch, Net Banking & Mobile Banking. Through this initiative the Bank reduces the usage of paper in the form of FD receipts and the cost of sending FD receipts to customer is saved too.

Abacus – Digital Savings Account

The Bank's online account opening process (Abacus) has undergone major technology changes during the year to match up with changing regulatory norms and varying business demand. The system had been refurbished to handle alerts, risk monitoring, KYC check in real time basis including shorter time to market. The account opening process has been moved to an application to promote account opening through TABs with a biometric authentication.

AADHAAR Data Vault:

As per the RBI guidelines, RBL Bank maintains the customers Aadhaar number in a data vault; each Aadhaar number is to be referred by an additional key called reference key. Mapping of Aadhaar number and reference key is to be maintained in the Aadhaar data vault. All the downstream and upstream customers with their demographics from all the source systems have been upgraded to accommodate the Aadhaar vault within the Bank.

Hyper converged Infrastructure

The Bank has adopted hyper converged infrastructure, which is simple yet fully scalable and a high-performing platform. It is used to run on the latest version of virtualisations infrastructure and other critical applications of the Bank.

RBL Mobank 2.0

As part of the Bank's channel strategy, it had launched a new version of mobile banking application, MoBank 2.0 during the year. The new MoBank 2.0 has attractive and agile user journeys and several new features. The app provides a bank-wide relationship snapshot and tracks user journeys for better servicing. The user interface was created after taking basic feedback from a cross-section of user base across age and income buckets. With this app launch, the Bank has embarked on the journey of omni channel integration.

Digital Lending

The Bank launched digital lending by developing an entire loan acquisition journey over digital channels. Innovative functions like 'Call me now' on Web, Instant calls, Continuous journey link, e-agreement are few of the examples. Rapid prototyping methods were used to deliver the core product and subsequent deliveries.

Finassure on Cloud

RBL Bank along with EdgeVerge announced Finacle Assure (Core banking Preventive Maintenance on AWS Cloud) launch during FY 2018-19. This service will help RBL Bank to prevent and address IT incidents early on; and enhance its applications performance. It will also allow the Bank to optimise costs and be more agile in ensuring uninterrupted operations. This service is part of RBL Bank's digital transformation programme on which the Bank wants to ensure zero-disruption, 100% availability of IT systems and steps towards cloud adaption.

6. HUMAN RESOURCES (HR)

RBL Bank's human resources are driven by their passion and commitment to build an institution of scale, eminence, and impact. The Bank is constantly investing in its employees and empowering them to achieve its Vision using the three pillars - STRENGTH. SPEED. SCALE. These pillars allow the Bank to create a 'Best-in-class' institution, highly respected for its governance and professional standards and for providing its employees with immense growth opportunities.

RBL Bank along with EdgeVerge announced Finacle Assure (Core banking Preventive Maintenance on AWS Cloud) launch during FY 2018-19.

In line with its ethos of empowering employees, the Bank embarked on a journey of becoming future ready by investing in People, Processes and Systems.

- Culture - RBL Bank engages and develops its employees by creating a 'One RBL' culture focussed on encouraging people to be open and honest in communication, strengthening the connection with its community and providing growth opportunities. These are underpinned by the Bank's integrated Vision and Values framework.

- **Digitisation**
  In line with the changing technological landscape and to create a single, cohesive HR information and management system, the Bank has implemented a cloud based HRMS system - 'Empower' powered by Oracle. The Bank implemented Empower, taking cognisance of the need for an end-to-end integrated system which seamlessly blends existing internal and third-party systems and provides employees with end-to-end HR services under one roof. The Bank will leverage on Empower' s robust predictive analytics tool and its multiple role based, contextual analytical reports and dashboards to aid key decision making to plan meaningful interventions in the employees' journey at RBL.

- The Bank also partnered with Zeta towards making reimbursement processes technologically savvy and cost-effective. With the Zeta Interface, employees can submit bills on a real-time basis via a digital application or a web-based interface.

Total Reward

- As the Bank embarks on the Total Reward journey, it has initiated the Job Sizing Project in partnership

with Mercer Consulting. This will complement the earlier Job Sizing exercise the Bank had undertaken in 2016-17 and ensure continuity and standardisation. The Job Sizing project provides a basis for comparing and grading all senior jobs, helping the Bank in making better decisions on succession planning, talent management and career progression.

- The Bank has once again commissioned AON Hewitt Consulting to do a remuneration benchmarking survey to set up an overall rewards philosophy to attract, retain and motivate employees. The survey enables the Bank to implement the best practices and policies and to take informed decisions during hiring, promotions and general remuneration budget planning while remaining competitive in the market.

- In its annual reward and recognition event for the employees called the CEO's Supreme League, the Bank recognised those who have truly made a difference to the organisation either for being exemplars of the Bank's values, or for accomplishment of cross-departmental tasks that had a bank-wide impact.

Building Talent

- The Bank continues to leverage and invest in innovative digital platforms to reach out to young talent and create a talent pool for the future. Through its investment in specific programmes like the Management Trainee Programme, the Bank hired talent from reputed premier business Schools to work on various projects. With its RBL Probationary Officer Programme, the Bank intends to attract best-in-class talent, train them to be job ready and eventually onboard them. The Bank's investment in digital platform for attracting and managing the life cycle of candidates has resulted in enhanced candidate experience and helped build a strong employer brand.

- The Bank initiated a formal Talent Management process through its Talent Management Council to identify, build and nurture leaders. An integrated talent management framework combines development & progression of talent in line with their aspirations and ensures the delivery of business results.

- Under the Technology Trainees programme, the Bank hired technology trainees from premier institutes like IIT Bombay, IIT Patna & ISM Dhanbad who will be joining different teams to provide innovative technological solutions.

Women mentoring circles called 'Breaking Out Circles' were held in FY 2018-19. These have been initiated by the employees of RBL Bank.

- People are the highest priorities at the Bank, and it believes in continuously investing in employees to enhance the organisational capabilities and effectiveness. Its integrated Leadership Development Programme aims at strengthening the Bank's competencies to develop Future Leaders. The programmes conducted in FY 2018-19 emphasised on the competencies of team leadership, strategic thinking and innovation.

- The Bank constantly focuses on creating a culture of learning and builds in-house skills which are aligned to customer needs. Its learning programmes are based on the principle of 3Es i.e. learning through formal Education, Experience & Exposure.

- The Capacity & Capability Building interventions are designed to deliver customer-centric solutions, nurture leaders, and cultivate deep domain skills.

- The Bank has also instituted a rigorous certification process for knowledge & skills that any role-holder must possess to do his/her work competently. This is delivered through departmental learning roadmaps. The learning journeys are created and mapped to employee life cycle and employs a host of methodologies and mediums e.g. Digital, Social, Informal, Peer Learning, Projects, Study Missions, Assessments, Networking, Coffee Sessions, Skills-Showcase, Mentoring & Buddying etc.

- The Bank while ensuring the promotion and sustenance of compliance has successfully rolled out and executed various initiatives as mandated by regulatory bodies including Capacity Building, IT & Cyber Security, BC Certification. These form a part of the Bank's approved learning policy.

- Women mentoring circles called 'Breaking Out Circles' were held in FY 2018-19. These have been initiated by the employees of RBL Bank. It is a Women Mentoring programme created as a way to pay-it-forward to other women in the Bank in various locations. The aim is to build a culture of nurturing where seniors support juniors and provide examples of encouragement to inspire them to aspire for more.

- To support working mothers, the Bank tied up with The Learning Curve (TLC), an established chain of pre-school and day care facility in Mumbai, Pune, Bengaluru, Hyderabad and Ahmedabad, for women employees with children in the age group of 6 months to 6 years.

- Diversity & Inclusion - With a pan-India presence, embracing diversity is vital for long-term success. The Bank is committed to create an inclusive culture that respects and embraces the diversity of employees, clients and communities.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Bank's CSR vision is to be the most admired, compassionate and respected organisation that delivers value to all its stakeholders through equitable and inclusive growth. This is done through various initiatives that are focussed on promotion of education, preventive healthcare, women empowerment and sustainable livelihood. These focus areas, in turn, help catalyse growth and reduce social inequality. The Bank does this together with like-minded partners from the public and private sectors and with the commitment of its own highly skilled workforce. It encourages its employees to volunteer, fundraise and support its efforts in making a difference.

The Bank's CSR efforts are headed by the CSR Committee of the Board, which is supported by an executive steering committee and the working committee. The key objective of the Bank's CSR policy is to ensure an increased level of commitment in the organisation, to operate its business in an economically, socially and environmentally sustainable manner, while recognising the interests of all its stakeholders and create a positive impact.

The Bank undertook 28 projects in FY 2018-19 that have impacted more than 45,000 direct beneficiaries. It has been successful in building and deepening its partnerships with new and existing NGO partners to address larger social issues around sustainable livelihood, education and preventive healthcare.

Key priorities

The Bank supported Persons With Disabilities (PWDs) through its education & sustainable livelihood programme. Following are few other initiatives:

Over 192 girls have received quality education and all-round growth and development at a nominal fee of ₹ 100 to ₹ 150 per month.

1. An advanced centre to support physiotherapy and hydrotherapy treatment for children with hearing and speech impairment, in partnership with Rotary Samaj Seva Kendra, Kolhapur.

2. Special education for children with learning difficulties (e.g. dyslexia), teacher training and capacity building for parents through Dr. Shanta Vaidya Memorial Foundation, Pune.

3. Providing IT & ITES skill development training to youth with visual impairment, to equip them with livelihood opportunities through Samarthanam Trust.

Further highlights under the Bank's thrust areas are:

Preventive Healthcare

The Bank, in partnership with Aditya Jyot Foundation, is working towards spreading mass awareness and conducting screening for people who are susceptible to Diabetic Retinopathy (retina damage due to diabetes) across Mumbai. The Bank has adopted two eye care centres. The Bank also supports the screening, detection and surgery of underprivileged children suffering from retinoblastoma (eye cancer) in partnership with Iksha Foundation. These projects have impacted more than 35,000 lives this year.

On its 75th Year anniversary in 2018, the Bank has donated four ambulances in Kolhapur and two shredding machines in Sangli, to provide accessibility to healthcare services.

Promoting access to education

The Bank has supported Udbhav School in Rasoolpura Hyderabad, which was set-up by the IIMAAA charitable trust in 2014. Over 192 girls have received quality education and all-round growth and development at a nominal fee of ₹ 100 to ₹ 150 per month. Books and uniforms are also provided to the children at subsidised rates.

The Bank intends to take its learning from here and set up another school in the coming year in Fathenagar,

Hyderabad It was successful in raising 2.5 Crore under the 5th edition of 'Umeed 1,000 Cyclothon', its annual flagship fundraiser and will be using the proceeds raised to support the new school.

The Umeed 1,000 Cyclothon, which was flagged off in Mumbai covering 1,000 kms, involved cycling across 10 major cities including Mumbai, Pune, Satara, Kolhapur, Belagavi, Hubballi, Ranibennuru, Chitradurga, Tumakuru and Bengaluru to raise awareness and funds for the education of underprivileged girls. It saw participation from 30 employees of RBL Bank, who braved the 1,000 kms journey. The initiative was undertaken in association with Udbhav School. Fifty participants from Karnataka Special Reserve Police also joined from Belagavi to extend their support. A number of other RBL Bank employees, Cyclist Clubs, MBA Students, clients and their families participated actively in this initiative.

Other initiatives taken by the Bank includes supporting fifty children of soldiers who were martyred and would have to forgo their education in the absence of financial support. This was done in partnership with Gautam Gambhir Foundation. It also initiated a teacher training programme with Muktangan school in partnership with Paragon charitable trust. This programme involves training 30 teachers, who will further train other teachers in government schools apart from teaching at Muktangan schools, thereby increasing the capacity for primary and secondary school education.

Building resilience through Sustainable Livelihood

Under this pillar, the Bank has pledged to support farmers working in the rural regions of Maharashtra, Gujarat & Madhya Pradesh.

The Bank continues to support farmers in the drought prone regions of Marathwada and Konkan for the third year successively, to increase their income through innovative System of Rice Intensification (SRI) and cultivation of medicinal plants. The project, undertaken in partnership with Dilasa Janvikas Pratishthan, has impacted 2,574 farmers this year through the doubling of the rice yields.

Another long-term project for the Bank is the Bees for Poverty Reduction (BPR), which has resulted in increased income for 463 farmers. This initiative has been undertaken in partnership with Under the Mango Tree foundation, RBL employees participated in the annual Tata Marathon in Mumbai. The BPR programme has helped farmers to increase their income by 40%.

The Bank continues to support farmers in the drought prone regions of Marathwada and Konkan for the third year successively, to increase their income through innovative System of Rice Intensification (SRI) and cultivation of medicinal plants.

Women Empowerment

The Bank has undertaken four new projects to ensure economic empowerment for underprivileged women:

1. Creation of a digital course on fashion designing with Natarajan Education Society (NES) to upskill women engaged in tailoring to increase their income. A pilot batch for this was organised in partnership with Atul Rural Development Fund in Valsad, Gujarat with 33 women. The items stitched by these women were exhibited in RBL premises.

2. 'Home Chef', is another initiative with NES, which upskills housewives in professional cooking techniques to sell their produce and set-up their own venture in future. The project will also create market linkages for these women.

3. The Bank partnered a Mobile Van project with Mann Deshi Foundation in Hubli, Karnataka, which provides skill-development on the go, to enable women to set up their own enterprises.

4. Providing training & seed capital to spouses of migrant workers to set-up small enterprises (with Shram Sarathi). These projects are aimed at creating alternative livelihoods, which will enable them to lead a dignified life.

Working together to create a positive impact

Employees participated actively in the volunteering opportunities organised by the Bank across geographies this year. In all, 682 employees have given their time in supporting various causes resulting in overall 5,430 volunteering hours. Approximately 50% of the employees have contributed through direct deduction in their salary.

The CSR Policy was amended to diversify the theme and geographies to achieve speed and scale while implementing various CSR initiatives. A CSR Workshop was conducted for the CSR committee to stay abreast with the CSR practices, law, compliance, implementation and reporting norms.

RBL Bank will continue to invest in its business, people and communities, listen to its partners and associates, and do things differently, build more strategic partnerships with NGOs and other stakeholders to impact more lives in need.

8. OPERATIONS

During FY 2018-19, RBL Bank continued to simplify and digitise end to end processes to reduce costs, increase operational efficiency and improve overall customer experience. The Bank focussed on data management and its analytical capabilities to achieve customer excellence and enhance operational efficiency.

The other areas of focus during the year was scalability, talent management, automation and robust risk control architecture. This was made possible by creating 'Centre of Excellence' teams, focussed on project delivery, process re-engineering, smooth implementation and improving process quality.

8.1 Branch Operations

A centralised Branch Monitoring Unit (BMU) was set up last year to build procedural controls. The governance structure too was strengthened to ensure consistency and oversight in the increasing number of branches.

The BMU team in close coordination with the Technology, Regional & Zonal Branch Operations Heads worked towards enhancing controls in core banking systems and branches to ensure a strong and independent assessment of process adherence and control, thus ensuring superior customer experience.

8.2 Retail, Financial Inclusion and Agri Operations

The Bank has centralised its retail operations through the National Operation Centre (NOC) in Mumbai which is supported by two Regional Processing Centres (RPO) in Delhi and Kolhapur. Additionally, the Bank has a host of hubs created in different states that specialise in specific product offerings. These units are built to scale and support the increasing business acquisitions of the bank.

A. Financial Inclusion

The Financial Inclusion (FI) business continued to lay its focus on undertaking inclusive Government



schemes such as Pradhan Mantri Jan Dhan Yojana (PMJDY), Atal Pension Yojana (APY), Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY).

Robust processes, scalable technology solutions and an experienced operations team helped the FI Business in on-boarding over 17 Lakh customers sourced through the Business Correspondent branches.

B. Agri Operations

During the year, RBL Bank successfully launched the agri Loan Origination Software (LOS), which is equipped with qualitative credit screening at the origination stage and an automated account opening process.

The Bank also launched a technology enabled platform 'Vahan' for online verification of vehicle details, and another analytics driven platform for downloading of land records online to ensure appropriate credit decisioning on sanction of agri loans.

C. Retail Assets Operations

- Strategic tie-up with key partners in Maharashtra and Gujarat has helped RBL Bank to enter into the affordable housing loan business.

- An end to end loan booking system 'Indus', was introduced for onboarding business loans and small business loans to achieve faster TAT with minimal operational costs.

- The launch of 'Artoo' a digitised platform ensured seamless integration and smooth transitioning for RBL Finserve, a wholly owned subsidiary of RBL Bank.

The Bank has implemented robust risk management framework by adopting global standards like Malcolm Baldrige model and role model culture in people, service and partnerships.

Additionally, key initiatives such as digitisation of loan documents and document management system helped achieve process simplification. The Bank also centralised disbursement of loans sourced by digital partners, thus enhancing operational efficiency.

8.3 Retail Liabilities

The Bank has automated existing workflows of account opening to reduce the cost per transaction. Customer touch point processes have also been simplified and self-service options are being launched to improve service delivery. The capabilities of central operations team have been strengthened to achieve speed and scale. The Bank has implemented robust risk management framework by adopting global standards like Malcolm Baldrige model and role model culture in people, service and partnerships. A holistic automation journey has been initiated which aims to significantly improve client experience and improve efficiency.

8.4 Credit Card Operations

During the year, the Bank continued to explore new channels and collaborated with various partners for credit cards.

The recently added feature of chat-based query resolution, while bundling a personal loan and a credit card into a single product has helped improve customer acquisition. Automation of the entire payment application process has reduced the Turnaround Time (TAT) from one day to a few minutes across channels. Also, upgrading of core Vision Plus system with seamless migration of its customers to the new robust platform has enabled to offer an improved customer journey.

8.5 Transaction Banking Operations

Transaction banking operations achieved significant traction during FY 2018-19, with continued focus on client offerings, customised products, stronger multi-layered security architecture, robust process controls and safe & secure environment.

On the digital operations front, the Bank rolled out co-branded prepaid cards and mobile wallets and managed seamless operationalising, reconciliation, settlement and partner servicing standpoint through effective payment processing network tie-ups.

8.6 Global Trade Services

The Bank follows a three-fold strategy of scale, specialisation and agility to drive a high-growth trajectory. It on-boarded specialised resources and invested in scalable technology for Trade Finance.

GIFT City Operations that commenced last year saw a six-fold rise in volumes this fiscal. Capital account transactions including the liaison office, branch office and project office consultancy continued to maintain strong momentum. The Bank also continued to consistently grow in the advisory space on account of leveraged operational efficiency.

8.7 Cash Management Services (CMS)

Despite being a recent entrant, the Cash Management Services business has shown a significant increase in the client base and is servicing more than 500+ locations through the Bank's branch network and the correspondent bank network.

Customer-centric and cost-effective solutions such as customer-end cheque printing solutions, positive pay systems and efficient management of cash across locations through timely and cost-effective disposal mechanisms catering to tier 3 and tier 4 locations have been implemented.

The Bank has tied-up with correspondent banks for same day withdrawal of funds, thus reducing float days for better management of cash. Also, the Public Financial Management System (PFMS), an initiative of the Government of India was introduced to monitor programmes in the social sector and tracks funds disbursed, to ensure that the money is spent according to its intended purpose and accounted appropriately.

8.8 Services & Infrastructure

The Bank is expanding its offices across various locations to cater to the growing business requirements. It has also invested in a state-of-the-art technology & infrastructure in the contact centre to capitalise on the growth opportunities.

Cost efficiency initiatives such as re-negotiation of contracts and rental agreements, reverse auction/e-auction & enhanced productivity in procurement of goods and services for business functions have been implemented.



Also, in an effort to be a sustainable organisation, the Bank implemented energy and resource saving projects such as the usage of solar power and implementation of water conservation in few of the Bank's sites and locations.

8.9 Security & Business Continuity Management

RBL Bank has invested in robust automated security surveillance systems that operates round the clock for security, monitoring, management, reporting, and audits. Additionally, the Bank has invested significantly in a robust Business Continuity Programme. This robust and resilient business continuity plan ensures adequate corroboration for providing infrastructure and ensuring the safety of employees, clients and shareholders.

9. CUSTOMER SERVICE

RBL Bank believes in creating value for its customers through its differentiated service experience. In FY 2018-19, the Bank continued its focus on providing quality service to its customers through its dedicated central and regional services teams.

The Bank strives to provide 'Service Beyond Excellence' to keep the human element alive while focussing on the automation of services. This creates a fine blend of 'standardised' with 'personalised' and replaces 'transaction' with 'emotion' and 'empathy'.

Some initiatives that were taken up in order to create awareness amongst its customers on its 'Codes of Commitment to Customers' programme included educational workshops that were conducted across the geographic presence of the Bank. It also observed 'Financial Literacy Week' in June 2018 educating customers on various topics including 'Risk Vs Returns', 'Grievance Redressal Mechanism', 'Customer Liability for Unauthorised Electronics Transactions' and 'Good Practices for a Safe Digital Banking Experience'.

The Bank got its processes ISO 9001:2015 certified to provide simplified and uniform customer experience to the Wholesale Clients when dealing with its Client Service Ambassadors.

RBL Bank, has also received a 'high' rating by Banking Codes and Standards Board of India (BCSBI) as per its Code Compliance Rating done for banks. The code compliance rating, which is based on five parameters – information dissemination, transparency, grievance redressal, customer-centricity, and customer feedback is considered as an indicator of the level of implementation of important code provisions at the grassroot level of the bank.

As a people-centric organisation, one of the key aims of the Bank is to have happy employees. It strives to maintain a work environment that reinforces motivation and innovation. The Bank improved the workplace environment for its X'perience Centre agents by inaugurating its first X'perience Centre for Banking in Malad, Mumbai, which in turn will enhance the service experience for its customers.

At RBL Bank, the 'voice of the customer' plays an important role in the development and improvisation of products, processes and channels. Taking an 'Outside In' approach, the Bank included a few customers in the testing phase of its 'Corporate Internet Banking' channel during FY 2018-19. Several suggestions were taken into consideration, which benefitted a large set of customers when the channel went live. It further enhanced and refined its ways & means of capturing the 'Voice of Customers' to help it further improvise its service delivery.

'Customer Centricity at the Heart' and 'Employees as the Pillar' are two of the important tenets of the Bank's mission. Taking the same into consideration, the Bank felicitates employees who strive and deliver 'Service Beyond Excellence' to clients, with awards dedicated to services viz. 'Quest for Excellence' & 'Service Excellence'.

The Bank has consistently ensured that it provides service of the highest standards to its customers and places their needs as a top priority in all the functions that it performs.

Directors' Report

DEAR MEMBERS,

The Directors have pleasure in presenting the 76th Annual Report of RBL Bank Limited ("the Bank") along with the audited statement of accounts for the financial year ended March 31, 2019.

A. FINANCIAL PERFORMANCE

The comparative standalone financial performance for the financial year ended March 31, 2019 (FY19) with that of March 31, 2018 (FY18) is summarized in the following table:

(₹ in crore)

Particulars	FY19	FY18	Change (%)
Advances (Net)	54,308.24	40,267.84	34.87%
Deposits	58,394.42	43,902.26	33.01%
Net interest income	2,539.48	1,766.28	43.78%
Other income	1,442.37	1,068.19	35.03%
Net total income	3,981.85	2,834.47	40.48%
Operating expenses	2,042.02	1,503.41	35.83%
Provisions and contingencies	1,072.88	695.98	54.15%
Net profit	866.95	635.09	36.51%
Gross NPA ratio	1.38%	1.40%	–
Net NPA ratio	0.69%	0.78%	–
Capital Adequacy Ratio	13.46%	15.33%	–
Business per employee	19.29	15.88	21.45%
Business per branch	347.85	317.62	9.52%
Appropriations			
Transfer to Statutory Reserve	217.00	158.80	–
Transfer to Capital Reserve	9.00	9.39	–
Transfer to Revenue and Other Reserves	400.00	360.00	–
Transfer to Investment Fluctuation Reserve	78.36	–	–
Transfer from Investment Reserve	–	(2.20)	–
Dividend for the year, including tax thereon	107.00	82.17	–

The Bank posted a net total income of ₹ 3,981.85 crore and net profit of ₹ 866.95 crore for FY19 as against a net total income of ₹ 2,834.47 crore and net profit of ₹ 635.09 crore for FY18 which is an increase of 40.48% and 36.51%, respectively over FY18

Appropriations from net profit have been done as detailed herein above.

B. BUSINESS UPDATE AND STATE OF BANK'S AFFAIRS

The details on state of affairs of the Bank and the business update are separately provided in Management Discussion and Analysis Report which forms an integral part of this Report.

C. FINANCIAL DISCLOSURES

Dividend

Considering the overall performance during FY19 and the need to maintain a healthy capital adequacy ratio as well as to support the Bank's future growth, the Board of Directors have recommended, subject to approval of the members at the Annual General Meeting ("AGM"), a dividend of ₹ 2.70 (27%) per equity share for FY19, as against ₹ 2.10 (21%) per equity share for FY18. This dividend shall be subject to tax on dividend to be paid by the Bank.

Capital Raising

During the fiscal FY19, the Bank had raised capital to the tune of ₹ 100.54 crore through issuance/allotment of equity shares pursuant to exercise of stock options by the employees of the Bank under various Employees Stock Option Plans/ Schemes.

The paid up Equity Share Capital of the Bank as on financial year ended March 31, 2019 stood at ₹ 4,267,097,280 divided into 426,709,728 equity shares of ₹ 10/- each.

Capital Adequacy Ratio

The Bank is well capitalized with a Capital Adequacy Ratio ("CAR") of 13.46% as on March 31, 2019. The Bank complies with the Capital Adequacy guidelines of Reserve Bank of India ("RBI") which came into effect from April 1, 2013, known as 'Basel III Guidelines'.

Net Worth

The Bank's net worth, as on March 31, 2019 is ₹ 7,336.30 crore. It comprises of paid-up equity capital of ₹ 426.71 crore and reserves of ₹ 6,909.59 crore (excluding Revaluation Reserve, Investment Reserve, Foreign Currency Translation Reserves and as reduced by intangible and deferred tax assets).

D. CORPORATE GOVERNANCE

A detailed report on Corporate Governance as envisaged under Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("Listing Regulations") is annexed as Annexure I to this Report.

A copy of Certificate issued by M/s. Alwyn Jay & Co., Practicing Company Secretary is enclosed to Annexure I and forms an integral part of this Report.

E. BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the Listing Regulations, a Business Responsibility Report ("BRR") has to be furnished by top five hundred listed companies based on market capitalization in the format prescribed by the SEBI. Accordingly, the report describing the initiatives taken by the Bank from an environmental, social and governance perspective is presented in a separate section forming part of this Annual Report.

F. STATUTORY DISCLOSURES

Extract of Annual Return

An extract of the Annual Return as of March 31, 2019 pursuant to the sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 and forming part of the report is placed on the website of the Bank as per provisions of Section 134(3)(a) and is available at the following link: https://ir.rblbank.com/

Conservation of Energy and Technology Absorption

Summary of measures taken by the Bank with respect to conservation of energy and technology are covered in Management Discussion and Analysis Report and Business Responsibility Report forming part of this Annual Report. The Bank is constantly pursuing its goal of upgrading technology to deliver quality services to its customers in a cost-effective manner.

Foreign Exchange Earnings and Outgo

During the year ended March 31, 2019, the Bank earned ₹ 296.62 crore and spent ₹ 179.05 crore in foreign currency. This does not include foreign currency cash flows in derivatives and foreign currency exchange transactions.

Board of Directors

The Board of Directors ("Board") is constituted in accordance with the provisions of the Companies Act, 2013 ("CA 2013"), the Banking Regulation Act, 1949 ("the BR Act, 1949"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Articles of Association of the Bank. The Board consists of eminent persons with considerable professional expertise in banking, finance, marketing, taxation, financial inclusion, agriculture and other related fields. Their experience and professional credentials have helped the Bank to gain insights for strategy formulation and direction setting for the Bank, thus adding value to its growth objectives.

The Board comprises of eight (8) Directors out of whom two Directors are Executive/ Whole-time Directors (one of whom is a Managing Director and Chief Executive Officer), five Directors are Independent Directors (one of whom is also the part-time Chairman of the Board) and one Director is Non-Executive Director.

During the year under review, Mr. Narayan Ramachandran (DIN: 01873080), Non-Executive Part-Time Chairman of the Bank and Mr. Vimal Bhandari (DIN: 00001318) Independent Director ceased to be a Director of the Bank due to completion of their tenure of eight years, as prescribed under section 10A of the Banking Regulation Act, 1949, w.e.f. close of working hours of May 19, 2018 and September 13, 2018 respectively. Pursuant to cessation of Mr. Narayan Ramachandran as Director/Chairman of the Bank, Mr. Prakash Chandra, (DIN: 02839303) Independent Director of the Bank since January 25, 2016, was appointed as Part-time Chairman of the Bank, w.e.f. May 20, 2018 for a period of two years. The said appointment of Part-Time Chairman was approved by the Reserve Bank of India on July 24, 2018 and shareholders at their 75th Annual General Meeting of the Bank held on August 3, 2018.

Mr. Vijay Mahajan (DIN: 00038794), was appointed as an Additional Director of the Bank by the Board of Directors at their meeting held on April 27, 2018. The Shareholder of the Bank at 75th Annual General Meeting of the Bank held on August 3, 2018, appointed Mr. Mahajan as Non-Executive Director, liable to retire by rotation.

During the year under review, Ms. Rama Bijapurkar (DIN: 00001835) resigned as an Independent Director of the Bank w.e.f. close of working hours of January 10, 2019. Ms. Bijapurkar had resigned in order to explore taking on a responsibility which, for regulatory reasons, require her to resign from the Board of the Bank first. The Board places on record its sincere appreciation for the valuable services rendered by Mr. Narayan Ramachandran, Mr. Vimal Bhandari and Ms. Rama Bijapurkar during their tenure as Chairman/Directors of the Bank.

In terms of Section 152 of the CA, 2013, Mr. Vijay Mahajan shall retire at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

The details with regards to the Board and its Committees, Composition, Performance Evaluation etc. are provided in the Corporate Governance Report as Annexure I to this Report.

Key Managerial Personnel

Mr. Vishwavir Ahuja, Managing Director & CEO, Mr. Rajeev Ahuja, Executive Director (ED), Mr. Deepak Ruiya, Chief Financial Officer (interim) and Mr. Vinay Tripathi, Company Secretary of the Bank are the Key Managerial Personnel (KMP) as per the provisions of CA 2013.

Particulars of Employees

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of CA 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given below:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Bank for the financial year.

Sr. No.	Name of the Director	Designation	Ratio
1	Mr. Prakash Chandra*	Non-Executive & Part-time Chairman	4.53x
2	Mr. Vishwavir Ahuja	Managing Director & CEO	37.14x
3	Mr. Rajeev Ahuja	Executive Director	34.97x

** For calculation of ratio, remuneration of ₹ 12,98,387/- for the FY 2018-19 which will be paid in the FY 2019-20 is also included.*

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary of the Bank for the financial year.

Sr. No.	Name of the Director / KMP	Designation	% Increase
1	Mr. Prakash Chandra	Non-Executive & Part-time Chairman	N.A.
2	Mr. Vishwavir Ahuja	Managing Director & CEO	15%
3	Mr. Rajeev Ahuja#	Executive Director	12%
4	Mr. Deepak Ruiya	Chief Financial Officer (interim)	20%
5	Mr. Vinay Tripathi	Company Secretary	15%

 # The increase in remuneration of Mr. Rajeev Ahuja is effective from February 21, 2019 subject to the approval of Reserve Bank of India.

3. The percentage increase in the median remuneration of employees in the financial year.
The percentage increase in the median remuneration of employees in the financial year was 4.36%.

4. The number of permanent employees on the rolls of Bank.
The number of permanent employees on the rolls of Bank as on March 31, 2019 was 5,843.

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.
Average increase in remuneration is 8.2% for employees other than managerial personnel and 15.50% for managerial personnel (Executive Directors including Managing Director & CEO, Chief Financial Officer (interim) and Company Secretary).

It is hereby affirmed that the remuneration paid to Directors and KMPs is as per the remuneration policy of the Bank.

Notes:

i. 'x' denotes the median remuneration of the employees.

ii. The remuneration of Directors is exclusive of sitting fees and remuneration (profit-linked commission) paid to Non-Executive Directors, wherever applicable. Therefore, the median remuneration is provided of Directors exclusive of Independent Directors.

The statement containing particulars of employees as required under Section 197(12) of CA 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. In terms of Section 136 of CA 2013, the Annual Reports are being sent to the members, excluding the information as required under Rule 5(2) as mentioned aforesaid and the same is open for inspection at the Registered Office of the Bank on all working days between 11:00 A.M. to 1:00 P.M. upto the date of AGM. A copy of this statement may be obtained by the members by writing to the Company Secretary of the Bank.

Remuneration Policy

Remuneration policy for employees

The Bank's compensation policy keeps in mind the strategy, ethos and financial performance of the Bank and market compensation trends at any given time. The Bank recognizes that talent is critical to the long-term growth and success of the Bank and it is a pre-requisite to have a compensation structure comparable with the industry.

The Bank has set out its Compensation Policy based on the concept of CTC (Cost to Company) and TEC (Total Employee Compensation), to make compensation packages for officers across all Grades, competitive enough to attract, nurture and retain high calibre professionals in the Bank and have an organization structure that reflects specialization, focus & scale.

The Bank's Compensation Policy is designed and aimed at attracting & retaining best possible / available talent that it requires to effectively grow the business and be considered a highly respected institution. It comprises of a balanced mix of Fixed & Variable cash and non-cash compensation and benefits / perquisites to deliver maximum value to the employee and other stakeholders.

The Bank strongly believes that an equity component in the compensation goes a long way in aligning the objectives of employees with those of the Bank. The underlying philosophy of stock options is to enable the employees, present and future, to get a share in the value that they help to create for the Bank over a certain period of time.

Remuneration Policy for Directors

In terms of the provisions of CA 2013 and Listing Regulations, the Board has, on recommendation of the Human Resource & Remuneration Committee ("HRRC") framed a compensation policy which inter alia deals with remuneration structure and criteria for selection and appointment of directors.

Remuneration of Executive Directors

The Board considers the recommendations of HRRC and approves the remuneration of Executive Directors (including of Managing Director & CEO), with or without modifications, subject to members and regulatory approvals.

The remuneration payable to Executive Directors is subject to prior approval of the RBI. Therefore, the remuneration or any revision in remuneration to Executive Directors is payable only after receipt of the approval from RBI.

Remuneration of Chairman

The HRRC recommends the remuneration of the Chairman to the Board which is considered and approved by the Board in the same manner subject to members and regulatory approvals.

The remuneration payable to the Chairman is subject to prior approval of the RBI. Therefore, the remuneration or any revision in remuneration of the Chairperson is payable only after receipt of the approval from RBI.

Remuneration of Non-Executive Directors (NEDs)

The NEDs are paid sitting fees for attending each meeting of the Board of Directors or any Committee thereof. The NEDs are also entitled to reimbursement of expenses for participation in the meeting of the Board and Committee thereof.

RBI vide Circular No. DBR. No.BC.97/29.67.001/2014-15 dated June 1, 2015 issued Guidelines on Compensation of Non-executive Directors of Private Sector Banks emphasizing that in order to enable banks to attract and retain professional directors, it is essential that such directors are appropriately compensated. Pursuant to the aforesaid RBI Circular, the maximum amount that can be paid as Commission was capped at ₹ 10.00 Lakh per director per annum. Also, section 197 of CA 2013 permits payment of profit based commission to the Directors who are neither Managing Directors nor Whole-time Directors not exceeding One per cent (1%) of the net profits of the company, if there is a Managing or Whole-time Director or Manager or three per cent (3%) of the net profits in any other case.

The members of the Bank at their 74th Annual General Meeting had approved the payment of remuneration to NEDs (excluding the Chairman of the Bank) in the form of commission based on profit earned by the Bank w.e.f. FY 2017-18. The Board at its meeting held on April 27, 2018 had approved criteria for payment of Commission to NEDs and the commission paid during FY 2018-19 is appropriately disclosed in the 76th Annual Report of the Bank.

The Bank does not grant any Stock Options to NEDs.

Whistle Blower Policy (Vigil Mechanism)

Details required to be disclosed in this regard has been provided under Corporate Governance Report annexed as Annexure I to this Report.

Dividend Distribution Policy

The Bank has formulated a Board approved Dividend Distribution Policy. This Policy is hosted on the website of the Bank at: https://rblbank.com/api/v1/doc/document/Bank%20Policies/Dividend-Distribution-Policy.pdf

Auditors

The members at the 75th Annual General Meeting (AGM) of the Bank had, subject to the approval of RBI, appointed M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as Statutory Auditors for a period of two (2) year to hold office till the conclusion of 77th AGM in connection with the audit of the accounts of the Bank for the year ending March 31, 2020. The Bank will obtain the requisite approval of the Reserve Bank of India for the appointment of M/s. B S R & Co. LLP, Chartered Accountants as the Statutory Auditors of the Bank for the financial year 2019-20.

The Statutory Auditors have confirmed their eligibility under Section 141 of CA 2013 to continue to act as Statutory Auditors of the Bank. Further, as required under the relevant provision of the Listing Regulations, the Statutory Auditors have also confirmed that they had subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and they hold a valid certificate issued by the Peer Review Board of ICAI.

Pursuant to Section 204 of CA 2013, the Board had appointed M/s. Alwyn Jay & Co., Practicing Company Secretaries, Mumbai as its Secretarial Auditors for FY 2018-19. The Bank provided all assistance and facilities to the Secretarial Auditor for conducting their audit as prescribed under Companies Act, 2013. The Secretarial Audit Report for the FY 2018-19 is annexed to this report as Annexure II.

During the financial year under review, the Bank has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Employees Stock Option Plan (ESOP)

The underlying philosophy of the Bank Employee Stock Option Plan (ESOP) is to enable the present and future employees to share the value that they help to create for the Bank over a period of time. ESOP is also expected to strengthen the sense of ownership and belonging among the recipients. The ESOP has been designed and implemented in such a manner that the compensation structure goes a long way in aligning the objectives of an individual with those of the Bank. In addition, during the year the Bank continued with its plan of rewarding long-serving employees with ESOPs thus making them true partners in the Bank's growth.

More details of the ESOP are given in the notes to accounts in the attached financial statements and Annexure III to this report.

Disclosure under Section 22 of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Bank has Zero tolerance towards any action on the part of any executive which may fall under the ambit of 'Sexual Harassment' at workplace and is fully committed to uphold and maintain the dignity of every woman executive working in the Bank. The Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. As a part of Anti Sexual Harassment initiatives, the Bank created a mandatory e-learning module for all the employees called "i-COMPLY Anti Sexual Harassment". The information relating to complaints received and disposed-off /resolved/ action taken during the FY 2018-19 is disclosed under Corporate Governance Report annexed as Annexure I to this Report.

Deposits

Being a Banking company, the disclosures required as per Rule 8(5)(v)&(vi) of the Companies (Accounts) Rules, 2014, read with Section 73 and 74 of CA 2013 are not applicable to the Bank.

Nature of Business

The Bank has not changed its nature of business during the financial year under review.

Particulars of Loans, Guarantees and Investments

Pursuant to Section 186(11) of CA 2013 loans made, guarantees given or securities provided or acquisition of securities by a Banking company in the ordinary course of its business are exempted from disclosure in the Annual Report.

Related Party Transactions

Details required to be disclosed in this regard has been provided under Corporate Governance Report annexed as Annexure I to this Report.

Significant and material order passed by regulators or courts or tribunals impacting the going concern status and operations of the Bank

To the best of our knowledge, there are no significant/ material orders passed by the Regulators / Courts/ Tribunals etc. during FY 2018-19 which would impact the going concern status of the Bank and its future operations.

Subsidiary company

Pursuant to acquisition of 100% shareholding of RBL Finserve Limited (Formerly, Swadhaar Finserve Private Limited), RBL Finserve Limited (RBL Finserve) is the Wholly Owned Subsidiary of the Bank. Further, the Bank has formulated a board approved policy for determining Material Subsidiaries.

RBL Finserve is a dedicated Business Correspondent (BC) for RBL Bank in the financial inclusion segment servicing the Micro Finance (MF) clients and Micro and Small enterprises (MSME) segment with loans, savings and insurance products. It operates in 16 states and 2 Union Territories.

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended, the Bank has prepared its consolidated financial statements including that of all its subsidiary companies, which forms part of this report.

A statement containing the salient features of the financial position of the Subsidiary Company in Form AOC-1 is annexed to the Financial Statements to this Report.

Further, in accordance with the fourth proviso of Section 136(1) of the Companies Act, 2013, the audited annual accounts of the said subsidiary company of the Bank have been hosted on the Bank's website: https://ir.rblbank.com/

Consolidated Financial Statements

Pursuant to Section 129 of CA 2013, the Bank has prepared consolidated financial statements of the Bank with its Subsidiary Company, RBL FinServe Limited, in the same form and manner as that of the Bank which shall be laid before the ensuing AGM of the Bank along with the laying of the Bank's Standalone Financial Statement under sub-section (2) of Section 129.

Risk Management Policy

The details of Risk Management Policy & its framework are separately provided in Management Discussion and Analysis Report which forms an integral part of this Report.

Qualifications in Statutory and Secretarial Audit Reports

There were no adverse observations or qualifications made by the Statutory Auditors in the Auditor's Report.

Further, there were no audit qualifications made by the Secretarial Auditor in its Reports.

Adequacy of Internal Financial Controls

Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively. Further, the statutory auditors have, in compliance with the requirements of CA 2013, issued an opinion with respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls details of which may be referred to in the independent auditor's report attached to the financial statements of FY 2018-19.

Material changes and commitments affecting the financial position of the Bank

There are no material changes and commitments, affecting the financial position of the Bank that have occurred between the end of the financial year of the Bank i.e. March 31, 2019 and the date of the Directors' Report i.e. April 18, 2019.

G. OTHER DISCLOSURES

Code of Conduct

For a financial institution, trust is the most important asset. To this end, the Bank strives to ensure that its actions are in accordance with the highest standards of personal and professional integrity and highest level of ethical conduct. The Bank has adopted a Code of Conduct which all employees have to adhere to. The employees have to conduct duties according to the aforesaid Code and avoid even the appearance of improper behaviour. Some of the areas which are covered by the Code of Conduct are fairness of employment practices, protection of intellectual property, integrity, customer confidentiality, conflict of interest.

Bribery and Corruption

We have a responsibility both to the members and to the communities in which we do business to be transparent in all our dealings. Our Code of Conduct requires that we do not engage in bribery or corruption in any form and explicitly mentions that the Bank will not pay or procure the payment of a bribe or unlawful fee to encourage the performance of a task or one which is intended or likely to compromise the integrity of another. The Bank will not accept any payment, gift or inducement from a third party which is intended to compromise our own integrity. The Code of Conduct also includes procedures dealing with Gifts & Entertainment, Conflicts of Interest and other important matters.

Corporate Social Responsibility (CSR)

The Bank strives to proactively encourage inclusive growth and development, thereby participating towards building a sustainable future.

The Bank has a duly constituted CSR Committee of the Board consisting of majority of Independent Directors. The Bank also has the Board approved CSR Policy in place. In alignment with the CSR Mission Statement, the Bank has focused on various initiatives for FY 2018-19 as covered in the Annual Report on CSR activities detailing therein brief outline of CSR Policy, Projects undertaken, amount spent and other relevant details as furnished in Annexure IV to this report.

Management Discussion and Analysis

Management Discussion and Analysis Report for the financial year under review is presented in a separate section forming part of this Annual Report.

Awards and Recognitions

During the year under Review, the Bank was recipient of the following awards:

- India's Best Bank for Microfinance – Awarded at the Asiamoney Awards.
- 'Silver Award' in 'Best Private Sector Bank of the Year 2018'. – Awarded at the Outlook Money Awards.
- Best Small Bank – Awarded at the Business Today Financial Awards.
- Best Enterprise Mobility – Awarded at the BFSI Digital Innovation Awards by Express Computers.

- Opening Highest Percentage of Aadhaar Centres – Awarded at the Aadhaar Excellence Awards.
- Most Promising Company of the year – Awarded at the CNBC-AWAAZ CEO Awards.
- Best Multi-Channel Offering – Awarded at the Retail Banker International Awards.
- Recognised under four categories i.e. Nodal Payments API Product, Reimagining Fixed Deposits, Virtual Accounts for Payments Processing & Reimaging Digital Banking for Retail and Corporate Customers – Awarded at the Infosys Finacle Client Innovation Awards 2019.

Ratings

The Bank's Basel III Tier II Bonds have been rated as "AA- hyb" and "AA-" with Stable Outlook by ICRA Limited (ICRA) and CARE Ratings Limited (CARE) respectively. Instruments rated with this rating are considered to have high degree of safety regarding timely servicing of financial obligations.

The Bank's Certificate of Deposits carries a rating of "A1+" by ICRA which indicates the lowest short term credit risk. Further, the Bank's Medium Term Fixed Deposit programme carries rating of "ICRA MAA (Stable)" which indicates low credit risk and the Bank's short term fixed deposit programme carries a rating of "ICRA A1+" which indicates lowest credit risk.

Know Your Customer (KYC)/Anti-Money Laundering (AML) Measures

The Bank complies with the RBI's KYC/AML guidelines. The Bank's KYC/ AML Policy is prepared in accordance with the Prevention of Money Laundering Act, 2002 and RBI/IBA (Indian Banks' Association) guidelines. Various regulatory reporting requirements, as set out by the Financial Intelligence Unit (FIU) of the Government of India, are complied with by the Bank. The Bank uses automated transaction monitoring system under supervision of centralised AML team. Further, the Bank's employees are being imparted training on KYC/AML aspects on a regular basis. Executives of the Bank also attend periodic workshops/seminars organised by FIU, RBI, IBA, Centre for Advanced Financial Research & Learning (CAFRAL) and College of Agricultural Banking (CAB), Pune to enhance their awareness in evolving KYC AML issues.

H. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of CA 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

i. The applicable accounting standards have been followed in the preparation of the annual accounts for FY 2018-19 and there have been no material departures;

ii. Accounting policies have been selected and applied consistently and reasonably, and prudent judgments and estimates have been made to give a true and fair view of the Bank's state of affairs and of its profit for FY 2018-19;

iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of CA 2013 for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities;

iv. the annual financial statements have been prepared on a going concern basis;

v. proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

vi. systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

ACKNOWLEDGMENT

The Board is grateful to the Government of India, RBI, SEBI, IBA, other Regulatory Authorities, Rating Agencies, Financial Institutions, banks and correspondents in India and abroad for their valuable and unflinching support as well as co-operation and guidance to the Bank from time to time.

The members have been the key partners in the Bank's progress. The Board of Directors appreciates their support and is grateful for the confidence that they have placed in the Board of Directors and the Bank's management.

The Bank's customers have always supported the Bank in all its endeavours. The Bank would like to take this opportunity to express sincere thanks to its valued clients and customers for their continued patronage.

The Bank has undertaken a number of initiatives on the technology and business front in the recent years. Successful translation of these initiatives into business and earnings growth has been primarily due to the employees of the Bank, who have embraced the philosophy of change to help the Bank emerge as a modern and customer-centric institution. We are grateful to the employees for their continued commitment and dedication towards the Bank. The Board appreciates the healthy relationship with the Officer's Association and Employee Union, which has facilitated the growth and development of the Bank and has created a positive work environment.

For and on behalf of the Board of Directors

Prakash Chandra
Chairman

Vishwavir Ahuja
Managing Director & CEO

Place : Mumbai
Date : April 18, 2019

Annexure I

CORPORATE GOVERNANCE REPORT

THE BANK'S CORPORATE GOVERNANCE PHILOSOPHY

The Bank's philosophy on corporate governance is aimed at supporting the top management to efficiently conduct its business operations and meet its obligations towards its stakeholders. The Bank is committed to transparent and merit-based organization and ensures fairness, transparency and responsiveness in all transactions.

CONSTITUTION OF THE BOARD OF DIRECTORS

The Board of Directors is governed and constituted in accordance with the provisions of the Companies Act, 2013 (CA 2013), the Banking Regulation Act, 1949 (the BR Act, 1949), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the Articles of Association of the Bank. The Board consists of eminent persons with considerable professional expertise in banking, finance and other related fields. Their experience and professional credentials have helped the Bank to gain insights for strategy formulation and direction setting for the Bank, thus adding value to its growth objectives. Further, the Bank also ensures that the Board of Director of the Bank comprises Directors who possesses relevant skills / competencies / expertise / knowledge / practical experience as per section 10A of the Banking Regulation Act, 1949 and notification issued by the Reserve Bank of India from time to time in this regard viz. Accountancy & Audit, Agriculture and rural economy, Banking, Co-operation, Economics, Finance, Law, Small-scale industry, Information Technology, Risk Management.

The Board comprises of eight (8) Directors out of whom two Directors are Executive/ Whole-time Directors (one of whom is Managing Director & Chief Executive Officer), five Directors are Independent Directors (including Part-time Chairman of the Board) and One Director is Non-Executive Director.

All the Independent Directors have given the declarations that they meet the criteria of independence laid down under Section 149 of the CA 2013 and Regulation 16(1)(b) of the Listing Regulations. Based on the declaration of independence provided by them and based on the applicable Reserve Bank of India's (RBI) guidelines and circulars, all aforesaid Independent Directors would qualify to be classified as Independent Directors under Section 149 of the CA 2013 and Listing Regulations.

None of the Directors of the Bank were a member of more than 10 Committees or Chairman of more than 5 Committees across all listed companies in which they were Directors. None of them held directorship in more than 10 Public Companies. None of the Independent Directors of the Bank served as an Independent Director in more than 7 listed companies. None of the Directors were related to any Director.

A Brief description of the Directors, along with the Listed companies in which they hold directorship and the membership of the Audit Committee and Stakeholders Relationship Committee of the Board, as on March 31, 2019, are furnished hereunder:

Mr. Prakash Chandra, Non-Executive Part-time Chairman

(DIN: 02839303)

Mr. Prakash Chandra holds a Bachelor of Science (B.Sc.) and Bachelor of Laws (LLB) degree from University of Allahabad. Mr. Chandra also holds a diploma in Development Policy from University of Glasgow, U.K. Mr. Prakash Chandra joined the Income Tax Department in 1973 as a member of Indian Revenue Service and retired as Chairman, Central Board of Direct Taxes (CBDT) on July 31, 2011.

Mr. Prakash Chandra has held important positions in the Government at various places viz., Assistant Commissioner/ Joint Commissioner/ Commissioner and Chief Commissioner of Income Tax. Retired as Member/ Chairman, CBDT. He was Ombudsman, Income Tax Department, Delhi for 2 years till December 31, 2013 as a post retirement assignment. He has also worked as Director, Department of Supply, Ministry of Commerce (1988-1991), Director, Border Roads Development Board, Ministry of Defence (1991-1993) and Director General of Income Tax (International Taxation), Delhi.

After retirement, he is now an Advocate and a member of the High Court and Supreme Court Bar Associations. He was also Chairman/ Member of various Committees set up by Government of India, from time to time. He was also President of Indian Revenue Service Officers' Association and represented them before the Sixth Pay Commission.

Annexure I

Mr. Vishwavir Ahuja, Managing Director & CEO
(DIN: 00074994)
Mr. Vishwavir Ahuja holds a Master's degree in business administration from IIM – Ahmedabad and an MS degree in International Finance from the University of Michigan, USA and is B.Com (Hons.). Shri Ram College of Commerce, Delhi.

Mr. Vishwavir Ahuja is experienced person in Banking Industry with close to 36 years of experience. Mr. Vishwavir Ahuja joined RBL Bank in July 2010 when it was a small, regional, southern Maharashtra based old-age private sector Bank. Mr. Vishwavir Ahuja has since transformed the institution into a vibrant, professionally run, new-age bank with a high degree of competitiveness and scale. Between FY 10-11 and now, the Bank's balance sheet has grown almost 40 times and net profit over 50 times, making it one of the fastest growing and better performing private sector banks in India. In August 2016, Mr. Vishwavir Ahuja spearheaded one of the country's most successful IPO's, commanding an oversubscription of over 70 times and a significant listing premium.

Mr. Vishwavir Ahuja has won many accolades for the Bank. Under his leadership, RBL Bank was recently awarded the CNBC TV18 India Business Leader Award (IBLA) – "2018's Most Promising Company of the Year". In 2017, Mr. Vishwavir Ahuja was awarded the prestigious EY 'Entrepreneur of the year – Financial Services' award for being a visionary entrepreneur and continuously creating value, generating jobs and contributing to building a better working world. Under his leadership, RBL Bank has also been awarded the CNBC ASIA's India Talent Management Award - 2017. Other recent accolades for the bank include: (i) World Economic Forum (WEF) Global Growth Company - 2014. (ii) 'India's Best Bank (Growth)' by Business Today-KPMG Best Bank Study for six consecutive years (2012-17). (iii) Awarded two IBA Banking Technology Awards in the Best IT Risk & Cyber Security Initiative category and Best Payment initiative category, 2017.

Prior to joining RBL Bank, Mr. Vishwavir Ahuja was the Managing Director & CEO of Bank of America, India from 2001 to 2009. At Bank of America, Mr. Vishwavir Ahuja successfully managed assignments in USA, Hong Kong and all four regional offices in India. Mr. Vishwavir Ahuja held various positions in the Credit and Risk Management Group, Treasury and Foreign Exchange, Corporate Planning and Finance and Head - Corporate and Investment Banking, before eventually becoming CEO at the age of 41.

Mr. Rajeev Ahuja, Executive Director
(DIN: 00003545)
Mr. Rajeev Ahuja holds a Masters in Business Administration from IIM, Ahmedabad. Mr. Rajeev Ahuja brings about 30 years of experience in Investment Banking and Financial Markets in India, Singapore and Hong Kong. Prior to joining RBL Bank, he was associated with Citibank India, where his last assignment was as Head of Investor Sales business for South Asia. He has considerable experience in setting up new businesses, building teams, managing risk and P/L across a variety of functions. He has also spent three years managing early stage investments in India.

Mr. Dhanushkodi Sivanandhan, Independent Director
(DIN: 03607203)
Mr. Dhanushkodi Sivanandhan holds degree in Master of Arts in Economics from Madras University. Prior to joining the Task Force, Mr. Sivanandhan served as Director General of Police, Maharashtra (2010 - 2011), when he retired from the Indian Police Service (IPS). Prior to becoming DGP in 2010, Mr. Sivanandhan served as Commissioner of Police of three metropolitan cities including Mumbai. He took charge of Mumbai police after the 26/11 terrorist attacks and worked to modernize Mumbai police in the wake of the attacks, including creating a new anti-terrorism infrastructure that included 1500 commandos and an elite commando unit called Force one.

Mr. Dhanushkodi Sivanandhan built a state of the art intelligence academy in Maharashtra. Between 1998 and 2001, Mr. Sivanandhan served as Jt. Commissioner of Police, Crime Branch, in Mumbai. From 2001 - 2004, Mr. Sivanandhan also served as Jt. Director, Central Bureau of Investigation (CBI), the anti-corruption wing of the Government of India. He also served as Asst. Director and Deputy Director of the Intelligence Bureau for six years, working on counter-intelligence and counter espionage cases.

Mr. Dhanushkodi Sivanandhan is Independent Director on the Board of the following Listed Companies:

United Spirits Limited, Forbes & Company Limited and Kirloskar Industries Limited

Mr. Dhanushkodi Sivanandhan is the Chairman/Member of Stakeholders Relationship Committee of United Spirits Limited and Forbes & Company Limited, respectively. He is a member of Audit Committee of Forbes & Company Limited and Kirloskar Industries Limited.

Mr. Ishan Raina, Independent Director
(DIN: 00151951)
Mr. Ishan Raina holds a bachelor's degree in commerce from Sriram College of Commerce, New Delhi, a Diploma in International Law and Diplomacy from the Indian Academy of International Law & Diplomacy, New Delhi and a Post Graduate Diploma in Management from the Indian Institute of Management, Calcutta. Mr. Ishan Raina recently received a fellowship in Advanced Leadership Initiatives from the Harvard University, Boston.

Mr. Ishan Raina is the founder of Out of Home (OOH) India Limited. Mr. Raina has previously been associated with Ignite Digital Solutions, JWT Contract Advertising (India) and Lintas Advertising (India). He has also served as a member of the Euro RSCG Worldwide Executive Board and has wide experience in the field of advertising.

Mr. Jairaj Purandare, Independent Director
(DIN: 00159886)
Mr. Jairaj Purandare is a fellow member of the Institute of Chartered Accountants of India and also holds Bachelor's degree in Science (Hons) from Bombay University.

Mr. Purandare has extensive experience in Foreign Investment Consulting / Establishment of Joint Ventures, International Tax, Transfer Pricing and Mergers & Acquisitions. He has significant expertise in advising clients on various issues in the Financial Services, Power and Media Industries. He has advised clients on investment proposals to Regulatory Authorities including the Foreign Investment Promotion Board, Ministry of Finance and Reserve Bank of India.

Mr. Purandare is the Chairman of JMP Advisors Private Limited. He was associated with PricewaterhouseCoopers Private Limited as its Regional Managing Partner. In addition to being a key member of the India Leadership Team, he was Country Leader of Markets & Industries for PwC India. He was previously Chairman of EY in India. Prior to joining EY, he was the Country Head of the Tax & Regulatory practice of Arthur Andersen in India.

Mr. Jairaj Purandare is Independent Director on Board of the following Listed Companies:

S. H. Kelkar and Company Limited and HDFC Asset Management Company Limited

Mr. Jairaj Purandare is the Chairman of Audit Committee of S. H. Kelkar and Company Limited. He is a member of Audit Committee and Stakeholders Relationship Committee of HDFC Asset Management Company Limited.

Mr. P. Sudhir Rao, Independent Director
(DIN: 00018213)
Mr. P. Sudhir Rao is a member of the Institute of Chartered Accountants of India. He is currently associated with over 25 companies in India, nurturing early /growth stage enterprises to assisting listed entities in the areas of Strategic direction, Business Research and Revenue Management. Performance & Capital Management and Stakeholder Relations as also providing India-entry services. As an active non-executive observer he gets them to focus on enhancing Customer & Organisation capital to deliver superior triple bottom line returns to all stakeholders.

Mr. P. Sudhir Rao participates as a Non-Executive Director on several Boards including Aditya Birla Money Ltd., Radhakrishna Foodland Pvt. Ltd. (a leading Supply Chain Solutions company) and is an Independent Member of the Investment Committee of a US $350 Million private equity fund managed by Ascent Capital Advisors (formerly UTI Ventures).

Mr. P. Sudhir Rao is on Board as an Independent Director of Aditya Birla Money Limited in which he is also Chairman of Audit Committee and Stakeholders Relationship Committee.

Annexure I

Mr. Vijay Mahajan, Non-Executive Director
(DIN: 00038794)

Mr. Vijay Mahajan is a Fellow of the Woodrow Wilson School of Public and International Affairs, Princeton University, USA, Post Graduate Program in Management from the Indian Institute of Management, Ahmedabad (IIM-A), Graduate of Electrical Engineering from the Indian Institute of Technology, Delhi (IIT-D).

Over 39 years of experience in the fields of finance, financial rural development, financial inclusion including microfinance, micro insurance services, livelihood promotion, agriculture, livestock and enterprise development services, consultancy, advisory and policy advocacy services, rural development, non-banking finance company, capacity and institutional building, etc.

Details of attendance of the Directors at Board Meetings, Committee Meetings and Annual General Meeting held during FY 2018-19 along with the number of other Directorships and Committee membership(s)/ chairmanship(s) held by them, is given below:

ATTENDANCE OF THE DIRECTORS AT VARIOUS MEETINGS DURING FY 2018-19

Sr. No.	Name of Director	DIN	Category	BOD	ACB	SRC	BICC	AFC	CSBMC	NC	RMC	HRRC	CSR	ITSC	CRC$	WDRC$	NCBRC$	AGM	No. of other Directorships *		No. of Committee Membership/ Chairmanship across other listed companies~	
Number of meetings held during FY 2018-19				4	6	4	11	2	4	2	4	4	2	3	–	–	–	1	Pub Co.	Pvt Co.	Chairman	Member
1	Mr. Narayan Ramachandran^	01873080	Non-Executive Part-time Chairman	1	–	–	1	–	–	1	1	1	–	–	–	–	–	N.A.	2	6	–	1
2	Mr. Prakash Chandra^^	02839303	Non-Executive Part-time Chairman	4	6	4	–	2	4	2	2	2	–	–	–	–	–	Y	–	–	–	–
3	Mr. Vishwavir Ahuja	00074994	Managing Director & CEO	4	–	3	9	1	3	–	3	–	2	2	–	–	–	Y	–	–	–	–
4	Mr. Rajeev Ahuja	00003545	Executive Director	4	–	3	10	–	1	–	4	–	–	3	–	–	–	Y	1	–	–	–
5	Mr. D. Sivanandhan	03607203	Independent Director	4	6	–	–	2	4	2	–	–	2	2	–	–	–	N	7	4	1	4
6	Mr. Ishan Raina	00151951	Independent Director	4	–	–	3	–	4	1	–	4	2	–	–	–	–	Y	–	3	–	–
7	Mr. Jairaj Purandare	00159886	Independent Director	4	6	–	9	–	–	–	2	4	2	3	–	–	–	Y	2	1	1	2
8	Mr. P. Sudhir Rao	00018213	Independent Director	3	3	–	4	–	–	2	3	3	–	2	–	–	–	N	3	9	2	–
9	Ms. Rama Bijapurkar@	00001835	Independent Director	2	–	2	–	–	–	1	–	–	–	–	–	–	–	N	4	1	2	1
10	Mr. Vimal Bhandari%	00001318	Independent Director	2	2	–	6	–	–	–	2	2	–	–	–	–	–	N	6	1	–	2
11	Mr. Vijay Mahajan!	00038794	Non-Executive Director	1	–	1	–	–	–	–	–	–	–	–	–	–	–	N	–	–	–	–

^ *Ceased to be a Director/Chairman of the Board w.e.f. May, 19, 2018 upon completion of tenure.*
^^ *Upto May 19, 2018 Independent Director. From May 20, 2018 appointed/ designated as Part-time Chairman of the Bank.*
@ *Resigned as a Director w.e.f January 10, 2019*
% *Ceased to be a Director w.e.f. September 13, 2018 upon completion of tenure.*
! *Appointed as a Director w.e.f. April 27, 2018*
* *Excludes directorship held in Foreign Companies*
~ *Includes Membership/ Chairmanship of Audit Committee and Stakeholders Relationship Committee across all other Listed Companies*
$ *No meeting was held during the year under review.*

BOARD MEETINGS

The Board of Directors of the Bank met four times during FY 2018-19. The maximum gap between any two Board meetings was not more than one hundred and twenty days at any point of time.

Details of the Meetings conducted are as under:

Members	Category	Date of Meeting	No. of Meetings
Mr. Narayan Ramachandran*	Non-Executive Part-time Chairman (till May 19, 2018)	April 27, 2018 July 19-20, 2018 October 22-23, 2018 January 28, 2019	04
Mr. Vishwavir Ahuja	Managing Director & CEO		
Mr. D. Sivanandhan	Independent Director		
Mr. Ishan Raina	Independent Director		
Mr. Jairaj Purandare	Independent Director		
Mr. Prakash Chandra	Independent Director / Part-time Chairman (w.e.f May 20, 2018)		
Mr. P. Sudhir Rao	Independent Director		
Ms. Rama Bijapurkar#	Independent Director		
Mr. Vimal Bhandari$	Independent Director		
Mr. Rajeev Ahuja	Executive Director		
Mr. Vijay Mahajan^	Non-Executive Director		

** Ceased to be a Director w.e.f. May 19, 2018.*
 # Resigned as a Director on January 10, 2019.
$ Ceased to be a Director w.e.f. September 13, 2018.
^ Appointed as a Non-Executive Director w.e.f. April 27, 2018.

COMMITTEE OF THE BOARD OF DIRECTORS

The Board functions either as a full Board or through various Committees which oversee specific operational or strategic matters. The Board has constituted various such Committees of Directors to monitor the activities falling within their terms of reference.

Terms of reference, composition, date of meetings and name of members of these Committees as on March 31, 2019 are given below:

Sr. No.	Committee	Members		Date of Meeting	No. of Meetings
1.	Audit Committee of Board (ACB)	Mr. Jairaj Purandare	Chairman	April 26-27, 2018	06
		Mr. Prakash Chandra	Alternate Chairman	July 19, 2018	
		Mr. Vimal Bhandari*	Member	October 22-23, 2018	
		Mr. D. Sivanandhan	Member	January 18, 2019	
		Mr. P. Sudhir Rao#	Member	January 28, 2019	
				March 18, 2019	
	** Ceased to be Director/Member of the Committee w.e.f. September 13, 2018.* *# Appointed as Committee Member w.e.f. October 22, 2018.*				
2.	Stakeholders' Relations Committee (SRC)	Mr. Prakash Chandra	Chairman	April 27, 2018	04
		Mr. Vishwavir Ahuja	Member	July 19, 2018	
		Mr. Rajeev Ahuja	Member	October 23, 2018	
		Ms. Rama Bijapurkar*	Member	January 28, 2019	
		Mr. Vijay Mahajan#	Member		
	** Ceased to be Director/Member of the Committee w.e.f. January 10, 2019.* *# Appointed as Committee Member w.e.f. January 28, 2019.*				

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Sr. No.	Committee	Members		Date of Meeting	No. of Meetings
3.	Board Investment and Credit Committee (BICC)	Mr. Vimal Bhandari#	Chairman (upto September 13, 2018)	April 26, 2018 June 4, 2018 June 21, 2018 July 20, 2018 August 13, 2018 August 20, 2018 October 23, 2018 November 16, 2018 January 18, 2019 February 21, 2019 March 18, 2019	11
		Mr. Jairaj Purandare*	Chairman (w.e.f October 23, 2018)		
		Mr. Narayan Ramachandran^	Member		
		Mr. Vishwavir Ahuja	Member		
		Mr. P. Sudhir Rao	Member		
		Mr. Ishan Raina$	Member		
		Mr. Rajeev Ahuja	Member		
	**Designated as Committee Chairman w.e.f. October 23, 2018.* *# Ceased to be Director/Committee Chairman w.e.f. September 13, 2018.* *^ Ceased to be Director/Member of the Committee w.e.f. May 19, 2018.* *$ Appointed as Committee Member w.e.f. October 23, 2018.*				
4.	Anti-fraud Committee (AFC)	Mr. D. Sivanandhan	Chairman	July 19, 2018 January 18, 2019	02
		Mr. Vishwavir Ahuja	Member		
		Mr. Prakash Chandra	Member		
5.	Customer Service, Branding and Marketing Committee (CSBMC)	Mr. Ishan Raina	Chairman	April 26, 2018 July 19, 2018 October 23, 2018 January 28, 2019	04
		Mr. Vishwavir Ahuja	Member		
		Mr. D. Sivanandhan	Member		
		Mr. Prakash Chandra	Member		
		Mr. Rajeev Ahuja*	Member		
	** Appointed as Committee Member w.e.f. October 23, 2018.*				
6.	Nomination Committee (NC)	Mr. Ishan Raina*	Chairman	April 27, 2018 March 18, 2019	02
		Mr. Prakash Chandra#	Member		
		Mr. P. Sudhir Rao	Member		
		Mr. D. Sivanandhan	Member		
		Mr. Narayan Ramachandran^	Member		
		Ms. Rama Bijapurkar%	Member		
	** Appointed as Committee Chairman w.e.f. May 21, 2018.* *# Ceased to be Committee Chairman w.e.f. May 20, 2018 but continued as a Committee Member* *^ Ceased to be Director/Member of the Committee w.e.f. May 19, 2018.* *% Ceased to be Director/Member of the Committee w.e.f. January 10, 2019.*				

Sr. No.	Committee	Members		Date of Meeting	No. of Meetings
7.	Risk Management Committee (RMC)	Mr. Prakash Chandra*	Chairman (w.e.f. October 22, 2018)	April 26, 2018 July 20, 2018 October 22, 2018 January 18, 2019	04
		Mr. Narayan Ramachandran#	Chairman (upto May 19, 2018)		
		Mr. Vishwavir Ahuja	Member		
		Mr. P. Sudhir Rao	Member		
		Mr. Vimal Bhandari@	Member		
		Mr. Rajeev Ahuja	Member		
		Mr. Jairaj Purandare^	Member		
	** Appointed as Committee Chairman w.e.f. October 22, 2018.* *# Ceased to be Director/Committee Chairman w.e.f. May 19, 2018.* *@ Ceased to be Director/Committee Chairman w.e.f. September 13, 2018.* *^ Appointed as Committee Member w.e.f. October 22, 2018.*				
8.	Human Resource and Remuneration Committee (HRRC)	Mr. P. Sudhir Rao	Chairman	April 26, 2018 July 20, 2018 October 23, 2018 January 28, 2019	04
		Mr. Narayan Ramachandran*	Member		
		Mr. Vimal Bhandari#	Member		
		Mr. Jairaj Purandare	Member		
		Mr. Ishan Raina	Member		
		Mr. Prakash Chandra^	Member		
	** Ceased to be Director/Member of the Committee w.e.f. May 19, 2018.* *# Ceased to be Director/Member of the Committee w.e.f. September 13, 2018.* *^ Appointed as Committee Member w.e.f. October 23, 2018.*				
9.	Capital Raising Committee (CRC)	Mr. Rajeev Ahuja*	Chairman	–	Nil
		Mr. Narayan Ramachandran#	Chairman		
		Mr. Vishwavir Ahuja	Member		
		Mr. Vimal Bhandari^	Member		
		Mr. P. Sudhir Rao	Member		
	** Appointed as Committee Chairman w.e.f. October 22-23, 2018.* *# Ceased to be Director/Member of the Committee w.e.f. May 19, 2018.* *^ Ceased to be Director/Member of the Committee w.e.f. September 13, 2018.*				
10.	Corporate Social Responsibility Committee (CSRC)	Mr. D. Sivanandhan	Chairman	April 26, 2018 October 23, 2018	02
		Mr. Jairaj Purandare	Member		
		Mr. Vishwavir Ahuja	Member		
		Mr. Ishan Raina	Member		
		Mr. Vijay Mahajan*	Member		
	**Appointed as Committee Member w.e.f. January 28, 2019.*				

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Sr. No.	Committee	Members		Date of Meeting	No. of Meetings
11.	IT Strategy Committee (ITSC)	Mr. P. Sudhir Rao	Chairman	July 20, 2018	03
		Mr. D. Sivanandhan	Member	October 22, 2018	
		Mr. Jairaj Purandare	Member	January 18, 2019	
		Mr. Vishwavir Ahuja	Member		
		Mr. Rajeev Ahuja	Member		
12.	Wilful Defaulter Review Committee (WDRC)	Mr. Vishwavir Ahuja	Chairman	–	Nil
		Mr. Jairaj Purandare	Member		
		Mr. Vimal Bhandari*	Member		
		Mr. Ishan Raina#	Member		
	** Ceased to be Director/Member of the Committee w.e.f. September 13, 2018.* *# Appointed as Committee Member w.e.f. October 23, 2018.*				
13.	Non-Cooperative Borrower Review Committee (NCBRC)	Mr. Vishwavir Ahuja	Chairman	–	Nil
		Mr. Jairaj Purandare	Member		
		Mr. Vimal Bhandari*	Member		
		Mr. Ishan Raina#	Member		
	** Ceased to be Director/Member of the Committee w.e.f. September 13, 2018.* *# Appointed as Committee Member w.e.f. October 23, 2018.*				

Sr. No.	Committee	Terms of Reference
01	Audit Committee of Board (ACB)	i) providing direction as also overseeing the operation of the entire audit function of our Bank, including the organization, operationalization and quality control of internal audit and inspection within our Bank, financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible, and follow-up on the statutory / external audit of our Bank and inspections of RBI; to also review of adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit; discussion with the internal auditors of any significant findings and follow-up thereon; ii) reviewing the internal audit plan for the year and tracking its progress; iii) reviewing the inspection reports of specialized and extra-large branches and of all branches with unsatisfactory ratings; iv) reviewing the position of various inspection and audit reports and compliances namely, concurrent audit, internal inspection, information system audit of the data centre, treasury and derivatives, management audit, service branches, currency chest, FEMA audit of branches etc., as may be applicable from time to time as well as the latest position of compliance with RBI Inspection; v) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to: (a) matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3) of the Companies Act, 2013, as applicable; (b) changes, if any, in accounting policies and practices and reasons for the same; (c) major account entries involving estimates based on the exercise of judgment by management; (d) significant adjustments made in the financial statements arising out of audit findings; (e) compliance with listing and other legal requirements relating to financial statements, as applicable; (f) disclosure of any related party transactions; and (g) modified opinion(s) in the draft audit report;; vi) reviewing, with the management, the quarterly financial statements before submission to the board for approval; vii) following up on: inter-branch adjustment accounts, non reconciled long outstanding entries in inter-bank accounts and nostro accounts, open items in balancing of books at various branches, periodical review of frauds, revenue leakages, status of implementation of Ghosh & Jilani committee recommendations, all other major areas of housekeeping, KYC/AML measures, violations by various functionaries, long form audit report (**"LFAR"**) and compliance thereof, exposure to sensitive sectors – capital market and real estate, financial and risk management policies of our Bank, review of information security audit policy, loss assets classified for more than six months and where the outstanding balances are above ₹ 0.5 million and no legal action has been initiated; viii) evaluation of internal financial controls and risk management systems; ix) valuation of undertakings or assets of the company, where necessary; x) scrutiny of inter-corporate loans and investments, as applicable; xi) obtaining and reviewing half-yearly reports from the compliance officers; reviewing, with the management, the quarterly and half yearly financial statements before submission to the board for approval. xii) review and monitor the auditor's independence and performance, and effectiveness of audit process; xiii) reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), if applicable, the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice, if applicable and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, if applicable, and making appropriate recommendations to the Board to take up steps in this matter; xiv) in relation to statutory audits, following up on all issues raised in the LFAR as well as interacting with the external auditors before the finalization of the annual / semi-annual financial accounts and reports and presentation to the Board; xv) reviewing any change in accounting policy and practices which may have significant bearing on financial statements and confirming that the accounting policies followed and systems used by our Bank are in compliance with accounting standards, RBI guidelines and would ensure true and fair position of accounts; xvi) reviewing capital adequacy; xvii) reviewing transactions with related parties; approval or any subsequent modification of transactions with related parties; xviii) recommending for appointment, remuneration and terms appointment of statutory auditors and other auditors of the Bank and reviewing their performance. xix) reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems; xx) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board; xxi) approval of payment to statutory auditors for any other services rendered by the statutory auditors; xxii) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern; xxiii) to look into the reasons for substantial defaults in the payment to the depositors, if any, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors; xxiv) to review the functioning of the whistle blower mechanism; xxv) approval of appointment of the chief financial officer (i.e., the whole time finance director or any other person heading the finance function of discharging that function) after assessing the qualifications, experience and background etc. of the candidate; xxvi) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee. xxvii) To review utilisation of funds of loans and/or advances from investment made in subsidiary company exceeding ₹ 100 crores or 10% of asset size of subsidiary company, whichever is low. The following is to be reviewed by the Audit Committee: i) management discussion and analysis of financial conditions and results of operations; ii) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

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Sr. No.	Committee	Terms of Reference
		iii) management letters/letters of internal control weakness issued by the statutory auditors; iv) internal audit reports relating to internal control weaknesses; v) the appointment, removal and terms of remuneration of the chief internal auditor, shall be subject to review by the Audit Committee; vi) statement of deviations: (a) quarterly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"); (b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI LODR.
02.	Stakeholders' Relations Committee (SRC)	i) to approve shares transfer / transmission; ii) to authorise / issue of original / duplicate share certificates and other relevant matters pertaining to transfer of shares of our Bank; iii) to allot the shares under the vested employee stock options; and iv) to consider and resolve the grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends. v) Review of measures taken for effective exercise of voting rights by shareholders. vi) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent. vii) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
03.	Board Investment and Credit Committee (BICC)	i) To take decisions of sale / purchase of SLR and Non-SLR investment which are beyond the powers of MD & C.E.O. &/or ALCO; ii) To review Investment performance and market situation; iii) To review various Investment policies and make recommendations to the Board; iv) To review and approve credit proposals as defined in the Bank's Credit Policy.
04.	Anti-fraud Committee (AFC)	Major functions of the Committee would be to monitor and review all the frauds of ₹ 1 Crore and above so as to: i) Identify the systemic lacunae if any that facilitated perpetration of the fraud and put in place measures to plug the same; ii) Identify the reasons for delay in detection, if any, reporting to top management of the Bank and RBI; iii) Monitor progress of CBI / Police Investigation and recovery position; iv) Ensure that staff accountability is examined at all levels in all the cases of frauds and staff side action, if required, is completed quickly without loss of time; v) Review the efficacy of the remedial action taken to prevent recurrence of frauds, such as strengthening of internal controls; vi) Put in place other measures as may be considered relevant to strengthen preventive measures against frauds.
05.	Customer Service, Branding and Marketing Committee (CSBMC)	i) Formulation of customer service related Policies. ii) Disclosure / maintenance of service related Information by banks in the public domain. iii) Reporting submission of various items to the Board: a. Analysis of Customer complaints including BO complaints and complaints received by Senior Management; b. Annual Statement of Compliance to BCSBI; c. Annual survey of depositor satisfaction; d. Triennial audit of such services; e. Examining any other issues having a bearing on the quality of customer service rendered;
		f. Review & deliberate on Customer Service Standing Committee, service quality, skill gaps & aspects relating to Branch Level Service Committee. iv) Details of Incentives and Penalties levied by regulators for various customer service related aspects. v) Highlights for Charter of Customer Rights vi) Periodic Review of Developments around;- a. Marketing & branding activities of the Bank; b. Overall brand philosophy and media approach; c. Communications / public relations framework of the Bank; d. Reputation management framework for the bank; e. Framework around external awards and recognition f. Functioning of banks Social Media Cell vii) Performing any other act, duty as stipulated by the Companies Act, Reserve Bank of India, Securities & Exchange Board of India, Stock Exchanges and any other regulatory authority, as prescribed from time to time.
06.	Nomination Committee (NC)	i) pursuant to RBI circular dated June 25, 2004, accepting and scrutinizing the declarations received from the Directors regarding 'Fit & Proper' criteria for the directors of banking companies, and making references where considered necessary to the appropriate authority/persons to ensure their compliance with the requirements, including identifying persons who are qualified to become Directors and accordingly recommend to the board their appointment or removal; ii) formulation of criteria in accordance with applicable regulatory requirements for determining qualifications, positive attributes and independence of a Director, as applicable, and recommend to the Board a policy, relating to the remuneration of the Directors; iii) identifying persons who are qualified to become Directors in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal; iv) formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors; v) devising a policy on diversity of Board of Directors; vi) to decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
07.	Risk Management Committee (RMC)	A. Credit Risk Policy and strategy matters governing: • Issuing and modifying the guidelines for Credit Risk Management System and prudential exposure/ concentration limits (borrower/ group borrower, industries, sectors etc.) in the Bank with the Board's approval; • Updating the Board at periodic intervals with the Bank's credit risk exposure profiles – concentration risk (borrower groups/ industries/ location/ sectors), risk rating of the obligors, along with the corrective measures taken/ recommended; • Recommending changes/ modifications in the credit policies and procedures of the Bank and ensuring that they remain in tune with the changing business conditions, regulatory requirements/ guidelines and the Bank's structure needs and risk appetite; • Ensuring that the Credit Risk activities are managed in compliance with the Credit Policy of the Bank; • Delegating the broad risk monitoring responsibility to the Credit Department, review the risk analysis reports from Credit Department; • Monitoring adherence of various risk parameters by operating Departments and holding the line management more accountable for the risks under their control and the performance of the bank in that area; • Verifying the models that are used for pricing complex products, reviewing the risk models as development takes place in the markets and also identifying new risks; • Designing stress scenarios to measure the impact of unusual market conditions and monitor variance between the actual volatility of portfolio value and that predicted by the risk measures; • Providing a summary of its discussions to the Board;

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Sr. No.	Committee	Terms of Reference
		B. Market Risk Policy and strategy matters governing: • Setting policies and guidelines for market risk measurement, management and reporting; • Ensuring that market risk management processes (including people, systems, operations, limits and controls) satisfy bank's policy; • Reviewing and approving market risk limits, including triggers or stop-losses for traded and accrual portfolios; • Ensuring robustness of financial models, and the effectiveness of all systems used to calculate market risk; • Appointment of qualified and competent staff; Ensuring posting of qualified and competent staff and of independent market risk manager/s, etc.; C. Review Internal Capital Adequacy Assessment Process governing: • Operational Risk position; • Market Risk; • Compliance, Legal, Franchise and other strategic risks; D. Review and Recommend Risk Management Process/ systems/models/internal control system; E. Review of exception/critical items highlighted by Credit Risk Management Committee (CRMC), the Asset Liability Committee (ALCO) and other risk committees of the bank, if any. F. Reviewing strategy for addressing cyber security risks and its related issues.
08.	Human Resource and Remuneration Committee (HRRC)	(i) to assist and advice the MD& CEO in planning for senior management build-up of our Bank so as to ensure appropriate leadership is in place for our Bank's transformation strategy, including identifying persons who may be appointed as senior management in accordance with the laid down criteria, and recommend to the Board their appointment or removal, as applicable; (ii) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the key managerial personnel and other employees; (iii) to evaluate and approve HR policies of our Bank; (iv) to evaluate and approve various employee stock ownerships schemes that may be required from time to time to ensure that our Bank gets the rights talent and it able to retain high-performing employees etc; (v) to award employee stock options to employees, whether at the time of joining or in terms of performance, including deciding the level/grade of employees for review and award; (vi) to oversee the framing, review and implementation of compensation policy of our Bank on behalf of our Board; (vii) to work in close co-ordination with the Risk Management Committee of our Bank, in order to achieve effective alignment between remuneration and risks; (viii) to ensure that the cost/income ratio of our Bank supports the remuneration package consistent with maintenance of sound capital adequacy ratio; (ix) to appoint/discontinue trustees on the board of trustees of 'The Ratnakar Bank Limited Employees Provident Fund, 'The Ratnakar Bank Limited Employees Gratuity Fund' and 'The Ratnakar Bank Limited Employees Pension Fund' and to approve operational changes in the related trust deeds and/or decide on related matters; (x) to decide on grating of mandate to the Indian Bank Association for negotiating industry level wage settlements for workmen employee.
09.	Capital Raising Committee (CRC)	To assist and advise the Board from time to time on the state of the capital markets, avenues of raising additional capital for the Bank and steps that need to be taken to do the same. To allot shares/securities (including Tier II Bonds/debentures) to the concerned allottees/investors for the purpose of raising capital/funds for the Bank and other matters incidental thereto, as delegated by the Board in connection with the issue.
10.	CSR Committee (CSR)	(i) Reviewing, agreeing and establishing our Bank's CSR strategy and its implementation and ensuring that our Bank's social, environmental and economic activities are aligned together; (ii) developing and recommending for acceptance by the Board, policies on all aspects of CSR including CSR issues relating to employment , health and safety, human rights, workforce diversity and inclusion, the environment, community and social investment, compliance with ethical trading and business practices and other - related matters as may be determined by the committee from time to time; (iii) Receiving reports and reviewing activities from executive and specialist groups managing CSR matters across our Bank's operations; (iv) monitoring compliance with the CSR policies and reviewing performance against agreed targets; (v) recommending the amount to be incurred in relation to CSR activities in accordance with the policy/strategy; (vi) reviewing the integration of CSR processes with our Bank's broader business risk management programme and reputation management priorities; (vii) considering other topics as referred to it by the Board.
11.	IT Strategy Committee (ITSC)	(i) Approve IT strategy and policy documents; (ii) Ensure that the management has put an effective strategic planning process in place; (iii) Ensure that IT strategy is indeed aligned with business strategy; (iv) Ensure that the IT organizational structure complements the business model and its direction; (v) Ascertain that management has implemented processes and practices that ensure that the IT delivers value to the business; (vi) Ensure IT investments represent a balance of risks and benefits and that budgets are acceptable; (vii) Monitor the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources; (viii) Ensure proper balance of IT investments for sustaining bank's growth; (ix) Become aware about exposure towards IT risks and controls and evaluating effectiveness of management's monitoring of IT risks; (x) Assess Senior Management's performance in implementing IT strategies; (xi) Issue high-level policy guidance (e.g. related to risk, funding, or sourcing tasks); (xii) Confirm whether IT or business architecture is to be designed, so as to derive the maximum business value from IT; (xiii) Oversee the aggregate funding of IT at a bank-level, and ascertaining if the management has resources to ensure the proper management of IT risks; (xiv) Review IT performance measurement and contribution of IT to businesses (i.e., delivering the promised value). (xv) Monitoring the progress of achievement in digital transactions.
12.	Wilful Defaulter Review Committee (WDRC)	i) To review and confirm the decision of the Wilful Defaulter Identification Committee for classifying a borrower / promoters / directors / guarantors as Wilful Defaulters or otherwise in line with the extant RBI guidelines; ii) To review and confirm the decision of the Wilful Defaulter Identification Committee for removal of the names from the list of Wilful Defaulters or otherwise as reported to RBI / Credit Information Companies. iii) To review and confirm the decision of the Wilful Defaulter Identification Committee for publication of photographs of Wilful Defaulters or otherwise as reported to RBI / Credit Information Companies. iv) To review and confirm the decision of the Wilful Defaulter Identification Committee for reporting the names of third parties like builders, warehouse / cold storage owners, motor vehicle / tractor dealers, travel agents, etc. and professionals such as architects, valuers, chartered accountants, advocates, etc. to Indian Banks Association (IBA), who played a vital role in credit sanction / disbursement and were involved in fraud / wrong doing etc.
13.	Non-Cooperative Borrower Review Committee (NCBRC)	To review and confirm the decision of the Non-Cooperative Borrower Identification Committee for classifying a borrower / promoters / directors / person in-charge of management as Non-Cooperative or otherwise in line with the extant RBI guidelines.

BOARD LEVEL PERFORMANCE EVALUATION

The performance evaluation of the Board as a whole as well as that of its Committees, Directors (including Independent Directors) and Chairman of the Board was done in accordance with the relevant provisions of the Companies Act, 2013, the relevant Rules made thereunder and the Listing Regulations relating to Corporate Governance.

The Bank has in place Board approved templates/questionnaire for evaluation of the Board as a whole, its Committees and the individual members of the Board (including the Chairman). These templates are uploaded on a survey platform and directors get a link on their email to complete the survey. Feedback given on these surveys is completely anonymous.

Annexure I

Major criteria for evaluation of Board as whole is – (i) composition/diversity (Diversity of experience, gender, industry knowledge) (ii) evaluation of the strategic plan/policies (iii) review of the financial reporting process/budget and monitoring the company's internal controls (iv) quality of agenda and deliberations (v) engagement with the senior management team etc. Template for evaluations of Board has two sets of questions i.e. question requiring rating/grading and questions requiring directors to give detailed feedback.

Major criteria for evaluation of Chairman is (i) fair / impartial / unbiased attitude in governing the board (ii) dealing with dissent and building consensus (iii) ensuring that board and board committees and individual directors are participating in discussion (iv) reasonable and open minded on agenda item inclusion requests etc.

Major criteria for evaluation of Directors (including Independent Directors) is (i) maintain high standard of ethics/integrity/independence (ii) regularly and constructively attends meeting, Contributes positively in discussion and debate through thoughtful wise and clearly stated observation (iii) understands governance, regulatory, financial, fiduciary requirements of the Board/Committee (iv) helps in bringing Independent judgment on all matters that come before the board (v) effective and successful in managing relationships and constructively challenging views in discussion with fellow Board members and senior management etc.

The Committee of the Board are evaluated in terms of its composition, no of meetings held, time spent during the year and recommendations made to the Board etc.

Performance evaluation of Board as a whole, its Committees and Independent Directors was carried out by Board. As required, Independent Directors also held a meeting to evaluate the performance of Board as a whole, the Chairman of the Board and Non-Executive Directors. All Independent Directors were present for this meeting.

REMUNERATION OF DIRECTORS FOR FY 2018-19:

The Board has, on recommendation of the Human Resource & Remuneration Committee, framed a compensation policy which inter alia deals with remuneration structure and criteria for selection and appointment of directors.

The 'criteria for making payment to non-executive directors' of the Bank is available on the website of the Bank at https://ir.rblbank.com

Further, the Bank did not have any material pecuniary relationship or transactions with its Independent Directors during the year under review except payment of sitting fees and reimbursement of expenses for attending the meetings of the Board and its Committees, as disclosed in the Directors' Report.

The details of remuneration paid to the directors are as under:

a) Executive Directors including the Managing Director & CEO are being paid remuneration as recommended by the Human Resource and Remuneration Committee ("HRRC") and approved by the Board of Directors, RBI and members of the Bank. The details of remuneration of Mr. Vishwavir Ahuja, Managing Director & CEO and Mr. Rajeev Ahuja, Executive Director for FY 2018-19 is as under:

(Amt in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager Mr. Vishwavir Ahuja (MD & CEO)	Name of MD/WTD/ Manager Mr. Rajeev Ahuja (Executive Director)	Total Amount
1	Gross salary			
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,28,39,066	2,17,05,098	4,45,44,164
	b. Value of perquisites u/s 17(2) of the Income-tax Act, 1961	3,72,975	1,52,402	5,25,377
	c. Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–	–
2	Stock Option	12,00,000	9,00,000	–
3	Sweat Equity	–	–	–
4	Commission			
	– as % of profit	–	–	–
	– Others, specif.	–	–	–
5	Others, please specify	–	–	–
	Total-(A)	**2,32,12,041**	**2,18,57,500**	**4,50,69,541**

(Amt in ₹)

Notes:-

1. *Remuneration as above includes salary, taxable allowances, LTA, value of perquisites incurred by the Bank as per the Income Tax Rules, 1962, Company's Contribution to Provident Fund, Superannuation Fund and Annual Performance Linked Variable Compensation.*
2. *Section 197 of the Companies Act, 2013 is not applicable to Banking Companies by virtue of section 35B (2A) of the Banking Regulation Act, 1949.*

b) The details of sitting fees/other details paid to the Part-time Chairman and Non-executive Directors during FY 2018-19 is as under:

(Amt in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
1	**Independent Directors**	Mr. D Sivanandhan	Mr. Ishan Raina	Mr. Jairaj Purandare	Mr. P. Sudhir Rao	Ms. Rama Bijapurkar*	Mr. Vimal Bhandari#	Mr. Vijay Mahajan	
	a. Fee for attending board / committee meetings	9,00,000	6,87,500	10,30,000	7,62,500	3,00,000	4,80,000	1,00,000	42,60,000
	b. Commission	3,00,000	5,00,000	5,00,000	5,00,000	3,00,000	5,00,000	–	26,00,000
	c. Others, please specify	–	–	–	–	–	–	–	–
	Total (1)	**12,00,000**	**11,87,500**	**15,30,000**	**12,62,500**	**6,00,000**	**9,80,000**	**1,00,000**	**68,60,000**
2	**Other Non-Executive Directors**	Mr. Narayan Ramachandran (Chairman till May 19, 2018)	Mr. Prakash Chandra (Chairman w.e.f. May 20, 2018)						
	a. Fee for attending board / committee meetings	1,75,000	10,30,000	–	–	–	–	–	12,05,000
	b. Commission	–	5,00,000	–	–	–	–	–	5,00,000
	c. Others, please specify	2,01,613	12,98,387$	–	–	–	–	–	15,00,000
	Total-(2)	**3,76,613**	**28,28,387**	**–**	**–**	**–**	**–**	**–**	**32,05,000**
	Total-B (1+2)								**1,00,65,000**
	Total Managerial Remuneration								
	Overall Ceiling as per the Act	Refer Note below							

** Ms. Rama Bijapurkar resigned as Director of the Bank w.e.f. January 10, 2019.*

 # Mr. Vimal Bhandari Ceased to be Director w.e.f. September 13, 2018 upon completion of tenure.

$ Remuneration of ₹ 12,98,387/- for the FY 2018-19 to Mr. Prakash Chandra will be paid in the FY 2019-20.

Note: *In terms of the provisions of the Companies Act, 2013, the remuneration (other than sitting fees) payable to directors other than executive directors shall not exceed 1% of the net profit of the Bank. The Remuneration paid to the directors is well within the limits.*

Annexure I

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS

The details of holding of equity shares of the Bank by Non-Executive Directors as on March 31, 2019 are as follows:

Sr. No.	Name	No. of Shares held
1.	Mr. D. Sivanandhan	500
2.	Mr. Ishan Raina	–
3.	Mr. Jairaj Purandare	50,830
4.	Mr. P. Sudhir Rao	500
5.	Mr. Prakash Chandra	65
6.	Mr. Vijay Mahajan	50,000

CODE OF CONDUCT

The Board of Directors of the Bank had laid down a Code of Conduct for all its Members and Senior Management personnel of the Bank. This Code of Conduct is uploaded on Bank's website at https://ir.rblbank.com.

The Directors and Senior Management have affirmed their compliance with the Code of Conduct for the Financial Year 2018-19. A declaration from the Managing Director and Chief Executive Officer confirming the above is annexed to this report.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Bank. The Bank conducts an introductory familiarization program/ presentation, when a new Independent Director comes on the Board of the Bank.

The Director is provided with the orientation documents including in particular the MOA & AOA of the Bank, Annual Reports for last three financial years, Code of Conduct for Directors, RBL Trading Code, Organization Chart, List of Directors with details, Board Committees Chart, etc. The Managing Director & CEO along with members of senior management team also has a personal discussion/presentation with the newly appointed Director.

The details of the Familiarization programme have been uploaded on the Bank's website at: https://ir.rblbank.com/pdfs/regulatory/Familiarisation-programme-for-Independent-Directors.pdf.

DETAILS OF SHAREHOLDERS' COMPLAINTS

Mr. Vinay Tripathi, Company Secretary of the Bank is the Compliance Officer in terms of the Listing Regulations. Mr. Tripathi also acts as the Nodal Officer pursuant to provisions of Investor Education and Protection Fund Authority (IEPF) as prescribed under the CA 2013 and rules made thereunder.

The details of Shareholders' Complaints received during the FY 2018-19 are as follows:

Particulars	No. of Complaints
Investor complaints pending as at April 1, 2018	0
Investor complaints received during the year ended on March 31, 2019	16
Investor complaints resolved during the year ended March 31, 2019	16
Investor complaints pending as on March 31, 2019	0

Details of previous Annual General Meetings and special resolutions passed at such Annual General Meetings:

Location	Day, Date and time	Special Resolution
Residency Club, C.T.S. No. E2124, E Ward, Near Bawda Post Office, Opp. PWD Office, New Palace, Tarabai Park, Kolhapur - 416 003	Tuesday, September 6, 2016 11:30 a.m.	• Issuance of Long Term Bonds / Non-Convertible Debentures on Private Placement basis • Increase in Borrowing Powers
	Friday, August 4, 2017 11:30 a.m.	• Alteration in the Memorandum of Association on account of increase in Authorised Share Capital • Increase in Borrowing Powers • Issue of Debt Securities on Private Placement basis
	Friday. August 3, 2018 11:30 a.m.	• Increase in Borrowing Powers • Issue of Debt Securities on Private Placement basis

POSTAL BALLOT

Pursuant to Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Section 108, 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (the Rules), the Bank had passed the resolutions approving 'Employees Stock Option Plan 2018' and grant of employee stock options to the employees of Subsidiary(ies) of the Bank under 'Employees Stock Option Plan 2018' through postal ballot.

In compliance with the provisions of Section 108, Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Rules, the Bank had offered e-voting facility to all its Members as an alternate mode to exercise their right to vote. The Bank had appointed Central Depository Services (India) Limited to conduct voting through electronic mode.

The Bank had dispatched the Postal Ballot Notice and relevant forms along with postage prepaid business reply envelope to those Members whose names appear on the Registrar of members/Statements of Beneficial Holders provided by the Depositories i.e. NSDL and CDSL as on the cut-off date. The postal ballot notice was also sent in electronic form to those Members whose email address were registered with their respective Depository Participant in case of shares were held in dematerialized form or with the Banks share transfer agent i.e. link Intime India Private limited, in case shares were held in physical form. Further, as per the provisions of the Companies Act, 2013, the Bank had also published a notice in the newspaper declaring the details of completion of dispatch and other requirements.

The Bank had appointed Mr. Alwyn D'Souza, Practicing Company Secretary and failing him, Mr. Jay D'Souza Practicing Company Secretary of M/s Alwyn Jay & Co., Company Secretaries, as Scrutinizer (the Scrutinizer) for conducting the postal ballot/ e-voting process in a fair and transparent manner.

The result of the postal ballot was declared on June 20, 2018. The details of voting are as under:

1. Approval of 'Employee Stock Option Plan 2018'

No. of votes in favour	No. of votes against	% of votes in favour	% of votes against
22,59,96,697	83,32,848	96.44	3.56

2. To approve grant of employee stock options to the employees of Subsidiary(ies) of the Bank under 'Employees Stock Option Plan 2018'

No. of votes in favour	No. of votes against	% of votes in favour	% of votes against
22,60,28,074	83,32,945	96.44	3.56

The aforementioned Special Resolutions were passed with requisite majority by the Members.

Annexure I

DISCLOSURES

A. Related Party Transactions:

All related party transactions that were entered into during FY 2018-19 were in the ordinary course of business and on arm's length basis and accordingly, form AOC-2 is not applicable to the Bank. There are no materially significant related party transactions made by the Bank which may have a potential conflict with the interest of the Bank at large.

The Board of Directors has formulated a policy on dealing with Related Party Transactions pursuant to the provisions of the Companies Act, 2013 and Listing Regulations. The same is displayed on the Bank's website at https://ir.rblbank.com/pdfs/regulatory/RPTPolicy.pdf

B. Statutory Compliance, Penalties and Strictures:

During the last three years, there were no penalties or strictures imposed on the Bank by the Stock Exchange(s) and/or SEBI and/or any other statutory authorities on matters relating to capital market. However, during FY 2016-17, the Bank has paid settlement charges of ₹ 47.60 lacs to SEBI and compounding fees of ₹ 5 lacs to the Ministry of Corporate Affairs in connection with certain past violations w.r.t. the issue of shares as disclosed in the Prospectus dated August 24, 2016 filed with SEBI and Registrar of Companies.

C. Whistle Blower Policy (Vigil Mechanism)

Feedback by employees/associates is increasingly becoming important to ensure better governance standards and transparency in the running of organizations. RBI has also framed a separate Protected Disclosure Scheme, wherein employees, customers, and stakeholders of any bank can lodge a complaint with RBI on the functioning of a bank.

The Bank has established a "Whistle Blower Policy" for better governance to comply with the provisions of Section 177 of the CA 2013 read with rules framed thereunder and Listing Regulations. This policy covers malpractices and events which have taken place/ suspected to have taken place involving, but not limited to:

- Abuse of authority
- Breach of contract
- Manipulation of Bank data/records
- Financial or compliance irregularities, including fraud, or suspected fraud
- Criminal offence having repercussions on the Bank or its reputation
- Pilferation of confidential/proprietary information
- Deliberate violation of law/regulation
- Misappropriation or misuse of Bank funds/assets
- Breach of employee Code of Conduct or Rules
- Graft
- Leak of Unpublished Sensitive Information (UPSI) or Suspected Leak of UPSI
- Any other unethical, imprudent deed/behavior

Further, this policy also affords protection to whistle blower raising a genuine concern to prevent harassment or victimization and also provides for direct access to the Chairman of the Audit Committee in appropriate cases.

The aforesaid policy is available on website of the Bank https://ir.rblbank.com/pdfs/regulatory/4.Whistleblower-Policy.pdf

D. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Bank has complied with all mandatory requirements laid down by Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, to the extent applicable to the Bank.

As regards the discretionary requirements, the Bank has separate posts of Chairperson and Managing Director & CEO. Further, there are no audit qualifications in the Bank's financial statements or qualification or adverse remark by the Company Secretary in Practice in his Secretarial Audit Report for FY 2018-2019.The Bank wishes to continue in the regime of unqualified financial statements as well as Secretarial Audit Report.

E. Subsidiary Companies:

During the financial year under review, the Bank had increased its shareholding in RBL Finserve Limited (Formerly Swadhaar Finserve Private Limited) to 100%. Accordingly, RBL Finserve Limited is now a wholly owned subsidiary of the Bank. The details of the activities carried out by the subsidiary of the Bank during the financial year are provided in the Director's Report.

Pursuant to the above development and in compliance with the provisions of the Listing Regulations, the Bank had formulated a board approved policy for determining Material Subsidiaries. The policy on material subsidiaries is available on website of the Bank https://ir.rblbank.com/pdfs/regulatory/3.Policy-for-determining-Material-Subsidiaries.pdf

F. Disclosure of commodity price risks and commodity hedging activities:

The Bank has not undertaken any commodity price risk during FY 2018-19. The Bank has undertaken all commodity transactions on back to back basis.

G. Fees paid to Statutory Auditors:

The total fees incurred by the Bank and its subsidiary, on a consolidated basis, for the services rendered by statutory auditor M/s. B S R & Co. LLP and its affiliate entities is as below:

₹ in crore

Particulars	FY 2018-19
Audit Fees (including statutory certifications)	1.46
Other certifications	0.10
Reimbursement of expenses	0.09
Total	**1.65**

H. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. No. of Complaints filed during the financial year: 3
b. No. of Complaints disposed - off during the financial year: 2
c. *No. of Complaints pending as on end of the financial year: 1

(Pending complaint was received on March 26, 2019 for which enquiry is in progress as on March 31, 2019)

I. Certificate under Regulation 34(3) of SEBI Listing Regulations:

The Company has obtained a certificate from a Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

J. Details of utilization of funds:

During the year under review, there were no Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32(7A) of the Listing Regulations.

MEANS OF COMMUNICATION

The Bank has provided adequate and timely information to its members, inter-alia through the following means:

- The quarterly, half-yearly and annual financial results are communicated through Press Release and newspapers advertisement in prominent national and regional newspapers such as Business Standard, Pudhari, etc.
- The Bank also organizes a meeting/ call with the institutional investors and financial analyst's to address their queries on the financials etc. The transcripts / presentations of the same are also uploaded on the Bank's website.
- The financial results, official news releases and presentations are also displayed on the website of the Bank. https://ir.rblbank.com under 'Financials' tab.
- The Bank also publishes its Balance Sheet and Profit and Loss Account together with the Auditors' Report in newspaper(s) as required in terms of Section 31 of the Banking Regulation Act, 1949 and Rule 15 of the Banking Regulation (Companies) Rules, 1949.
- The Bank has promoted and administered the 'Green Initiative' proposed by the Ministry of Corporate Affairs and the Bank has been effecting the electronic delivery of Notice of Annual General Meeting and Annual Report to the members whose email ids are registered with the Bank/Registrar and Transfer Agent/Depositories. The Act and Rules thereunder and Listing Regulations provide for circulation of Financial Statements electronically to these members.

GENERAL MEMBER INFORMATION

Day, Date, Time and Venue of the Annual General Meeting	Tuesday, July 9, 2019 at 11.30 a.m. Residency Club, C.T.S. No. E2124, E Ward, Near Bawda Post Office, Opp. PWD Office, New Palace, Tarabai Park, Kolhapur 416 003
Financial Year	April 1, 2018 to March 31, 2019

Annexure I

Day and Date of Book Closure	Wednesday, July 3, 2019 to Tuesday, July 9, 2019 (both days inclusive)
Dividend Payment	The dividend of ₹ 2.70/- per Equity Share of face value of ₹ 10/- each, if approved by the Members at the ensuing AGM, will be credited / dividend warrant / demand draft dispatched before Wednesday, August 7, 2019.
Listing on Stock Exchanges	1. National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051 2. BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001 The Listing Fees for FY 2018-19 have been paid to the aforesaid Stock Exchanges.
Stock Code	BSE: 540065 NSE: RBLBANK
ISIN Number	INE976G01028
Registrar and Transfer Agents	**Link Intime India Pvt. Ltd.** C – 101, 247 Park, 1st Floor, LBS Marg, Vikhroli West, Mumbai – 400 083 Tel No. 022 – 49186270 Fax No. 022- 49186060 Email ID : rnt.helpdesk@linkintime.co.in
Share Transfer System	The Board has delegated the authority for approving transfer, transmission, etc. of the Bank's securities to MD & CEO, Executive Director, Chief Financial Officer and Company Secretary, any two jointly. The Bank's shares are traded under compulsory dematerialized mode. A half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations is obtained from the Company Secretary in Practice and a copy of the certificate is filed with the Stock Exchanges.
Dematerialization of shares and liquidity	As on March 31, 2019, the 98.31% of share capital of the Bank was held in the dematerialized form viz. 81.21% with NSDL and 17.10% with CDSL and 1.69% shares were being held in physical form.
Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	The Bank does not have any Outstanding GDRs / ADRs / Warrants or any other Convertible instrument as on date.
Commodity price risk or foreign exchange risk and hedging activities	The information on the Commodity price risk or foreign exchange risk and hedging activities is explained elsewhere in this report.
Plant Locations	As the Bank is engaged in the business of banking/financial services, there is no plant location.
Debenture Trustees	**IDBI Trusteeship Services Limited** Asian Building, Ground Floor, 17, R Kamani Marg, Ballard Estate, Mumbai 400001 Contact Person: Mr. Krishnakant Tel No.: 022 4080 7000 **Milestone Trusteeship Services Pvt. Ltd.** CoWrks Worli, PS56, 3rd Floor, Birla Centurion, Century Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 030 Contact Person: Mr. Ravi Misra Tel No.: +91 22 62886119 / 20
Address for correspondence/ Address of Compliance Officer	**Link Intime India Pvt. Ltd.** Unit: RBL Bank Limited C – 101, 247 Park, 1st Floor, LBS Marg, Vikhroli West, Mumbai – 400 083 Tel No. 022 – 49186270 Fax No. 022 – 49186060 Email ID : rnt.helpdesk@linkintime.co.in Company Secretary & Compliance Officer **RBL Bank Limited** One Indiabulls Centre, 5th Floor, Tower 2B, 841, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013 Phone No. : 022 – 43020600 Fax No. : 022 – 43020520 Email: investorgrievances@rblbank.com
Ratings	The Credit Rating for various debt instruments and Certificate of Deposits issued by the Bank are provided in the Directors' Report.

Distribution of the shareholding as on March 31, 2019:

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Share-holding
1-500	152,795	91.07	12,025,867	2.82
501-1000	5,257	3.13	4,256,276	1.00
1001-2000	3,448	2.06	5,231,938	1.23
2001-3000	1,645	0.98	4,246,849	0.99
3001-4000	712	0.42	2,563,738	0.60
4001-5000	663	0.40	3,104,590	0.73
5001-10000	1,333	0.80	9,654,350	2.26
10001 & above	1,920	1.14	385,626,120	90.37
Total	**167,773**	**100.00**	**426,709,728**	**100.00**

Shareholding Pattern as on March 31, 2019:

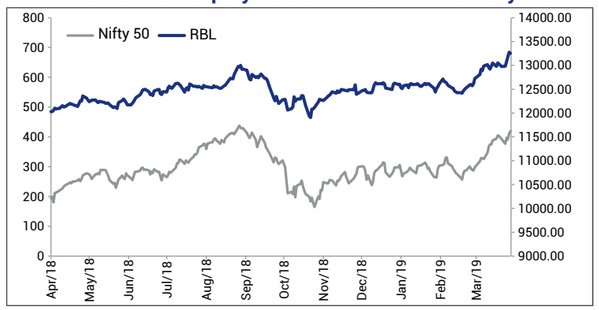
Category	No. of shares	%
Promoter & Promoter Group	–	–
Public		
Mutual Funds	86,064,381	20.17
Foreign Portfolio Investors	80,238,827	18.80
Financial Institutions/ Banks	1,084,931	0.26
Bodies Corporate	29,783,495	6.98
Foreign Companies	83,595,098	19.59
Individual members holding nominal share capital up to ₹ 2 lakhs.	45,910,766	10.76
Individual members holding nominal share capital in excess of ₹ 2 lakhs.	54,559,541	12.79
Clearing Members	3,384,629	0.79
NRI	5,672,765	1.33
Others	36,415,295	8.53
Total	**426,709,728**	**100.00**

Market Price Data: High, Low during each month in FY 2018-19:

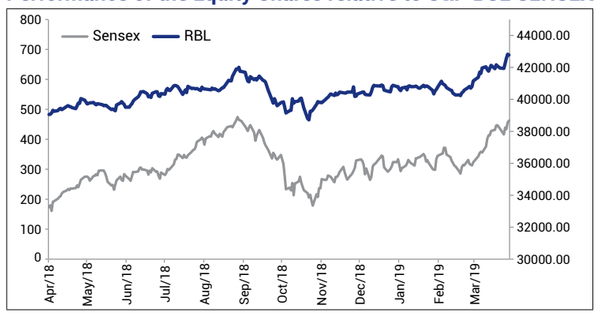
Month	NSE			BSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April 2018	545.00	475.00	23,791,148	545.00	472.00	4,284,136
May 2018	529.80	492.30	16,791,578	530.90	490.00	1,202,781
June 2018	571.80	502.00	31,938,998	571.50	502.75	2,183,665
July 2018	590.50	546.00	42,315,077	590.50	546.40	7,802,613
Aug 2018	651.95	556.10	36,855,167	652.00	556.70	2,609,248
Sep 2018	643.50	504.35	29,323,678	643.20	504.50	2,170,182
Oct 2018	551.00	438.20	51,242,715	550.70	438.80	3,861,837
Nov 2018	577.45	517.90	33,257,314	577.50	518.50	2,123,519
Dec 2018	590.50	536.20	22,995,526	590.65	539.85	1,526,880
Jan 2019	588.95	542.00	21,867,686	588.80	542.10	1,362,872
Feb 2019	607.45	543.45	24,507,465	607.50	543.10	1,270,272
Mar 2019	691.45	578.10	72,629,904	692.10	573.00	3,453,002

Annexure I

Performance of the Equity Shares relative to NSE Nifty Indices during FY 2018-19:



Performance of the Equity Shares relative to S&P BSE SENSEX during FY 2018-19:



SHARE SUSPENSE ACCOUNT

Details of Unclaimed shares (physical share certificates) as on March 31, 2019 are as under:

Particulars	Members	Shares
Aggregate number of members and the outstanding shares in the suspense account lying as on 1st April, 2018	14	7,370
Number of members who approached the Bank for transfer of shares from suspense account during the period 2018-19	14	7,370
Number of members to whom the shares were transferred from the suspense account during the period 2018-19	14	7,370
Aggregate number of members and the outstanding shares in the suspense account lying as on 31st March, 2019	Nil	Nil

The voting rights on such shares shall remain frozen till the rightful owner claims the shares.

COMPLIANCE WITH THE CODE OF CONDUCT AND ETHICS

I confirm that all Directors and members of the Senior Management have affirmed compliance with RBL Bank Code of Conduct and Ethics.

Sd/-
Vishwavir Ahuja
Managing Director & CEO

Place: Mumbai
Date: April 18, 2019

CEO/CFO CERTIFICATION

We, Vishwavir Ahuja, Managing Director & CEO and Mr. Deepak Ruiya, Chief Financial Officer *(interim)* of RBL Bank Limited (hereinafter "the Bank") hereby certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the Financial Year ended March 31, 2019 and that to the best of our knowledge and belief:

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) these statements together present a true and fair view of the Bank's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Bank during the year which are fraudulent, illegal or violative of the Bank's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Bank pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee:

  (i) significant changes in internal control over financial reporting during the year;

  (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

  (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Bank's internal control system over financial reporting.

Sd/-
Vishwavir Ahuja
Managing Director & CEO

Sd/-
Deepak Ruiya
Chief Financial Officer (interim)

Place: Mumbai
Date: April 18, 2019

Annexure I

CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To The Members of
RBL Bank Limited,

We have examined the compliance of conditions of corporate governance by RBL Bank Limited (the 'Bank') for the year ended March 31, 2019, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

We state that the compliance of conditions of Corporate Governance is the responsibility of the management and our examination was limited to procedures and implementation thereof adopted by the Bank for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Bank.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the management, we certify that the Bank has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of LODR.

We further state that such compliance is neither an assurance as to the future viability of the Bank nor the efficiency or effectiveness with which the management has conducted the affairs of the Bank. This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

Place : Mumbai
Date : April 18, 2019

ALWYN JAY & Co.
Company Secretaries

Sd/-
[Jay D'Souza FCS.3058]
(Partner)
[Certificate of Practice No.6915]

Office Address :
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

Annexure II

FORM NO. MR.3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
RBL Bank Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RBL Bank Limited** (CIN: L65191PN1943PLC007308) (hereinafter called **"the Bank"**).

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct and statutory compliance and expressing our opinion thereon.

Based on the verification of the Banks's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Bank and the information provided by the Bank, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Bank has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Bank has followed proper Board-processes and have required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Bank for the financial year ended on **31st March, 2019** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder for compliance in respect of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, **as applicable**;

(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), **as applicable**:

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable as the Bank is not registered as Registrar to issue and Share Transfer Agent during the financial year under review**;

Annexure II

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2016 - **Not applicable as the Bank has not delisted / proposed to delist its equity shares from any stock exchange during the financial year under review**;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable as the Bank has not bought back / proposed to buy-back any of its securities during the financial year under review** and

i) The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.

j) The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

(vi) Other specific business/industry related laws applicable to the Bank -The Bank has complied with the provisions of The Banking Regulation Act, 1949, Master Circulars, Notifications and Guidelines and other directions pertaining to commercial banking issued by the Reserve Bank of India. Further, the Bank has complied with other applicable general business laws, rules, regulations and guidelines.

We have also examined compliance of:

(a) the Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India; and

(b) SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the period under review, the Bank has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above.

We further report that:

(a) the Board of Directors of the Bank is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors;

(b) the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

(c) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and shorter notice with consent of all the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting; and

(d) The minutes of the Board meetings have not identified any dissent by members of the Board, hence we have no reason to believe that the decisions by the Board were not approved by all the directors present.

We further report that there are adequate systems and processes in the Bank commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Bank has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period there were following specific events/actions having major bearing on Bank's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards etc.:

1. The Bank had acquired remaining stake in RBL FinServe Limited ('RBL FinServe') on 28th June, 2018 and thereby increased its shareholding in RBL FinServe to 100%. Accordingly, RBL FinServe has now become a Wholly Owned Subsidiary of the Bank.

2. Approval of Shareholders was sought through Postal Ballot on 20th June, 2018 to approve the 'Employees Stock Option Plan, 2018' to create, offer, issue and grant/allot such number of options, in one or more tranches, to eligible employees of the Bank and to the employees of present and future subsidiary(ies) of the bank under Employees Stock Option Plan, 2018 not exceeding in aggregate 2,00,00,000 Equity shares of ₹ 10 each fully paid up of the Bank.

3. Approval of Shareholders was obtained on 3rd August, 2018 under Section 180(1)(C) of the Companies Act, 2013 by way of passing Special Resolution for increase in the Bank's borrowing powers of an amount up to ₹ 18,000 Crores (Rupees Eighteen Thousand Crores).

4. Approval of Shareholders has been obtained on 3rd August, 2018 under Section 42 of the Companies Act, 2013 by way of passing Special Resolution for issue of Debt Securities on Private Placement basis of an amount up to ₹ 2,500 Crores (Rupees Two Thousand Five Hundred Crores).

5. Allotment of 70,42,181 Equity Shares of ₹ 10/- each under 'Employee Stock Option Plan/ Schemes' of the Bank.

6. Ms. Rama Bijapurkar has resigned as Independent Director of the Bank w.e.f. 10th January, 2019. Therefore, as on date, there is no Woman Independent Director on the Board of the Bank. However, the bank is in the process of appointing the suitable person to comply with the said requirement.

7. There was fire incident occurred on May 27, 2018 on one or few floor(s) of National Operations Centre (NOC) of the Bank located at the Techniplex complex in Goregaon, Mumbai. However, the fire had not caused much damage to any property of the Bank and all the employees and contact staffs of the Bank were safe.

ALWYN JAY & Co.
Company Secretaries

Sd/-

[Alwyn P D'Souza FCS.5559]
(Partner)
[Certificate of Practice No.5137]

Place : Mumbai
Date: 12/04/2019

Office Address :
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

Annexure III

Disclosure under Regulation 14 - SEBI (Share Based Employees Benefits) Regulations, 2015 (Financial Year 2018-19)

Sr. No.	Particulars	ESOP 2010*	ESOP 2013	RESOP 2014*	ESOP 2018
1	**Description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -**				
(i)	Date of Shareholders' approval	June 30, 2010 & February 21, 2014	June 30, 2010; February 21, 2014 & January 17, 2017	June 30, 2010 & February 21, 2014	June 20, 2018
(ii)	Total number of options approved under ESOS	Not more than 12% of the paid-up equity capital of the Company, at any point in time under one or more Employee Stock Option Schemes.	Not more than 12% of the paid-up equity capital of the Company, at any point in time under one or more Employee Stock Option Schemes. As per approval granted by shareholders on January 17, 2017. 1,13,99,400 options were approved under the ESOP in addition to the outstanding un-exercised options.	Not more than 12% of the paid-up equity capital of the Company, at any point in time under one or more Employee Stock Option Schemes.	Not more than 12% of the paid-up equity capital of the Company, at any point in time under one or more Employee Stock Option Schemes. As per approval granted by shareholders on June 20, 2018, 2,00,00,000 options were approved under the ESOP in addition to the outstanding un-exercised options.
(iii)	Vesting requirements	Till June 20, 2016 the Vesting schedule was defined as follows: 40% of granted stocks shall get vested on completion of 1 year from the grant date, 30% of granted stocks shall get vested on completion of 2 year from the grant date, 30% of granted stocks shall get vested on completion of 3 year from the grant date. From June 21, 2016 to March 15, 2017 the Vesting schedule was defined as follows: 30% of granted stocks shall get vested on completion of 1 year from the grant date, 30% of granted stocks shall get vested on completion of 2 year from the grant date, 40% of granted stocks shall get vested on completion of 3 year from the grant date. From March 16, 2017 onwards the Vesting schedule has been defined as follows: 10% of granted stocks shall get vested on completion of 1 year from the grant date, 20% of granted stocks shall get vested on completion of 2 year from the grant date, 30% of granted stocks shall get vested on completion of 3 year from the grant date and 40% of granted stocks shall get vested on completion of 4 year from the grant date.			
(iv)	Exercise price or pricing formula	Exercise Price shall be determined by Board or a Committee thereof from time to time based on the Market Price per Share as on date of grant of options. However, it will not be less than the face value of the share.			
(v)	Maximum term of options granted	Currently, the vesting period for the options granted is four year from the date of grant of options. The vesting can extend up to five years from the date of grant of options. The Exercise period in respect of a vested option shall be three years from the date of vesting of such options.			
(vi)	Source of shares (primary, secondary or combination)	Primary	Primary	Primary	Primary
(vii)	Variation in terms of options	No variations in terms of options			
2	**Method used to account for ESOS - Intrinsic or fair value**	Intrinsic value			

Sr. No.	Particulars	ESOP 2010*	ESOP 2013	RESOP 2014*	ESOP 2018
3	**Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.**	If the Bank had adopted the Black-Scholes model based fair valuation, compensation cost for the year ended March 31, 2019, would have increased by ₹ 106.96 crore (previous year ₹ 47.75 crore) and the profit before tax would have been lower correspondingly. Accordingly, on a pro-forma basis, basic and diluted earnings per share for the year ended March 31, 2019 would have been ₹ 18.83 and ₹ 18.43, respectively (Previous year ₹ 14.60 and ₹ 14.03, respectively).			
4	**Option movement during the year (For each ESOS):**				
(i)	Number of options outstanding at the beginning of the period	207,500	22,846,705	326,050	0
(ii)	Number of options granted during the year	0	3,401,000	0	13,566,100
(iii)	Number of options forfeited / lapsed during the year	450	2,381,371	0	348,900
(iv)	Number of options vested during the year	0	7,668,225	4,800	
(v)	Number of options exercised during the year	207,050	6,567,531	267,600	0
(vi)	Number of shares arising as a result of exercise of options	207,050	6,567,531	267,600	0
(vii)	Money realized by exercise of options (INR), if scheme is implemented directly by the company	10,749,825	976,746,531	17,953,050	0
(viii)	Loan repaid by the Trust during the year from exercise price received	NA	NA	NA	NA
(ix)	Number of options outstanding at the end of the year	0	17,298,803	58450	13,217,200
(x)	Number of options exercisable at the end of the year	0	4,460,491	58,450	0
5	**Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.**	**FY 2018-19**			

Stock option activity under the scheme	No of Options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life years
Outstanding at the beginning of the year	23,380,255	46.50 – 564.45	279.24	4.03
Granted during the year	16,967,100	479.85 – 580.45	536.19	
			536.19	
			536.19	
			536.19	
Forfeited during the year	2,714,875	55 – 564.45	452.68	
Exercised during the year	7,042,181	46.50 – 564.45	142.78	
Expired during the year	15,846	46.5 – 80	67.68	
Outstanding at the end of the year	30,574,453	55 – 580.45	437.97	4.45
Options exercisable at the end of the year	4,518,941	55 – 564.45	232.65	2.14

Annexure III

Disclosure under Regulation 14 - SEBI (Share Based Employees Benefits) Regulations, 2015 (Financial Year 2018-19)

Sr. No.	Particulars	ESOP 2010*	ESOP 2013	RESOP 2014*	ESOP 2018
6	**Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -**				
(i)	Senior Managerial Personnel				

Emp. No.	Name	Functional Designation	Options Granted	Exercise Price
1	Vishwavir Ahuja	Managing Director & Chief Executive Officer	1,200,000	511.9
2	Rajeev Ahuja	Executive Director	900,000	511.9
1599	Shanta Vallury	Head - HR, CSR & Internal Branding	400,000	552.05
2101	R Gurumurthy	Head - Risk & Governance	550,000	552.05
2617	Andrew Gracias	Head - Financial Markets	500,000	552.05
3528	Surinder Chawla	Head - Geography Branch & Business Banking	130,000	552.05
4129	Harjeet Toor	Head - Retail, Inclusion and Rural Business	550,000	552.05
7084	Neeta Mukerji	Chief Credit Officer	50,000	552.05
9616	Vincent Valladares	Head - Commercial Banking	120,000	552.05
11658	Ramnath Krishnan	Chief Risk Officer	500,000	503.5
11720	Jaideep Iyer	Head - Strategy	500,000	490.2
12926	Sankarson Banerjee	Chief Information Officer	400,000	526.45
13970	Pankaj Sharma	Chief Operations Officer	500,000	580.45

(ii)	any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	–	–	–	FY19 Vishwavir Ahuja : 12,00,000 Rajeev Ahuja : 9,00,000
(iii)	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	–	–	–	–
7	**A description of the method and significant assumptions used during the year to estimate the fair value of options including the followign information:**	The fair value has been calculated using the Black Scholes Option pricing model.			
(i)	the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model	The fair value of options granted during the year has been estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:			

Particular	2018-19	2017-18
Expected dividend yield	0.36%-0.44%	0.32%-0.36%
Expected volatility	30.34%~32.04%	31.41%~34.86%
Risk free interest rates	6.35%-7.82%	6.20%-6.68%
Expected life of options in years (across each tranche)	1.0-5.5	1.0-5.5

(ii)	the method used and the assumptions made to incorporate the effects of expected early exercise	N.A.			
(iii)	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Expected volatility is a measure of the amount by which the equity share price is expected to fluctuate during the period. The measure of volatility used in Black-Scholes option pricing model is the annualized standard deviation of the continuously compounded rates of return on the share over a period of time. Expected volatility has been computed by considering the historical data on daily volatility in the closing equity share price on NSE of similar listed banks over the expected tenor of each tranche.			
(iv)	whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	N.A.			
8	**Disclosures in respect of grants made in three years prior to IPO under each ESOS**				
(i)	Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made	–	6,094,190	58,450	–

** Plans have been discontinued except for the vesting and exercise of options already granted.*

Annexure IV

Annual Report on CSR Activities

Enclosing the link for the ready reference: https://rblbank.com/api/v1/doc/document/Social%20Responsibility%20Policy/csr-policy-rbl-bank.pdf

Corporate Social Responsibility (CSR)

The Bank's CSR vision is to be the most admired, compassionate and respected organization delivering value to all stakeholders through equitable and inclusive growth. This is done through various focused initiatives in promoting education, preventive healthcare, women empowerment and sustainable livelihood that catalyze growth and reduce social inequalities. The Bank does this together with like-minded partners from public and private sectors and with the commitment of our own highly-skilled workforce. We encourage employees to volunteer and fundraise, and support their efforts to make a difference.

The Bank's CSR efforts are headed by the CSR Committee of the Board, which is supported by an executive steering committee and the working committee. The key objective of Bank's CSR policy is to ensure an increased commitment at all levels in the organization to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.

CSR Vision - To be the most admired, compassionate and respected organization delivering value to all stakeholders through equitable and inclusive growth.

CSR Mission - To deliver and promote inclusive growth in the country through various focused initiatives in promoting education, preventive healthcare, women empowerment and sustainable livelihood to catalyze growth and reduce social inequalities.

In FY 2018-19, the Bank has successfully built partnership with new NGO partners to address larger social issues under sustainable livelihood, women empowerment, education and preventive healthcare. We undertook 28 projects this year which have impacted more than 45,000 direct beneficiaries. A brief overview of our projects and programmes are as below:

Sustainable Livelihood

Partnering with an NGO 'Under the Mango Tree', the Bank has launched this innovative initiative for bee rearing that helps preserve nature's ecological balance. The project named Bees For Poverty Reduction (BPR), has improved the income of 463 farmers through training on bee-keeping and handholding in the states of Maharashtra, Gujarat and Madhya Pradesh.

RBL Bank supports marginalized and small farmers through two projects with Dilasa Janvikas Prathisthan. Growing of medicinal plants and using SRI (System of rice intensification) techniques have resulted in increase in farmer incomes in Sindhudurga & Aurangabad, Maharashtra.

With Green Communities Foundation (GCF) the Bank is training youth to become waste management experts and gain employment facility management companies in Mumbai. The training focusses on technical components of waste management, soft skills, communications skills workplace etiquettes etc.

Skill Development

The success of a nation always depends on the success of its youth. To narrow the existing gap between the demand and supply of skills, the Bank has partnered with Samarthanam Trust to support youth with visual impairment with an objective of helping them gain employment. This is in addition to the digital and financial literacy programme that the Bank runs in partnership with Natarajan Education Society (NES).

To improve the lives of sanitation workers in Chandrapur, Maharashtra, the Bank has initiated a programme with Samhita Social Ventures which will crowd-source ideas to make a real difference to the working conditions of this group.

Women Empowerment

The Bank has developed a digital course in fashion designing in partnership with NES where women can acquire tailoring and designing skills and upgrade their income. This was rolled out with women from Atul Institute of Vocational Education (AIVE) Dharampur, Valsad district, Gujarat, where the Bank supports skills training for women. This course will further be used in Pune with the same objective of enhancing income for women.

The Bank has invested in another unique project "Home Chef" with NES. This will result in stay-at-home women from the urban poor segment to increase their income by 50%.

The Bank has collaborated with Mann Deshi Foundation on running a business school for women, wherein focus is on imparting life skills and vocational trainings in Hubli, Karnataka.

The Bank is supporting a livelihood project in partnership with Aajeevika Bureau in Gogunda and Sayra, Udaipur district, Rajasthan. Here, spouses of migrant farmersare provided with skills-training and seed capital to set up small enterprises to supplement their sporadic household income.

Education

To provide equitable opportunities to under privileged girl children, RBL Bank in association with IIMPACT supports primary education of out-of-school girls through 30 learning centres in Sheopur district, Madhya Pradesh and Mewat district, Haryana.

The Bank continues to work towards providing access to quality education to marginalized communities with Udbhav School, run by IIMAAA charitable trust, which caters to children (57% girls) with a nominal fee of ₹ 100 to ₹ 150 per month. The 5th edition of RBL Bank's 'Umeed 1000' Cyclothon was also organized from Mumbai to Bengaluru en route RBL Bank branches to raise awareness for importance of girl child education. 30 employees of RBL Bank did cycling for 1000 kilometres to support the cause and raised 2.5 crore.

The Bank has collaborated with Paragon Charitable Trust that runs Muktangan Schools to provide in-service training to teachers to provide quality education to under-privileged children. The core focus of the intervention is on learning pedagogy, experiential learning, teacher training etc.

With Dr. Shanta Vaidya Memorial Foundation (DSVMF), Pune the Bank supports children with specific learning difficulties like dyslexia.

Preventive Healthcare

In partnership with Aditya Jyot Foundation for Twinkling Little Eyes, the Bank is working towards spreading mass awareness and screening of the susceptible population for Diabetic Retinopathy (retina damage due to diabetes) in various parts of Mumbai. The Bank has adopted two eye care centers for the same.

The Bank also supports the screening, detection and surgery of underprivileged children suffering from retinoblastoma (eye cancer) in partnership with Iksha Foundation.

Composition of CSR Committee

- Mr. D. Sivanandhan – Chairman
- Mr. Jairaj Purandare – Member
- Mr. Ishan Raina – Member
- Mr. Vijay Mahajan – Member
- Mr. Vishwavir Ahuja – Member
- Ms. Shanta Vallury Gandhi – Permanent Attendee

1. **Average Net Profit of the company for last 3 financial years :** 691.46 Crore
2. **Prescribed CSR expenditure (2% of this amount as in item 3 above) :** 13.83 Crore
3. **Details of CSR spend for the financial year.**
   a. Total amount spent for the financial year : ₹ 10.55 Crore
   b. Amount unspent, if any : ₹ 3.28 Crore

c. Manner in which the amount spent during the financial year is detailed below

(₹ in lakhs)

CSR project/ activity identified	Sector in which the Project is covered	Projects/Programs 1) Local area or other 2) specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project / program wise	Amount spent on the project / programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative spend upto the reporting period	Amount spent (Direct / implementing agency)
Aditya Jyot Foundation	Health	Dharavi,Mumbai, Maharashtra	23.00	23.00	23.00	Implementing Agency
Iksha Foundation	Health	Bangalore, Karnataka	20.00	20.00	20.00	Implementing Agency
HDFC Cancer Cure Fund	Health	Mumbai, Maharashtra	19.56	19.56	19.56	Implementing Agency
Rotary Samaj Seva Kendra	Health	Kolhappur, Maharashtra	10.00	10.00	10.00	Implementing Agency
Devasthan Management Committee Western Maharashtra Kolhapur	Health	Kolhappur, Maharashtra	7.15	7.15	7.15	Implementing Agency

Annexure IV

Annual Report on CSR Activities

(₹ in lakhs)

CSR project/ activity identified	Sector in which the Project is covered	Projects/Programs 1) Local area or other 2) specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project / program wise	Amount spent on the project / programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative spend upto the reporting period	Amount spent (Direct / implementing agency)
District Health Office Zilla Parishad – Kolhapur	Health	Kolhappur, Maharashtra	7.15	7.15	7.15	Implementing Agency
District Health Office Zilla Parishad – Sangli	Health	Sangli, Maharashtra	7.15	7.15	7.15	Implementing Agency
Tasgaon Nagar Parishad, Tasgaon	Health	Tasgaon, Maharashtra	7.15	7.15	7.15	Implementing Agency
Vadgaon Municipal Council Vadgaon	Health	Pathwadgaon, Maharashtra	2.99	2.99	2.99	Implementing Agency
Kurundwad Nagar Parishad, Kurundwad	Health	Kurundwad, Maharashtra	2.99	2.99	2.99	Implementing Agency
Indian Institute of Management Ahemdabad	Education	Ahmedabad, Gujarat	125.00	125.00	125.00	Implementing Agency
Udbhav School	Education	Hyderabad, Telangana	95.00	95.00	95.00	Implementing Agency
Gautam Gambhir Foundation	Education	NCR, Delhi	75.00	75.00	75.00	Implementing Agency
International Foundation for Research and Education	Education	Sonipath, Haryana	50.00	50.00	50.00	Implementing Agency
Iimpact	Education	Sheopur District, Madhya Pradesh & Mewat District, Haryana	31.50	31.50	31.50	Implementing Agency
Paragon Charitable Trust	Education	Mumbai, Maharashtra	25.00	25.00	25.00	Implementing Agency
Dr. Shanta Vaidya Memorial Foundation	Education	Pune, Maharashtra	15.00	15.00	15.00	Implementing Agency
Dau Dayal Advocate Shanti Devi Shiksha Samiti	Education	Mathura, Uttar Pradesh	3.00	3.00	3.00	Implementing Agency
Govt Kannada Lower Primary School	Education	Belgavi, Karnataka	1.00	1.00	1.00	Implementing Agency
Mobile Creches for Working Mothers Child	Education	Raja Bazar, New Delhi	1.00	1.00	1.00	Implementing Agency
Arya Jana Kalyan Sansthan	Education	Etah, Uttar Pradesh	0.10	0.10	0.10	Implementing Agency
Dilasa Janvikas Pratishthan	Livelihoods	Sindhudurga & Aurangabad, Maharashtra	150.00	150.00	150.00	Implementing Agency
Natrajan Education Society	Livelihoods	Pune, Maharashtra	89.19	89.19	89.19	Implementing Agency
Under The Mango Tree Society	Livelihoods	Gujarat, Maharashtra, Madhya Pradesh	58.32	58.32	58.32	Implementing Agency
Samarthanam Trust	Livelihoods	Pune, Maharashtra	53.48	53.48	53.48	Implementing Agency
Mann Deshi Foundation	Livelihoods	Hubli, Karnataka	35.00	35.00	35.00	Implementing Agency
Atul Rural Development Fund	Livelihoods	Dharampur, Gujarat	25.68	24.37	24.37	Implementing Agency
Green Communities Foundation	Livelihoods	Mumbai, Maharashtra	20.00	20.00	20.00	Implementing Agency
Rajasthan Shramsarathi Association	Livelihoods	Udaipur, Rajasthan	20.00	20.00	20.00	Implementing Agency
Collective Goods Foundation	Livelihoods	Chandrapur, Maharashtra	20.00	20.00	20.00	Implementing Agency
Khadi and Village Industries Commission (KVIC)	Livelihoods	Mumbai, Maharashtra	1.50	1.50	1.50	Implementing Agency
United way of India	Livelihoods	Mumbai, Maharashtra	0.68	0.68	0.68	Implementing Agency
Other CSR Expenses			53.39	53.38	53.38	
Total			**1055.98**	**1054.66**	**1054.66**	

Reason for not spending Prescribed CSR Expenditure

Over the years, the Bank has endeavoured to contribute to credible NGO partners and the neediest beneficiaries, ensuring alignment to our Vision and Mission. The Bank's CSR activities are spread across 6 Indian states, addressing the needs of the underprivileged sections of society while focusing on providing sustainable livelihoods, empowering women, education and preventive healthcare.

The Bank identified new opportunities during the year that address larger social issues such as livelihoods for Persons With Disabilities (PWDs), education for the children of martyrs who

Annexure IV

Annual Report on CSR Activities

would have had to discontinue or downgrade their education due to loss of the sole breadwinner in the family, and a steady income flow for families of migrant workers who work on a sporadic basis. The Bank continued to support its sustainable livelihood activities to strengthen the financial conditions of farmers and women from low income groups. Overall, the Bank has made a contributions of 10.55 crore for the financial year 2018-19, an increase of 52% over previous year.

The Bank was not able to spend the entire prescribed CSR as few of the planned CSR activities had less than estimated utilization of funds. Further, due to enhanced monitoring and evaluation of projects, the Bank decided to suspend funding of some projects where the outcomes were not as planned. These projects were replaced by other interventions during the second half of the year. A thorough due diligence was employed by the CSR committee to review new proposals, selecting those with scalable impact. Many of these have long gestation periods and therefore are expected to see increased spends, in line with their improved outcomes in the future.

The Bank remains committed to continually explore new opportunities which align to its CSR philosophy and create maximum impact and incrementally invest in CSR activities to spend the prescribed CSR amount in the subsequent years.

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:** L65191PN1943PLC007308

2. **Name of the Company:** RBL Bank Limited ("the Bank")

3. **Registered address:** 1st Lane, Shahupuri, Kolhapur 416 001

4. **Website:** www.rblbank.com

5. **E-mail id:** secretarial@rblbank.com

6. **Financial Year reported:** FY 2018-19

7. **Sector(s) that the Company is engaged in (industrial activity code-wise):** 64191- Commercial Banking activities

8. **List three key products/services that the Company manufactures/provides:** The Bank offers various Banking and financial services under following business verticals namely: Corporate and Institutional Banking, Commercial Banking, Branch and Business Banking, Agribusiness Banking, Development Banking and Financial Inclusion, Treasury and Financial Markets Operations.

9. **Total number of locations where business activity is undertaken by the Company**

   (a) **Number of International Locations (Provide details of major 5):** The Bank does not operate in any international location, however, it has an International Financial Service Center Banking Unit ("IBU") in Gujarat International Finance Tech City (GIFT), Gandhi Nagar, Gujarat.

   (a) **Number of National Locations –** As on March 31st, 2019, the Bank had a network of 324 own branches and a presence in 21 States and Union Territories ('UT') in India. In addition, the Bank had 226 Banking Outlets (BO), 993 nos. Business Correspondent (BC) branches (including 452 BC branches belonging to RBL Finserve Ltd.).

10. **Markets served by the Company – Local/State/National/ International:** The Bank largely serves customers in India.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

		RBL	RFL
1.	**Paid up Capital:**	₹ 4,267,097,280/- as on 31st March, 2019	₹ 54, 67, 99,130/- as on 31st March, 2019.
2.	**Total Turnover (FY2018-19):**	₹ 3982 Crore[1]	₹ 193.40 Crore
3.	**Total profit after taxes (FY2018-19):**	₹ 867 Crore	Loss of ₹ 5.58 Crore
4.	**Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**	Approx. CSR expenses for FY19, ₹ 10.55 Crore/ profit after tax for FY19, ₹ 867 Crore = approx. 1.22%	RFL does not qualify for CSR mandate as per Sec. 135 of Companies Act, 2013. Hence not applicable.

5. **List of CSR activities for which expenditure stated in Q.4 has been incurred:**

The Bank undertook 28 CSR projects in FY19 which have impacted more than 45,000 direct beneficiaries. The Bank has successfully built partnership with NGO partners to address larger social issues under sustainable livelihood, education and preventive healthcare.

Highlights of Bank's CSR activities are as below:

a. Preventive Healthcare -

- The Bank, in partnership with Aditya Jyot Foundation for Twinkling Little Eyes, has been working towards spreading mass awareness and screening susceptible population for Diabetic Retinopathy in underprivileged sections of Mumbai. In FY19, more than 35,000 people have been screened under this programme.
- The Bank has sponsored screening, detection and surgery of 20 underprivileged children suffering from retinoblastoma (eye cancer) in partnership with Iksha Foundation in FY19.
- RBL Bank donated 4 ambulances in Kolhapur and Sangli region to provide better accessibility to healthcare services, on occasion of its 75th anniversary.

[1] Turnover is defined as Total Income = Net interest income + Other Income; as on 31st March, 2019.

Business Responsibility Report

b. Education-

- The 5th edition of Cyclothon, "Umeed 1000", Bank's premier CSR event - where 30 cyclists from RBL Bank cycled across 10 major cities, viz., Mumbai, Pune, Satara, Kolhapur, Belagavi, Hubballi, Ranibennuru, Chitradurga, Tumakuru and Bengaluru, successfully raised ₹ 2.5 Crore funds for education of underprivileged girls. The Bank supports Udbhav School, set up by IIMAAA charitable trust in Rasoolpura slums, Hyderabad since 2014. In FY19 approx. 192 girls have received quality education and all-round growth and development at a nominal fee of ₹ 100 to 150 per month.
- The Bank supports the education of 50 children of martyred soldiers. This was done in partnership with Gautam Gambhir Foundation.
- The Bank initiated a teacher training programme with Muktangan schools in partnership with Paragon charitable trust. The programme is aimed at developing 30 teachers. These teachers will train other teachers in government schools apart from teaching at Muktangan schools, thereby enhancing the quality of primary and secondary school education.

c. Skill development-

- The Bank has partnered with Samarthanam Trust for IT & ITES skill development training of 100 visually impaired youth to equip them with livelihood opportunities in Pune, Maharashtra. Around 70% of these youth have secured employment in leading companies in Pune.
- The Bank has partnered with Green Communities Foundation (GCF) on Waste management expert (WME) programme - wherein Bank supports a livelihood programme for youth from slum pockets of Mumbai. This programme has created 20 Waste Management Experts in FY19. These Experts will further help 5 housing societies to keep their premises clean and green.
- The Bank, in association with Natarajan Education Society (NES), provides banking and financial services related training to 80 local youth in slums of Ghatkopar and Bhandup in Mumbai, for enhancing their employability in in BFSI sector. Almost 65% have secured employment in coveted organizations.

d. Sustainable Livelihood & Women empowerment

- The Bank supports farmers from Marathwada and Konkan region to increase their income through (a) innovative System of Rice Intensification (SRI) (in Sindhudurg) and (b) cultivation of medicinal plants (Aurangabad). The project, undertaken in partnership with Dilasa Janvikas Pratishthan, has positively impacted 2574 farmers in FY19.
- Bank, through its NGO partner 'Under the Mango Tree', supports "Bees for Poverty Reduction" (BPR) programme, which has resulted in 40% enhancement of annual income for 463 farmers in rural regions of Maharashtra, Gujarat & Madhya Pradesh in FY19.

e. The Bank has undertaken 4 new projects to empower underprivileged women:

- The Bank and Natarajan Education Society (NES) have developed a digital course on fashion designing to help women entrepreneurs engaged in tailoring to increase their income. A pilot batch was organized in partnership with Atul Rural Development Fund in Valsad, Gujarat with 33 women in FY19.
- The Bank and Natarajan Education Society (NES) have started a course 'Home Chef', which has upskilled 50 housewives in professional cooking techniques in FY19 to sell their produce and set-up their own ventures. The project also aims to create market linkages for these women.
- The Bank supports Mobile Van project with Mann Deshi Foundation in Hubli, Karnataka, which provides skill-development for small time women entrepreneurs, e.g. financial literacy, fashion designing, tailoring, beautician courses etc. soft skills, to enable them to set up their own enterprises. In FY19, 1,839 women have benefitted from this.
- The Bank has partnered with Shram Sarathi Foundation for providing training & seed capital to spouses of migrant workers to set-up and /or provide working capital for small enterprises in Udaipur. Approx. 350 women have been provided with seed capital of average ₹ 3,000 in FY19.

f. Others

- RBL employees participated actively in the volunteering opportunities arranged by the Bank across geographies this year. In all, 682 employees have given their time in supporting various causes resulting in overall 5,430 volunteering hours.
- Roughly 50% of Bank employees have contributed towards CSR related programmes through payroll giving.
- A CSR Workshop was conducted for the CSR committee members on 18th September, 2018 to stay abreast with the CSR practices, law, compliance, implementation and reporting norms.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies? –** The Bank has a wholly owned subsidiary, viz. RBL Finserve Limited (earlier Swadhaar Finserve Pvt. Ltd.) ("RFL"). RFL is a non-banking financial company, and works as a last-mile distributor of comprehensive financial services and products for the Bank, in particular loans and savings products to low income households and micro entrepreneurs.
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? -** YES
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] –** None

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR:

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

- DIN: 00074994
- Name: Mr. Vishwavir Ahuja
- Designation: MD and CEO

(b) Details of the BR head:

No.	Particulars	RBL	RFL
1.	DIN Number (if applicable)	00003545	06656213
2.	Name	Mr. Rajeev Ahuja	Mr. Vikas Muttoo
3.	Designation	Executive Director	Managing Director & CEO
4.	Telephone number	+91 22 4302 0600	+91 22 3318 3500
5.	e-mail id	Rajeev.Ahuja@rblbank.com	Vikas.Muttoo@rblfinserve.com

Business Responsibility Report

2. Principle-wise (as per National Voluntary Guidelines) Business Responsibility Policy(s):

(a) Details of compliance (Reply in Y/N)

The National Voluntary Guidelines on social, environmental and economic responsibilities of business prescribed by the Ministry of Corporate Affairs advocates the nine principles (detailed below) as P1-P9 to be followed:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

The principle wise responses:

No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
		See Note 1	See Note 2	See Note 3	See Note 4	See Note 5	See Note 6	See Note 7	See Note 8	See Note 9
1.	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? If YES, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Policies like Bank's CSR policy, Code of Bank's Commitment to Customer, Code of Bank's Commitment to Micro and Small Enterprises etc. are available online on Bank's web-portal (www.rblbank.com).								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Policies apart from those mentioned above are available on Bank's intranet for reference of the Bank's employees. Some of these policies are displayed on Bank's website. A detailed list of policies has been communicated to Reserve Bank of India.								
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Head of Departments are responsible for effective implementation of the policies. The Compliance Department monitors the adherence to implementation of policies mandated by RBI.								

Notes:

Note 1 - RBL Bank has the following policies, viz. Compliance Policy, Whistleblower Policy, Anti Money Laundering Policy, Vigilance and Fraud Policy, Policy of Ethical Conduct, Code of Bank's Commitment to Customers, Employee's Code of Conduct, Policy on dealing with Related Party Transactions, Fair Practice Codes for Banking and Lending, Insider Trading Code, Staff Accountability Policy, Customer Rights Policy, Grievance Redressal Policy for stakeholder, and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI). These polices guide the Bank to attain ethical, transparent and accountable means of doing business. Similarly, RFL has a Board approved Compliance Manual, Fraud Manual and Code of Conduct for RFL employees which mandates and drives the ethical conduct in RFL. RFL follows RBL's grievance redressal policy.

These policies have been approved by Bank's Board. Board committees like the Audit Committee, Risk Management Committee (RMC), Anti-Fraud Committee (AFC), Customer Service, Branding and Marketing Committee (CSBMC) and Human Resource and Remuneration Committee (HRRC) ensure compliance with these polices. These policies are rolled out by Bank's Vigilance, Compliance, Secretarial, Human Resources departments and Customer Support groups.

All policies are uploaded on Bank's Intranet, while policies relating to external stakeholders (like whistleblower policy, fair practice code, grievance redressal policy, fair disclosure code) are displayed on the Bank's website https://www.rblbank.com/pdf-pages/bank-policies.

Note 2 - The Bank complies with regulations governing its products and services and has taken initiatives to promote environmental sustainability through their lifecycle.

The Bank agricultural business division has a dedicated line of credit for financing energy efficient agricultural practices like drip/micro irrigation practices, installation of solar pump-sets, and installation of solar home solution in offgrid area to promote water and energy efficiency. Details of this programme could be found at http://rblbank.com/sustainability-framework.aspx. This line is administered by Bank's retail agri-banking group and is guided by Bank's Sustainability Policy.

In addition, the Bank's Environmental and Social (E&S) Risk policy (subservient of Bank's Sustainability Policy) mandates that all large wholesale credit transactions are evaluated for associated environmental and social risks. The Bank works with Clients to assess the E&S risks associated with their operations and devises mitigation strategy, where necessary. This enables the Bank to promote sustainability amongst the clients.

Note 3 - RBL Bank's policies towards employees revolve around the following HR policies - Employees Code of Conduct, Compensation Policy, Employees Leave Policy, Grievance Redressal Policy, Employee Suggestion Scheme, Staff Accountability Policy, Maternity Leave Policy, Anti-Sexual Harassment Policy and Mandatory Leave Policy. Some policies are based on Indian regulations (viz. Maternity Leave Policy, Anti-Sexual Harassment Policy etc.), some are based on International best practices while some policies (viz. mandatory leave policy) follow RBI's guidelines. RFL follows the same / similar polices.

All policies have been approved by Bank's Board. All policies are uploaded in Bank's intranet and available for review by Bank's employees.

Note 4 - Bank's Credit Policy for Financial Inclusion (FI) Business guides Bank's efforts towards marginalized and vulnerable population. This credit policy follows RBI master-circular on PSL sector lending and MSME Act. It has been approved by the Bank's Board is available on the intranet. RBL Bank's development banking and financial inclusion activities are listed on Bank's webpage, http://rblbank.com/Developmental-Banking-and-Financial-Inclusion.aspx.

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The Bank undertakes activities focused at providing education, preventive healthcare, women empowerment and sustainable livelihood related activities in poor, marginalized and vulnerable sections of the society through its structured CSR programmes. These are guided by Bank's Corporate Social Responsibility (CSR) Policy. The policy is available at https://www.rblbank.com/api/v1/doc/document/Social%20Responsibility%20Policy/csr-policy-rbl-bank.pdf. The CSR policy has been approved by the Bank's Board and its activities are governed by CSR Committee of the Board in compliance with Sec. 135 of Companies Act, 2013. Bank's CSR Department looks after implementation of the CSR policy.

Note 5 - The Code of Conduct adopted by the Bank addresses the human right issues at workplace. The Code emphasizes fair employment practices & diversity, fair competition, prohibition of harassment & intimidation and safety of the employees at the workplace. The Code of Conduct is approved by Bank's Board and is displayed on Bank's intranet for reference of the employees. The Human Resource department looks after the successful roll out of the Code of Conduct.

Similarly, for suppliers, the Bank has Supplier's Standard which covers aspects like responsible business practice – including ensuring human rights along Bank's value chain. This standard is a part of all tender documents and mandatory for Bank's goods/service suppliers to follow.

The Bank follows the Code of Commitment based on the standards issued by The Banking Codes and Standards Board of India (BCSBI) which covers aspects like good and fair banking practices, transparency in services and products, high operating standards as Customer Rights. The code to Bank's Commitment to Customer is available at https://rblbank.com/api/v1/doc/document/BCSBI%20Members/code-of-banks-commitment-to-customers-january-2018.pdf.

Note 6 - Bank's Sustainability Policy governs the Bank's environment related activities, including reviewing environmental and social risk associated with wholesale lender's operations and practices. It has been approved by the Bank's Board.

The Environmental, Social and Governance (ESG) Committee of the Bank, headed by the Bank's Executive Director, oversees the implementation and roll out of the policy across the Bank. The Bank has an Environmental and Social (E&S) Risk Department which manages the day-to-day implementation of the Sustainability Policy. The Policy is available on the Bank intranet. Please refer to the following page for more details on Bank's Sustainability Framework http://rblbank.com/sustainability-framework.aspx.

Note 7 - Bank's Environmental & Social (E&S) Risk Policy dictates that when the Bank engages with external stakeholder like regulators, trade associations, industry bodies etc. for redressal of a grievance or for influencing public policy and voicing its opinion; it should do so in a (i) responsible manner, (ii) ensuring fairness while voicing opinion, and (iii) promoting greater public good. The policy has been approved by the Bank's Board and is made available on Bank's intranet.

Note 8 - The Bank has a Corporate Social Responsibility (CSR) Policy. The CSR policy has been approved by the Bank's Board and its activities are governed by CSR Committee of the Board in compliance with Sec. 135 of Companies Act, 2013. The policy is available on Bank's website https://www.rblbank.com/api/v1/doc/document/Social%20Responsibility%20Policy/csr-policy-rbl-bank.pdf. A separate CSR Department is present, which looks after the implementation of CSR related activities across the Bank. The Bank has special emphasis in education of underprivileged children, promoting preventive healthcare, women empowerment and promoting sustainable livelihood in rural, underprivileged areas.

In addition, Bank's Credit Policy for Financial Inclusion (FI) Business guides Bank's Financial Inclusion efforts. FI activities are aimed towards improving the quality of life of poor women folk in rural and semi-rural areas of India, by honing their entrepreneurial skills. Bank's financial inclusion efforts are supported by financial literacy (FL) training of clients. This, in the long run, helps them to access mainstream finance, break free from the shackles of poverty and avoid loan sharks.

Note 9 - The Bank has the following policies oriented towards it customers – Code of Bank's Commitment to Customer, Policy on Outsourcing of Financial Services, Commercial Credit Policy(s), Information Security Policy, Citizen Charter(s), Comprehensive Deposit Policy, and Policy on Collection of Dues and Repossession of Securities and Privacy Policy. These polices have been approved by the Bank's Board and different sub-committees of the Board look after the implementation of the policies. Some of these policies are available on Bank's website http://rblbank.com/BankPolicies.aspx.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Not applicable

No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	–	–	–	–	–	–	–	–	–
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	–	–	–	–	–	–	–	–	–
3.	The company does not have financial or manpower resources available for the task	–	–	–	–	–	–	–	–	–
4.	It is planned to be done within next 6 months	–	–	–	–	–	–	–	–	–
5.	It is planned to be done within the next 1 year	–	–	–	–	–	–	–	–	–
6.	Any other reason (please specify)	–	–	–	–	–	–	–	–	–

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year etc.

The performance on aspects of BR is reviewed by the Bank's Management Committee, headed by its MD & CEO on periodical basis, at least on annual basis. Certain aspects like Environmental and Social (E&S) performance of the Bank are reviewed by Bank's Board on quarterly basis.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, Bank publishes its annual BRR. It is already a part of Annual Report for FY17 and FY18. Link to download are available at https://ir.rblbank.com/annual-report.aspx.

In addition, the Bank has published its first sustainability report in FY18. It is available on https://ir.rblbank.com/pdfs/financial-highlights/sustainability_report.pdf.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

Bank's Code of Conduct covers all Bank employees. The code defines bribery and corruption as a potential misconduct, and has defined procedure for reporting, documenting, and disciplinary actions to be taken in case of violation of code. The Code of Conduct also extends to suppliers, and linked to the Bank's Supplier's standards. Similarly, RFL's Code of Conduct is applicable to RFL employees.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

	Carried forward from FY 2017-18 (i.e. pending as on 31st March 2018)	Nos. registered in between 1st April, 2018 and 31st March, 2019	Nos. successfully resolved between 1st April, 2018 and 31st March, 2019	Nos. pending resolution as on 31st March, 2019
Customer complaints[$]	790	31,700	31,861	629
Investor complaints	0	16	16	0
Customer cases	61	99	5	155

Note: $ includes both RBL and RFL's customer complaint figures

Business Responsibility Report

Principle 2: Business should provide goods and services that are safe and contribute to sustainability through their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Bank has the following services aimed at Environmental and Social concerns:

a. **Environmental and Social (E&S) risk assessment** for all large transactions aimed at pre-emptive identification and mitigation of E&S risks associated with transactions. E&S risk assessment also leads to identification of water and energy saving opportunities in Borrower's operations.

b. **Sustainable agri-business practices** which promotes micro-irrigation, solar pump-sets and installation of solar home appliances, reducing water and energy wastage and promotes sustainable agricultural practices.

c. **Various financial inclusion products** (like micro-banking & no-frills accounts, micro-enterprise financing, micro-saving and remittance, crop, life and accident insurance products etc.) have been rolled out by the Bank, for underprivileged, under-banked and unbanked sections of the society.

d. **Financial literacy training programmes** aimed for poor women folk and rural people in general.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

Not applicable as the Bank is a service sector industry.

(b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Yes. Bank's sustainable agricultural initiatives, (like installation of drip irrigation system, installation of solar pump sets, installation of offgrid solar power plants in remote villages, and replacement of old pump sets) are aimed at reduction in water consumption, energy usage in irrigation, replacement of conventional energy sources like electricity and kerosene with renewable energy sources and improving Borrower's quality of lives. .

Drip irrigation technology, in which water is supplied at regular intervals to the roots of crops using pipes, significantly reduces water wastage compared to traditional flooding irrigation –water savings are estimated to be 47% for sugarcane and 33% for banana cultivation, when compared to traditional flood irrigation practices. As irrigation relies on electricity-intensive water pumps, using less water reduces electricity consumption, and consequently CO_2 emissions. Estimates based on field survey data show that drip irrigation could save over 1MT CO_2e for sugarcane and almost 0.9 MT CO_2e for bananas per hectare[2].

In addition, Bank helps install solar pumps for its clients. These pumps are generally of 7.5 -10 HP (5.6 -7.45 KW) capacity. These pumps help farmers in areas where electricity supply is not present or is erratic.

During FY19, Bank's drip irrigation program has helped to save 6,470 MWhr. of energy, and 5,623 MT CO_2e in approx. 5,352 Ha of sugarcane cultivation.

Bank's solar pump sets (for lift irrigation) have saved 4,246 MWhr. of energy and 3,541 MT of CO_2e in FY19.

Bank's 5,046 nos. solar home solution loans have helped save the emission of 307 MT of CO_2e in FY19 (by replacing kerosene lamps) and help off grid small communities to enhance their quality of life.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

Bank being a service sector industry; it is minimally resource intensive.

(a) **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

Not applicable.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Most of Bank's goods and services are sourced locally. The primary resources consumed for its day-to-day operations include paper from local vendors, grid electricity, water from municipal sources, and diesel, for DG sets in locations where power supply is erratic in nature.

(a) **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

As a part of Bank's financial inclusion business Bank supports small manufacturers, retail shop-owners and material supplier to skill-up, scale-up, create assets and create jobs. Please refer to case study conducted by CDC Group and IFC (2017) which infers that out of 113 SMEs sampled, (a) approx. 85% SMEs have experienced average 9% YoY growth in sales, (b) approx. 80% have experienced 10% YoY growth in income, (c) approx. 81% SMEs observed an average 7% YoY growth in assets between 2016-17 that could be exclusively attributed to RBL Bank's loan[3].

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Being a service sector industry, Bank's waste stream is non-hazardous in nature, which largely comprises paper and plastic waste, and some electronic waste. The Bank has established a procedure for recycling paper waste and electronic waste.

During FY19, the Bank recycled 3,489 kg of paper, cardboard and other packaging waste and plastics from its Corporate Office, Lower Parel and National Operating Centre, Goregaon, through Viagreen, an environmental protection organization based in Mumbai.

In FY19 Bank has not disposed off any electrical and electronic waste.

Principle 3: Businesses should promote the wellbeing of all employees

		RBL	RFL
1.	**Please indicate the total number of employees (as on 31st March, 2019)**	5,843	4,724
2.	**Please indicate the Total number of employees hired on temporary/contractual/casual basis (as on 31st March, 2019):**	16	23
3.	**Please indicate the Number of permanent women employees (as on 31st March, 2019):**	1,365	475
4.	**Please indicate the Number of permanent employees with disabilities**	5#	Nil
5.	**Do you have an employee association that is recognized by management**	Yes	Not applicable
6.	**What percentage of your permanent employees is members of this recognized employee association?**	7.65%	Not applicable

Note: # This is not tracked actively. The number is based on number of employees who have sought exemption under sec. 80 D of Income Tax Act in FY19.

2 Please refer to Global Climate Partnership Fund Annual Report for 2014 (https://www.gcpf.lu/files/assets/downloads/annual_reports/GCPF_AR-2014_web.pdf). See pages 38-39.

3 Kehoe, A. and Khanna, M., "SME Finance and Growth: Evidence from RBL Bank". CDC Group, Plc. and IFC joint study (2017). Please visit https://assets.cdcgroup.com/wp-content/uploads/2018/07/02194504/SME-Finance-and-Growth-2018.pdf

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7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

	Carried forward from FY 2017-18 (i.e. pending as on 31st March 2018)	Nos. registered in between 1st April, 2018 and 31st March, 2019	Nos. successfully resolved between 1st April, 2018 and 31st March, 2019	Nos. pending resolution as on 31st March, 2019
Child labour/ forced labour/ involuntary labour	0	0	0	0
Sexual harassment	0	3	2	1
Discriminatory employment	0	0	0	0

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Bank's Security Team provides safety training (security, safety, evacuation planning, and fire training) to all employees and contract workers present on the premises. Nos. of safety related trainings (security, safety, fire safety & evacuation training) conducted at branches/offices/vendor sites and attendees, are presented below.

Nos. of Trainings conducted during FY19	No. of attendees
183	2786

Bank has a Learning and Organization Development (L&OD) team, which looks after the skill development aspects of employees. Bank undertakes (a) classroom trainings (incl. external training of employees) and (b) E-learning training. A synopsis of the content of these training programs is presented below.

E-Learning programs	Classroom based training programs
• **Compliance:** AML, KYC, Insider Trading • **Behaviour:** Performance Conversation, Business etiquettes, Responding to feedback you disagree with, Sustainability primer • **Product & Process:** Programs on Accounts, credit cards, Investments, Cash Management, etc.	• **Compliance:** Information Systems Control and Audit, Trends in cyber-attacks, Advanced Fraud Detection & Forensic Investigation, etc. • **Behaviour:** Managerial Effectiveness Program, Behavioural Events Interview, Service Excellence, RM essentials, Eye for detail, etc. • **Product & Process:** Advance Excel, Data visualization, Financial Modeling etc. • **Leadership Programs:** Young Leader Development Programme (YLDP), Mid-level Leadership Development Program (MLDP) and Senior-level Leadership Development Program (SLDP)

Please refer to table provided below for details on no. of persons attending different forms of trainings and nos. of person days employed in training.

Mode of Training	Number of programs	Unique employees covered (including resigned employees)$	Total Man-hours Invested	Total Man-days Invested
E-Learning	147	6,688	25,152	3,144
Classroom Program	452*	2,826	83,288	10,411
Total	**599**	**6,891**	**1,08,440**	**13,555**

Note: * Includes only unique programs - Instructor Led Training : 74 nos.; Operations: 374 nos.; Leadership: 4 nos.
$ An employee may have opted for more than one training programme. Hence the number of employees undergone e-learning and classroom programme will be higher than total employees (incl. resigned employees)

Gender disaggregated training data is provided in table below:

Gender Coverage	FY18		FY19	
	Employees covered#	Person days dedicated to training	Employees covered#	Person days dedicated to training
Male	5025	1.5	5321	1.66
Female	1292	1.9	1566	1.96

Note: # - this also includes resigned RBL employees

Training and skill-updation details for RFL is provided below:

Mode of Trainings	Recipient(s)	Number of Sessions	Participants	Man-days
Classroom- Induction	New joinees	204	2937	672
On Job Training	Branch manager / regional manager/ field staff	498	616	498
Con Call	HR & business core team, Regional Trainers and L&D team	21	30	10.5
Online Training (e-learning series)	Staff selected basis Training Need Assessment.	46	Pan India	–

Principle 4: Business should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the company mapped its internal and external stakeholders? Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, the bank has identified disadvantaged, vulnerable & marginalized stakeholders like communities below poverty lines, underprivileged women folks, children with health issues etc. and addresses them with financial inclusion product(s), financial literacy training(s) and priority sector lending as per RBI guidelines. In addition, Bank also supports such vulnerable sections of the community through its corporate social responsibility programmes.

The target segment of RFL' business consists of low income households and micro-entrepreneurs. This segment of society has generally been neglected and out of reach of the formal financial sector and has had to rely on informal means of credit. A significant percentage of RFL's borrowers are women.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Bank addresses the disadvantaged, vulnerable and marginalized stakeholders, like people below poverty line, underprivileged women folks, children with health issues/disability, micro-entrepreneurs, women entrepreneurs etc. through the following programs.

- Financial Inclusion (FI) products / services
- Focused Financial Literacy (FL) training programmes
- Priority Sector Lending in agri, MSME and other sectors
- Corporate Social Responsibility (CSR) programs

Business Responsibility Report

RBL Bank's Development Banking and Financial Inclusion (DBFI) segment ensures that rural unbanked and under-banked customers avail basic banking services through Banks's own and Business Correspondence (BC) branches. Presently RBL Bank has 993 BC branches in 21 state.

As on FY19 the Bank financial inclusion products bouquet includes:

- Wholesale loans, term loans, asset finance, working capital finance, loan syndication and rated securitization for small and micro-enterprises;
- Individual loans aimed at income enhancement, consumer durable loans and top-up loans for existing Joint Liability Group (JLG) customers;
- Agri investment loans, crop loans, agri allied loans for dairy and non-dairy sectors;
- Micro saving instruments like no frill (PMJDY) accounts, flexible recurring deposits and remittances;
- Life insurances, general insurances, credit line micro insurances, and health insurances;
- Simplified medicalim products 'Hospicash' - Both borrower and spouse can be covered for cash benefit of ₹ 1,000 per day for up to 30 days for hospitalization at nominal premium. Approx. 12.28 lakh policies were sold in FY19.

As on 31st March, 2019, the Bank has 25 lakh active borrowers and a gross loan portfolio of ₹ 5,038.06 Crore in DBFI segment.

Progress of Bank's ongoing Financial Literacy (FL) program "Saksham" in Maharashtra, Gujarat and Rajasthan in FY19 is provided in table below. The program was launched in December, 2016 and since inception approx. 1,35,286 women clients have been trained through classroom based programs.

States	Nos. of FL training sessions in FY19	Nos. of clients* benefitted in FY 2019
Maharashtra	1563	10,307
Gujarat	2122	16,892
Rajasthan	140	1,417
Total	**3,825**	**28,616**

Note: * 'Client' generally refers to women folks from under-privileged background.

Financial literacy programme "Unnati" was launched in four districts of Bihar in April 2018, by RBL Bank in association with CDC Group and RFL. The program originally was designed to provide classroom training of 30,000 women spread across 15 BC Branches in 4 districts of Bihar. By the end of January, 2019, when Phase I of 'Unnati' was completed, the programme has overshot its original target and has trained 32,251 women clients. Phase II of Unnati FL programme will commence in April, 2019.

Priority Sector Lending (PSL) is mandated by Reserve Bank of India (RBI) for lending to sectors like agriculture and allied activities, micro and small enterprises, small housing loans, education loans and other low income groups and weaker sections. In FY19 RBL Bank has lent ₹ 15963. 72 Crore to these sectors. As on 31st March 2019; RBL Bank's PSL portfolio had a net outstanding of ₹ 15,828.48 Crore (₹ 11,486.42 Crore as on 31st March, 2018) with 26,76,996 beneficiaries (21,18,935 beneficiaries in FY18). A sectoral breakup is presented in table below:

Sectors	Loan Amount disbursed in FY19 (₹ Crore)	No. of beneficiaries as on 31st March, 2019	Balance Outstanding as on 31st March, 2019 (₹ Crore)
Agriculture$	5,632.52	13,78,074	6,862.04
MSME#	9,639.77	7,70,689	8,084.89
Educational loans	18.97	14,333	26.30
Small housing loans*	92.35	23,751	155.43
Loans to weaker sections@	6,077.88	26,19,079	6,171.57

Note:

$ Includes both agri and agri allied activities like poultry, dairy and fisheries.

Includes both service and manufacturing micro, small and medium enterprises.

* Small housing loans include up to ₹ 28 lakhs loans in metropolitan / urban areas and up to ₹ 20 lakhs in other areas.

@ Weaker section includes small and marginal farmers, SC/ST borrowers, beneficiaries under various Govt. of India schemes, loans to distressed persons, loans to individual women beneficiaries, loans to Self Help Groups (SHG) etc. This category may include figures already included in other PSL categories, hence addition of all PSL sectors may not always add up to net PSL outstanding figure.

Details of Bank's Corporate Social Responsibility (CSR) programme focuses on preventive healthcare, girl child education, skill development of young men / women and sustainable livelihood and women empowerment. Details about the Bank's CSR program are provided in Sec. B. answer to Q. 5.

Principle 5: Business should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?

Human rights, esp. worker's rights of employees are covered under the Bank's Employees Code of Conduct. Supplier's human right issues esp. fair treatment is covered under the Standard for Suppliers.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Please refer to answer provided to Q. 7 under Principle 3, for details of internal stakeholder complaints, customer complaints and investor complaints received and resolved in FY19. The Bank follows an open door policy, where both Bank employees as well as non-employee workers could meet Bank's Human Resources / Administration team leads and resolve their grievances.

Principle 6: Businesses should respect, protect and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/others:

Bank's Environmental & Social (E&S) Risk Policy is aimed at identifying and reducing E&S related risks at transaction level. All long term exposures to wholesale Clients are evaluated for associated Environmental and Social (E&S) risks. The Bank engages with the Borrowers to develop mitigation plans to correct gap(s) identified during due diligence process.

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2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming etc.? Y/N. If yes, please give hyperlink for webpage etc.

The Bank's Environmental and Social (E&S) risk assessment process is applied to all large and long term exposures of the Bank. Under the E&S risk assessment process; the Bank evaluates how likely Borrower's physical infrastructure, performance, and operations & maintenance activities will be impacted by climate change. For more about Bank's E&S risk management practices please refer to Bank's Sustainability Report https://ir.rblbank.com/pdfs/financial-highlights/sustainability_report.pdf.

In addition, Bank's has a dedicated line of credit for financing climate friendly agricultural practices like drip/micro irrigation practices, installation of solar pump-sets, and installation of solar home solution in offgrid area to promote energy and water efficiency and improving quality of life of farmers. Details of the benefits accrued from these programme could be found at https://www.gcpf.lu/news-detail/productivity-gains-a-piece-of-cake.html and at https://green-lending-forum.gcpf.lu/2018/04/11/climate-finance-in-agriculture/.

3. Does the company identify and assess potential environmental risks?

Yes, E&S risks assessment is part of credit risk assessment process of the Bank. All large and long term exposures of Bank are evaluated for E&S risks. Material and potential E&S risks associated with transactions, are identified and documented, and where needed corrective action plans are developed and agreed between the Bank and Borrowers.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Not applicable.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? If yes, please give hyperlink for web page etc.

The Bank has installed 102 KW_0 renewable energy in its 21 rural branches, Sangli Office and Bank's Head Office in Kolhapur, generating approx. 141 MW of solar power in last FY, and saving approx. 116 MT CO_2e per annum[4]. In addition, adopting video conferencing (VC) has saved nearly 33.7 MT of CO_2e emission[5] in FY19.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported

Given the nature of business, the Bank's waste-streams are limited to paper, packaging material and sewage. Hence this requirement is not applicable. Paper and packaging wastes from Bank's offices are recycled through authorized agencies, and sewage is disposed off in municipal sewers.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil.

Principle 7: Businesses, when engaged in influencing public and regulatory policies, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Bank is a member of the following associations/chambers/ trade bodies:

- Indian Merchant Chamber (IMC)
- Confederation of Indian Industries (CII)
- Federation of Indian Chamber of Commerce and Industries (FICCI)
- International Market Assessment India Private Limited (IMA)
- Maharashtra Economic Development Council
- Association of Mutual Funds in India
- BSE Broker's Forum
- Fixed Income Money market and Derivative Association (FIMMDA)
- Foreign Exchange Dealers Association of India
- Indian Bank's Association (IBA)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Bank provides feedback with respect to draft policies put up on regulatory domain by regulators such as RBI, Govt. of India and other trade bodies relating to banking, finance and economic reforms.

Principle 8: Business should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Bank has a Corporate Social Responsibility (CSR) policy in compliance with sec. 135 of Companies Act, 2013, as amended to date. The CSR policy is publicly available on Bank's website (please visit https://www.rblbank.com/api/v1/doc/document/Social%20Responsibility%20Policy/csr-policy-rbl-bank.pdf)

The policy identifies the following thrust areas:

- Promoting Education
- Promoting health, including Preventive Health care
- Promoting gender equality, women empowerment
- Rural Development Project- Livelihood
- Any other activity as may be identified by the CSR Committee

Details of RBL Bank's CSR related activities is provided in Sec. B, answer to Question no. 5.

Apart from this the Bank DBFI team carries out financial literacy training for poor women folks in rural and semi-rural areas. Details of this program could be found under Principal 4, answer to Q.3.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

RBL Bank's CSR programmes are rolled out using NGO partners selected based on their meritorious work in each thematic area. Supervisory control is exercised by Bank's own CSR team and designated independent monitoring agency. Bank employees across roles, gender and locations are encouraged and they regularly participate in CSR activities.

4 Weighted Average Emission Rate (WAER) of 0.82 MT CO_2e/MWhr. considered from Central Electricity Authority's CO_2 baseline database (http://www.cea.nic.in/reports/others/thermal/tpece/cdm_co2/database_14.zip)

5 Notional GHG emission reduced by avoiding at least one person's to and fro travel between VC destinations. India GHG Program's "India Specific Air Transport Emission Factors for Passenger Travel and Material Transport" (2015) was used. Please visit https://indiaghgp.org/sites/default/files/AIR%20Transport%20Emission.pdf.

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Financial literacy activities are rolled out through specialized BC partners and NGOs experienced in training/ working in microfinance sector in rural areas.

3. Have you done any impact assessment of your initiative?

For all CSR related programmes (being carried out by NGO partners) quarterly development effectiveness monitoring is carried out by independent third party auditors and Bank's CSR team, against pre-set development indicators. This is supported by surprise visits jointly conducted by Bank's CSR team and auditors.

4. What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken?

In FY19, Bank has contributed ₹ 10.55 Crore towards education, preventive healthcare, sustainable livelihood and women and girl child empowerment. Details of the projects could be found in answer to Q.5 in Sec. B.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Bank's CSR programmes are developed by experienced professionals, in consultation with the target communities and NGO partners.

Bank's CSR team conducts quarterly review of the performance of CSR programme, and during these reviews community engagements sessions are conducted to obtain a 360 degree overview of the CSR programmes. In addition, periodic audit of CSR programme is conducted by Bank's CSR team or by an independent audit agency. The feedback received is from such audits are used for alter/realign/course-correct existing CSR programmes.

Similarly, impact assessment for Bank's financial literacy programmes are conducted after brief interval after successful implementation.

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Percentage wise customer complaints and customer cases resolved and pending in FY19 and FY18 is presented in table below:

Heads	As on 31st March, 2019		As on 31st March, 2018	
	Resolved	Pending	Resolved	Pending
Customer complaints	98.06%	1.9%	97.16%	2.84%
Customer cases	2.8%	89.08%	16.66%	83.33%

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

The Bank provides transparent information on its products through its website which has detailed information on product features, service charges and fees applicable. The customers are also provided with detailed product information through "Most Important Document" along with account opening/card application form. Tenor and Interest rates for various deposit schemes are published on the Bank's website. Bank provided relevant information pertaining to banking operations of the Client through periodic email and/or SMS alerts.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

Yes. One litigation is pending against RBL Bank relating to unfair trade practices as on 31 March, 2019. A consumer complaint has been filed before a district consumer forum against RBL for delay in presentation of a cheque. The delay was due to force majeure event / circumstances beyond control of RBL. RBL is defending the matter. There are no litigation pertaining to irresponsible advertising or anti-competitive behaviour.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, the bank conducts two types of customer Satisfaction surveys – (a) Service Resolution Index (SRI) & (b) Complaint Resolution Index (CRI). The Bank is committed to provide the best possible customer experience to its Clients.

The objective of SRI survey is to measure the Customers' experience with regards to the service requests placed by him/her at Bank's branches. To measure SRI, clients are selected randomly and contacted telephonically to rate their request resolution experience on a scale of 1-10, where 10 stands for 'Excellent Service provided' and '1' stands for 'Needs improvement'. In FY19, 9,538 random customers were contacted and on average 86% customers responded that they were 'very happy' with the resolution offered.

CRI is conducted to understand client experience on complain resolution. Here, outbound calls are made by contact center agents to the customers and customers are asked to rate their overall experience in a scale of 1-10. 1 denotes 'needs improvement' and 10 denotes 'excellent service provided'. In FY19, out of 8,472 customers surveyed, on an average 81.5% customers responded that the service provided was 'excellent'.

Independent Auditor's Report

To the Members of RBL Bank Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Standalone Financial Statements of RBL Bank Limited (the 'Bank'), which comprise the standalone balance sheet as at 31 March 2019, the standalone profit and loss account, the standalone cash flow statement for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 (the 'Act') in the manner so required for banking companies and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Bank as at 31 March 2019, and profit and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under

Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
IDENTIFICATION OF NON-PERFORMING ASSET ('NPA') AND PROVISIONS ON ADVANCES **P&L CHARGE (INCLUDING WRITE-OFF): INR 466.99 CRORE FOR YEAR ENDED 31 MARCH 2019** **Provision on advances: INR 381.88 crore as at 31 March 2019** *Refer to the accounting policies in "Note 17(1) to the Standalone Financial Statements: Significant Accounting Policies - Advances" and "Note 12.1 to the Standalone Financial Statements: Asset Quality"*	
Significant estimate and judgment involved Identification of NPAs and provisions in respect of NPAs are made based on management's assessment of the degree of impairment of the advances subject to and guided by the minimum provisioning levels prescribed under the RBI guidelines with regard to the 'Prudential Norms on Income Recognition, Asset Classification & Provisioning', prescribed from time to time. The provision on NPA are also based on the valuation of the security available. We identified identification of NPAs and provision on advances as a key audit matter because of the level of significant management judgement involved in determining the provision and the valuation of the security of the NPA loans and on account of the significance of these estimates to the financial statements of the Bank.	Our key audit procedures included: **Design / controls** • We have assessed the design, implementation and operating effectiveness of key internal controls over approval, recording and monitoring of loans, monitoring process of overdue loans, measurement of provisions, identification of NPA accounts and assessed the reliability of management information (including overdue reports). • In addition, for corporate loans we tested controls over the internal ratings process, monitoring of stressed accounts including credit file review processes and review controls over the approval of significant individual impairment provisions. • We have evaluated the design, implementation and operating effectiveness of key internal controls over the valuation of security for NPAs. • We tested management review controls over measurement of provisions and disclosures in financial statements. • We involved our information system specialist in the audit of this area to gain comfort over data integrity and calculations, including system reconciliations. **Substantive tests** • We performed test of details for a selection of exposures over calculation of NPA provisions including valuation of collaterals for NPAs as at 31 March 2019; the borrower-wise NPA identification and provisioning determined by the Bank and also tested related disclosures by assessing the completeness, accuracy and relevance of data and ensured that the same is in compliance with the RBI guidelines with regard to the 'Prudential Norms on Income Recognition, Asset Classification & Provisioning'. • We selected a sample (based on quantitative and qualitative thresholds) of large corporate clients where impairment indicators had been identified by management. We obtained management's assessment of the recoverability of these exposures (including individual provisions calculations) and challenged whether individual impairment provisions, or lack of, were appropriate. This included the following procedures: • Reviewed the statement of accounts, approval process, board minutes, credit review of customer, review of special mention accounts reports and other related documents to assess recoverability and the classification of the facility; and • For a risk based sample of corporate loans not identified as displaying indicators of impairment by management, challenged this assessment by reviewing the historical performance of the customer and assessed whether any impairment indicators were present.
VALUATION OF FINANCIAL INSTRUMENTS (INVESTMENTS - BONDS AND DEBENTURES, COMMERCIAL PAPERS, CERTIFICATE OF DEPOSITS AND PASS THROUGH CERTIFICATES) **Net value of investments: INR 3,788.18 crore as at 31 March 2019** *Refer to the accounting policies in "Note 17(2) to the Financial Statements: Significant Accounting Policies - Investments" and "Schedule 8 to the Financial Statements: Investments"*	
Significant estimate and judgment involved **Investments** Investments are classified into 'Held for Trading' ('HFT'), 'Available for Sale' ('AFS') and 'Held to Maturity' ('HTM') categories at the time of purchase. Investments, which the Bank intends to hold till maturity are classified as HTM investments. We identified fair valuation of investments such as Bonds and Debentures, Commercial papers, Certificate of deposits and Pass through certificates classified into HFT and AFS as a key audit matter because of the significant management judgement involved in determining its valuation and the overall significance of these investments to the financial statements of the Bank.	Our key audit procedures included: **Design / controls** • We tested the design, implementation and operating effectiveness of management's key internal controls over classification and valuation of Investments. • We assessed appropriateness of the valuation methodologies with reference to accounting standards / RBI guidelines and Bank's own valuation policy. • Read investment agreements / term sheets entered into during the current year, on a sample basis, to understand the relevant investment terms and identify any conditions that were relevant to the valuation of financial instruments. **Substantive tests** • We independently verified the fair valuation of investments on a sample basis with direct observable inputs and external input data such as market value from 'Financial Benchmarks India Private Limited ('FBIL')', spreads from 'The Fixed Income Money Market and Derivatives Association of India ('FIMMDA') etc after considering the requirements of RBI guidelines. • We assessed that the financial statement disclosures appropriately reflected the requirements of the prevailing accounting standards and the RBI guidelines.

Independent Auditor's Report

Key audit matter	How the matter was addressed in our audit

Information technology ('IT')
IT systems and controls
The Bank's key financial accounting and reporting processes are highly dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being misstated. The Bank uses several systems for it overall financial reporting.
 	
We have identified 'IT systems and controls' as key audit matter because of the high level automation, significant number of systems being used by the management and the complexity of the IT architecture.
	Our key IT audit procedures included:
	• We have understood General IT Control i.e. Access Controls, Program/ System Change, Program Development, Computer Operations (i.e. Job Processing, Data/System Backup Incident Management) over key financial accounting and reporting systems, and supporting control systems (referred to as in-scope systems).
	• We tested the General IT Controls for design and operating effectiveness for the audit period over the in-scope systems.
	• We understood IT application controls covering
	  ◦ user access and roles, segregation of duties, and
	  ◦ key interfaces, reports, reconciliations and system processing
	• We tested the IT application controls for design and operating effectiveness for the audit period.
	• We performed testing to determine that these controls remained unchanged during the audit period or were changed following the standard change management process.
	• We understood IT infrastructure i.e. operating systems and databases supporting the in-scope systems.
	• We tested controls over the IT infrastructure covering user access (including privilege users), data center and system change (e.g. patches).

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Bank's Board of Directors is responsible for the other information. The other information comprises the information included in the Bank's Annual report, but does not include the Standalone Financial Statements and our auditor's report thereon. The Bank's Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

When we read the Bank's Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Bank's management and Board of Directors are responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, provisions of Section 29 of the Banking Regulation Act, 1949 and the circulars and guidelines issued by Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS (CONTINUED)

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The standalone balance sheet and the standalone profit and loss account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 and Section 133 of the Act.

Independent Auditor's Report

(A) As required by sub-section (3) of Section 30 of the Banking Regulation Act, 1949, we report that:

(a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and

(c) since the key operations of the Bank are automated with the key applications integrated to the core banking systems, the audit is carried out centrally as all the necessary records and data required for the purposes of our audit are available therein. However, during the course of our audit we have visited 26 branches.

(B) Further, as required by Section 143(3) of the Act, we report that:

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books;

(c) the standalone balance sheet, the standalone profit and loss account, and the standalone cash flow statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, to the extent they are not inconsistent with the accounting policies prescribed by RBI;

(e) on the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A';

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Bank has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Schedule 12 and Note 30 to the Standalone Financial Statements;

ii. The Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 41 to the Standalone Financial Statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank.

(h) The disclosures required on holdings as well as dealing in specified bank notes during the period from 8 November 2016 to 30 December 2016 as envisaged in notification G.S.R. 308(E) dated 30 March 2017 issued by the Ministry of Corporate Affairs is not applicable to the Bank.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Companies Act, 2013:

The Bank is a banking company as defined under Banking Regulation Act, 1949. Accordingly, the requirements prescribed under Section 197 of the Companies Act, 2013 do not apply.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No: 046882

Mumbai
18 April 2019

Annexure A to the Independent Auditor's Report

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RBL BANK LIMITED

Report on the Internal Financial Controls Over Financial Reporting under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of RBL Bank Limited (the 'Bank') as at 31 March 2019 in conjunction with our audit of the Standalone Financial Statements of the Bank for the year ended on that date.

Management's responsibility for internal financial controls over financial reporting

The Bank's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the 'Act').

Auditor's responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (the 'Standards'), issued by the ICAI and deemed to be prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of internal financial controls over financial reporting

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

Inherent Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No: 046882

Mumbai
18 April 2019

Standalone Balance Sheet

as at March 31, 2019

(₹ in '000s)

Particulars	Schedule No.	31-Mar-19	31-Mar-18
CAPITAL & LIABILITIES			
Capital	1	**4,267,097**	4,196,675
Reserves and Surplus	2	**71,206,097**	62,643,048
Deposits	3	**583,944,159**	439,022,636
Borrowings	4	**118,320,654**	92,614,403
Other Liabilities and Provisions	5	**25,850,181**	20,030,790
TOTAL		**803,588,188**	**618,507,552**
ASSETS			
Cash and Balances with Reserve Bank of India	6	**48,395,184**	25,893,338
Balances with banks and money at call and short notice	7	**17,625,948**	16,951,079
Investments	8	**168,403,611**	154,474,994
Advances	9	**543,082,427**	402,678,393
Fixed Assets	10	**4,024,785**	3,340,008
Other Assets	11	**22,056,233**	15,169,740
TOTAL		**803,588,188**	**618,507,552**
Contingent Liabilities	12	**613,025,896**	513,959,258
Bills for Collection		**23,089,435**	14,181,930
Significant Accounting Policies	17		
Notes To Accounts	18		

The schedules and accompanying notes to accounts referred to above form an integral part of the Balance Sheet

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Place : Mumbai
Date : April 18, 2019

For and on behalf of RBL Bank Limited

Prakash Chandra
Chairman

Jairaj Purandare
Director

Deepak Ruiya
Chief Financial Officer (interim)

Vishwavir Ahuja
Managing Director & CEO

Rajeev Ahuja
Executive Director

Vinay Tripathi
Company Secretary

Standalone Profit & Loss

for the year ended March 31, 2019

(₹ in '000s)

	Particulars	Schedule No.	31-Mar-19	31-Mar-18
I	**INCOME**			
	Interest Earned	13	**63,007,093**	45,075,655
	Other Income	14	**14,423,662**	10,681,884
	TOTAL		**77,430,755**	**55,757,539**
II	**EXPENDITURE**			
	Interest Expended	15	**37,612,278**	27,412,810
	Operating Expenses	16	**20,420,161**	15,034,080
	Provisions and Contingencies		**10,728,807**	6,959,766
	TOTAL		**68,761,246**	**49,406,656**
III	**PROFIT/LOSS**			
	Net Profit /(Loss) for the year		**8,669,509**	6,350,883
	Profit brought forward		**1,149,780**	880,529
	TOTAL		**9,819,289**	**7,231,412**
IV	**APPROPRIATIONS**			
	Transfer to Statutory Reserve		**2,170,000**	1,588,000
	Transfer to Capital Reserve		**90,000**	93,900
	Transfer to Revenue & Other Reserves		**4,000,000**	3,600,000
	Transfer to Investment Fluctuation Reserve		**783,600**	–
	Transfer from Investment Reserve		**–**	(22,008)
	Dividend Paid		**887,552**	682,749
	Tax on Dividend		**182,438**	138,991
	Balance carried over to Balance Sheet		**1,705,699**	1,149,780
	TOTAL		**9,819,289**	**7,231,412**
	EPS Basic (₹)		**20.47**	15.79
	EPS Diluted (₹)		**20.04**	15.18
	Face Value of shares (₹)		**10.00**	10.00

The schedules and accompanying notes to accounts referred to above form an integral part of the Profit and Loss Account

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Place : Mumbai
Date : April 18, 2019

For and on behalf of RBL Bank Limited

Prakash Chandra
Chairman

Jairaj Purandare
Director

Deepak Ruiya
Chief Financial Officer (interim)

Vishwavir Ahuja
Managing Director & CEO

Rajeev Ahuja
Executive Director

Vinay Tripathi
Company Secretary

Standalone Cash Flow Statement

for the year ended March 31, 2019

(₹ in '000s)

	Particulars	31-Mar-19		31-Mar-18	
I	**Cash Flow from Operating Activities**				
	Net Profit for the Year (before taxes)		12,991,523		9,665,475
	Adjustments for:-				
	Add : Loss / (Profit) on Sale of Fixed Assets (Net)		30		(847)
	Add : Non-Cash Expenditure				
	Depreciation		1,219,055		869,561
	Provision / write-off of Non Performing Advances		4,669,869		2,570,901
	Provision for Standard Assets		563,893		424,444
	Provision for Investments		531,916		424,659
	Foreign Currency Translation Reserve (FCTL)		2,934		2,243
	ESOP Reserve		1,084		–
	Other Provisions		641,115		225,170
	Cash Flow before Changes in Working Capital		20,621,419		14,181,606
	Adjustments for working capital changes:-				
	Increase/(Decrease) in Deposits	144,921,523		93,141,722	
	Increase/(Decrease) in Other Liabilities	4,614,383		1,667,706	
	Increase/(Decrease) in Deposits placed having original maturity greater than 3 months	276,722		2,140,049	
	(Increase)/Decrease in Investments	(14,460,533)		(20,082,568)	
	(Increase)/Decrease in Advances	(145,073,903)		(110,758,913)	
	(Increase)/Decrease in Other Assets	(5,368,507)		(1,816,265)	
			(15,090,315)		(35,708,269)
	Direct Taxes paid		(5,840,000)		(3,751,400)
	Cash generated from Operating Activities		(308,896)		(25,278,063)
II	**Cash Flow from Investing Activities**				
	Addition to Other Fixed Assets	(1,838,819)		(1,673,876)	
	Addition to Capital Work in Progress	(86,511)		32,580	
	Sale of Fixed Assets	21,214		19,396	
	Cash generated from Investing Activities		(1,904,116)		(1,621,900)
III	**Cash Flow from Financing Activities**				
	Proceeds of share issue (including ESOPs)	1,030,188		17,952,849	
	Net Proceeds / (repayments) from Borrowings	25,706,251		12,816,831	
	Dividend and Dividend distribution tax	(1,069,990)		(821,740)	
	Cash generated from Financing Activities		25,666,449		29,947,940
IV	**Increase/Decrease during the Year**		23,453,437		3,047,977
V	**Opening Cash and Cash Equivalents**		34,712,383		31,664,406
VI	**Closing Cash and Cash Equivalents**		58,165,820		34,712,383
	Notes to the Cash Flow Statement:				
	Cash and cash equivalents includes the following:				
(i)	Cash and Balances with Reserve Bank of India (Refer Schedule 6)		48,395,184		25,893,338
(ii)	Balances with Banks in Current Accounts (Refer Schedule 7)		8,771,350		4,671,590
(iii)	Money at Call and Short Notice (Refer Schedule 7)		999,286		4,147,455
	Cash and cash equivalents at the end of the year		58,165,820		34,712,383

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Place : Mumbai
Date : April 18, 2019

For and on behalf of RBL Bank Limited

Prakash Chandra
Chairman

Jairaj Purandare
Director

Deepak Ruiya
Chief Financial Officer (interim)

Vishwavir Ahuja
Managing Director & CEO

Rajeev Ahuja
Executive Director

Vinay Tripathi
Company Secretary

Schedules

forming part of the standalone financial statements for the year ended March 31, 2019

SCHEDULE 1 - CAPITAL

(₹ in '000s)

Particulars	31-Mar-19	31-Mar-18
Authorised Capital		
700,000,000 ordinary Shares of ₹ 10/- each	7,000,000	7,000,000
(previous year 700,000,000 ordinary Shares of ₹ 10/- each)		
Issued		
426,709,728 ordinary Shares of ₹ 10/- each	4,267,097	4,196,675
(previous year 419,667,547 ordinary Shares of ₹ 10/- each)		
Subscribed & Paid-up		
426,709,728 ordinary Shares of ₹ 10/- each	4,267,097	4,196,675
(previous year 419,667,547 ordinary Shares of ₹ 10/- each)		
TOTAL	**4,267,097**	**4,196,675**

SCHEDULE 2 - RESERVES & SURPLUS

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	**Statutory Reserve**		
	(i) Opening Balance	4,990,500	3,402,500
	(ii) Addition during the year	2,170,000	1,588,000
	(iii) Deduction during the year	–	–
	Total	**7,160,500**	**4,990,500**
2.	**Capital Reserve**		
	(i) Opening Balance	252,570	158,670
	(ii) Addition during the year	90,000	93,900
	(iii) Deduction during the year	–	–
	Total	**342,570**	**252,570**
3.	**Revaluation Reserve**		
	(i) Opening Balance	9,399	9,666
	(ii) Addition during the year	–	–
	(iii) Deduction during the year (Depreciation on revalued portion credited to Profit and Loss Account)	254	267
	Total	**9,145**	**9,399**
4.	**Share Premium**		
	(i) Opening Balance	45,892,004	28,383,799
	(ii) Addition during the year	959,766	17,575,924
	(iii) Deduction during the year	–	67,719
	Total	**46,851,770**	**45,892,004**
5.	**Revenue & Other Reserves**		
	(i) Opening Balance	10,346,552	6,746,552
	(ii) Addition during the year	4,000,000	3,600,000
	(iii) Deduction during the year	–	–
	Total	**14,346,552**	**10,346,552**
6.	**Investment Reserve**		
	(i) Opening Balance	–	22,008
	(ii) Addition during the year	–	–
	(iii) Deduction during the year	–	22,008
	Total	**–**	**–**
7.	**Investment Fluctuation Reserve**		
	(i) Opening Balance	–	–
	(ii) Addition during the year	783,600	–
	(iii) Deduction during the year	–	–
	Total	**783,600**	**–**

Schedules

forming part of the standalone financial statements for the year ended March 31, 2019

SCHEDULE 2 - RESERVES & SURPLUS (contd.)

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
8.	**Foreign Currency Translation Reserve**		
	(i) Opening Balance	2,243	–
	(ii) Addition during the year	2,934	2,243
	(iii) Deduction during the year	–	–
	Total	**5,177**	**2,243**
9.	**ESOP Reserve**		
	(i) Opening Balance	–	–
	(ii) Addition during the year	1,084	–
	(iii) Deduction during the year	–	–
	Total	**1,084**	**–**
10.	**Balance in Profit & Loss Account**	**1,705,699**	**1,149,780**
	TOTAL (1 to 10)	**71,206,097**	**62,643,048**

SCHEDULE 3 - DEPOSITS

(₹ in '000s)

		Particulars	31-Mar-19	31-Mar-18
A.	**1.**	**Demand Deposits**		
		i) From Banks	2,929,205	4,012,224
		ii) From Others	60,497,958	49,375,561
		Total	**63,427,163**	**53,387,785**
	2.	**Savings Bank Deposits**	82,447,591	53,394,735
	3.	**Term Deposits**		
		i) From Banks	58,674,281	39,350,584
		ii) From Others	379,395,124	292,889,532
		Total	**438,069,405**	**332,240,116**
		TOTAL (1 to 3)	**583,944,159**	**439,022,636**
B.	i.	Deposits of Branches in India	583,035,764	439,022,636
	ii.	Deposits of Branches outside India	908,395	–
	TOTAL		**583,944,159**	**439,022,636**

SCHEDULE 4 - BORROWINGS

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	**Borrowings in India**		
	(i) Reserve Bank of India	–	5,000,000
	(ii) Other Banks	14,877,498	12,974,440
	(iii) Other Institutions and Agencies	53,155,742	40,201,672
	(iv) Subordinated debt	7,300,000	7,300,000
	Total	**75,333,240**	**65,476,112**
2.	**Borrowings outside India**	42,987,414	27,138,291
	TOTAL (1+2)	**118,320,654**	**92,614,403**

Secured Borrowings included in 1 & 2 above is Nil for March 31, 2019 (for financial year ending March 31, 2018 ₹ 17,845,363 thousands)

Schedules

forming part of the standalone financial statements for the year ended March 31, 2019

SCHEDULE 5 – OTHER LIABILITIES AND PROVISIONS

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Bills Payable	1,994,252	2,379,437
2.	Inter Office Adjustments (Net)	–	–
3.	Interest Accrued	4,719,844	3,497,301
4.	Others (Including Provisions) *	19,136,085	14,154,052
	TOTAL (1 to 4)	**25,850,181**	**20,030,790**
	* Includes : Provision for Standard Assets	2,335,344	1,768,023

SCHEDULE 6 – CASH AND BALANCES WITH RESERVE BANK OF INDIA

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Cash in hand	1,528,519	2,152,635
2.	Balances with Reserve Bank of India		
	(i) In Current Account	23,716,665	17,460,703
	(ii) In Other Accounts	23,150,000	6,280,000
	TOTAL (1 + 2)	**48,395,184**	**25,893,338**

SCHEDULE 7 – BALANCE WITH BANKS AND MONEY AT CALL AND SHORT NOTICE

(₹ in '000s)

		Particulars	31-Mar-19	31-Mar-18
1.	**In India**			
	(i)	Balances with Banks		
		a) In Current Accounts	576,345	779,990
		b) In other Deposit Accounts	7,855,312	8,132,034
	(ii)	Money at Call and Short Notice		
		a) With Banks	–	–
		b) With Other Institutions	999,286	4,147,455
	Total (i+ii)		**9,430,943**	**13,059,479**
2.	**Outside India**			
	(i)	In Current Accounts	8,195,005	3,891,600
	(ii)	In Other Deposits Accounts	–	–
	(iii)	Money at Call and Short Notice	–	–
	Total (i+ii+iii)		**8,195,005**	**3,891,600**
	TOTAL (1 + 2)		**17,625,948**	**16,951,079**

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SCHEDULE 8 – INVESTMENTS

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	**Investments in India (Gross)**	**169,660,395**	155,202,323
	Less – Provision for depreciation	**1,261,185**	729,269
	Total	**168,399,210**	**154,473,054**
	Break Up		
	(i) Government Securities	**119,426,981**	113,219,579
	(ii) Other Approved Securities	**–**	–
	(iii) Shares	**1,044,351**	1,169,793
	(iv) Debentures & Bonds	**14,035,284**	19,787,314
	(v) Subsidiaries and / or Joint Venture	**952,362**	505,050
	(vi) Others *	**32,940,232**	19,791,318
	Total	**168,399,210**	**154,473,054**
	*** Details of Others (vi)**		
	(i) Commercial paper & Certificates of deposit	**14,886,362**	10,101,465
	(ii) Mutual Funds	**8,020,000**	7,770,000
	(iii) Venture Capital Fund	**1,048,011**	815,954
	(iv) Pass Through Certificates	**8,960,170**	830,332
	(v) Security Receipts	**25,689**	273,567
	Total	**32,940,232**	**19,791,318**
2.	**Investments Outside India**		
	(i) Government Securities (Including Local Authorities)	**–**	–
	(ii) Subsidiaries and / or Joint Venture abroad	**–**	–
	(iii) Other Investments	**4,401**	1,940
	Total	**4,401**	**1,940**
	TOTAL (1 + 2)	**168,403,611**	**154,474,994**

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SCHEDULE 9 – ADVANCES

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
A.			
	(i) Bills Purchased and Discounted	**13,372,980**	11,163,910
	(ii) Cash Credits, Overdrafts and Loans Repayable on Demand	**151,928,882**	99,235,741
	(iii) Term Loans	**377,780,565**	292,278,742
	Total	**543,082,427**	**402,678,393**
B.			
	(i) Secured by Tangible Assets[1] (Includes advances against Fixed Deposits and Book Debts)	**358,108,505**	274,209,414
	(ii) Coverd by Bank/Government Guarantees	**2,656,815**	987,122
	(iii) Unsecured	**182,317,107**	127,481,857
	Total	**543,082,427**	**402,678,393**
C.1	**Advances in India**		
	(i) Priority Sector	**136,684,368**	112,915,789
	(ii) Public Sector	**2,074,877**	–
	(iii) Banks	**646,623**	3,812,763
	(iv) Others	**386,023,822**	275,232,797
	Total	**525,429,690**	**391,961,349**
C.2	**Advances Outside India**		
	(i) Due from Banks	**17,289**	–
	(ii) Due from Others		
	a) Bills Purchases and Discounted	**–**	–
	b) Syndicated Loans	**–**	–
	c) Others	**17,635,448**	10,717,044
	Total	**17,652,737**	**10,717,044**
	TOTAL (C.1 + C.2)	**543,082,427**	**402,678,393**

[1] Includes Advances for which security documentation is being perfected.

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SCHEDULE 10 – FIXED ASSETS

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	**Premises**		
(i)	At cost at 31st March of the preceding year	75,241	75,241
(ii)	Additions during the year	430,582	–
(iii)	Deductions during the year	–	–
(iv)	Accumulated depreciation to date	20,120	11,697
	Total	**485,703**	**63,544**
2.	**Other Fixed Assets**		
(i)	At cost at 31st March of the preceding year	5,800,508	4,182,225
(ii)	Additions during the year	1,408,237	1,673,876
(iii)	Deductions during the year	243,699	55,593
(iv)	Accumulated depreciation to date	3,825,364	2,836,933
	Total	**3,139,682**	**2,963,575**
3.	**Leased Assets**		
(i)	Lease equalisation - Opening balance	13,509	13,509
(ii)	Additions during the year	–	–
(iii)	Less: Provision held / Deductions	13,509	13,509
(iv)	Accumulated depreciation to date	–	–
	Total	**–**	**–**
4.	**Capital Work in Progress**	**399,400**	**312,889**
	TOTAL (1 to 4)	**4,024,785**	**3,340,008**

SCHEDULE 11 – OTHER ASSETS

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Inter-Office Adjustment (Net)	–	–
2.	Interest Accrued	6,084,349	4,459,525
3.	Tax Paid in Advance/Tax Deducted at Source (Net of Provision)	210,587	62,372
4.	Stationery and Stamps	1,108	3,877
5.	Deferred Tax Assets (Net)	2,094,914	1,353,010
6.	Non-banking assets acquired in satisfaction of claims	400,420	591,251
7.	Others	13,264,855	8,699,705
	TOTAL (1 to 7)	**22,056,233**	**15,169,740**

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SCHEDULE 12 – CONTINGENT LIABILITIES

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Claims against the bank not acknowledged as debts	167,386	77,493
2.	Liability for Partly Paid Investment	560,316	189,397
3.	Liability on Account of Outstanding Forward Exchange contracts	265,864,508	220,642,559
4.	Liability on Account of Outstanding derivative contracts		
	(i) Interest Rate Swaps	98,666,814	73,563,134
	(ii) Cross Currency Swaps	51,556,966	68,915,165
	(iii) Currency Options	22,069,158	23,088,663
5.	Guarantees given on behalf of constituents		
	(i) In India	101,071,597	66,753,735
	(ii) Outside India	16,578,893	29,792,260
6.	Acceptances, Endorsements and other Obligations	54,096,618	28,386,476
7.	Other items for which the bank is contingently liable		
	a) Income tax & other matters (under appeal)	659,660	400,644
	b) Others	1,733,980	2,149,732
	TOTAL (1 to 7)	**613,025,896**	**513,959,258**

SCHEDULE 13 – INTEREST EARNED

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Interest / Discount on Advances / bills	50,498,265	34,308,975
2.	Income on Investments	10,934,447	9,981,686
3.	Interest on balance with RBI and Other Inter bank funds	1,112,393	701,485
4.	Others	461,988	83,509
	TOTAL (1 to 4)	**63,007,093**	**45,075,655**

SCHEDULE 14 – OTHER INCOME

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Commission, Exchange and Brokerage	11,656,045	7,225,909
2.	Profit on sale of Investments (Net)	783,551	1,665,396
3.	Profit / (Loss) on sale of land, building and other assets (Net)	(30)	847
4.	Profit on exchange transactions (Net)	1,634,520	1,511,162
5.	Miscellaneous Income	349,576	278,570
	TOTAL (1 to 5)	**14,423,662**	**10,681,884**

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SCHEDULE 15 – INTEREST EXPENDED

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Interest on Deposits	32,440,693	23,409,697
2.	Interest on Reserve Bank of India / Inter-Bank Borrowings	1,811,624	840,845
3.	Others	3,359,961	3,162,268
	TOTAL (1 to 3)	**37,612,278**	**27,412,810**

SCHEDULE 16 – OPERATING EXPENSES

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Payments to and provisions for employees	6,361,778	5,506,765
2.	Rent, taxes and lighting	1,437,250	1,197,235
3.	Printing and stationery	152,723	122,298
4.	Advertisement and publicity	212,768	160,320
5.	Depreciation on Bank's property	1,219,055	869,561
6.	Director's fees Allowances and expenses	11,562	8,677
7.	Auditors' fees and expenses	14,300	8,669
8.	Law Charges	99,365	66,963
9.	Postage, Telegrams, Telephones, etc.	249,478	203,611
10.	Repairs and maintenance	369,900	62,998
11.	Insurance	625,645	458,106
12.	Other Expenditure	9,666,337	6,368,877
	TOTAL (1 to 12)	**20,420,161**	**15,034,080**

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SCHEDULE 17 – SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

BACKGROUND

RBL Bank Limited('the Bank'), incorporated in Kolhapur, India is a banking company governed by the Banking Regulation Act, 1949 with the Reserve Bank of India ('RBI') as its principal regulator. The Bank is engaged in providing a wide range of banking and financial services including commercial banking, retail banking, agriculture finance, financial inclusion, treasury operations and other banking related activities. The Bank commenced its operations at its International Financial Services Centre Banking Unit (IBU) in Gujarat International Finance Tec (GIFT) City, Gujarat in April 2017. Ordinary shares of the Bank were listed on August 31, 2016 on the National Stock Exchange of India Limited ('NSE') & BSE Limited ('BSE').

BASIS OF PREPARATION:

The accompanying financial statements have been prepared under the historical cost convention and on the accrual basis of accounting, unless otherwise stated, and comply with the requirements prescribed under the Third Schedule (Form A and Form B) of the Banking Regulation Act, 1949. The accounting and reporting policies of the Bank used in the preparation of these financial statements conform to the Generally Accepted Accounting Principles in India ('Indian GAAP'), the guidelines issued by RBI from time to time, the Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014, to the extent applicable, and practices generally prevalent in the banking industry in India.

USE OF ESTIMATES:

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that are considered in the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and reported income and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in the current and future periods.

SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1. Advances

a) Accounting and Classification

Advances are stated net of bills rediscounted and provisions made in respect of Non-Performing Advances ('NPA'). The premium paid on acquisition of portfolio is included in advances and is amortized over the economic life of the portfolio. Advances are classified as Performing and NPA based on the relevant RBI guidelines.

b) Provisioning

Provisions in respect of non-performing and restructured advances are made based on management's assessment of the degree of impairment of the advances subject to the minimum provisioning levels prescribed under the RBI guidelines with regard to the Prudential Norms on Income Recognition, Asset Classification & Provisioning, prescribed from time to time. In case of restructured accounts, provision is made for erosion/diminution in fair value of restructured loans, in accordance with RBI guidelines.

In accordance with the RBI guidelines, the Bank also maintains provision on standard assets to cover potential credit losses which are inherent in any loan portfolio including provision for borrowers having un-hedged foreign currency exposures, provisions on loans to specific borrowers in specific stressed sectors and also for credit exposures considered at current marked to market values of interest rate and foreign exchange derivative contracts. Provision made against standard assets is included in 'Other Liabilities and Provisions'.

Further to the provisions held according to the asset classification status, provisions are held for individual country exposures (other than for home country exposure). Countries are categorised into risk categories as per Export Credit Guarantee Corporation of India Ltd. ('ECGC') guidelines and provision is held in respect of that country where the net funded exposure is one percent or more of the total assets.

Amounts recovered against debts written off in earlier years and provisions no longer considered necessary based on the current status of the borrower are recognized in the profit and loss account, as credit to 'Miscellaneous Income' under the head 'Other Income' or provision for NPAs, respectively.

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2. Investments

Classification and valuation of the Bank's investments is carried out in accordance with RBI and Fixed Income Money Market and Derivatives Association ('FIMMDA') and Financial Benchmark India Private Limited ('FBIL') guidelines, prescribed in this regard from time to time.

a) Classification

Investments are classified into 'Held for Trading' ('HFT'), 'Available for Sale' ('AFS') and 'Held to Maturity' ('HTM') categories at the time of purchase. Investments, which the Bank intends to hold till maturity are classified as HTM investments. Investments that are held principally for resale within a short period, including short sale, are classified as HFT investments. All other investments are classified as AFS investments. The Bank follows settlement date method for accounting of its investments. For the purpose of disclosure in the financial statements, the Investments are classified under six groups a) Government Securities b) Other Approved Securities c) Shares d) Debentures and Bonds e) Subsidiaries / Joint Ventures and f) Others.

Investments are classified as performing or non-performing as per RBI guidelines. Non performing investments are subjected to prudential norms for Classification, valuations and Operation of Investment Portfolio by Banks, prescribed from time to time.

b) Valuation

Investments classified as HTM are carried at amortized cost. Any premium paid on acquisition, over the face value, is amortized over the remaining maturity of the instrument, by applying constant yield method. Where in the opinion of the management, a diminution, other than temporary, in the value of investments classified under HTM has taken place, appropriate provisions are made.

Investments classified as AFS and HFT are marked-to-market on a periodic basis as per the relevant RBI guidelines. The securities are valued scrip-wise and depreciation / appreciation are aggregated for each category. Net appreciation in each category, if any, is ignored, while net depreciation is provided for. The book value of individual securities is not changed consequent to the periodic valuation of investments.

Treasury bills, commercial papers and certificates of deposit are valued at carrying cost including the pro rata discount accreted for the holding period.

Quoted investments are valued at traded / quoted price available on the recognized stock exchanges, subsidiary general ledger account transactions are valued as per the price list of RBI or prices declared by FBIL as applicable as at the balance sheet date. For deriving market value of unquoted fixed income securities (other than Central and State Government securities),the bank considers yields / mark-up rates (reflecting associate credit risk) declared by the FBIL/ FIMMDA.

Unquoted equity shares are valued at the break-up value, if the latest Balance Sheet is available (which should not be more than one year prior to the date of valuation) or at ₹ 1/- as per the RBI guidelines.

Quoted Mutual Fund units are valued as per the stock exchange quotations and un-quoted mutual fund units are valued at last available re-purchase price or Net Asset Value ('NAV') where re-purchase price is not available.

Units of Venture Capital Funds ('VCF') held under AFS category are valued using the ('NAV') shown by VCF as per the financial statement. The VCFs are valued based on the audited financials. In case the audited financials are not available for a period beyond 18 months, the investments are valued at ₹ 1/- per VCF.

Security Receipts ('SR') issued by the asset reconstruction companies are valued in accordance with the guidelines prescribed by the RBI. Accordingly, SRs are valued at NAV provided by the issuing asset reconstruction company.

Investments received in lieu of restructured advances under Strategic Debt Restructuring (SDR) / Sustainable Structuring of Stressed Assets (S4A) schemes are valued in accordance with the RBI guidelines. Any diminution in value on these investments is provided for and is not used to set off against appreciation in respect of other performing securities in that category. Depreciation on equity shares acquired and held by the Bank under SDR / S4A schemes is provided as per RBI guidelines.

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Pass Through Certificates (PTC) excluding Priority Sector-PTCs are valued using FBIL GOI par yield and FIMMDA credit spreads as applicable to NBFC category, based on the credit rating & tenor of the respective PTC instruments. PSL-PTCs are valued at book value.

c) Disposal of investments:

Profit / Loss on sale of investments under the aforesaid three categories are recognized in the Statement of Profit and Loss. Cost of investments is based on the weighted average cost method. The profit from sale of investment under HTM category, net of taxes and transfers to statutory reserve, is appropriated from Statement of Profit and Loss, to "Capital Reserve", in accordance with the RBI guidelines.

d) Transfer between categories

Transfer of investments between categories is accounted in accordance with the extant RBI guidelines:

a) Transfer from AFS/HFT to HTM is made at the lower of book value or market value at the time of transfer.

b) Transfer from HTM to AFS/HFT is made at acquisition price / amortized cost if originally placed in HTM at par or at a discount and at amortized cost if originally placed in HTM at a premium.

c) Transfer from AFS to HFT category or vice-versa is made at book value and the provision for the accumulated depreciation, if any, held is transferred to the provisions for depreciation against the HFT securities or vice-versa.

e) Repurchase transactions

Repurchase ('Repo') and reverse repurchase ('Reverse Repo') transactions including liquidity adjustment facility (with RBI) are accounted for as borrowing and lending transactions respectively. Accordingly, securities given as collateral under an agreement to repurchase them continue to be held under the investment account of the Bank and the Bank would continue to accrue the coupon/discount on the security during the repo period. Also, the Bank continues to value the securities sold under repo as per the investment classification of the security. Borrowing cost on repo transactions is accounted for as interest expense and income on reverse repo transactions are accounted for as interest income.

f) Broken period interest, brokerage etc.

Broken period interest and costs such as brokerage paid at the time of acquisition of the security are charged to the Profit and Loss account.

3. Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated at the Balance Sheet date at rates of exchange notified by 'Foreign Exchange Dealers' Association of India'(FEDAI) and the resultant exchange differences are recognized in the Profit and Loss account. Income and expenditure items are translated at the exchange rates prevailing on the date of the transaction.

Outstanding forward exchange contracts (other than deposit and placement swaps) and spot contracts outstanding at the Balance Sheet date are re-valued at rates notified by FEDAI for specified maturities and at the interpolated rates of interim maturities. In case of forward contracts of greater maturities where exchange rates are not notified by FEDAI, are re-valued at the forward exchange rates implied by the swap curves in respective currencies. The resulting profits or losses are recognized in the Profit and Loss Account as per the regulations stipulated by the RBI / FEDAI and is included in 'Other assets' or 'Other liabilities' as the case may be.

Foreign exchange swaps "linked" to foreign currency deposits and placements are translated at the prevailing spot rate at the time of swap. The premium or discount on the swap arising out of the difference in the exchange rate of the swap date and the maturity date of the underlying forward contract is amortized over the period of the swap and the same is recognized in the Profit and Loss Account.

Contingent liabilities on account of foreign exchange contracts, letters of credit, bank guarantees and acceptances and endorsements outstanding as at the Balance Sheet date denominated in foreign currencies are translated at year-end rates notified by FEDAI.

The financial statements of IBU which are in the nature of non-integral overseas operations are translated on the following basis: (a) Income and expenses are converted at the average rate of exchange during the period and (b) All assets and liabilities are translated at closing rate as on Balance Sheet date. The exchange difference arising out of year end translation is debited or credited as "Foreign

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Currency Translation Reserve" forming part of "Reserves and Surplus".

4. Derivative transactions

Derivative transactions comprise interest rate swaps, cross currency swaps and currency futures and currency options.

The interest rate and currency swaps are marked to market using appropriate interest rates/exchange rates. Foreign currency futures are marked to market using closing price of the relevant futures contract as published by the exchange/ clearing corporation. The profit or loss on revaluation is recorded in the Profit and Loss account and is included in 'Other assets' or 'Other liabilities' as the case may be. The notional value of these swaps / futures contract is recorded as contingent liability. Margin money deposited with the exchange in respect of the futures contracts is included in 'Other assets'.

Option premium paid or received is recognized in the Profit and Loss Account on expiry of the option. Option contracts are marked to market on every reporting date.

Outstanding derivative transactions designated as "Hedges" are accounted in accordance with hedging instrument on an accrual basis over the life of the underlying instrument.

Pursuant to the RBI guidelines, any receivable under a derivative contract with a counterparty which remains overdue for more than 90 days, mark-to-market gains on any other derivative contract with the same counterparty, is reversed through profit and loss account.

5. Bullion

The Bank imports bullion including precious metal bars on a consignment basis for selling to its wholesale customers. The imports are typically on a back-to-back basis and are priced to the customer based on an estimated price quoted by the supplier. The Bank earns a fee on such wholesale bullion transactions. The fee is classified under commission income.

The Bank also deals in bullion on a borrowing and lending basis and the interest paid / received thereon is classified as interest expense / income respectively.

6. Fixed Assets and Depreciation

Fixed Assets are accounted for at cost less accumulated depreciation, amortization and accumulated impairment losses. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the asset. Premises acquired up to March 31, 1998 have been re-valued by the management and are stated at such re-valued figure. The appreciation on revaluation is credited to 'Premises Revaluation Reserve' Account. On disposal of re-valued premises, the amount standing to the credit of the Premises Revaluation Reserve is transferred to Capital Reserve. Depreciation attributable to the revaluation gain is transferred from Premises Revaluation Reserve to the credit of depreciation in the Profit and Loss account.

Depreciation is provided as per straight-line method from the date put to use over the estimated useful life of the asset. Depreciation on assets sold during the year is charged to the Profit and Loss account up to the date of sale. Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter, then the depreciation is provided at a higher rate based on management's estimate of the useful life/remaining useful life. The management believes that depreciation rates currently used, fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II of Companies Act, 2013.

The useful lives of the fixed assets are given below:

Category	Estimated useful life
Premises	50 years
Desktop computers and printers, Laptops	3 years
VSATs, Telecom equipment, cabling, other computer hardware and related equipment, LAN/Mainframe servers and printers, scanners	5 years
Purchased and developed Software	5 years
Vehicles	5 years
Office equipment, Locker cabinets, Strong room	6.67 years
ATMs	7 years
Furniture, fittings and work of art	10 years

Improvements and installations of capital nature on the leasehold property are depreciated over the primary lease term.

At each Balance Sheet date, the Bank assesses impairment on assets. If any such indication exists, the Bank estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss account. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

7. Employee benefits

Provident Fund

The Bank's contribution towards Provident fund, being a defined contribution scheme, is accounted for on an accrual basis and recognized in the Profit and Loss account. The Bank makes contributions to a fund administered by trustees.

Gratuity and Pension

Liability for Gratuity and Pension, being defined benefit retirement schemes, are determined based on an actuarial valuation as at the Balance Sheet date as per the Projected Unit Credit method as computed by an independent actuary. Actuarial gains/losses arising during the year are recognized in the Profit and Loss Account.

National Pension Scheme

The Bank contributes 10.0% of the total basic salary of certain employees to National Pension Scheme (NPS), a defined contribution plan, which is managed and administered by pension fund management companies. The Bank also gives an option to its employees allowing them to receive the amount in lieu of such contributions along with their monthly salary during their employment. The amounts so contributed/paid by the Bank to the NPS or to employee during the year are recognized in the profit and loss account.

Compensated Absences

The Bank provides for compensated absence liability of its employees who are eligible for encashment of accumulated leave and sick leave, which is a long-term benefit scheme, based on actuarial valuation of the compensated absences liability at the balance sheet date, carried out by an independent actuary. Actuarial gains/losses arising during the year are recognized in the Profit and Loss Account.

Employee Stock Option Plans

The Bank accounts for Employee Stock Option plans in accordance with the Guidance note on Employee Share Based Payments issued by The Institute of Chartered Accountants of India ('ICAI'). The Bank has applied intrinsic value method to arrive at the compensation cost of ESOP granted to the employees of the Bank. Intrinsic value is the amount by which value of the underlying shares as determined by an independent valuer (prior to the listing of the equity shares on the stock exchanges) or the market price on the date of the grant, as the case may be, exceeds the exercise price of the options. Compensation cost so determined is amortized over the vesting period of the option granted.

8. Revenue Recognition

a) Interest income is recognized on accrual basis, except in the case of interest on loans categorised as NPA and on loan accounts which are restructured by the Bank under SDR or S4A scheme of RBI, in which case it is recognized on realisation.

b) Recoveries in respect of past due loan accounts classified as NPA are appropriated towards overdue principal and thereafter towards interest and charges.

c) Income on discounted instruments is recognized over the tenure of the instrument on a constant yield basis.

d) Dividend is accounted on an accrual basis when the right to receive the dividend is established.

e) Loan processing fee is accounted for upfront when it becomes due.

f) Fees received on sale of Priority Sector Lending Certificates (PSLC) is considered as Miscellaneous Income, while the fees paid for purchase is expensed as other expenses in accordance with the guidelines issued by the RBI. The fees income or expense is amortized on a straight line basis over the tenor of the certificate.

g) Arrangership or syndication fee is accounted for on completion of the agreed service and when the right to receive is established.

h) Interest income on investments in PTCs and loans bought out through the direct assignment route is recognized on accrual basis, at their contractual rate.

j) All other fees are accounted for as and when they become due.

9. Lease transactions

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are

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classified as operating leases. Operating lease rentals are recognized as an expense on straight-line basis over the lease period.

The Bank has not undertaken any finance leases.

10. Taxation

Income tax comprises the current tax (i.e. amount of tax for the period, determined in accordance with the Income Tax Act, 1961 and the rules framed there under) and the net change in the deferred tax asset or liability for the period (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Provision for current income-tax is recognized in accordance with the provisions of Indian Income Tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

The current tax, deferred tax charge or credit and the corresponding deferred tax liability or asset is recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty (supported by convincing evidence of future taxable income) of realisation of such assets.

Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

11. Provisions and contingencies

The Bank creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

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

12. Provision for reward points on credit cards

The Bank has a policy of awarding reward points for credit card spends by customers. Provision for the said reward points is made based on an actuarial valuation report which takes into account, among other things, probable redemption of credit card reward points and cost per point. Actuarial gains/losses arising during the year are recognized in the Profit and Loss account.

13. Earnings per share (EPS)

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20 – Earnings per share.

Basic earnings per share is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the period. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period, except where the results are anti-dilutive.

14. Share issue expenses

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

15. Cash and Cash Equivalents

Cash and Cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.

16. Impairment of assets

The Bank assesses at each balance sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, is provided in the Profit and Loss account to the extent the carrying amount of assets exceeds their estimated recoverable amount.

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17. Non- Banking Assets acquired in satisfaction of claims

Non-banking assets (NBAs) acquired in satisfaction of claims are carried at lower of net book value and net realizable value.

18. Accounting for proposed dividend

As per AS-4 – 'Contingencies and events occurring after the Balance sheet date', the Bank is not required to create provision for dividend proposed / declared after the Balance Sheet date unless a statute requires otherwise.

19. Corporate Social Responsibility

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

SCHEDULE 18 - NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Capital

During the current year, the Bank allotted 7,042,181 equity shares aggregating to ₹ 100.54 crore on various dates to the employees who exercised their stock options.

During the previous year, the Bank issued 32,621,354 equity shares of ₹ 10/- face value on preferential basis, each share allotted at a price of ₹ 515/- aggregating to ₹ 1,680.00 crore. Further the bank allotted 11,843,057 equity shares aggregating to ₹ 122.06 crore on various dates to the employees who exercised their stock options.

2. Proposed Dividend

The Board of Directors at their meeting on April 18, 2019, proposed a dividend of ₹ 2.70 per share (27%) [previous year - ₹ 2.10 per share (21%)], subject to the approval of members at the ensuing Annual General Meeting.

In accordance with the revised Accounting Standard (AS) - 4 'Contingencies and Events occurring after the Balance Sheet Date', the Bank has not accounted for proposed dividend ₹ 115.21 crore (previous year - ₹ 88.13 crore) and corporate dividend tax ₹ 23.68 crore (previous year ₹ 18.12 crore), as a liability in the balance sheet both in the current year and the previous year.

3. Employee Stock Option Plan ("ESOP")

The shareholders of the Bank have approved and enabled the Board and / or the Human Resource Committee to grant stock options to employees under one or more Employee Stock Option Plan (ESOP). The ESOP is equity settled where the employees will receive one equity share per option. The stock options granted to employees vest over a period of two years, three years or four years in the proportion of either 20:80, 40:30:30, 30:30:40 or 10:20:30:40, as the case may be. Vested options can be exercised within a period of three years from the date of vesting or within a period of one year from the date on which the shares of the Bank gets listed on a recognized stock exchange (listed since August 31, 2016), whichever is later.

Under Intrinsic Value method there is no charge to the profit and loss account for the current year (previous year – Nil) on account of grant of the ESOPs, since exercise price of the stock options granted is more than the underlying value of the shares (prior to listing) or at the market price (listed since August 31, 2016), as the case may be. If the Bank had adopted the Black-Scholes model based fair valuation, compensation cost for the year ended March 31, 2019, would have increased by ₹ 106.96 crore (previous year ₹ 47.75 crore) and the profit before tax would have been lower correspondingly. Accordingly, on a pro-forma basis, basic and diluted earnings per share for the year ended March 31, 2019 would have been ₹ 18.83 and ₹ 18.43, respectively (Previous year ₹ 14.60 and ₹ 14.03, respectively).

	FY 2018-19			
Stock option activity under the scheme	No of Options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life years
Outstanding at the beginning of the year	23,380,255	46.50 – 564.45	279.24	4.03
Granted during the year	16,967,100	479.85 – 580.45	536.19	
Forfeited during the year	2,714,875	55.00 – 564.45	452.68	
Exercised during the year	7,042,181	46.50 – 564.45	142.78	
Expired during the year	15,846	46.50 – 80.00	67.68	
Outstanding at the end of the year	30,574,453	55.00 – 580.45	437.97	4.45
Options exercisable at the end of the year	4,518,941	55.00 – 564.45	232.65	2.14

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During the current year, options were granted at the price determined by the HR&R Committee and was based on the market price per share as on date of grant of options which carried exercise price of ₹ 479.85, ₹ 490.20, ₹ 503.50 ₹ 501.40, ₹ 510.00, ₹ 511.90, ₹ 512.65, ₹ 515.90, ₹ 518.08, ₹ 526.45, ₹ 530.55, ₹ 545.35, ₹ 552.05, ₹ 562.75, ₹ 564.15, ₹ 577.80 and ₹ 580.45. During the year corresponding market value of the shares for these grants at the time of respective grant was ₹ 479.85, ₹ 490.20, ₹ 503.50, ₹ 501.40, ₹ 510.00, ₹ 511.90, ₹ 512.65, ₹ 515.90, ₹ 545.35, ₹ 526.45, ₹ 530.55, ₹ 545.35, ₹ 552.05, ₹ 562.75, ₹ 564.15, ₹ 577.80 and ₹ 580.45 respectively.

	FY 2017-18			
Stock option activity under the scheme	No of Options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life years
Outstanding at the beginning of the year	30,982,719	40.00-494.55	138.36	3.92
Granted during the year	8,042,700	506.95–564.45	517.31	
Forfeited during the year	3,782,847	46.50–564.45	184.28	
Exercised during the year	11,843,057	46.50–382.15	103.06	
Expired during the year	19,260	46.50–55.00	51.29	
Outstanding at the end of the year	23,380,255	46.50–564.45	279.24	4.03
Options exercisable at the end of the year	4,122,178	46.50 – 507.75	149.77	2.29

Options granted during the previous year carry an exercise price of ₹ 506.95, ₹ 507.75, ₹ 510.10, ₹ 516.75, ₹ 525.40, ₹ 527.70, ₹ 534.75, ₹ 544.60 and ₹ 564.45 and were issued at the closing market price as at the date of the grant.

The fair value of options granted during the year has been estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

Particulars	2018-19	2017-18
Expected dividend yield	0.36% - 0.44%	0.32% - 0.36%
Expected volatility	30.34%~32.04%	31.41%~34.86%
Risk free interest rates	6.35% - 7.82%	6.20% - 6.68%
Expected life of options in years (across each tranche)	1.0-5.5	1.0-5.5

Expected volatility is a measure of the amount by which the equity share price is expected to fluctuate during the period. The measure of volatility used in Black-Scholes option pricing model is the annualized standard deviation of the continuously compounded rates of return on the share over a period of time. Expected volatility has been computed by considering the historical data on daily volatility in the closing equity share price on NSE of similar listed banks over the expected tenor of each tranche.

4. Appropriation to/from Reserves
For the year ended March 31, 2019, the Bank has appropriated ₹ 217.00 crore (previous year: ₹ 158.80 crore) towards Statutory Reserves, ₹ 9.00 crore (previous year: ₹ 9.39 crore) towards Capital Reserves, ₹ 78.36 crore (previous year: Nil) towards Investments Fluctuation reserves (IFR), ₹ 400.00 crore (previous year: ₹ 360.00 crore) towards Revenue & other Reserves.

For the year ended March 31, 2019, the Bank has transferred Nil (previous year – ₹ 2.20 crore) from Investment Reserve Account (IRA) to Profit and Loss account, in accordance with RBI guidelines.

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5. Disclosures as per Accounting Standards
5.1. Disclosures under AS - 15 on employee benefits
Defined Contribution Plans:
Employer's contribution recognized and charged off for the year to defined contribution plans are as under:

(₹ in crore)

Particulars	2018-19	2017-18
Provident Fund	18.70	16.03
Pension Scheme (employees joining after 01.04.2010)	0.02	0.02
National Pension Scheme	0.74	0.82

Defined Benefit Plans:
The following table sets out the status of the defined benefit Pension and Gratuity Plan as required under Accounting Standard 15.

Change in the present value of the defined benefit obligation

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Opening defined benefit obligation at 1st April	114.05	36.39	108.15	29.85
Current Service cost	5.55	5.86	5.55	5.48
Interest cost	8.77	2.73	7.99	2.02
Actuarial losses/ (gains)	6.74	3.35	(0.65)	0.34
Liability Transferred Out #	–	(0.73)	–	–
Past Service Cost	–	–	–	0.69
Benefits paid	(8.25)	(1.76)	(6.99)	(1.99)
Closing defined benefit obligation at 31st March	126.86	45.84	114.05	36.39

In respect to employees transferred to subsidiary RBL Finserve Limited (RFL) (formerly Swadhaar Finserve Private Limited)

Change in the plan assets

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Opening fair value of plan assets at 1st April	111.63	30.12	105.26	21.77
Expected return on plan assets	8.59	2.26	7.78	1.47
Employers Contributions	4.04	6.27	4.48	8.08
Assets Transferred Out/ Divestments #	–	(0.73)	–	–
Benefit paid	(8.25)	(1.76)	(6.99)	(1.99)
Actuarial gains / (losses) on plan assets	0.74	0.43	1.10	0.79
Closing fair value of plan assets at 31st March	116.75	36.59	111.63	30.12

In respect to employees transferred to subsidiary RBL Finserve Limited (RFL)

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Reconciliation of present value of the obligations and fair value of the plan assets

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Present value of funded obligation at 31st March	126.86	45.84	114.05	36.39
Fair value of plan assets at 31st March	116.75	36.59	111.63	30.12
Deficit / (Surplus)	10.11	9.25	2.42	6.27
Net Liability / (Asset)	10.11	9.25	2.42	6.27

Net cost recognized in the profit and loss account

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Current Service cost	5.55	5.86	5.55	5.48
Interest cost	8.77	2.73	7.99	2.02
Past Service Cost	–	–	–	0.69
Expected return on plan assets	(8.59)	(2.26)	(7.78)	(1.47)
Net actuarial losses / (gains) recognized during the year	6.00	2.92	(1.75)	(0.45)
Total cost of defined benefit plans included in Schedule 16 Payments to and provisions for employees	11.73	9.25	4.01	6.27

Reconciliation of Expected return and actual returns on planned assets

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Expected return on plan assets	8.59	2.26	7.78	1.47
Actuarial gain / (loss) on plan assets	0.74	0.43	1.10	0.79
Actual return on plan assets	9.33	2.69	8.88	2.26

Reconciliation of opening and closing net liability / (asset) recognized in balance sheet

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Opening net liability as at 1st April	2.42	6.27	2.89	8.08
Expenses as recognized in profit & Loss account	11.73	9.25	4.01	6.27
Employers contribution	(4.04)	(6.27)	(4.48)	(8.08)
Net liability / (asset) recognized in balance sheet	10.11	9.25	2.42	6.27

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Experience Adjustment

(₹ in crore)

Particulars	2018-19		2017-18		2016-17		2015-16		2014-15	
	Pension	Gratuity	Pension	Gratuity	Pension	Gratuity	Pension	Gratuity	Pension	Gratuity
Present value of funded obligation at 31st March	126.86	45.84	114.05	36.39	108.15	29.85	107.88	23.34	90.65	18.82
Fair value of plan assets at 31st March	116.75	36.59	111.63	30.12	105.26	21.77	87.58	18.46	69.12	14.03
Deficit / (Surplus)	10.11	9.25	2.42	6.27	2.89	8.08	20.30	4.88	21.53	4.79
On Plan Liabilities (gains) / losses	8.55	2.74	1.91	1.52	(6.09)	2.20	18.46	1.35	10.00	1.07
On Plan Assets (losses) / gains	0.74	0.43	1.10	0.79	0.83	0.04	1.01	0.24	0.64	0.12

Other details

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Expected Contribution on Plan assets	7.14	15.59	6.62	12.13

A breakup of Investments under Plan Assets of Gratuity fund and Pension fund is as follows:

Category of Assets	2018-19		2017-18	
	Pension (%)	Gratuity (%)	Pension (%)	Gratuity (%)
Central Government securities	16.03	6.22	17.35	19.05
State Government securities	37.52	42.15	35.73	32.10
Corporate Bonds	22.12	28.10	19.98	20.80
Funds with LIC	–	6.29	–	–
Fixed deposits and bank balances	24.33	17.25	26.94	28.05
Total	**100.00**	**100.00**	**100.00**	**100.00**

Key Actuarial Assumptions

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Discount rate	7.79%	6.96%	7.69%	7.50%
Expected rate of return on Plan Asset	7.79%	6.96%	7.69%	7.50%
Salary Escalation	For 0 yr to 1 yr 12% p.a. thereafter 6% p.a.	8.50% & IBA - 12.00% p.a. for the next 1 year and 6.00% p.a. thereafter, starting from the 2nd year as applicable	6.00%	6.00%
Attrition rate	0.22%	0.22% (IBA) 25.52% (Others)	0.44%	0.44% (IBA) 22.10% (Others)

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Compensated absences

The Bank does not have a policy of encashing unavailed leave for its employees, except for employees under Indian Banks¬' Association ('IBA') structure. The actuarial liability of compensated absences of accumulated privileged and sick leaves of the employees of the Bank is given below:

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Privileged leave	14.57	12.86
Sick leave	2.10	1.92
Total actuarial liability	16.67	14.78
Assumptions		
Discount rate	7.79%	7.85%
Salary escalation rate	12% for the next one year, 6% thereafter from 2nd year	10% for the next one year, 6% thereafter from 2nd year

5.2. Segment Reporting: Information about business segments

In terms of the AS-17 (Segment Reporting) issued by ICAI and RBI circular Ref. DBOD.No. BP.BC.81/21.04.018/2006-07 dated April 18, 2007 read with DBR.BP.BC No.23/21.04.018/2015-16 dated July 1, 2015 and amendments thereto, the following business segments have been disclosed:

- **Corporate/Wholesale Banking:** Includes lending, deposits and other banking services provided to corporate customers of the Bank.
- **Retail Banking:** Includes lending, deposits and other banking services provided to retail customers of the Bank through branch network or other approved delivery channels.
- **Treasury:** includes investments, all financial markets activities undertaken on behalf of the Bank's customers, proprietary trading, bullion business, maintenance of reserve requirements and resource mobilization from other Banks and financial Institutions. Intersegment earnings of Balance Sheet management function are included in the Treasury segment.
- **Other Banking Operations:** Includes para banking activities like Bancassurance, Credit Cards etc.

Segment revenues include earnings from external customers and earnings from other segments on account of funds transferred at negotiated rates, which are determined by the management. Segment results includes segment revenues as reduced by interest expense, charge from other segments on account of funds transferred at negotiated rates and operating expenses and provisions either directly identified or allocated to each segment..

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The following table sets forth the business segment results:

(₹ in crore)

Particulars	2018-19					2017-18				
	Corporate/ Wholesale Banking	Retail Banking	Treasury	Other Banking Operations	Total	Corporate/ Wholesale Banking	Retail Banking	Treasury	Other Banking Operations	Total
Gross Revenue	4,348.84	3,923.41	4,657.13	1,470.50	**14,399.88**	2,910.54	3,006.44	3,648.69	589.99	**10,155.66**
Unallocated Revenue					**-**					**3.33**
Less: Inter Segment Revenue					**6,656.81**					**4,583.23**
Total Revenue					**7,743.07**					**5,575.76**
Segment Results	493.52	398.77	139.44	267.41	**1,299.14**	374.21	242.26	258.20	89.02	**963.69**
Unallocated revenue					**(0.01)**					**3.33**
Less: Unallocated expenses					**–**					**0.47**
Operating Profit					**1,299.15**					**966.55**
Income Tax expense (including deferred tax)					**432.20**					**331.46**
Net Profit					**866.95**					**635.09**
Segment Assets	33,488.89	16,049.70	23,787.18	5,370.03	**78,695.80**	26,605.44	11,876.34	19,936.04	2,273.81	**60,691.63**
Unallocated Assets					**1,663.02**					**1,159.12**
Total Assets					**80,358.82**					**61,850.75**
Segment Liabilities	21,044.07	29,767.95	21,868.24	124.84	**72,805.10**	12,839.82	21,910.31	20,250.35	160.95	**55,161.43**
Unallocated Liabilities					**6.40**					**5.36**
Total Liabilities					**72,811.50**					**55,166.79**
Capital Employed (Segment Assets – Segment Liabilities)	12,444.82	(13,718.24)	1,918.94	5,245.18	**5,890.70**	13,765.62	(10,033.97)	(314.31)	2,112.87	**5,530.21**
Unallocated Capital					**1,656.62**					**1,153.75**
Total Capital					**7,547.32**					**6,683.96**
Capital Expenditure	64.20	84.97	14.41	20.31	**183.89**	67.99	73.37	13.49	12.54	**167.39**
Depreciation	58.04	48.21	9.90	5.72	**121.87**	40.12	33.80	10.71	2.32	**86.95**

Notes:

- The business of the Bank is concentrated largely in India. Accordingly, geographical segment results have not been reported in accordance with AS-17 (Segment Reporting).
- The Bank commenced its operations at its International Financial Services Centre Banking Unit (IBU) in Gujarat International Finance Tec (GIFT) City, Gujarat in April 2017 and the same is included in Corporate and wholesale Banking segment.
- Income, expenses, assets, liabilities, depreciation for the year and Capital expenditure for the year have been either specifically identified to individual segment or allocated to segments on a reasonable basis or are classified as unallocated.
- Unallocated items include Fixed Assets, realized gains/losses on their sale, income tax expense, deferred income tax assets/liabilities, advance tax, cash in hand, share capital and reserves.

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5.3. Related Party Transactions

As per AS 18 "Related Party Disclosures", the Bank's related parties for the year ended March 31, 2019 are disclosed below:

1. **Key Management Personnel ('KMP')**
   Mr. Vishwavir Ahuja (Managing Director & Chief Executive Officer)
   Mr. Rajeev Ahuja (Executive Director)
2. **Relatives of Key Management Personnel**
   Mrs. Reva Ahuja, Mr. Dharam Bir Ahuja, Ms. Vasudhaa Ahuja, Ms. Vrinda Ahuja, Mrs. Dipeeka Dhand, Ms. Kanika Ahuja, D. B. Ahuja & Sons (HUF)
   Ms. Aishwarya Ahuja, Mrs. Priti Ahuja, Mr. Raman Ahuja, Ms. Nandita Ahuja, Miss Asavari Ahuja
3. **Associates**
   RBL Finserve Limited (RFL) (formerly Swadhaar Finserve Private Limited (SFPL)) (till November 7, 2017)
4. **Subsidiary**
   RBL Finserve Limited (RFL) (formerly Swadhaar Finserve Private Limited (SFPL)) (w.e.f. November 8, 2017)

The following represents the significant transactions between the Bank and such related parties including relatives of above mentioned KMP during the year ended March 31, 2019.

(₹ in crore)

Items / Related Party	Subsidiary/ Associates/ Joint ventures #	Maximum Balance during the year #	KMP	Maximum Balance during the year	Relatives of KMP	Maximum Balance during the year
Dividend Paid	–	–	3.10	–	0.11	–
Remuneration	–	–	4.51	–	–	–
Deposit	–	–	11.55	14.39	4.27	4.41
Deposits placed	–	–	–	–	0.65	–
Advances	–	–	0.57	0.67	–	–
Advance repaid	–	–	0.10	–	–	–
Interest paid	–	–	0.68	–	0.18	–
Interest received	–	–	0.06	–	–	–
Interest payable	–	–	–	0.11	–	0.05
Interest receivable	–	–	–	–	–	–

The following represents the significant transactions between the Bank and such related parties including relatives of above mentioned KMP during the previous year ended March 31, 2018.

(₹ in crore)

Items / Related Party	Subsidiary/ Associates/ Joint ventures #	Maximum Balance during the year #	KMP	Maximum Balance during the year	Relatives of KMP	Maximum Balance during the year
Dividend Paid	–	–	2.57	–	0.10	–
Remuneration	–	–	4.57	–	–	–
Deposit	–	–	10.23	10.23	3.01	3.84
Deposits Placed	–	–	–	–	0.69	–
Advances	–	–	0.67	0.76	–	–
Advances repaid	–	–	0.09	–	–	–
Interest paid	–	–	0.48	–	0.20	–
Interest received	–	–	0.07	–	–	–
Interest payable	–	–	–	0.09	–	0.04
Interest receivable	–	–	–	–	–	–

In accordance with RBI guidelines dated March 29, 2003 "Guidance on compliance with the accounting standards by banks", details pertaining to the related party transactions have not been provided where there is only one related party in each of the above categories.

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5.4. Operational Leases

The Bank has taken certain premises on operating lease. The agreements entered into provide for renewal and rent escalation. Particular of future minimum lease payments in respect of the same are as mentioned below:

(₹ in crore)

Period	2018-19	2017-18
Not later than one year	99.41	82.39
Later than one year and not later than five years	274.49	224.12
Later than five years	95.53	83.75
Total	**469.43**	**390.26**
Lease payment recognized in profit and loss account for the year	119.36	97.83

5.5. Earnings Per Share (EPS)

(₹ in crore)

Particulars	2018-19	2017-18
Basic		
Weighted Average Number of equity shares	423,523,484	402,311,032
Net Profit after tax available for equity share holders (₹)	866.95	635.09
Basic Earnings Per Share (F V ₹ 10/-)	20.47	15.79
Diluted		
Weighted Average Number of equity shares (including dilutive potential equity shares)	423,690,064	418,498,576
Net Profit after tax available for equity share holders (₹)	866.95	635.09
Diluted Earnings Per Share (F V ₹ 10/-)	20.04	15.18
Nominal Value per share	₹ 10	₹ 10

The dilutive impact is due to stock options granted to employees of the Bank.

5.6. Deferred Tax (AS -22)

Major components of Deferred Tax Assets and Deferred Tax Liabilities as on March 31, 2019 are as under:-

(₹ in crore)

	Deferred Tax Assets/(Liabilities)	
Particulars	2018-19	2017-18
Deferred tax assets:		
Provision for Assets	191.62	125.35
Employee benefits	5.69	4.10
Others	18.00	12.06
Deferred tax liabilities:		
Depreciation on Fixed Assets	(5.82)	(6.21)
Total	**209.49**	**135.30**

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5.7. Fixed Assets:

The following table sets forth, for the periods indicated, the movement in software acquired by the Bank, as included in fixed assets

(₹ in crore)

Particulars	2018-19	2017-18
At cost at the beginning of the year	242.46	159.81
Additions during the year	75.94	82.65
Deductions during the year	2.47	–
Accumulated depreciation at March 31	160.82	110.30
Net Block at March 31	155.11	132.16
Depreciation charge for the year	52.97	37.07

6. Small and Micro Industries

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments during the years ended March 31, 2019 and March 31, 2018. The above is based on the information available with the Bank which has been relied upon by the statutory auditors.

7. Disclosure of complaints / unimplemented awards of Banking Ombudsman

A) Customer Complaints other than ATM transaction disputes

Particulars		2018-19	2017-18
a)	No. of complaints pending at the beginning of the year	708	675
b)	No. of complaints received during the year	24,777	22,851
c)	No. of complaints redressed during the year	24,951	22,818
d)	No. of complaints pending at the end of the year	534	708

B) ATM Transaction disputes relating to the Bank's customers on the Bank's ATM

Particulars		2018-19	2017-18
a)	No. of complaints pending at the beginning of the year	8	14
b)	No. of complaints received during the year	291	725
c)	No. of complaints redressed during the year	299	731
d)	No. of complaints pending at the end of the year	–	8

C) ATM Transaction disputes relating to the Bank's customers on other Bank's ATM

Particulars		2018-19	2017-18
a)	No. of complaints pending at the beginning of the year	74	24
b)	No. of complaints received during the year	6,632	3,606
c)	No. of complaints redressed during the year	6,611	3,556
d)	No. of complaints pending at the end of the year	95	74

D) Total Customer complaints (A+B+C)

Particulars		2018-19	2017-18
a)	No. of complaints pending at the beginning of the year	790	713
b)	No. of complaints received during the year	31,700	27,182
c)	No. of complaints redressed during the year	31,861	27,105
d)	No. of complaints pending at the end of the year	629	790

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E) Awards passed by the Banking Ombudsman

Particulars		2018-19	2017-18
a)	No. of unimplemented awards at the beginning of the year	–	–
b)	No. of awards passed by the Banking Ombudsman during the year	–	–
c)	No. of awards implemented during the year	–	–
d)	No. of unimplemented awards at the end of the year	–	–

8. Capital Adequacy

The Bank's capital to risk-weighted asset ratio ('Capital Adequacy Ratio') as at March 31, 2019 is calculated in accordance with the RBI guidelines on Basel III capital regulations ('Basel III'). The phasing-in of the minimum capital ratio requirement under Basel III is as follows:

Minimum ratio of capital to risk-weighted assets	As at March 31,		
	2018	2019	2020
Common equity tier 1 (CET1)	7.375%	7.375%	8.000%
Tier I capital	7.000%	7.000%	7.000%
Total capital	10.875%	10.875%	11.500%

8.1. Capital Adequacy Ratio as per RBI guidelines as per Basel III Capital Regulations dated July 1, 2015 and amended thereafter, as at March 31, 2019 is given below:

(₹ in crore)

Particulars		2018-19	2017-18
i)	Common Equity Tier 1 (CET) capital ratio (%)	12.10%	13.61%
ii)	Tier I capital ratio (%)	12.10%	13.61%
iii)	Tier II capital ratio (%)	1.36%	1.72%
iv)	Total capital ratio (CRAR) (%)	13.46%	15.33%
v)	Percentage of the shareholding of the Government of India in Public Sector banks	NA	NA
vi)	Amount of Equity capital raised	100.54	1,795.28
vii)	Amount of Additional Tier 1 capital raised	NIL	NIL
viii)	Amount of Tier 2 capital raised	NIL	NIL

For the computation of CRAR the Bank has reduced the proposed dividend and corporate dividend tax thereon, totaling ₹ 138.89 crore and ₹ 106.25 crore for the year ending March 31, 2019 and of March 31, 2018 respectively, from CET Capital funds.

8.2. Tier II Capital

During the current year, the Bank did not issue any Basel III compliant Tier II bonds (previous year NIL). Basel III compliant Tier II bonds outstanding as at March 31, 2019 are as below:

(₹ in crore)

Particulars	Nature of Security	Date of Issue	Coupon Rate %	Tenure	Amount
Redeemable, Unsecured, Non-Convertible	Debentures	September 27, 2016	10.20%	Six years and 7 Months	330.00
Redeemable, Unsecured, Non-Convertible	Debentures	March 31, 2016	10.25%	Six years and 3 Months	200.00
Redeemable, Unsecured, Non-Convertible	Debentures	February 16, 2016	10.25%	Six years and 3 Months	200.00

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9. Investments:

9.1. During the current year and the previous year there has been no sale/transfer from HTM categories in excess of 5% of the book value of investments held in the HTM category. The 5% threshold referred to above does not include onetime transfer of securities to/from HTM category with the approval of Board of Directors permitted to be undertaken by banks as per extant RBI guidelines, sale of securities under pre-announced Open Market Operation (OMO) auction to the RBI and sale of securities or transfer to AFS / HFT consequent to the reduction of ceiling on SLR securities under HTM.

9.2. In the financial year ending March 31, 2016, with RBI's permission, the Bank acquired the shares of a company (investee Company) to realize it's dues by exercising a pledge of investee company's shares in its favor by one of the defaulting borrowers of the Bank. The Bank's shareholding in the said investee company stands at 24.38% as at March 31, 2019 (previous year 24.38%). Investments in the shares of the investee company have been acquired and held exclusively with a view to its subsequent disposal in the near future and accordingly has not been accounted for as an associate under the purview of AS-23 – 'Accounting for Investments in Associates in Consolidated Financial Statements'. These equity shares have been classified under AFS category and have been valued as per the extant RBI guidelines for the valuation of investments. Accordingly, these exposures have not been considered as intra-group exposures.

9.3. During the year ended March 31, 2019, the Bank has increased its holding in RBL Finserve Limited (RFL) (formerly Swadhaar Finserve Private Limited (SFPL)) from 60.48% to 100%, following which the company has become a "Wholly Owned Subsidiary" (WOS) of the Bank w.e.f. June 28, 2018. The investment is classified in Held to Maturity (HTM) category, in accordance with the RBI guidelines.

During the previous year ended March 31, 2018, the Bank had increased its holding in RBL Finserve Limited (RFL) (formerly Swadhaar Finserve Private Limited (SFPL)) from 30.00% to 60.48%, following which the company had become a "Subsidiary" of the Bank w.e.f. November 8, 2017. The investment was classified in Held to Maturity (HTM) category, in accordance with RBI guidelines.

9.4. Movement of Investments:

(₹ in crore)

Particulars			2018-19	2017-18
(1)	**Value of Investments**			
(i)	Gross Value of Investments			
	(a)	In India	16,966.04	15,520.23
	(b)	Outside India	0.44	0.19
(ii)	Provisions for Depreciation(including provision for NPI)			
	(a)	In India	126.12	72.93
	(b)	Outside India	–	–
(iii)	Net Value of Investments			
	(a)	In India	16,839.92	15,447.30
	(b)	Outside India	0.44	0.19
(2)	**Movement of provisions held towards depreciation of investments (including provision for NPIs)**			
(i)	Opening balance		72.93	50.81
(ii)	Add: Provisions made during the year		67.42	56.84
(iii)	Less: Write-off / write back of excess / provisions (including provision for NPIs) during the year		14.23	34.72
(iv)	Closing balance		126.12	72.93

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9.5. Repo / Reverse Repo Transactions:

During the year, the Bank has undertaken Repo / Reverse Repo transactions including Repo / Reverse Repo transactions under the Liquidity Adjustment Facility (LAF) / Marginal Standing Facility (MSF) with RBI. Outstanding lending under Reverse Repo deals with RBI under LAF / MSF as at March 31, 2019 stood at ₹ 2,315.00 crore (previous year: ₹ 628.00 crore). Outstanding borrowing under Repo deals with RBI under LAF / MSF as at March 31, 2019 stood at Nil (previous year: ₹ 500.00 crore). Outstanding lending under Reverse Repo deals with CCIL as at March 31, 2019 were Nil (previous year: ₹ 214.99 crore). Outstanding borrowing under Repo deals with CCIL as at March 31, 2019, Nil (previous year: ₹ 684.98 crore).

(₹ in crore)

Nature	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on March 31, 2019
Securities sold under repo				
i. Government securities	NIL	699.64	9.91	NIL
ii. Corporate debt securities	NIL	NIL	NIL	NIL
Securities purchased under reverse repo				
i. Government securities	NIL	989.29	16.37	NIL
ii. Corporate debt securities	NIL	NIL	NIL	NIL

9.6. Collateralized Borrowing and Lending Obligation (CBLO) \ Tri-party Repo Transactions

CBLO is a discounted money market instrument, established by CCIL and approved by RBI, which involves secured borrowings and lending transactions. At March 31, 2019, the Bank had outstanding net borrowings at Nil (March 31, 2018: ₹ 399.80 crore) in the form of CBLO. The amortized book value of securities given as collateral by the Bank to CCIL for availing the CBLO facility was Nil at March 31, 2019 (March 31, 2018: ₹ 412.79 crore).

At March 31, 2019, the Bank had net outstanding borrowings Nil (March 31, 2018: Nil), and net lending ₹ 99.93 crore (March 31, 2018: Nil) under Tri-party Repo transaction.

9.7. Issuer Composition of Non-SLR investments (investments not qualifying for the purpose of Statutory Liquidity Ratio (SLR) prescribed by RBI):

Issuer composition as at March 31, 2019 of non-SLR investments

(₹ in crore)

No	Particulars	Amount	Private Placement	Below Investment Grade	Unrated Securities	Unlisted Securities
1	PSU	NIL	NIL	NIL	NIL	NIL
2	FIs	465.43	98.82	NIL	NIL	NIL
3	Banks	230.74	80.00	NIL	NIL	NIL
4	Private Corporates	1,696.74	1,056.67	NIL	47.74	82.27
5	Subsidiaries/ Joint ventures	95.24	NIL	NIL	NIL	95.24
6	Others	2,535.63*	1,661.11	4.27	NIL	110.93
7	Provisions held towards depreciation	(126.12)	NA	NA	NA	NA
	Total	**4,897.66**	**2,896.60**	**4.27**	**47.74**	**288.44**

* includes Government securities of ₹ 2.93 crore which does not qualify as SLR securities.

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Issuer composition as at March 31, 2018 of non-SLR investments

(₹ in crore)

No	Particulars	Amount	Private Placement	Below Investment Grade	Unrated Securities	Unlisted Securities
1	PSU	NIL	NIL	NIL	NIL	NIL
2	FIs	195.25	NIL	NIL	NIL	NIL
3	Banks	601.19	180.00	NIL	NIL	NIL
4	Private Corporates	1,303.48	1,161.95	NIL	68.44	206.81
5	Subsidiaries/ Joint ventures	50.50	NIL	NIL	NIL	50.50
6	Others	2,048.05*	1,048.70	28.04	NIL	115.68
7	Provisions held towards depreciation	(72.93)	NA	NA	NA	NA
	Total	**4,125.54**	**2,390.65**	**28.04**	**68.44**	**372.99**

* includes Government securities of ₹ 2.93 crore which does not qualify as SLR securities.

9.8. Non Performing Non-SLR investment

(₹ in crore)

No	Particulars	2018-19	2017-18
1	Opening Balance	NIL	28.36
2	Additions during the year	42.74	NIL
3	Reductions during the year	3.76	28.36
4	Closing Balance	38.98	NIL
5	Total provisions held for NPI	25.10	NIL

9.9. Details of Investment category wise

The details of investments held under the three categories viz. Held for Trading (HFT), Available for Sale (AFS) and Held to Maturity (HTM) are as under:

(₹ in crore)

Particulars	As at 31 March 2019				As at 31 March 2018			
	HFT	AFS	HTM	Total	HFT	AFS	HTM	Total
Government Securities	685.35	3.65	11,253.70	11,942.70	1,173.36	1,623.54	8,525.06	11,321.96
Other Approved securities	–	–	–	–	–	–	–	–
Shares	–	173.77	–	173.77	–	172.16	50.50	222.66
Debentures and Bonds	25.02	1,401.85	–	1,426.87	–	1,991.85	–	1,991.85
Subsidiary / Joint Ventures	–	–	95.24	95.24	–	–	–	–
Others	1,270.61	1,963.00	94.29	3,327.90	544.36	1,361.86	77.74	1,983.96
Total	**1,980.98**	**3,542.27**	**11,443.23**	**16,966.48**	**1,717.72**	**5,149.41**	**8,653.30**	**15,520.43**

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9.10 Security Receipts (SR)

Details of the book value of investments held as Security Receipts received by sale of NPA to Securitization / Reconstruction Company are as follows:

(₹ in crore)

Particulars	Backed by NPAs sold by the Bank as underlying		Backed by NPAs sold by other banks/ FIs/ NBFCs as underlying		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Book value of investments in security receipts	32.18	32.18	–	–	32.18	32.18

The bank has made credit provision of ₹ 29.62 crore (previous year ₹ 4.83 crore) in respect of these SR investments.

Ageing analysis of SRs:

(₹ in crore)

Particulars	SRs Issued within Past 5 Years		SRs issued more than 5 years ago but within past 8 Years		SRs issued more than 8 Years ago		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
(i) Book Value of SRs Backed by NPAs sold by the bank as underlying.	32.18	32.18	–	–	–	–	32.18	32.18
Provision held against (i)	29.62	4.83	–	–	–	–	29.62	4.83
(ii) Book value of SRs Backed by NPAs sold by Other banks / financial institutions / nonbanking Financial companies as Underlying	–	–	–	–	–	–	–	–
Provision held against (ii)	–	–	–	–	–	–	–	–
Total (i) + (ii)	**32.18**	**32.18**	**–**	**–**	**–**	**–**	**32.18**	**32.18**

10. Forward Rate Agreement / Interest Rate Swaps / Exchange Traded Interest Rate Derivatives:

10.1. Notional and concentration of FRAs and IRS

(₹ in crore)

Particulars		2018-19	2017-18
i)	The notional principal of swap agreements	9,866.69	7,356.31
ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	107.41	57.75
iii)	Collateral required by the Bank upon entering into swaps	NIL	NIL
iv)	Concentration of credit risk arising from the swaps	51.58	30.78
v)	The fair value of the swap book#	15.87	24.71

fair value of the swap book is inclusive of interest accrual.

10.2. The nature and terms of Interest Rate Swaps (IRS) – FCY as on March 31, 2019 are set out below

Nature	Nos.	Notional Principal (₹ in crore)	Benchmark	Terms
Trading	84	1,123.84	EURIBOR, GBP and USD LIBOR	Receive Fixed and Pay Floating
Trading	84	1,123.84	EURIBOR, GBP and USD LIBOR	Pay Fixed and Receive Floating

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The nature and terms of Interest Rate Swaps (IRS) – FCY as on March 31, 2018 are set out below

Nature	Nos.	Notional Principal (₹ in crore)	Benchmark	Terms
Trading	60	864.01	USD and GBP LIBOR and EURIBOR	Receive Fixed and Pay Floating
Trading	60	864.01	USD and GBP LIBOR and EURIBOR	Pay Fixed and Receive Floating
Hedging	1	97.76	USD LIBOR	Pay Fixed and Receive Floating

10.3. The nature and terms of Interest Rate Swaps (IRS) – INR as on March 31, 2019 are set out below

Nature	Nos.	Notional Principal (₹ in crore)	Benchmark	Terms
Trading	97	3,709.01	FBIL MIBOR	Receive Fixed and Pay Floating
Trading	110	3,635.00	FBIL MIBOR	Pay Fixed and Receive Floating
Hedging	7	275.00	FBIL MIBOR	Receive Fixed and Pay Floating

The nature and terms of Interest Rate Swaps (IRS) – INR as on March 31, 2018 are set out below

Nature	Nos.	Notional Principal (₹ in crore)	Benchmark	Terms
Trading	79	2,670.52	FBIL MIBOR	Receive Fixed and Pay Floating
Trading	89	2,585.00	FBIL MIBOR	Pay Fixed and Receive Floating
Hedging	7	275.00	FBIL MIBOR	Receive Fixed and Pay Floating

10.4. Exchange Traded Interest Rate Derivatives

Exchange Traded Interest Rate Derivatives is set out below.

(₹ in crore)

S.No.	Particulars	2018-19
1	Notional Principal amount of exchange traded interest rate derivatives undertaken during the year	Nil
2	Notional Principal amount of exchange traded interest rate derivatives outstanding as on March 31, 2019.	Nil
3	Notional Principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" as on March 31, 2019	Nil
4	Mark-to-Market value of exchange traded interest rate derivatives outstanding and not "highly effective" as on March 31, 2019.	Nil

S.No.	Particulars	2017-18
1	Notional Principal amount of exchange traded interest rate derivatives undertaken during the year :	
	679GS2027-FUTIRC-25-Jan-18	30.78
	679GS2027-FUTIRC-26-Oct-17	45.36
	679GS2027-FUTIRC-27-July-17	12.24
	679GS2027-FUTIRC-28-Dec-17	0.02
	679GS2027-FUTIRC-29-Jun-17	20.38
	679GS2027-FUTIRC-31-Aug-17	71.26
	697GS2026-FUTIRC-25-MAY-17	6
	697GS2026-FUTIRC-27-JUL-17	31.36
	697GS2026-FUTIRC-29-Jun-17	154.03
	759GS2026-FUTIRC-27-May-17	81.72
	759GS2026-FUTIRC-27-Apr-17	20.72
	759GS2026-FUTIRC-27-Jul-17	10.75
	759GS2026-FUTIRC-27-Jun-17	102.07
2	Notional Principal amount of exchange traded interest rate derivatives outstanding as on March 31, 2018.	Nil
3	Notional Principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" as on March 31, 2018	N.A.
4	Mark-to-Market value of exchange traded interest rate derivatives outstanding and not "highly effective" as on March 31, 2018.	N.A.

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10.5. Risk Exposure in Derivatives:

Qualitative disclosures:

Derivatives are financial instruments whose characteristics are derived from underlying asset or interest rates or exchange rates or indices. The Bank deals in interest rate and foreign exchange (Fx) derivatives for balance sheet management, proprietary trading and market making purposes whereby the Bank offers derivative products to its customers, enabling them to hedge their risks.

Proprietary Traders manages trading positions within the approved risk limits. It deals in fixed income, equity and forex markets. The Bank transacts in derivative products such as forex options, currency swaps, interest rate swap, foreign currency interest rate swaps and long term foreign exchange contracts (LTFX) with its customers to hedge their market risk. The Bank also undertakes derivative transactions to hedge its balance sheet assets or liabilities.

These transactions expose the Bank to various risks, primarily credit, market and operational risk. The Bank has adopted the following mechanism for managing risks arising out of the derivative transactions.

a) **The structure and organization for management of risk in derivatives trading.**

The Bank has separate Treasury Front Office, Treasury Middle Office, Treasury Back Office and Market Risk functions. The derivative transactions are originated by Treasury Front Office, which ensures compliance with the trade origination requirements as per the RBI guidelines and the Bank's derivatives policy. The Treasury Middle Office and Market Risk groups are responsible for identifying, measurement, monitoring, and analysis of derivative related risks. Treasury Back Office undertakes activities such as confirmations, settlements, documentation and accounting. Treasury functions are also subject to a concurrent audit.

b) **The scope and nature of risk measurement, risk reporting and risk monitoring systems.**

Derivative transactions are governed by the Bank's Derivative Policy, Commercial Credit Policy, Market Risk Policy, Liquidity Risk Management, ALM Policy and Client Suitability and Appropriateness Policy as well as by the extant RBI regulations.

The Bank has set up various risk limits taking into account market volatility, business strategy and management experience. The Bank measures and monitors risk of its derivatives portfolio using risk metrics such as Value at Risk (VaR), stop loss limits, PV01 and other risk measures. All exposures are monitored against these limits on a daily basis and breaches, if any, are reported to senior management/Asset and Liability Committee (ALCO) for corrective action/ratification.

All counterparty exposures are monitored against counterparty credit limits on a daily basis and breaches, if any, are reported to senior management/ALCO for corrective action/ratification.

c) **Policies for hedging and/ or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants,**

The Bank has a Board approved Hedge and Hedge effectiveness Policy, which govern the use of derivative for hedging purpose. Hedging transactions are undertaken by the Bank to protect the variability in the cash flow of the underlying Balance Sheet item. These deals are accounted on an accrual basis.

d) **Accounting policy for recording hedge and non-hedge transactions, recognition of income, premiums and discounts, valuation of outstanding contracts.**

The Bank undertakes derivative transactions for market making/trading and hedging purposes. Transactions for trading and hedging are recorded separately. The Bank revalue its trading positions on a daily basis and the resulting gain/loss is recorded in the Profit and Loss Account. The receivable and payable on marking the contracts to market are shown under "Other Assets" and "Other Liabilities" in the Balance Sheet.

Foreign exchange forward contracts not intended for trading, that are entered into to establish the amount of reporting currency required or available at the settlement date of a transaction, and are outstanding at the Balance Sheet date, are effectively valued at the closing spot rate. The premia or discount arising at the inception of such forward exchange contract is amortized as expense or income over the life of the contract.

The Bank follows the option premium accounting framework prescribed by FEDAI guidelines. Premium on option transaction is recognized as income/ expense on expiry or unwinding of the transaction. MTM gain/ loss, is recorded under 'Other Income'. The amounts received/paid on cancellation of option contracts are recognized as realised gains/ losses on options.

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Charges receivable/payable on cancellation/ termination of foreign exchange Forward contracts and swaps are recognized as income/ expense on the date of cancellation/ termination under 'Other Income'. Pursuant to the RBI guidelines, any receivables (crystallised receivables and positive MTM) under Forex & derivatives contracts, which remain overdue for more than 90 days, are reversed through the Profit and Loss Account and are held in a separate Suspense account.

e) Counterparty Credit Risk Mitigation

The credit risk on customer derivative transactions is mitigated through a laid down policy on sanction of Loan Equivalent Risk (LER) limits, monitoring mechanism for LER limits and trigger events for escalations, margin calls and terminations.

The Bank measures the counterparty risk using current exposure method as stipulated by RBI. Counterparty limits are approved as per the Bank's Credit Policies. The sanction terms may include the requirement, on a case to case basis, to provide upfront collateral, or place collateral if the mark to market (MTM) exceeds a specified threshold. The Bank retains the right to terminate transactions as a risk mitigation measure, in case the client does not adhere to the agreed terms.

Collateral requirements for derivative transactions determined through a usual credit appraisal process and are laid down in the credit sanction terms of the transactions. The Bank retains the right to terminate transactions as a risk mitigation measure in certain cases.

Quantitative disclosure on risk exposure in derivatives as at March 31, 2019

(₹ in crore)

S. No.	Particulars		2018-19				2017-18			
			Currency derivatives			Interest rate derivatives	Currency derivatives			Interest rate derivative
			Forward Contract	Currency Option	Currency Swap		Forward Contract	Currency Option	Currency Swap	
(i)	Derivatives (Notional Principal Amount)									
	a) For hedging #		5,650.80	–	475.53	275.00	2,752.10	NIL	665.74	372.76
	b) For trading		18,075.61	2,206.92	4,680.17	9,591.69	14,895.72	2,308.87	6,225.78	6,983.55
(ii)	Marked to Market Positions									
	a) Asset (+)		243.41	65.11	118.79	107.22	133.53	22.59	151.69	48.51
	b) Liability (-)		(204.57)	(58.72)	(95.17)	(94.55)	(120.11)	(21.68)	(119.56)	(33.04)
(iii)	Credit Exposure		1,064.38	145.29	627.26	207.06	669.52	59.85	791.36	131.76
(iv)	Likely impact of one percentage change in interest rate (100*PV01)									
	a) on hedging derivatives #		19.93	NIL	NIL	NIL	17.19	NIL	NIL	NIL
	b) on trading derivatives		0.30	NIL	NIL	NIL	0.08	NIL	NIL	NIL
(v)	Maximum and Minimum of 100*PV01 observed during the year									
	a) on hedging #	Max	35.69	NIL	1.14	5.37	17.19	NIL	0.51	7.84
		Min	13.31	NIL	0.05	3.20	1.24	NIL	0.12	5.58
	b) on trading	Max	1.19	NIL	–	4.37	0.82	NIL	NIL	2.53
		Min	0.19	NIL	–	0.39	0.01	NIL	NIL	0.01

represents funding swaps undertaken by the Bank.

(1) Mark to Market for Currency Swap & Interest Rate Derivative includes Interest accrued on the swap.

(2) Maximum and minimum PV01 for the year is computed based on balances at the end of every month. The Notional principal of Forward Contracts does not include Tom and Spot Foreign Exchange trades.

(3) The notional principal of derivative contracts reflect the volume of transactions outstanding as at the balance sheet date and do not represent the amount of risk taken by the Bank.

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11. Restructured / Rescheduled / Renegotiated Investments

During the year Nil (Previous year: Nil)

12. Asset Quality

12.1. Movement of NPA and NPA Provision

(₹ in crore)

Particulars		2018-19	2017-18
(i)	**Net NPAs to Net Advances (%)**	1.38%	0.78%
(ii)	**Provisioning Coverage Ratio (PCR) (%)**	65.30%	57.57%
(iii)	**Movement of Gross NPAs**		
	(a) Opening balance	566.73	356.84
	(b) Additions during the year	707.01	569.19
	(c) Reductions during the year	519.12	359.29
	(i) Up – gradations	12.42	70.28
	(ii) Recoveries (excluding recoveries made from up-graded accounts)	186.49	129.99
	(iii) Write – offs	320.21	159.03
	(d) Closing balance	754.62	566.73
(iv)	**Movement of Net NPAs**		
	(a) Opening balance	312.56	189.94
	(b) Additions during the year	454.39	407.15
	(c) Reductions during the year	394.21	284.53
	(d) Closing balance	372.74	312.56
(v)	**Movement of provisions for NPAs (excluding provisions on standard assets)**		
	(a) Opening balance	254.17	166.90
	(b) Provisions made during the year	386.68	286.29
	(c) Write-off / write back of excess provisions during the year	258.97	199.02
	(d) Closing balance	381.88	254.17

12.2. Divergence in Asset Classification and Provisioning for NPAs

RBI vide its circular dated 18th April 2017, has directed banks to make suitable disclosures, wherever either (a) the additional provisioning requirements assessed by RBI exceed 15 percent of the published net profits after tax for the reference period or (b) the additional Gross NPAs identified by RBI exceed 15 percent of the published incremental Gross NPAs for the reference period, or both. The disclosure requirements were amended by RBI circular dated April 1, 2019, where the banks are required make suitable disclosures, wherever either (a) the additional provisioning for NPA assessed by RBI exceeds 10 percent of the reported profits before provisions and contingencies for the reference period or (b) the additional Gross NPAs identified by RBI exceed 15 percent of the published incremental Gross NPAs for the reference period, or both.

The divergence observed by RBI for the financial year 2017-18 and for the financial year 2016-17 in respect of the Bank's asset classification and provisioning under the extant prudential norms on income recognition asset classification and provisioning (IRACP) did not exceed the relevant prescribed thresholds as per the aforesaid circulars in force.

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12.3. Technical Write-off:

(₹ in crore)

Particulars	2018-19	2017-18
Opening balance of Technical / Prudential written-off accounts as at April 1	169.96	113.12
Add : Technical / Prudential write-offs during the year	168.42	63.37
Sub-total (A)	338.39	176.49
Less : Recoveries made from previously technical / prudential written-off accounts during the year (B)	8.66	6.53
Less: Sacrifice made from previously technical/prudential written-off accounts during the year	10.15	–
Closing balance as at March 31 (A-B)	319.57	169.96

12.4. Particulars of Restructured Accounts:

Details of loan assets subjected to restructuring during the year are given below:

Restructured Advances as at March 31, 2019.

(₹ in crore)

Type of restructuring		Under CDR					Under SME					Others					Total
Asset Classification		S	SS	D	L	Total	S	SS	D	L	Total	S	SS	D	L	Total	
Details																	
Restructured accounts as on 1 April of the FY	A	–	–	–	–	–	–	–	1	–	1	–	–	1	–	1	2
	B	–	–	–	–	–	–	–	16.84	–	16.84	–	–	13.27	–	13.27	30.11
	C	–	–	–	–	–	–	–	9.17	–	9.17	–	–	10.58	–	10.58	19.75
Fresh Restructuring during the year	A	–	–	–	–	–	4	–	–	–	4	–	–	1	–	1	5
	B	–	–	–	–	–	10.23	–	–	–	10.23	–	–	20.94	–	4.91	15.14
	C	–	–	–	–	–	0.51	–	–	–	0.51	–	–	3.33	–	3.12	3.63
Increase / (Decrease) in outstanding of Restructured cases	A	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	B	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	C	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Upgradation to restructured standard during the FY	A	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	B	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	C	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Restructured standard advances which cease to attract higher provision at the year end and need not be shown as restructured advances at the beginning of the next FY	A	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	B	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	C	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Down gradations of restructured accounts during the FY	A	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	B	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	C	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Write-offs of restructured accounts	A	–	–	–	–	–	–	–	(1)	–	(1)	–	–	(1)	–	(1)	(2)
	B	–	–	–	–	–	–	–	(16.84)	–	(16.84)	–	–	(29.31)	–	(13.27)	(30.11)
	C	–	–	–	–	–	–	–	(9.17)	–	(9.17)	–	–	(10.80)	–	(10.58)	(19.75)
Restructured accounts as on 31 March (Closing)	A	–	–	–	–	–	4	–	–	–	4	–	–	1	–	1	5
	B	–	–	–	–	–	10.23	–	–	–	10.23	–	–	4.91	–	4.91	15.14
	C	–	–	–	–	–	0.51	–	–	–	0.51	–	–	3.12	–	3.12	3.63

A- No. of borrowers, B- Amt. outstanding, C- Provision thereon

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Restructured Advances as at March 31, 2018

(₹ in crore)

Type of restructuring		Under CDR					Under SME					Others					Total
Asset Classification		S	SS	D	L	Total	S	SS	D	L	Total	S	SS	D	L	Total	
Details																	
Restructured accounts as on 1 April of the FY	A	–	–	1	–	1	1	–	–	–	1	–	–	3	–	3	5
	B	–	–	3.86	–	3.86	19.24	–	–	–	19.24	–	–	19.72	–	19.72	42.82
	C	–	–	3.29	–	3.29	4.33	–	–	–	4.33	–	–	10.85	–	10.85	18.47
Fresh Restructuring during the year	A	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	B	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	C	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase / (Decrease) in outstanding of Restructured cases	A	–	–	(1)	–	(1)	–	–	–	–	–	–	–	–	–	–	(1)
	B	–	–	(3.86)	–	(3.86)	(2.41)	–	–	–	(2.41)	–	–	(4.98)	–	(4.98)	(11.25)
	C	–	–	(3.29)	–	(3.29)	–	–	–	–	–	–	–	0.53	–	0.53	(2.76)
Upgradation to restructured standard during the FY	A	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	B	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	C	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Restructured standard advances which cease to attract higher provision at the year end and need not be shown as restructured advances at the beginning of the next FY	A	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	B	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	C	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Down gradations of restructured accounts during the FY	A	–	–	–	–	–	(1)	–	1	–	–	–	–	–	–	–	–
	B	–	–	–	–	–	(16.84)	–	16.84	–	–	–	–	–	–	–	–
	C	–	–	–	–	–	(4.33)	–	9.17	–	4.84	–	–	–	–	–	4.84
Write-offs of restructured accounts	A	–	–	–	–	–	–	–	–	–	–	–	–	(2)	–	(2)	(2)
	B	–	–	–	–	–	–	–	–	–	–	–	–	(1.47)	–	(1.47)	(1.47)
	C	–	–	–	–	–	–	–	–	–	–	–	–	(0.80)	–	(0.80)	(0.80)
Restructured accounts as on 31 March (Closing)	A	–	–	–	–	–	–	–	1	–	1	–	–	1	–	1	2
	B	–	–	16.84	–	16.84	–	–	13.27	–	13.27	–	–	13.27	–	13.27	30.11
	C	–	–	9.17	–	9.17	–	–	10.58	–	10.58	–	–	10.58	–	10.58	19.75

A- No. of borrowers, B- Amt. outstanding, C- Provision thereon

As per the circular DBR.No.BP.BC.18/21.04.048/2018-19 dated January 1, 2019, the following is the disclosure pertaining to MSME accounts restructured during the year:-

(₹ in crore)

No. of accounts restructured	Amount
4	10.23

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12.5. Resolution of Stressed Assets / Scheme for Strategic Debt Restructuring Scheme (SDR) / Sustainable Structuring of Stressed Assets (S4A)

Disclosures on Strategic Debt Restructuring Scheme (accounts which are currently under the stand-still period)

(₹ in crore)

No. of accounts where SDR has been invoked #	Amount outstanding as on the reporting date		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity has taken place	
	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA
Nil	Nil	Nil	Nil	Nil	Nil	Nil

Above table does not include accounts where SDR has been invoked but not implemented during the current year.

During the previous year

(₹ in crore)

No. of accounts where SDR has been invoked	Amount outstanding as on the reporting date		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity has taken place	
	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA
Nil	Nil	Nil	Nil	Nil	Nil	Nil

12.5.1. **Disclosures on Change in Ownership outside SDR Scheme (accounts which are currently under the stand-still period)**

The Bank did not implement any scheme relating to change in the ownership outside the SDR during the current year and the previous year.

12.5.2. **Disclosures on Change in Ownership of Projects Under Implementation (accounts which are currently under the stand-still period)**

The Bank did not implement any scheme relating to change in the ownership of Projects under Implementation during the current year and the previous year.

12.5.3. **Disclosures on Flexible Structuring of Existing**

The Bank did not do any flexible structuring of existing loans during the current year and the previous year.

12.5.4. **Disclosures on the Scheme for Sustainable Structuring of Stressed Assets (S4A), as on March 31, 2019**

(₹ in crore)

	No. of accounts where S4A has been applied	Amount outstanding			Provision Held
		Aggregate amount outstanding	In Part A	In Part B	
Classified as Standard	1	17.99	12.91	5.08	3.62
Classified as NPA	–	–	–	–	–

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As on March 31, 2018

(₹ in crore)

	No. of accounts where S4A has been applied	Amount outstanding			Provision Held
		Aggregate amount outstanding	In Part A	In Part B	
Classified as Standard	1	22.42	13.04	9.38	7.69
Classified as NPA	–	–	–	–	–

12.5.5. The Bank has not acquired any equity shares under SDR scheme during the current year (previous year Nil).

12.5.6. During the current year ended March 31, 2019, there are no cases of resolution under the RBI circular RBI/ 2017-18/131/DBR. NO.BP.BC.101/21.04.048/2017-18 dated February 12, 2018 on 'Resolution of Stressed Assets – Revised Framework' (previous year ₹ 55.65 crore). The said RBI circular has been subsequently quashed by the Honorable Supreme Court vide its judgement dated April 2, 2019.

12.6. Details of financial assets sold to Securitization / Reconstruction Company for Asset Reconstruction:

(₹ in crore)

Particulars			2018-19	2017-18
(i)		No. of accounts	2	1
(ii)		Aggregate value (net of provisions) of accounts sold to SC / RC	27.20	37.87
(iii)		Aggregate consideration	28.01	37.86
(iv)		Additional consideration realized in respect of accounts transferred in earlier years	–	–
(v)		Aggregate loss over net book value	(0.81)	0.01

12.7. Details of non-performing financial assets purchased / sold:

12.7.1. **Non-performing financial assets purchased:**

(₹ in crore)

Particulars			2018-19	2017-18
1	(a)	No. of accounts purchased during the year	–	–
	(b)	Aggregate Outstanding	–	–
2	(a)	Of these, number of accounts restructured during the year	–	–
	(b)	Aggregate Outstanding	–	–

12.7.2. **Non- performing financial assets sold:**

(₹ in crore)

Particulars	2018-19	2017-18
No. of accounts sold during the year #	1	–
Aggregate Outstanding	–	–
Consideration Received	1.15	–

The account sold to asset reconstruction company forms part of the disclosure in note 12.6. The above account with aggregate book outstanding of ₹ 7.00 crore was technically written-off was sold to NBFC .

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12.8. Overseas Assets, NPAs and Revenue

(₹ in crore)

Particulars	2018-19	2017-18
Total Assets	2,034.38	1,239.13
Total NPAs	–	–
Total Revenue	83.82	28.81

13. The Bank has not done any securitization of loan assets during the current and the previous year.

14. Business Ratios:

Particulars		2018-19	2017-18
(i)	Interest income as % to Working funds[1]	9.42%	8.67%
(ii)	Non-Interest income as % to Working funds[1]	2.16%	2.05%
(iii)	Operating profit as % to Working funds[1,2]	2.90%	2.56%
(iv)	Return on Assets (Working funds) [1]	1.30%	1.22%
(v)	Business (Deposit plus Advance) per employee (₹ in crore) [3,4]	18.23	15.06
(vi)	Profit per employee (₹ in crore) [4]	0.15	0.12

1. Working funds is the average of total assets as reported in monthly Form X to RBI under Section 27 of the Banking Regulations Act, 1949.
2. Operating profit is net profit for the year before provisions and contingencies.
3. "Business" is the total of net advances and deposits (net of inter-bank deposits).
4. Productivity ratios are based on closing employee numbers.

15. Maturity Pattern

Maturity pattern of certain items of assets and liabilities is given below:

(₹ in crore)

Particulars	As at March 31, 2019					
	Loans & Advances (INR) #	Investments (INR) #	Deposits (INR) #	Borrowings (INR) #	Foreign currency Assets	Foreign currency Liabilities
1 day	537.52	1,145.60	792.70	32.37	869.79	56.25
2 to 7 days	1,343.89	375.65	3,651.41	0.00	30.57	27.12
8 to 14 days	568.62	1,223.10	2,362.90	0.00	140.45	67.76
15 to 30 Days	2,537.28	1,279.95	4,469.86	0.00	612.21	342.00
31 Days to 2 months	1,799.48	1,691.32	5,635.07	99.65	543.66	1,107.30
Over 2 months to 3 months	1,579.10	1,634.10	5,664.32	24.65	528.46	327.73
Over 3 months to 6 months	3,454.53	1,725.03	5,941.41	259.85	914.46	798.32
Over 6 months to 1 year	11,448.16	3,158.27	12,639.95	1,065.60	722.49	1,482.92
Over 1 year to 3 years	16,971.14	3,293.69	15,826.43	2,377.00	1,201.26	1,860.35
Over 3 years to 5 years	3,044.86	370.22	232.18	1,855.43	943.56	697.47
Over 5 years	5,012.39	942.99	47668	0.00	363.81	119.51
Total	**48,296.97**	**16,839.92**	**57,692.91**	**5,714.55**	**6,870.72**	**6,886.73**

Foreign currency balances not included.

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(₹ in crore)

Particulars	As at March 31, 2018					
	Loans & Advances (INR) #	Investments (INR) #	Deposits (INR) #	Borrowings (INR) #	Foreign currency Assets	Foreign currency Liabilities
1 day	238.13	3,401.45	382.84	0.00	449.42	27.17
2 to 7 days	711.60	825.31	2,119.68	1,784.78	263.94	85.75
8 to 14 days	486.96	449.84	1,131.75	0.00	84.46	46.91
15 to 30 Days	1,737.73	514.97	3,288.23	0.00	329.98	196.00
31 Days to 2 months	1,273.75	1,015.70	5,852.87	820.00	621.24	347.82
Over 2 months to 3 months	2,013.04	1,699.00	6,627.87	0.00	587.64	566.47
Over 3 months to 6 months	3,449.08	1,569.86	4,677.15	510.57	368.47	356.26
Over 6 months to 1 year	7,769.69	1,568.21	5,879.81	817.70	1,105.67	698.46
Over 1 year to 3 years	11,919.27	2,930.77	12,753.15	549.56	1,760.91	1,227.09
Over 3 years to 5 years	2,192.15	338.92	277.66	453.68	382.80	744.57
Over 5 years	2,882.12	1,133.27	488.72	358.35	69.72	134.63
Total	**34,673.52**	**15,447.30**	**43,479.73**	**5,294.64**	**6,024.25**	**4,431.13**

Foreign currency balances not included.

Classification of assets and liabilities under the different maturity buckets for both current and previous financial years is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI. Maturity profile of assets and liabilities excludes off balance sheet items.

16. Lending to Sensitive Sector

16.1. Exposure to Real Estate Sector:

(₹ in crore)

Particulars			2018-19	2017-18
1)	**Direct exposure**			
	(a)	Residential Mortgages -	282.45	218.41
		Out of which Individual housing loans eligible for inclusion in priority sector advances	155.43	76.59
	(b)	Commercial Real Estate	3,610.90	2,718.92
	(c)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures	–	–
		i. Residential Mortgages	–	–
		ii. Commercial Real Estate	–	–
2)	**Indirect Exposure**			
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		1,115.52	683.35
Total Exposure to Real Estate Sector			**5,008.87**	**3,620.68**

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16.2. Exposure to Capital Market:

(₹ in crore)

Particulars		2018-19	2017-18
(i)	Direct investments made 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;	246.61	222.47
(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	230.15	141.00
(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;	169.75	105.00
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	–	–
(vii)	Bridge loans to companies against expected equity flows/issues	–	–
(viii)	Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	–	–
(ix)	Financing to stockbrokers for margin trading	–	–
(x)	All exposures to Venture Capital Funds (both registered and unregistered) will be deemed to be on par with equity and hence will be reckoned for compliance with the capital market exposure ceilings (both direct and indirect)	104.80	82.65
Total Exposure to Capital Market		**751.31**	**551.12**

16.3. Risk Category wise Country Exposure:

(₹ in crore)

Risk Category	Exposure (net) as at March 31, 2019	Provision held as at March 31, 2019	Exposure (net) as at March 31, 2018	Provision held as at March 31, 2018
Insignificant	1,986.34	1.03	1,670.50	1.40
Low	612.77	–	641.09	–
Moderate	–	–	–	–
High	1.24	–	–	–
Very High	–	–	–	–
Restricted	–	–	–	–
Off-credit	–	–	–	–
Total	**2,600.35**	**1.03**	**2,311.59**	**1.40**

17. Details of Single / Group Borrower limit exceeded by the Bank

During the current year and the previous year, the Bank has complied with the applicable RBI guidelines with regard to exposure to a single borrower and a group of the borrower. As per the exposure limits permitted under the extant RBI regulation, the Bank, with the approval of the Board of Directors, can enhance exposure to a single borrower or borrower group by a further 5 percent of capital funds.

During the current year and the previous year, the Bank's credit exposures to single borrowers and group borrowers were within the prudential limits prescribed by RBI.

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18. Amount of Provisions made for Income-tax during the year:

(₹ in crore)

Particulars	2018-19	2017-18
Provision for Income tax	500.60	378.18
Provision for Deferred tax	(68.40)	(46.72)

19. Unsecured Advances against Intangible Collaterals:

(₹ in crore)

Particulars	2018-19	2017-18
Total Advances against intangible securities such as charge over the rights, licenses, authority etc.	NIL	NIL
Estimated Value of intangible collateral such as charge over the rights, licenses, authority etc.	NIL	NIL

20. Penalties imposed by RBI

During the year ended March 31, 2019, RBI had levied penalties on the Bank totaling ₹ 4,100/- relating to currency chest transactions towards detection of counterfeit notes and soiled notes.

For the previous year ended March 31, 2018, RBI levied following penalties:

The Bank received cash deposits from various customers during the demonetisation period and subsequently deposited under chest guarantee scheme with RBI. RBI regional offices counted the deposited cash subsequently and levied penalty of ₹ 0.04 crore for various reasons e.g. mutilated notes & cash shortage, etc.

21. Disclosure of Fees / Remuneration Received in respect of Bancassurance Business

(₹ in crore)

Particulars		2018-19	2017-18
i)	Fee / Remuneration from Life Insurance Business	25.59	16.83
ii)	Fee / Remuneration from General Insurance Business	12.83	4.55

22. Break up of Provisions and Contingencies debited to Profit & Loss Account

(₹ in crore)

Particulars		2018-19	2017-18
i)	Provision made towards NPAs / Write off/ Sacrifice for Restructured Advance / Debt Relief as per RBI guidelines		
	a) For Advances	466.99	257.09
	b) For Investments	25.10	(13.61)
ii)	Provisions towards Standard Advances	56.39	42.44
iii)	Provision for depreciation on investments	28.10	56.08
iv)	Provision / (Write-back) for credit card reward points	40.36	21.09
v)	Provision for others	23.74	1.43
vi)	Provisions towards Income tax	500.60	378.18
vii)	Provision towards deferred tax (net)	(68.40)	(46.72)
Total		**1,072.88**	**695.98**

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23. Drawdown from Reserves

The Bank has not undertaken any drawdown from any reserves during the current year and the previous year except for ₹ 2.20 crore drawdown from Investment Reserve Account (IRA) in the previous year, in accordance with RBI guidelines.

24. Floating Provisions

The Bank has not created or utilized any floating provisions during the current year ended March 31, 2019 and the previous year ended March 31, 2018. The floating provision as at March 31, 2019 was Nil (previous year: Nil).

25. Concentration of Deposits, Advances, Exposures and NPAs

25.1. Concentration of Deposits

(₹ in crore)

Particulars	2018-19	2017-18
Total Deposits of twenty largest depositors	10,751.59	8,458.01
Percentage of Deposits of twenty largest depositors to Total Deposits	18.41%	19.27%

25.2. Concentration of Advances

(₹ in crore)

Particulars	2018-19	2017-18
Total Advances to twenty largest borrowers*	9,936.37	7,775.98
Percentage of Advances to twenty largest borrowers to Total Advances	11.71%	12.21%

* Credit Exposure excludes the exposures which are 100% cash backed

25.3. Concentration of Exposures

(₹ in crore)

Particulars	2018-19	2017-18
Total Exposure to twenty largest borrowers / customers *	10,263.44	7,939.66
Percentage of Exposure to twenty largest borrowers / customers to Total Exposure of the Bank on borrowers / customers	11.41%	11.70%

* Credit Exposure excludes the exposures which are 100% cash backed

25.4. Concentration of NPA's

(₹ in crore)

Particulars	2018-19	2017-18
Total Exposure to top four NPA Accounts (Gross)	196.84	127.59

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26. Sector Wise Advances:

(₹ in crore)

Sl. No.	Sector	Current year (2018-19)			Previous year (2017-18)		
		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
A	**Priority Sector**						
1	Agriculture and allied activities	5,216.25	234.22	4.49	3,950.05	115.52	2.92
2	Advances to industries sector eligible as priority sector lending	1,708.25	24.75	1.45	1,518.34	18.56	1.22
3	Services	6,197.04	63.45	1.02	4,693.97	87.32	1.86
4	Personal loans	881.55	12.24	1.39	1,214.49	49.53	4.08
	Sub-total (A)	**14,003.09**	**334.66**	**2.39**	**11,376.85**	**270.93**	**2.38**
B	**Non Priority Sector**						
1	Agriculture and allied activities	7.91	0.04	0.51	31.74	–	–
2	Industry	18,491.40	212.52	1.15	14,840.37	–	–
3	Services	13,248.49	105.52	0.80	8,225.04	58.82	0.72
4	Personal loans	8,939.23	101.88	1.14	6,048.01	236.98	3.92
	Sub-total (B)	**40,687.03**	**419.96**	**1.03**	**29,145.16**	**295.80**	**1.02**
	Total (A+B)	**54,690.12**	**754.62**	**1.38**	**40,522.01**	**566.73**	**1.40**

27. Details of Priority Sector Lending Certificates (PSLC)

27.1. Priority Sector Lending Certificates bought during the year

(₹ in crore)

Category	For the year ended March 31, 2019	For the year ended March 31, 2018
PSLC Agriculture	1,140.00	–
PSLC SF/MF	350.00	667.50
PSLC Micro Enterprise	–	–
PSLC General	–	–
Total	**1,490.00**	**667.50**

27.2. Priority Sector Lending Certificates sold during the year

(₹ in crore)

Category	For the year ended March 31, 2019	For the year ended March 31, 2018
PSLC Agriculture	–	–
PSLC SF/MF	500.00	–
PSLC Micro Enterprise	100.00	57.50
PSLC General	–	650.00
Total	**600.00**	**707.50**

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28. Off- Balance Sheet SPVs sponsored

Name of the SPV sponsored	
Domestic	Overseas
NIL	NIL

29. Disclosure on Remuneration

Qualitative Disclosures

A. Information relating to the composition and mandate of the Remuneration Committee.

The Bank's Human Resources and Remuneration Committee (HR&RC) comprises of the following Directors:

1. Mr. P. Sudhir Rao - Chairman of Committee
2. Mr. Prakash Chandra
3. Mr. Jairaj Purandare
4. Mr. Ishan Raina

All members of the HR&RC are independent directors. Mr. P. Sudhir Rao, Mr. Prakash Chandra and Mr. Jairaj Purandare are also members of the Risk Management Committee of the Board. Mr. Vishwavir Ahuja is a permanent attendee.

Following are the terms of reference of Human Resources and Remuneration Committee:

- To assist and advice the MD & CEO in planning for senior management build-up of our Bank so as to ensure appropriate leadership is in place for our Bank's growth strategy, including identifying persons who may be appointed as senior management in accordance with the laid down criteria, and recommend to the Board their appointment or removal, as applicable
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the key managerial personnel and other employees
- To evaluate and approve HR policies of our Bank
- To evaluate and approve various employee stock ownerships schemes that may be required from time to time to ensure that our Bank gets the rights talent and it is able to retain high-performing employees
- To award stock options to employees, whether in the form of joining ESOPs or performance ESOPs. The Committee may determine the level/grade of employees it desires to review and award
- To oversee the framing, review and implementation of compensation policy of our Bank on behalf of our Board
- To work in close co-ordination with the Risk Management Committee of our Bank, in order to achieve effective alignment between remuneration and risks
- To ensure that the cost/income ratio of our Bank supports the remuneration package consistent with maintenance of sound capital adequacy ratio
- To appoint/discontinue trustees on the board of trustees of 'The Ratnakar Bank Limited Employees Provident Fund, 'The Ratnakar Bank Limited Employees Gratuity Fund' and 'The Ratnakar Bank Limited Employees Pension Fund' and to approve operational changes in the related trust deeds and/or decide on related matters
- To decide on grating of mandate to the Indian Bank Association for negotiating industry level wage settlements for workmen employee.

B. Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.

Bank's remuneration policy is designed and aimed at attracting & retaining best possible / available talent that it requires to effectively grow the business and become a highly respected institution. It comprises of a balanced mix of fixed & variable cash and non-cash compensation and benefits / perquisites to deliver maximum value to the employee and other stakeholders.

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The remuneration is divided into following components:

Fixed Remuneration:
For employees governed by Indian Banking Association's employment and compensation rules (IBA rules), their remuneration is based on the industry-wide bi-partite wage settlement agreements signed with the employees' union. These rules provide for basic salary, allowances and certain retirement benefits to the employees which are uniformly applicable for the employees covered under the IBA scale.

For the employees governed by the 'Cost to Company' (CTC) remuneration structure (i.e. Non-IBA scale employees), the CTC represents the total direct and fixed cost incurred by the Bank across all components of compensation including contributions paid by the Bank towards retiral benefits, and loans at concessional interest rates. It consists of Basic Salary, House Rent Allowance, Personal Allowance / Special Allowances, Car Related Benefits, Medical Reimbursement, Leave Travel Assistance, Conveyance Allowance, Food Allowance and Retiral Benefits.

Employee Stock Options:
In order to align the interest of the Bank, the senior management, its shareholders and the employees, there is an effort to create long term ownership and commitment for the senior officers of the Bank. This is also done with a view to recognize and compensate senior officers for intellectual capital, the domain expertise in terms of product, market knowledge and the business relationships that they bring along. Accordingly, the Bank has formulated Employee Stock Option Program.

The underlying philosophy of Employee Stock Option Plan is to enable the present and future employees to share the value that they help to create for the Bank over a period of time. Joining Employee Stock Options (JESOPs) are granted based on the role in the Bank as well as experience, domain knowledge, current ability, future potential and expertise of the candidate. Further, to reward the performance and recognize the contribution of employees, the Bank has a Performance Employee Stock Option Program (PESOPs). PESOPs are given after periodic evaluation of the individual performance, business unit as well as overall Bank performance during the review period.

These plans are designed and implemented in such a way that an equity component in the compensation goes a long way in aligning the objectives of an individual with those of the Bank.

These stock option programs are administered by the HR&RC.

Annual Performance Linked Variable Compensation (APLVC):
APLVC is paid as a percentage of CTC as defined in the Compensation Policy of the Bank.

As per the guidelines issued by RBI vide circular ref. RBI/2011-12/349, APLVC is capped at 70% of CTC for Whole-time Directors / CEO / Senior Executive Team and 40% for Risk Management & Compliance Staff. Also, the APLVC could be paid in a staggered manner based on the quantum of APLVC as a percentage of the CTC. APLVC does not include value of ESOPs.

C. Description of the ways in which current and future risks are taken into account in the remuneration processes.

Key determinant of the total variable pool is the overall performance of the Bank in any given year.

Further, the following principles apply:

i. In order for incentive-based remuneration to work, the variable part of remuneration should be truly and effectively variable and can even be reduced to zero.

ii. Methodologies for adjusting remuneration to risk and performance will be based on the general risk management and corporate governance framework adopted by the Bank.

iii. Risks taken need to be estimated (ex ante), risk outcomes observed (ex post) and both ex ante estimates and ex post outcomes would have a bearing on the payoffs.

iv. Risk adjustments would take into account the nature of the risks involved and the time horizons over which they could emerge. The impact of remuneration adjustments would be linked to actions taken by employees and / or business

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units, and their impact on the level of risk taken on by the Bank.

v. Both ESOP as well as APLVC provides long term remuneration benefits to employees. JESOP/ PESOP are equity settled where the employees will receive one equity share per option. JESOPs and PESOPs granted to employees vest over a period of three / four years, in the following proportion, 40:30:30, 30:30:40, 10:20:30:40 each year. Further, JESOP/PESOP and APLVC are subject to suitable claw-back and malus clauses to protect the Bank against misconduct, sub-optimal performance or decisions or actions leading to adverse financial consequence to the Bank.

D. Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.

The Bank has a performance management system in place. The Performance management system has goals on four themes namely Shareholder Value as the Focus, Customer at the Heart, Employee as the Pillar and Community as the Cause. Employees are appraised against the goals set at the beginning of the year. Employee performance and competence assessment are both considered for the performance rating. Performance Rating has a direct correlation with the increments and APLVC as well as PESOPs.

E. Description of the ways in which the Bank seeks to adjust remuneration to take account of the longer term performance

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:

As per the guidelines issued by RBI, APLVC is capped at 70% of CTC for Whole-time Directors / CEO / Senior Executive Team and 40% for Risk Management & Compliance Staff. Also, the APLVC could be paid in a staggered manner based on the quantum of APLVC as a percentage of the CTC. APLVC does not include ESOPs/PESOPs.

Schedule for APLVC vesting and payout is as per pay schedule defined in the Compensation Policy of the Bank.

Deferred APLVC vests only in the year of payment. Voluntary Cessation of employment by the employee or termination with cause as defined in employment contract will result in forfeiture of the remaining APLVC. APLVC is subject to claw-back and malus clauses.

F. Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms.

Various forms of variable remuneration used by the Bank are:

APLVC: APLVC provides cash bonus in short to medium term to employees. The bank utilizes APLVC to reward superior performance.

Employee stock option (ESOP) plan: Employee stock option plan is a long term remuneration benefit. ESOP is equity settled where the employees will receive one equity share per option after vesting/ exercise. The stock options granted to employees vest over a period of three / four years, generally. ESOP is used to reward superior performance, aligning employee interests with the Bank, create long term ownership and commitment.

Quantitative Disclosure-

(The quantitative disclosure covers Whole Time Directors, Chief Executive Officer and Other Risk Takers)

(₹ in crore)

Sr. No.	Particulars	2018-19	2017-18
1(i)	Number of meetings held by the Remuneration Committee during the financial period.	4	5
1(ii)	Remuneration paid to its members during the financial period	0.04	0.05
2(i)	Number of employees having received a variable remuneration award during the financial period.	177	144
2(ii)	Number and total amount of sign-on awards made during the financial period.	–	–

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(₹ in crore)

Sr. No.	Particulars	2018-19	2017-18
2(iii)	Details of guaranteed bonus, if any, paid as joining / sign on bonus	–	–
2(iv)	Details of severance pay, in addition to accrued benefits, if any.	–	–
3(i)	Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	–	–
3(ii)	Total amount of deferred remuneration paid out in the period.	–	–
4	Breakdown of amount of remuneration awards for the financial year:		
	Fixed	107.00	87.26
	Variable	15.50	11.50*
	Deferred	–	–
	Non-deferred	15.50	11.50*
5(i)	Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments.	–	–
5(ii)	Total amount of reductions during the period due to ex- post explicit adjustments	–	–
5(iii)	Total amount of reductions during the period due to ex- post implicit adjustments	–	–

*Includes deferred pay of ₹ 0.275 cr. awarded in financial year 2016-17

30. Contingent Liabilities

Description of nature of contingent liabilities is set out below:

i) Claims against the Bank not acknowledged as debts:

These represent claims filed against the Bank in the normal course of business relating to various legal cases currently in progress.

ii) Liability for partly paid investments:

These represent contingent liability on account of possible claims for uncalled amount by the issuer of the securities held by the Bank.

iii) Liability on account of forward exchange and interest rate contracts:

The Bank enters into foreign exchange contracts currency options, forward rate agreements, currency swaps with inter-bank participants on its own account and for the customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. Currency swaps are commitments to exchange cash flows by the way of interest/principal in one currency against another, based on pre-determined rates. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows.The amount recorded as contingent liability with respect to these contracts represents the underlying notional amounts of these contracts.

iv) Guarantees given on behalf of Constituents, Acceptances, Endorsement and other obligations:

As a part of its corporate banking activities, the Bank issues documentary credit and guarantees on behalf of its customers. Documentary credits such as letters of credit enhance the credit standing of the customer of the Bank. Guarantees generally represent irrevocable assurances that the Bank will make the payment in the event of the customer failing to fulfill its financial or performance obligations.

v) Acceptances, endorsements and other obligations:

These include documentary credit issued by the Bank on behalf of its customers and bills drawn by the Bank's customers that are accepted or endorsed by the Bank.

vi) Other contingent items:

a. Commitments for settlement date accounting for securities transactions;

b. Demands raised by income tax and other statutory authorities and disputed by the Bank.

c. Amount transferred to RBI under the Depositor Education and Awareness Fund (DEAF).

The Bank makes provident fund contributions to an independently administered Trust. The Bank is currently in dispute with the Provident Fund authorities regarding applicability of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 (the 'Act') on the Bank and the matter is pending with Central Government Industrial Tribunal, Mumbai for further adjudication. Additionally, in light of the recent Honorable Supreme Court of India judgement on 28th February 2019, which clarified

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that any emolument paid universally, necessarily and ordinarily to all employees across the board are to be considered as basic wage and accordingly needs to be considered for calculation of Provident Fund contribution.

Any potential likely impact on the financial statements in view of the above will be ascertained on the decision of the Central Government Industrial Tribunal, Mumbai and on clarification from the Provident Fund authorities / courts, if any.

Refer Schedule 12 for amounts relating to contingent liabilities.

31. Bank has not issued any Letters of comfort and Letters of Undertaking during the year (previous year – NIL)

32. The disclosure regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2019.

33. Liquidity Coverage Ratio (LCR)

Qualitative disclosure around LCR

Liquidity Coverage Ratio (LCR) is a global minimum standard aimed at measuring and promoting short-term resilience of banks to potential liquidity stress by ensuring maintenance of sufficient high quality liquid assets (HQLAs) to survive net cash outflows over next 30 days under stress conditions. It is a ratio of Bank's High Quality Liquid Assets (HQLA) to the estimated net outflows over next 30 day period of significant liquidity stress.

The Board of Directors has the overall responsibility for liquidity risk management. The Board at overall level decides the liquidity risk tolerance and accordingly decides the strategy, policies and procedures of the Bank. The Board has constituted a Risk Management Committee (RMC) consisting of Managing Director & Chief Executive Officer (MD&CEO) /Chairman and other Board members. The committee is responsible for evaluating the overall risks faced by the Bank including liquidity risk. The potential interaction of liquidity risk with other risks is included in the risks addressed by the Risk Management Committee. At the executive level, Asset Liability Management Committee (ALCO) ensures adherence to the risk limits set by the Board and implements the liquidity risk management strategy of the Bank. ALM team within Treasury function of the Bank is responsible for the day-to-day / intra-day liquidity management. ALCO channelizes various business segments of the Bank to target good quality asset and liability profile to meet the Bank's profitability as well as liquidity requirements.

High quality liquid assets (HQLA) under LCR are divided into two parts i.e. Level 1 and Level 2 HQLA.

Level 1 HQLA comprises primarily of cash, excess CRR, government securities in excess of SLR , Marginal Standing Facility (Currently 2% of NDTL) and Facility to Avail Liquidity for Liquidity Coverage Ratio (FALLCR) as permitted under prudential guidelines Previously FALLCR was 9% of NDTL, this was increased to 11% with effect from June 15, 2018. This has been further increased to 13% w.e.f. October 1, 2018.

Level 2 HQLA comprises of investments in highly rated non-financial corporate bonds, debentures, commercial papers issued by non-financial institutes and are further considered at prescribed haircuts.

Cash outflows are calculated by applying prescribed outflow run-off factors to contractual outflows on account of various categories of liabilities and cash inflows are calculated by applying prescribed weights and factors to the contractual inflows. Additionally, probable outflows on account of contingent liabilities such as letters of credit (LC) and bank guarantees (BGs) and undrawn commitments both for fund & non fund based exposures are considered by applying prescribed run-off factors. The Bank has a very limited exposure to liquidity risk on account of its derivatives portfolio. Further, the Bank is not taking any benefit of classifying any deposit as Operational Deposit on a conservative basis.

The Bank computes LCR on a daily basis in accordance with RBI guidelines. Effective January 1, 2017, the LCR is reported as a simple average of daily observations for the quarter. The Bank believes that all inflows and outflows which might have a material impact under the liquidity stress scenario have been considered for the purpose of LCR.

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Banks have to maintain a LCR of 100% with effect from 1st January 2019. Given below is the quarterly average LCR maintained by the Bank for past years against the minimum prescribed by RBI.

Quarter Ended	Average LCR Maintained	LCR Required
31-Mar-19	127.90%	100%
31-Dec-18	120.67%	90%
30-Sep-18	111.25%	90%
30-Jun-18	99.26%	90%
31-Mar-18	98.84%	90%
31-Dec-17	93.12%	80%
30-Sep-17	96.71%	80%
30-Jun-17	98.93%	80%

The Quantitative disclosures for the current year and the previous year is as below -

Quantitative Disclosures

FY2018-19

(₹ in crore)

		Q1 - June 2018		Q2 - Sep 2018		Q3 - Dec 2018		Q4 - March 2019	
		Total Unwtd Value (Avg)	Total Wtd Value (Avg)	Total Unwtd Value (Avg)	Total Wtd Value (Avg)	Total Unwtd Value (Avg)	Total Wtd Value (Avg)	Total Unwtd Value (Avg)	Total Wtd Value (Avg)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)		7,323.28		8,964.95		10,164.53		13,062.72
Cash Outflows									
2	Retail deposits and deposits from small business customers, of which:	13,555.05	1,350.72	14,344.51	1,392.28	15,245.53	1,481.63	16,198.92	1,579.29
(i)	Stable deposits	107.41	5.76	861.11	43.49	866.53	43.55	812.14	40.61
(ii)	Less stable deposits	13,447.64	1,344.96	13,483.40	1,348.79	14,379.00	1,438.08	15,386.78	1,538.68
3	Unsecured wholesale funding, of which:	15,702.29	8,705.47	16,965.63	8,948.97	17,822.42	9,680.54	20,914.78	11,415.68
(i)	Operational deposits (all counterparties)	–	–	–	–	–	–	–	–
(ii)	Non-operational deposits (all counterparties)	15,702.29	8,705.47	16,965.63	8,948.97	17,822.42	9,680.54	20,914.78	11,415.68
(iii)	Unsecured debt	–	–	–	–	–	–	–	–
4	Secured wholesale funding	–	–	–	–	–	–	–	–
5	Additional requirements, of which	111.27	111.27	83.20	83.20	83.37	83.37	127.29	127.29
(i)	Outflows related to derivative exposures and other collateral requirements	45.09	45.09	28.66	28.66	–	–	–	–
(ii)	Outflows related to loss of funding on debt products	–	–	–	–	–	–	–	–
(iii)	Credit and liquidity facilities	–	–	–	–	–	–	–	–
6	Other contractual funding obligations	308.74	87.21	124.60	48.54	11.59	4.64	24.64	9.85
7	Other contingent funding obligations	24,821.45	877.46	26,573.10	935.03	28,267.57	984.21	30,411.26	1,064.45
8	**Total Cash Outflows**		**11,132.13**		**11,408.02**		**12,234.39**		**14,196.56**

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(₹ in crore)

		Q1 - June 2018		Q2 - Sep 2018		Q3 - Dec 2018		Q4 - March 2019	
		Total Unwtd Value (Avg)	Total Wtd Value (Avg)	Total Unwtd Value (Avg)	Total Wtd Value (Avg)	Total Unwtd Value (Avg)	Total Wtd Value (Avg)	Total Unwtd Value (Avg)	Total Wtd Value (Avg)
Cash Inflows									
9	Secured lending (e.g. reverse repos)	579.26	–	672.95	–	976.93	–	2,830.36	–
10	Inflows from fully performing exposures	3,559.16	2,050.38	3,537.65	2,180.55	4,132.20	2,339.17	3,784.00	2,251.73
11	Other cash inflows	2,023.43	1,703.70	1,501.48	1,258.65	1,703.68	1,412.14	1,954.77	1,731.67
12	**Total Cash Inflows**	**6,161.85**	**3,754.08**	**5,712.08**	**3,439.20**	**6,812.81**	**3,811.31**	**8,569.13**	**3,983.40**
21	**TOTAL HQLA**		**7,323.28**		**8,864.95**		**10,164.53**		**13,062.72**
22	**Total Net Cash Outflows**		**7,378.05**		**7,968.82**		**8,423.08**		**10,213.17**
23	Liquidity Coverage Ratio (%)		99.26		111.25		120.67		127.90

FY2017-18

(₹ in crore)

		Q1 - June 2017		Q2 - Sep 2017		Q3 - Dec 2017		Q4 - March 2018	
		Total Unwtd Value (Avg)	Total Wtd Value (Avg)	Total Unwtd Value (Avg)	Total Wtd Value (Avg)	Total Unwtd Value (Avg)	Total Wtd Value (Avg)	Total Unwtd Value (Avg)	Total Wtd Value (Avg)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)		6,627.19		6,552.52		6,248.45		7,151.95
Cash Outflows									
2	Retail deposits and deposits from small business customers, of which:	10,472.58	1,038.73	11,293.39	1,120.48	11,911.66	1,181.69	13,144.98	1,306.19
(i)	Stable deposits	170.48	8.52	177.18	8.86	189.54	9.48	166.07	8.30
(ii)	Less stable deposits	10,302.10	1,030.21	11,116.21	1,111.62	11,722.12	1,172.21	12,978.91	1,297.89
3	Unsecured wholesale funding, of which:	12,631.47	6,479.83	13,128.89	6,846.36	13,342.84	6,971.77	14,573.31	7,773.28
(i)	Operational deposits (all counterparties)	–	–	–	–	–	–	–	–
(ii)	Non-operational deposits (all counterparties)	12,631.47	6,479.83	13,128.89	6,846.36	13,342.84	6,971.77	14,573.31	7,773.28
(iii)	Unsecured debt	–	–	–	–	–	–	–	–
4	Secured wholesale funding		–		–		–		–
5	Additional requirements, of which	140.96	140.96	147.76	147.76	184.88	184.88	189.01	189.01
(i)	Outflows related to derivative exposures and other collateral requirements	38.02	38.02	52.54	52.54	79.33	79.33	117.50	117.50
(ii)	Outflows related to loss of funding on debt products	–	–	–	–	–	–	–	–
(iii)	Credit and liquidity facilities	–	–	–	–	–	–	–	–
6	Other contractual funding obligations	884.71	160.56	1017.45	167.93	939.58	111.66	588.34	145.12
7	Other contingent funding obligations	18,228.25	720.48	19,414.93	769.34	20,918.22	824.27	19,081.17	707.05
8	**Total Cash Outflows**		**8,540.56**		**9,051.87**		**9,274.27**		**10,120.65**

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(₹ in crore)

		Q1 - June 2017		Q2 - Sep 2017		Q3 - Dec 2017		Q4 - March 2018	
		Total Unwtd Value (Avg)	Total Wtd Value (Avg)	Total Unwtd Value (Avg)	Total Wtd Value (Avg)	Total Unwtd Value (Avg)	Total Wtd Value (Avg)	Total Unwtd Value (Avg)	Total Wtd Value (Avg)
Cash Inflows									
9	Secured lending (e.g. reverse repos)	115.99	115.99	75.48	75.48	130.85	130.85	296.47	296.47
10	Inflows from fully performing exposures	1849.26	924.63	2202.38	1101.19	2363.40	1181.70	2,595.98	1,297.99
11	Other cash inflows	840.48	800.90	1136.64	1100.06	1311.79	1251.69	1,433.86	1,290.59
12	**Total Cash Inflows**	**2,805.73**	**1,841.52**	**3,414.50**	**2,276.73**	**3,806.04**	**2,564.24**	**4,326.31**	**2,885.05**
21	**TOTAL HQLA**		**6,627.19**		**6,552.52**		**6,248.45**		**7,151.95**
22	**Total Net Cash Outflows**		**6,699.04**		**6,775.14**		**6,710.03**		**7,235.60**
23	Liquidity Coverage Ratio (%)		98.93		96.71		93.12		**98.84**

34 Intra-Group Exposures

(₹ in crore)

Particulars	31-Mar-19	31-Mar-18
Total amount of intra-group exposures	95.24	50.50
Total amount of top-20 intra-group exposures	95.24	50.50
Percentage of intra-group exposures to total exposure of the bank on borrowers/ customers	0.11%	0.07%

35 Corporate Social Responsibility (CSR)

Operating expenses include ₹ 10.55 crore for the current year, towards CSR (previous year ₹ 6.98 crore), in accordance with the Companies Act, 2013.

As a responsible organisation, the Bank has approached the mandatory requirements of CSR spends positively by laying a foundation on which it would build and scale future projects and partnerships. The Bank continues to evaluate strategic avenues for CSR expenditure in order to deliver maximum impact. In the years to come, the Bank will further strengthen its processes as per requirement.

Gross Amount required to be spent by the Bank on CSR activities during the current year - ₹ 13.83 crore (previous year ₹ 9.36 crore).

The areas of CSR activities and contributions made thereto are as follows.

(₹ in crore)

Particulars		31-Mar-19			31-Mar-18		
Amount spent during the year on		In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
i)	Construction / Acquisition of any assets	–	–	–	–	–	–
ii)	For purposes other than (i) above	7.51	3.04	10.55	5.75	1.23	6.98

Schedules

forming part of the standalone financial statements for the year ended March 31, 2019

36 Details of provisioning pertaining to fraud accounts

The following table sets forth for the year ended March 31, 2019, the details of provisioning pertaining to fraud accounts.

(₹ in crore)

Particulars	As at 31 March 2019	As at 31 March 2018
Number of frauds reported	161	52
Amount involved in frauds	20.34	2.39
Amount involved in fraud net of recoveries / write-offs as at the end of the year	1.83	1.54
Provision made	1.83	1.54
Un-amortized provision debited from 'other reserves'	–	–

37 Transfers to Depositor Education and Awareness Fund (DEAF)

Below mentioned are the details of funds transferred to Depositor Education and Awareness Fund during financial year ended March 31, 2019.

(₹ in crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening balance of amounts transferred to DEAF	13.07	11.28
Add: Amounts transferred to DEAF during the year	2.62	2.49
Less: Amounts reimbursed by DEAF towards claims	0.13	0.70
Closing balance of amounts transferred to DEAF	15.56	13.07

38 Movement in provision for credit cards reward points

The following table sets forth, for the periods indicated, movement in provision for credit cards rewards points

(₹ in crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening provision for reward points	30.49	9.40
Provision for reward points made during the year	112.92	50.36
Utilization/write-back of provision for reward points	72.39	29.27
Closing provision for reward points	71.03	30.49

39 Un-hedged Foreign Currency Exposure (UFCE) of Bank's Customer

The UFCE of corporate borrowers is assessed on a quarterly basis. The assessment includes foreign currency borrowings, foreign currency hedges, natural hedges available, as well as other foreign currency assets and liabilities on the balance sheet. RBI guidelines prescribe the methodology for computation of provision for UFCE. As per the guideline, UFCE leads to the determination of 'likely loss'. The ratio of 'likely loss' to clients' Earnings Before Interest and Depreciation (EBID), determines the provision as per the following grid.

Likely Loss/EBID (%)	Incremental Provisioning Requirement on the total credit exposures over and above extant standard asset provisioning	Incremental Capital Requirement
Up to 15 per cent	–	–
More than 15 per cent and up to 30 per cent	20bps	–
More than 30 per cent and up to 50 per cent	40bps	–
More than 50 per cent and up to 75 per cent	60bps	–
More than 75 per cent	80 bps	25 per cent increase in the risk weight

The Bank has maintained an additional provision of ₹ 8.56 crore (previous year ₹ 6.83 crore) towards UFCE of customers. Further, the Bank has maintained an additional capital of ₹ 18.70 crore (previous year ₹ 26.28) towards UFCE of customers.

Schedules

forming part of the standalone financial statements for the year ended March 31, 2019

40 Credit Default Swap

The Bank has not entered into Credit Default Swap during the current year and the previous year.

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

42 Figures for the previous year have been regrouped / reclassified wherever necessary to conform to current years' presentation.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Place : Mumbai
Date : April 18, 2019

For and on behalf of RBL Bank Limited

Prakash Chandra
Chairman

Jairaj Purandare
Director

Deepak Ruiya
Chief Financial Officer (interim)

Vishwavir Ahuja
Managing Director & CEO

Rajeev Ahuja
Executive Director

Vinay Tripathi
Company Secretary

Independent Auditor's Report

To the Members of RBL Bank Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Consolidated Financial Statements of RBL Bank Limited (hereinafter referred to as the 'Bank' or 'Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as the 'Group'), which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated profit and loss Account, and the consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as the 'Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Bank as at 31 March 2019, of consolidated profit, and its consolidated cash flows for the year then ended.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accounts of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
IDENTIFICATION OF NON-PERFORMING ASSET ('NPA') AND PROVISIONS ON ADVANCES **P&L CHARGE (INCLUDING WRITE-OFF): INR 466.99 CRORE FOR YEAR ENDED 31 MARCH 2019** **Provision on advances: INR 381.88 crore as at 31 March 2019** *Refer to the accounting policies in "Note 17(1) to the Consolidated Financial Statements: Significant Accounting Policies - Advances"*	
Significant estimate and judgment involved Identification of NPAs and provisions in respect of NPAs are made based on management's assessment of the degree of impairment of the advances subject to and guided by the minimum provisioning levels prescribed under the RBI guidelines with regard to the 'Prudential Norms on Income Recognition, Asset Classification & Provisioning', prescribed from time to time. The provision on NPA are also based on the valuation of the security available. We identified identification of NPAs and provision on advances as a key audit matter because of the level of significant management judgement involved in determining the provision and the valuation of the security of the NPA loans and on account of the significance of these estimates to the financial statements of the Bank.	Our key audit procedures included: **Design / controls** • We have assessed the design, implementation and operating effectiveness of key internal controls over approval, recording and monitoring of loans, monitoring process of overdue loans, measurement of provisions, identification of NPA accounts and assessed the reliability of management information (including overdue reports). • In addition, for corporate loans we tested controls over the internal ratings process, monitoring of stressed accounts including credit file review processes and review controls over the approval of significant individual impairment provisions. • We have evaluated the design, implementation and operating effectiveness of key internal controls over the valuation of security for NPAs. • We tested management review controls over measurement of provisions and disclosures in financial statements. • We involved our information system specialist in the audit of this area to gain comfort over data integrity and calculations, including system reconciliations. **Substantive tests** • We performed test of details for a selection of exposures over calculation of NPA provisions including valuation of collaterals for NPAs as at 31 March 2019; the borrower-wise NPA identification and provisioning determined by the Bank and also tested related disclosures by assessing the completeness, accuracy and relevance of data and ensured that the same is in compliance with the RBI guidelines with regard to the 'Prudential Norms on Income Recognition, Asset Classification & Provisioning'. • We selected a sample (based on quantitative and qualitative thresholds) of large corporate clients where impairment indicators had been identified by management. We obtained management's assessment of the recoverability of these exposures (including individual provisions calculations) and challenged whether individual impairment provisions, or lack of, were appropriate. This included the following procedures: • Reviewed the statement of accounts, approval process, board minutes, credit review of customer, review of special mention accounts reports and other related documents to assess recoverability and the classification of the facility; and • For a risk based sample of corporate loans not identified as displaying indicators of impairment by management, challenged this assessment by reviewing the historical performance of the customer and assessed whether any impairment indicators were present.
VALUATION OF FINANCIAL INSTRUMENTS (INVESTMENTS - BONDS AND DEBENTURES, COMMERCIAL PAPERS, CERTIFICATE OF DEPOSITS AND PASS THROUGH CERTIFICATES) **Net value of investments: INR 3,788.18 crore as at 31 March 2019** *Refer to the accounting policies in "Note 17(2) to the Consolidated Financial Statements: Significant Accounting Policies – Investments" and "Schedule 8 to the Consolidated Financial Statements: Investments"*	
Significant estimate and judgment involved **Investments** Investments are classified into 'Held for Trading' ('HFT'), 'Available for Sale' ('AFS') and 'Held to Maturity' ('HTM') categories at the time of purchase. Investments, which the Bank intends to hold till maturity are classified as HTM investments. We identified fair valuation of investments such as Bonds and Debentures, Commercial papers, Certificate of deposits and Pass through certificates classified into HFT and AFS as a key audit matter because of the significant management judgement involved in determining its valuation and the overall significance of these investments to the financial statements of the Bank.	Our key audit procedures included: **Design / controls** • We tested the design, implementation and operating effectiveness of management's key internal controls over classification and valuation of Investments. • We assessed appropriateness of the valuation methodologies with reference to accounting standards / RBI guidelines and Bank's own valuation policy. • Read investment agreements / term sheets entered into during the current year, on a sample basis, to understand the relevant investment terms and identify any conditions that were relevant to the valuation of financial instruments. **Substantive tests** • We independently verified the fair valuation of investments on a sample basis with direct observable inputs and external input data such as market value from 'Financial Benchmarks India Private Limited ('FBIL')', spreads from 'The Fixed Income Money Market and Derivatives Association of India ('FIMMDA') etc after considering the requirements of RBI guidelines. • We assessed that the financial statement disclosures appropriately reflected the requirements of the prevailing accounting standards and the RBI guidelines.

Independent Auditor's Report

Key audit matter	How the matter was addressed in our audit

Information technology ('IT')
IT systems and controls
The Bank's key financial accounting and reporting processes are highly dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being misstated. The Bank uses several systems for it overall financial reporting.
 	
We have identified 'IT systems and controls' as key audit matter because of the high level automation, significant number of systems being used by the management and the complexity of the IT architecture.
	Our key IT audit procedures included:
	• We have understood General IT Control i.e. Access Controls, Program/ System Change, Program Development, Computer Operations (i.e. Job Processing, Data/System Backup Incident Management) over key financial accounting and reporting systems, and supporting control systems (referred to as in-scope systems).
	• We tested the General IT Controls for design and operating effectiveness for the audit period over the in-scope systems.
	• We understood IT application controls covering
	  ◦ user access and roles, segregation of duties, and
	  ◦ key interfaces, reports, reconciliations and system processing
	• We tested the IT application controls for design and operating effectiveness for the audit period.
	• We performed testing to determine that these controls remained unchanged during the audit period or were changed following the standard change management process.
	• We understood IT infrastructure i.e. operating systems and databases supporting the in-scope systems.
	• We tested controls over the IT infrastructure covering user access (including privilege users), data center and system change (e.g. patches).

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Bank's Board of Directors is responsible for the other information. The other information comprises the information included in the Bank's Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Bank's Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Bank's Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's management and the Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, the consolidated financial profit and the consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, provisions of Section 29 of the Banking Regulation Act, 1949 and the circulars, and guidelines issued by Reserve Bank of India ('RBI') from time to time. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective management and the Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company and other entity included in the Consolidated Financial Statements of which we are the independent auditors

Independent Auditor's Report

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

A. As required by Section 143(3) of the Act, based on our audit on separate financial statements and the other financial information of subsidiary, we report, to the extent applicable, that:

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

   b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;

   c) the consolidated balance sheet, the consolidated profit and loss account, and the consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

   d) in our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act to the extent they are not inconsistent with the accounting policies prescribed by RBI;

   e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act; and

   f) with respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group – Refer Schedule 12 and Note 1.10 to the Consolidated Financial Statements.

   ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 3 to the Consolidated Financial Statements in respect of such items as it relates to the Group.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, incorporated in India during the year ended 31 March 2019.

   iv. The disclosures in the Consolidated Financial Statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.

C. With respect to the matter to be included in the Auditors' Report under section 197(16) of the Companies Act, 2013:

   The Holding Company is a banking company as defined under Banking Regulation Act, 1949. Accordingly, the requirements prescribed under Section 197 of the Companies Act, 2013 do not apply to the Holding Company.

   In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No: 046882

Mumbai
18 April 2019

Annexure A to the Independent Auditor's Report

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RBL BANK LIMITED

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013

In conjunction with our audit of the Consolidated Financial Statements of RBL Bank Limited (hereinafter referred to as the 'Holding Company') as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of RBL Bank Limited and its subsidiary company (together referred to as the 'Group'), which are companies incorporated in India, as of that date.

Management's responsibility for internal financial controls over financial reporting

The respective Board of Directors of the Holding Company and its subsidiary company, which are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the 'Act').

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of internal financial controls over financial reporting

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

Inherent limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Group, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No: 046882

Mumbai
18 April 2019

Consolidated Balance Sheet

as at March 31, 2019

(₹ in '000s)

Particulars	Schedule No.	31-Mar-19	31-Mar-18
CAPITAL & LIABILITIES			
Capital	1	**4,267,097**	4,196,675
Reserves and Surplus	2	**71,080,804**	62,608,885
Deposits	3	**583,576,321**	438,831,015
Borrowings	4	**118,320,654**	92,614,403
Other Liabilities and Provisions	5	**26,733,022**	20,333,572
Minority Interest		**–**	188,174
TOTAL		**803,977,898**	**618,772,724**
ASSETS			
Goodwill on Consolidation		**406,776**	182,909
Cash and Balances with Reserve Bank of India	6	**48,400,467**	25,894,619
Balances with banks and money at call and short notice	7	**18,086,654**	17,206,927
Investments	8	**167,451,749**	153,970,444
Advances	9	**543,082,427**	402,678,393
Fixed Assets	10	**4,155,062**	3,396,429
Other Assets	11	**22,394,763**	15,443,003
TOTAL		**803,977,898**	**618,772,724**
Contingent Liabilities	12	**613,025,896**	513,959,258
Bills for Collection		**23,089,435**	14,181,930
Significant Accounting Policies	17		
Notes To Accounts	18		

The schedules and accompanying notes to accounts referred to above form an integral part of the Consolidated Balance Sheet.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Place : Mumbai
Date : April 18, 2019

For and on behalf of RBL Bank Limited

Prakash Chandra
Chairman

Jairaj Purandare
Director

Deepak Ruiya
Chief Financial Officer (interim)

Vishwavir Ahuja
Managing Director & CEO

Rajeev Ahuja
Executive Director

Vinay Tripathi
Company Secretary

Consolidated Profit & Loss

for the year ended March 31, 2019

(₹ in '000s)

	Particulars	Schedule No.	31-Mar-19	31-Mar-18
I	**INCOME**			
	Interest Earned	13	**63,020,853**	45,614,830
	Other Income	14	**14,409,791**	10,688,123
	TOTAL		**77,430,644**	**56,302,953**
II	**EXPENDITURE**			
	Interest Expended	15	**37,606,482**	27,409,021
	Operating Expenses	16	**20,438,995**	15,480,890
	Provisions and Contingencies		**10,771,519**	7,021,055
	TOTAL		**68,816,996**	**49,910,966**
III	**PROFIT/LOSS**			
	Net Profit /(Loss) for the year		**8,613,648**	6,391,987
	Add : Share in Profit/(Loss) of Associate		**–**	(59,020)
	Less : Share of minority interest		**35,270**	16,244
	Profit brought forward		**1,115,617**	888,144
	TOTAL		**9,693,995**	**7,204,867**
IV	**APPROPRIATIONS**			
	Transfer to Statutory Reserve		**2,170,000**	1,588,000
	Transfer to Capital Reserve		**90,000**	93,900
	Transfer to Revenue & Other Reserves		**4,000,000**	3,600,000
	Transfer to Investment Fluctuation Reserve		**783,600**	–
	Transfer from Investment Reserve		**–**	(22,008)
	Dividend and Corporate dividend tax		**1,069,990**	829,358
	Balance carried over to Balance Sheet		**1,580,405**	1,115,617
	TOTAL		**9,693,995**	**7,204,867**
	EPS Basic (₹)		**20.25**	15.70
	EPS Diluted (₹)		**19.83**	15.09
	Face Value of shares (₹)		**10.00**	10.00

The schedules and accompanying notes to accounts referred to above form an integral part of the Consolidated Profit and Loss Account.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Place : Mumbai
Date : April 18, 2019

For and on behalf of RBL Bank Limited

Prakash Chandra
Chairman

Jairaj Purandare
Director

Deepak Ruiya
Chief Financial Officer (interim)

Vishwavir Ahuja
Managing Director & CEO

Rajeev Ahuja
Executive Director

Vinay Tripathi
Company Secretary

Consolidated Cash Flow Statement

for the year ended March 31, 2019

(₹ in '000s)

	Particulars	31-Mar-19		31-Mar-18	
I	**Cash Flow from Operating Activities**				
	Net Profit for the Year (before taxes)		12,978,374		9,738,225
	Adjustments for:-				
	Add : Loss / (Profit) on Sale of Fixed Assets (Net)		42		(847)
	Add : Non-Cash Expenditure				
	Depreciation		1,258,144		887,382
	Provision / write-off of non performing advances		4,669,869		2,570,901
	Provision for standard assets		563,893		424,444
	Provision for investments		531,916		424,659
	Foreign Currency Translation Reserve (FCTL)		2,934		2,243
	ESOP Reserve		1,084		–
	Other provisions		598,402		261,812
	Share in profit of Associate				
	Cash Flow before Changes in Working Capital		20,604,658		14,308,819
	Adjustments for working capital changes:-				
	Increase/(Decrease) in Deposits	144,921,522		92,950,101	
	Increase/(Decrease) in Other Liabilities	5,517,877		1,467,730	
	Increase/(Decrease) in Deposits placed having original maturity greater than 3 months	869,972		2,140,049	
	(Increase)/Decrease in Investments	(14,460,533)		(20,082,568)	
	(Increase)/Decrease in Advances	(145,073,903)		(110,758,913)	
	(Increase)/Decrease in Other Assets	(5,587,217)		(1,833,884)	
			(13,812,282)		(36,117,485)
	Direct Taxes paid		(6,009,989)		(3,751,400)
	Cash generated from Operating Activities		**782,387**		**(25,560,066)**
II	**Cash Flow from Investing Activities**				
	Addition to Other Fixed Assets	(1,951,781)		(1,703,861)	
	Deductions to Premises				
	Deductions to Lease Assets (Provision held)				
	Addition to Capital Work in Progress				
	Addition to Capital Work in Progress	(86,511)		32,580	
	Sale of Fixed Assets	21,219		19,396	
	Cash generated from Investing Activities		**(2,017,073)**		**(1,651,885)**
III	**Cash Flow from Financing Activities**				
	Proceeds of share issue	1,030,188		17,952,849	
	Net Proceeds / (repayments) from borrowings	25,706,251		12,816,831	
	Dividend and Dividend distribution tax	(1,069,990)		(829,358)	
	Cash generated from financing Activities		**25,666,449**		**29,940,322**
IV	**Increase/Decrease during the Year**		**24,431,763**		**2,728,371**
V	**Opening Cash and Cash Equivalents** (includes opening adjustment for subsidiary consolidation)		**34,803,057**		**32,074,686**
VI	**Closing Cash and Cash Equivalents**		**59,234,820**		**34,803,057**
	Notes to the Cash Flow Statement:				
	Cash and cash equivalents includes the following:				
(i)	Cash and Balances with Reserve Bank of India (Refer Schedule 6)		48,400,467		25,894,619
(ii)	Balances with Banks in Current Accounts (Refer Schedule 7)		9,835,067		4,760,983
(iii)	Money at Call and Short Notice (Refer Schedule 7)		999,286		4,147,455
	Cash and cash equivalents at the end of the year		**59,234,820**		**34,803,057**

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Place : Mumbai
Date : April 18, 2019

For and on behalf of RBL Bank Limited

Prakash Chandra
Chairman

Jairaj Purandare
Director

Deepak Ruiya
Chief Financial Officer (interim)

Vishwavir Ahuja
Managing Director & CEO

Rajeev Ahuja
Executive Director

Vinay Tripathi
Company Secretary

Schedules

forming part of the consolidated financial statements for the year ended March 31, 2019

SCHEDULE 1 - CAPITAL

(₹ in '000s)

Particulars	31-Mar-19	31-Mar-18
Authorised Capital		
700,000,000 Ordinary Shares of ₹ 10/- each	7,000,000	7,000,000
(previous year 700,000,000 Ordinary Shares of ₹ 10/- each)		
Issued		
426,709,728 ordinary Shares of ₹ 10/- each	4,267,097	4,196,675
(previous year 419,667,547 ordinary Shares of ₹ 10/- each)		
Subscribed & Paid-up		
426,709,728 ordinary Shares of ₹ 10/- each	4,267,097	4,196,675
(previous year 419,667,547 ordinary Shares of ₹ 10/- each)		
TOTAL	**4,267,097**	**4,196,675**

SCHEDULE 2 - RESERVES & SURPLUS

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	**Statutory Reserve**		
	(i) Opening Balance	4,990,500	3,402,500
	(ii) Addition during the year	2,170,000	1,588,000
	(iii) Deduction during the year	–	–
	Total	**7,160,500**	**4,990,500**
2.	**Capital Reserve**		
	(i) Opening Balance	252,570	158,670
	(ii) Addition during the year	90,000	93,900
	(iii) Deduction during the year	–	–
	Total	**342,570**	**252,570**
3.	**Revaluation Reserve**		
	(i) Opening Balance	9,399	9,666
	(ii) Addition during the year	–	–
	(iii) Deduction during the year (Depreciation on revalued portion credited to Profit and Loss Account)	253	267
	Total	**9,146**	**9,399**
4.	**Share Premium**		
	(i) Opening Balance	45,892,004	28,383,799
	(ii) Addition during the year	959,766	17,575,924
	(iii) Deduction during the year	–	67,719
	Total	**46,851,770**	**45,892,004**
5.	**Revenue & Other Reserves**		
	(i) Opening Balance	10,346,552	6,746,552
	(ii) Addition during the year	4,000,000	3,600,000
	(iii) Deduction during the year	–	–
	Total	**14,346,552**	**10,346,552**
6.	**Investment Reserve**		
	(i) Opening Balance	–	22,008
	(ii) Addition during the year	–	–
	(iii) Deduction during the year	–	22,008
	Total	**–**	**–**
7.	**Investment Fluctuation Reserve**		
	(i) Opening Balance	–	–
	(ii) Addition during the year	783,600	–
	(iii) Deduction during the year	–	–
	Total	**783,600**	**–**

Schedules

forming part of the consolidated financial statements for the year ended March 31, 2019

SCHEDULE 2 - RESERVES & SURPLUS (contd.)

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
8.	**Foreign Currency Translation Reserve**		
	(i) Opening Balance	2,243	–
	(ii) Addition during the year	2,934	2,243
	(iii) Deduction during the year	–	–
	Total	**5,177**	**2,243**
9	**ESOP Reserve**		
	(i) Opening Balance	–	–
	(ii) Addition during the year	1,084	–
	(iii) Deduction during the year	–	–
	Total	**1,084**	**–**
10	**Balance in Profit & Loss Account**	**1,580,405**	**1,115,617**
	TOTAL (1 to 10)	**71,080,804**	**62,608,885**

SCHEDULE 3 - DEPOSITS

(₹ in '000s)

		Particulars	31-Mar-19	31-Mar-18
A.	**1.**	**Demand Deposits**		
		i) From Banks	2,929,205	4,012,224
		ii) From Others	60,130,120	49,327,576
	Total		**63,059,325**	**53,339,800**
	2.	**Savings Bank Deposits**	82,447,591	53,394,735
	3.	**Term Deposits**		
		i) From Banks	58,674,281	39,350,584
		ii) From Others	379,395,124	292,745,896
	Total		**438,069,405**	**332,096,480**
	TOTAL (1 to 3)		**583,576,321**	**438,831,015**
B.	i.	Deposits of Branches in India	582,667,926	438,831,015
	ii.	Deposits of Branches outside India	908,395	–
	TOTAL		**583,576,321**	**438,831,015**

SCHEDULE 4 - BORROWINGS

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	**Borrowings in India**		
	(i) Reserve Bank of India	–	5,000,000
	(ii) Other Banks	14,877,498	12,974,440
	(iii) Other Institutions and Agencies	53,155,742	40,201,672
	(iv) Subordinated debt	7,300,000	7,300,000
	Total	**75,333,240**	**65,476,112**
2.	**Borrowings outside India**	42,987,414	27,138,291
	TOTAL (1+2)	**118,320,654**	**92,614,403**

Secured Borrowings included in 1 & 2 above is Nil for March 31, 2019 (for financial year ending March 31, 2018 ₹ 17,845,363 thousands)

Schedules

forming part of the consolidated financial statements for the year ended March 31, 2019

SCHEDULE 5 – OTHER LIABILITIES AND PROVISIONS

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Bills Payable	1,994,252	2,379,437
2.	Inter Office Adjustments (Net)	–	–
3.	Interest Accrued	4,719,845	3,496,022
4.	Others (Including Provisions) *	20,018,925	14,458,113
	TOTAL (1 to 4)	**26,733,022**	**20,333,572**
	* Includes : Provision for Standard Assets	2,335,344	1,768,023

SCHEDULE 6 – CASH AND BALANCES WITH RESERVE BANK OF INDIA

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Cash in hand	1,533,803	2,153,916
2.	Balances with Reserve Bank of India		
	(i) In Current Account	23,716,664	17,460,703
	(ii) In Other Accounts	23,150,000	6,280,000
	TOTAL (1 + 2)	**48,400,467**	**25,894,619**

SCHEDULE 7 – BALANCE WITH BANKS AND MONEY AT CALL AND SHORT NOTICE

(₹ in '000s)

		Particulars	31-Mar-19	31-Mar-18
1.	**In India**			
	(i)	Balances with Banks		
		a) In Current Accounts	952,372	869,383
		b) In other Deposit Accounts	7,939,991	8,298,489
	(ii)	Money at Call and Short Notice		
		a) With Banks	–	–
		b) With Other Institutions	999,286	4,147,455
	Total (i+ii)		**9,891,649**	**13,315,327**
2.	**Outside India**			
	(i)	In Current Accounts	8,195,005	3,891,600
	(ii)	In Other Deposits Accounts	–	–
	(iii)	Money at Call and Short Notice	–	–
	Total (i+ii+iii)		**8,195,005**	**3,891,600**
	TOTAL (1+2)		**18,086,654**	**17,206,927**

Schedules

forming part of the consolidated financial statements for the year ended March 31, 2019

SCHEDULE 8 – INVESTMENTS

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	**Investments in India (Gross)**	**168,708,533**	154,697,773
	Less – Provision for depreciation	**1,261,185**	729,269
	Total	**167,447,348**	**153,968,504**
	Break Up		
	(i) Government Securities	**119,426,981**	113,219,579
	(ii) Other Approved Securities	**–**	–
	(iii) Shares	**1,044,851**	1,170,293
	(iv) Debentures & Bonds	**14,035,284**	19,787,314
	(v) Subsidiaries and / or Joint Venture	**–**	–
	(vi) Others *	**32,940,232**	19,791,318
	Total	**167,447,348**	**153,968,504**
	*** Details of Others (vi)**		
	(i) Commercial Paper & Certificates of Deposit	**14,886,362**	10,101,465
	(ii) Mutual Funds	**8,020,000**	7,770,000
	(iii) Venture Capital Fund	**1,048,011**	815,954
	(iv) Pass Through Certificates	**8,960,170**	830,332
	(v) Security Receipts	**25,689**	273,567
	Total	**32,940,232**	**19,791,318**
2.	**Investments Outside India**		
	(i) Government Securities (Including Local Authorities)	**–**	–
	(ii) Subsidiaries and / or Joint Venture abroad	**–**	–
	(iii) Other Investments	**4,401**	1,940
	Total	**4,401**	**1,940**
	TOTAL (1+2)	**167,451,749**	**153,970,444**

Schedules

forming part of the consolidated financial statements for the year ended March 31, 2019

SCHEDULE 9 – ADVANCES

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
A.			
	(i) Bills Purchased and Discounted	**13,372,980**	11,163,910
	(ii) Cash Credits, Overdrafts and Loans Repayable on Demand	**151,928,882**	99,235,741
	(iii) Term Loans	**377,780,565**	292,278,742
	Total	**543,082,427**	**402,678,393**
B.			
	(i) Secured by Tangible Assets[(1)] (Includes Advances against Fixed Deposits and Book Debts)	**358,108,505**	274,209,414
	(ii) Covered by Bank/Government Guarantees	**2,656,815**	987,122
	(iii) Unsecured	**182,317,107**	127,481,857
	Total	**543,082,427**	**402,678,393**
C.1	**Advances in India**		
	(i) Priority Sector	**136,684,368**	112,915,789
	(ii) Public Sector	**2,074,877**	–
	(iii) Banks	**646,623**	3,812,763
	(iv) Others	**386,023,822**	275,232,797
	Total	**525,429,690**	**391,961,349**
C.2	**Advances Outside India**		
	(i) Due from Banks	**17,289**	–
	(ii) Due from Others		
	a) Bills Purchases and Discounted	**–**	–
	b) Syndicated Loans	**–**	–
	c) Others	**17,635,448**	10,717,044
	Total	**17,652,737**	**10,717,044**
	TOTAL (C.1 + C.2)	**543,082,427**	**402,678,393**

[(1)] Includes Advances for which security documentation is being perfected.

Schedules

forming part of the consolidated financial statements for the year ended March 31, 2019

SCHEDULE 10 – FIXED ASSETS

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	**Premises**		
	(i) At cost at 31st March of the preceding year	75,241	75,241
	(ii) Additions during the year	430,582	–
	(iii) Deductions during the year	–	–
	(iv) Accumulated depreciation to date	20,120	11,697
	Total	**485,703**	**63,544**
2.	**Other Fixed Assets**		
	(i) At cost at 31st March of the preceding year	5,933,357	4,263,583
	(ii) Additions during the year	1,521,199	1,725,409
	(iii) Deductions during the year	243,732	55,635
	(iv) Accumulated depreciation to date	3,940,865	2,913,361
	Total	**3,269,959**	**3,019,996**
3.	**Leased Assets**		
	(i) Lease equalisation - Opening balance	13,509	13,509
	(ii) Additions during the year	–	–
	(iii) Less: Provision held / Deductions	13,509	13,509
	(iv) Accumulated depreciation to date	–	–
	Total	**–**	**–**
4.	**Capital Work in Progress**	**399,400**	**312,889**
	TOTAL (1 to 4)	**4,155,062**	**3,396,429**

SCHEDULE 11 – OTHER ASSETS

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Inter-Office Adjustment (Net)	–	–
2.	Interest Accrued	6,085,505	4,461,321
3.	Tax Paid in Advance/Tax Deducted at Source (Net of Provision)	452,117	133,914
4.	Stationery and Stamps	1,108	3,877
5.	Deferred Tax Assets (Net)	2,094,914	1,395,723
6.	Non-banking assets acquired in satisfaction of claims	400,420	591,251
7.	Others	13,360,699	8,856,917
	TOTAL (1 to 7)	**22,394,763**	**15,443,003**

Schedules

forming part of the consolidated financial statements for the year ended March 31, 2019

SCHEDULE 12 – CONTINGENT LIABILITIES

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Claims against the bank not acknowledged as debts	167,386	77,493
2.	Liability for Partly Paid Investment	560,316	189,397
3.	Liability on Account of Outstanding Forward Exchange contracts	265,864,508	220,642,559
4.	Liability on Account of Outstanding derivative contracts		
	(i) Interest Rate Swaps	98,666,814	73,563,134
	(ii) Cross Currency Swaps	51,556,966	68,915,165
	(iii) Currency Options	22,069,158	23,088,663
5.	Guarantees given on behalf of constituents		
	(i) In India	101,071,597	66,753,735
	(ii) Outside India	16,578,893	29,792,260
6.	Acceptances, Endorsements and other Obligations	54,096,618	28,386,476
7.	Other items for which the bank is contingently liable		
	a) Income tax & other matters (under appeal)	659,660	400,644
	b) Others	1,733,980	2,149,732
	TOTAL (1 to 7)	**613,025,896**	**513,959,258**

SCHEDULE 13 – INTEREST EARNED

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Interest / Discount on Advances / bills	50,498,265	34,843,613
2.	Income on Investments	10,934,447	9,981,686
3.	Interest on balance with RBI and Other Inter bank funds	1,112,393	701,485
4.	Others	475,748	88,046
	TOTAL (1 to 4)	**63,020,853**	**45,614,830**

SCHEDULE 14 – OTHER INCOME

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Commission, Exchange and Brokerage	11,656,129	7,234,673
2.	Profit on sale of Investments (Net)	783,551	1,665,396
3.	Profit / (Loss) on sale of land, building and other assets (Net)	(30)	844
4.	Profit on exchange transactions (Net)	1,634,520	1,511,162
5.	Miscellaneous Income	335,621	276,048
	TOTAL (1 to 5)	**14,409,791**	**10,688,123**

Schedules

forming part of the consolidated financial statements for the year ended March 31, 2019

SCHEDULE 15 – INTEREST EXPENDED

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Interest on Deposits	32,434,897	23,405,908
2.	Interest on Reserve Bank of India / Inter-Bank Borrowings	1,811,624	840,845
3.	Others	3,359,961	3,162,268
	TOTAL (1 to 3)	**37,606,482**	**27,409,021**

SCHEDULE 16 – OPERATING EXPENSES

(₹ in '000s)

	Particulars	31-Mar-19	31-Mar-18
1.	Payments to and provisions for employees	7,523,073	5,818,246
2.	Rent, taxes and lighting	1,537,071	1,224,136
3.	Printing and stationery	173,928	126,643
4.	Advertisement and publicity	213,596	160,574
5.	Depreciation on Bank's property	1,258,144	887,382
6.	Director's fees Allowances and expenses	12,752	8,927
7.	Auditors' fees and expenses	17,033	9,074
8.	Law Charges	135,751	67,908
9.	Postage, Telegrams, Telephones, etc.	270,803	212,114
10.	Repairs and maintenance	373,469	63,027
11.	Insurance	628,544	458,784
12.	Other Expenditure	8,294,831	6,444,075
	TOTAL (1 to 12)	**20,438,995**	**15,480,890**

Schedules

forming part of the consolidated financial statements for the year ended March 31, 2019

SCHEDULE 17 – SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

BACKGROUND:

RBL Bank Limited ('the Bank'), incorporated in Kolhapur, India is a banking company governed by the Banking Regulation Act, 1949 with Reserve Bank of India ('RBI') as its principal regulator. The Bank is engaged in providing a wide range of banking and financial services including commercial banking, retail banking, agriculture finance and financial inclusion, treasury operations and other banking related activities. The Bank's shares were listed on August 31, 2016 on National Stock Exchange of India Limited (NSE) & BSE Limited (BSE).

During the previous year ended March 31, 2018, the Bank increased its stake in RBL Finserve Limited (RFL) (formerly Swadhaar Finserve Private Limited) from 30% to 60.48% and hence RFL became a 'Subsidiary' of the Bank w.e.f. November 8, 2017. During the current year ended March 31, 2019, the Bank further increased its stake in RFL to 100%, following which the company has become a 'Wholly Owned Subsidiary' (WOS) w.e.f. June 28, 2018. Accordingly, the Bank has presented the Consolidated Financial Statements including that of RFL for the current and previous financial year based on the nature of relationship with RFL existing during that corresponding period. RFL is acting as a business correspondent operating exclusively for the Bank, distributing comprehensive financial services (in particular Loans and Savings products) to low income households and micro entrepreneurs.

BASIS OF PREPARATION:

The accompanying consolidated financial statements have been prepared under the historical cost convention and on the accrual basis of accounting, unless otherwise stated, and comply with the requirements prescribed under the Third Schedule (Form A and Form B) of the Banking Regulation Act, 1949. The accounting and reporting policies of the Group used in the preparation of these financial statements conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by RBI from time to time, the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 to the extent applicable and practices generally prevalent in the banking industry in India.

PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements relate to RBL Bank Limited ("the Bank") and its subsidiary or associate (together 'the Group'). The consolidated financial statements have been prepared on the following basis:

- In respect of a subsidiary, the financial statement has been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard 21 - Consolidated Financial Statements.

- In case of an Associate, the financial statements have been consolidated as per Accounting Standard 23 - Accounting for Investment in Associates.

  The difference between the cost of investment in the subsidiary and the Bank's share of net asset, at the time of acquisition of share in the subsidiary, is recorded in the consolidated financial statement as goodwill or capital reserve, as the case may be.

- Minority interest representing the part of net results of operations and of the net assets of subsidiary attributable to interests not owned directly or indirectly is presented separately from liabilities and the equity.

- The financial statements of the subsidiary and associates used in consolidation are drawn up to the same reporting date as that of the holding Company i.e. March 31, 2019.

Consolidated Financial Statements incorporates audited results of the following subsidiary:

Name of the Subsidiary	Country of Origin	% of shareholding (March 31, 2019)
RBL Finserve Limited (RFL) (formerly Swadhaar Finserve Private Limited (SFPL))	India	100% (w.e.f. June 28, 2018)

USE OF ESTIMATES:

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles in India ('GAAP') requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual

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results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1. Advances

a) Accounting and Classification

Advances are stated net of bills rediscounted and provisions made in respect of Non-Performing Advances ('NPA'). The premium paid on acquisition of portfolio is included in advances and is amortized over the economic life of the portfolio. Advances are classified as Performing and NPA based on the relevant RBI guidelines.

b) Provisioning

Provisions in respect of non-performing and restructured advances are made based on management's assessment of the degree of impairment of the advances subject to the minimum provisioning levels prescribed under the RBI guidelines with regard to the Prudential Norms on Income Recognition, Asset Classification & Provisioning, prescribed from time to time. In case of restructured accounts, provision is made for erosion/diminution in fair value of restructured loans, in accordance with RBI guidelines.

In accordance with the RBI guidelines, the Bank also maintains provision on standard assets to cover potential credit losses which are inherent in any loan portfolio including provision for borrowers having un-hedged foreign currency exposures, provisions on loans to specific borrowers in specific stressed sectors and also for credit exposures considered at current marked to market values of interest rate and foreign exchange derivative contracts. Provision made against standard assets is included in 'Other Liabilities and Provisions'.

Further to the provisions held according to the asset classification status, provisions are held for individual country exposures (other than for home country exposure). Countries are categorised into risk categories as per Export Credit Guarantee Corporation of India Ltd. ('ECGC') guidelines and provision is held in respect of that country where the net funded exposure is one percent or more of the total assets.

Amounts recovered against debts written off in earlier years and provisions no longer considered necessary based on the current status of the borrower are recognised in the profit and loss account, as credit to 'Miscellaneous Income' under the head 'Other Income' or provision for NPAs, respectively.

2. Investments

Classification and valuation of the Bank's investments is carried out in accordance with RBI and Fixed Income Money Market and Derivatives Association ('FIMMDA') and Financial Benchmark India Private Limited ('FBIL') guidelines, prescribed in this regard from time to time.

a) Classification

Investments are classified into 'Held for Trading' ('HFT'), 'Available for Sale' ('AFS') and 'Held to Maturity' ('HTM') categories at the time of purchase. Investments, which the Bank intends to hold till maturity are classified as HTM investments. Investments that are held principally for resale within a short period, including short sale, are classified as HFT investments. All other investments are classified as AFS investments. The Bank follows settlement date method for accounting of its investments. For the purpose of disclosure in the financial statements, the Investments are classified under six groups a) Government Securities b) Other Approved Securities c) Shares d) Debentures and Bonds e) Subsidiaries / Joint Ventures and f) Others.

Investments are classified as performing or non-performing as per RBI guidelines. Non performing investments are subjected to prudential norms for Classification, valuations and Operation of Investment Portfolio by Banks, prescribed from time to time.

b) Valuation

Investments classified as HTM are carried at amortized cost. Any premium paid on acquisition, over the face value, is amortized over the remaining maturity of the instrument, by applying constant yield method. Where in the opinion of the management, a diminution, other than temporary, in the value of investments classified under HTM has taken place, appropriate provisions are made.

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Investments classified as AFS and HFT are marked-to-market on a periodic basis as per the relevant RBI guidelines. The securities are valued scrip-wise and depreciation / appreciation are aggregated for each category. Net appreciation in each category, if any, is ignored, while net depreciation is provided for. The book value of individual securities is not changed consequent to the periodic valuation of investments.

Treasury bills, commercial papers and certificates of deposit are valued at carrying cost including the pro rata discount accreted for the holding period.

Quoted investments are valued at traded / quoted price available on the recognised stock exchanges, subsidiary general ledger account transactions are valued as per the price list of RBI or prices declared by Financial Benchmark India Private Limited ('FBIL') as applicable as at the balance sheet date. For deriving market value of unquoted fixed income securities (other than Central and State Government securities),the bank considers yields / mark-up rates (reflecting associate credit risk) declared by the FBIL.

Unquoted equity shares are valued at the break-up value, if the latest Balance Sheet is available (which should not be more than one year prior to the date of valuation) or at ₹ 1/- as per the RBI guidelines.

Quoted Mutual Fund units are valued as per the stock exchange quotations and un-quoted mutual fund units are valued at last available re-purchase price or Net Asset Value ('NAV') where re-purchase price is not available.

Units of Venture Capital Funds ('VCF') held under AFS category are valued using the ('NAV') shown by VCF as per the financial statement. The VCFs are valued based on the audited financials. In case the audited financials are not available for a period beyond 18 months, the investments are valued at ₹ 1/- per VCF.

Security Receipts ('SR') issued by the asset reconstruction companies are valued in accordance with the guidelines prescribed by the RBI. Accordingly, SRs are valued at NAV provided by the issuing asset reconstruction company.

Investments received in lieu of restructured advances under Strategic Debt Restructuring (SDR) / Sustainable Structuring of Stressed Assets (S4A) schemes are valued in accordance with the RBI guidelines. Any diminution in value on these investments is provided for and is not used to set off against appreciation in respect of other performing securities in that category. Depreciation on equity shares acquired and held by the Bank under SDR / S4A schemes is provided as per RBI guidelines.

Pass Through Certificates (PTC) excluding Priority Sector-PTCs are valued using FBIL GOI par yield and FIMMDA credit spreads as applicable to NBFC category, based on the credit rating & tenor of the respective PTC instruments. PSL-PTCs are valued at book value.

c) Disposal of investments:

Profit / Loss on sale of investments under the aforesaid three categories are recognized in the Statement of Profit and Loss. Cost of investments is based on the weighted average cost method. The profit from sale of investment under HTM category, net of taxes and transfers to statutory reserve, is appropriated from Statement of Profit and Loss, to "Capital Reserve", in accordance with the RBI guidelines.

d) Transfer between categories

Transfer of investments between categories is accounted in accordance with the extant RBI guidelines:

a) Transfer from AFS/HFT to HTM is made at the lower of book value or market value at the time of transfer.

b) Transfer from HTM to AFS/HFT is made at acquisition price/amortized cost if originally placed in HTM at par or at a discount and at amortized cost if originally placed in HTM at a premium.

c) Transfer from AFS to HFT category or vice-versa is made at book value and the provision for the accumulated depreciation, if any, held is transferred to the provisions for depreciation against the HFT securities or vice-versa.

e) Repurchase transactions

Repurchase ('Repo') and reverse repurchase ('Reverse Repo') transactions including liquidity adjustment facility (with RBI) are accounted for as borrowing and lending transactions respectively.

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Accordingly, securities given as collateral under an agreement to repurchase them continue to be held under the investment account of the Bank and the Bank would continue to accrue the coupon/discount on the security during the repo period. Also, the Bank continues to value the securities sold under repo as per the investment classification of the security. Borrowing cost on repo transactions is accounted for as interest expense and income on reverse repo transactions are accounted for as interest income.

f) Broken period interest, brokerage etc.

Broken period interest and costs such as brokerage paid at the time of acquisition of the security are charged to the Profit and Loss account.

3. Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated at the Balance Sheet date at rates of exchange notified by 'Foreign Exchange Dealers' Association of India' (FEDAI) and the resultant exchange differences are recognised in the Profit and Loss account. Income and expenditure items are translated at the exchange rates prevailing on the date of the transaction.

Outstanding forward exchange contracts (other than deposit and placement swaps) and spot contracts outstanding at the Balance Sheet date are revalued at rates notified by FEDAI for specified maturities and at the interpolated rates of interim maturities. In case of forward contracts of greater maturities where exchange rates are not notified by FEDAI, are revalued at the forward exchange rates implied by the swap curves in respective currencies. The resulting profits or losses are recognised in the Profit and Loss Account as per the regulations stipulated by the RBI / FEDAI and is included in 'Other assets' or 'Other liabilities' as the case may be.

Foreign exchange swaps "linked" to foreign currency deposits and placements are translated at the prevailing spot rate at the time of swap. The premium or discount on the swap arising out of the difference in the exchange rate of the swap date and the maturity date of the underlying forward contract is amortized over the period of the swap and the same is recognised in the Profit and Loss Account.

Contingent liabilities on account of foreign exchange contracts, letters of credit, bank guarantees and acceptances and endorsements outstanding as at the Balance Sheet date denominated in foreign currencies are translated at year-end rates notified by FEDAI.

The financial statements of IBU which are in the nature of non-integral overseas operations are translated on the following basis: (a) Income and expenses are converted at the average rate of exchange during the period and (b) All assets and liabilities are translated at closing rate as on Balance Sheet date. The exchange difference arising out of year end translation is debited or credited as "Foreign Currency Translation Reserve" forming part of "Reserves and Surplus".

4. Derivative transactions

Derivative transactions comprise interest rate swaps, cross currency swaps and currency futures and currency options.

The interest rate and currency swaps are marked to market using appropriate interest rates/exchange rates. Foreign currency futures are marked to market using closing price of the relevant futures contract as published by the exchange/ clearing corporation. The profit or loss on revaluation is recorded in the Profit and Loss account and is included in 'Other assets' or 'Other liabilities' as the case may be. The notional value of these swaps / futures contract is recorded as contingent liability. Margin money deposited with the exchange in respect of the futures contracts is included in 'Other assets'.

Option premium paid or received is recognised in the Profit and Loss Account on expiry of the option. Option contracts are marked to market on every reporting date.

Outstanding derivative transactions designated as "Hedges" are accounted in accordance with hedging instrument on an accrual basis over the life of the underlying instrument.

Pursuant to the RBI guidelines, any receivable under a derivative contract with a counterparty which remains overdue for more than 90 days, mark-to-market gains on any other derivative contract with the same counterparty, is reversed through profit and loss account.

5. Bullion

The Bank imports bullion including precious metal bars on a consignment basis for selling to its wholesale customers. The imports are typically on a back-to-back basis and are priced to the customer based on an estimated price quoted by the supplier. The Bank earns a fee on such wholesale bullion transactions. The fee is classified under commission income.

The Bank also deals in bullion on a borrowing and lending basis and the interest paid / received thereon is classified as interest expense / income respectively.

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6. Fixed Assets and Depreciation

Fixed Assets are accounted for at cost less accumulated depreciation, amortization and accumulated impairment losses. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the asset. Premises acquired up to March 31, 1998 have been revalued by the management and are stated at such revalued figure. The appreciation on revaluation is credited to 'Premises Revaluation Reserve' Account. On disposal of revalued premises, the amount standing to the credit of the Premises Revaluation Reserve is transferred to Capital Reserve. Depreciation attributable to the revaluation gain is transferred from Premises Revaluation Reserve to the credit of depreciation in the Profit and Loss account.

Depreciation is provided as per straight-line method from the date put to use over the estimated useful life of the asset. Depreciation on assets sold during the year is charged to the Profit and Loss account up to the date of sale. Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase. In case of the subsidiary, depreciation has been provided using the straight line method at the rates specified in Schedule II of the Companies Act, 2013. In case of the Bank, if the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter, then the depreciation is provided at a higher rate based on management's estimate of the useful life/remaining useful life. The management believes that depreciation rates currently used, fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II of Companies Act, 2013.

The useful lives of the fixed assets are given below:

Category	Estimated useful life
Premises	50 years
Desktop computers and printers, Laptops	3 years
VSATs, Telecom equipment, cabling, other computer hardware and related equipment, LAN/Mainframe servers and printers, scanners	5 years
Purchased and developed Software	5 years
Vehicles	5 years
Office equipment, Locker cabinets, Strong room	6.67 years
ATMs	7 years
Furniture, fittings and work of art	10 years

Improvements and installations of capital nature on the leasehold property are depreciated over the primary lease term.

At each balance sheet date, the Group assesses impairment of assets. If any such indication exists, the Group estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss account. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

7. Employee benefits

Provident Fund

The Group's contribution towards Provident fund, being a defined contribution scheme, is accounted for on an accrual basis and recognized in the Profit and Loss account. The Bank makes contributions to a fund administered by trustees.

Gratuity and Pension

Liability for Gratuity and Pension, being defined benefit retirement schemes, are determined based on an actuarial valuation as at the Balance Sheet date as per the Projected Unit Credit method as computed by an independent actuary. Actuarial gains/losses arising during the year are recognized in the Profit and Loss Account.

National Pension Scheme:-

The Bank contributes 10.0% of the total basic salary of certain employees to National Pension Scheme (NPS), a defined contribution plan, which is managed and administered by pension fund management companies. The Bank also gives an option to its employees allowing them to receive the amount in lieu of such contributions along with their monthly salary during their employment. The amounts so contributed/paid by the Bank to the NPS or to employee during the year are recognised in the profit and loss account.

Compensated Absences

The Bank provides for compensated absences liability of its employees who are eligible for encashment of accumulated leave and sick leave, which is a long-term benefit scheme, based on actuarial valuation of the compensated absences

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liability at the balance sheet date, carried out by an independent actuary. Actuarial gains/losses arising during the year are recognized in the Profit and Loss Account.

Employee Stock Option Plans

The Bank accounts for Employee Stock Option plans in accordance with the Guidance note on Employee Share Based Payments issued by The Institute of Chartered Accountants of India ('ICAI'). The Bank has applied intrinsic value method to arrive at the compensation cost of ESOP granted to the employees of the Bank. Intrinsic value is the amount by which value of the underlying shares as determined by an independent valuer (prior to the listing of the equity shares on the stock exchanges) or the market price on the date of the grant, as the case may be, exceeds the exercise price of the options. Compensation cost so determined is amortized over the vesting period of the option granted.

8. Revenue Recognition

a) Interest income is recognized on accrual basis, except in the case of interest on loans categorised as NPA and on loan accounts which are restructured by the Bank under SDR or S4A scheme of RBI, in which case it is recognized on realisation.

b) Recoveries in respect of past due loan accounts classified as NPA are appropriated towards overdue principal and thereafter towards interest and charges.

c) Income on discounted instruments is recognized over the tenure of the instrument on a constant yield basis.

d) Dividend is accounted on an accrual basis when the right to receive the dividend is established.

e) Loan processing fee is accounted for upfront when it becomes due.

f) Fees received on sale of Priority Sector Lending Certificates (PSLC) is considered as Miscellaneous Income, while the fees paid for purchase is expensed as other expenses in accordance with the guidelines issued by the RBI. The fees income or expense is amortized on a straight line basis over the tenor of the certificate.

g) Arrangership or syndication fee is accounted for on completion of the agreed service and when the right to receive is established.

h) Interest income on investments in PTCs and loans bought out through the direct assignment route is recognized on accrual basis, at their contractual rate.

i) All other fees are accounted for as and when they become due.

9. Lease transactions

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating leases. Operating lease rentals are recognised as an expense on straight-line basis over the lease period.

The Group has not undertaken any finance leases.

10. Taxation

Income tax comprises the current tax (i.e. amount of tax for the period, determined in accordance with the Income Tax Act, 1961 and the rules framed there under) and the net change in the deferred tax asset or liability for the period (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Provision for current income-tax is recognized in accordance with the provisions of Indian Income Tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

The current tax, deferred tax charge or credit and the corresponding deferred tax liability or asset is recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty (supported by convincing evidence of future taxable income) of realisation of such assets.

Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

11. Provisions and contingencies

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

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

12. Provision for reward points on credit cards

The Bank has a policy of awarding reward points for credit card spends by customers. Provision for the said reward points is made based on an actuarial valuation report which takes into account, among other things, probable redemption of credit card reward points and cost per point. Actuarial gains/losses arising during the year are recognised in the Profit and Loss account.

13. Earnings per share (EPS)

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20 – 'Earnings per share'.

Basic earnings per share is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the period. Diluted earnings per equity share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period, except where the results are anti-dilutive.

14. Share issue expenses

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

15. Cash and Cash Equivalents

Cash and Cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.

16. Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, is provided in the Profit and Loss account to the extent the carrying amount of assets exceeds their estimated recoverable amount.

17. Non- Banking Assets acquired in satisfaction of claims

Non-banking assets (NBAs) acquired in satisfaction of claims are carried at lower of net book value and net realizable value.

18. Accounting for proposed dividend

As per AS-4 – 'Contingencies and events occurring after the Balance sheet date', the Bank is not required to create provision for dividend proposed / declared after the Balance Sheet date unless a statute requires otherwise.

19. Corporate Social Responsibility

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

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SCHEDULE 18 - NOTES TO ACCOUNTS FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Disclosures under Accounting Standards

1.1. Disclosures under AS - 15 on employee benefits

Defined Contribution Plans:

Employer's contribution recognized and charged off for the year to defined contribution plans are as under:

(₹ in crore)

Particulars	2018-19	2017-18
Provident Fund	24.52	19.33
Pension Scheme (employees joining after 01.04.2010)	0.02	0.02
Employee state insurance corporation	2.08	1.15
National Pension Scheme	0.74	–
Labour welfare	0.02	0.01

Defined Benefit Plans:

The following table sets out the status of the defined benefit Pension and Gratuity Plan as required under Accounting Standard 15.

Change in the present value of the defined benefit obligation

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Opening defined benefit obligation at 1st April	114.05	38.42	108.15	30.89 #
Current Service cost	5.55	7.16	5.55	6.16
Interest cost	8.77	2.99	7.99	2.14
Actuarial losses/ (gains)	6.74	2.63	(0.65)	0.59
Benefits paid	(8.25)	(2.00)	(6.99)	(2.14)
Past Service Cost (Amortized)	–	–	–	–
Closing defined benefit obligation at 31st March	126.86	49.20	114.05	38.42

opening adjustment on account of subsidiary consolidation

Change in the plan assets

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Opening fair value of plan assets at 1st April	111.63	30.12	105.26	21.77
Expected return on plan assets	8.59	2.26	7.78	1.47
Employers Contributions	4.04	6.51	4.48	8.08
Benefit paid	(8.25)	(2.00)	(6.99)	(1.99)
Actuarial gains / (losses) on plan assets	0.74	0.43	1.10	0.79
Closing fair value of plan assets at 31st March	116.75	37.32	111.63	30.12

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Reconciliation of present value of the obligations and fair value of the plan assets

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Present value of funded obligation at 31st March	126.86	49.20	114.05	38.42
Fair value of plan assets at 31st March	116.75	37.32	111.63	30.12
Deficit / (Surplus)	10.11	11.88	2.42	8.30
Net Liability / (Asset)	10.11	11.88	2.42	8.30

Net cost recognized in the profit and loss account

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Current Service cost	5.55	7.16	5.55	6.16
Interest cost	8.77	2.99	7.99	2.14
Expected return on plan assets	(8.59)	–	(7.78)	(1.47)
Past Service Cost (Vested Benefit) Recognised	–	(2.26)	–	0.78
Net actuarial losses / (gains) recognised during the year	6.00	2.20	(1.75)	(0.20)
Total cost of defined benefit plans included in Schedule 16 Payments to and provisions for employees	11.73	10.09	4.01	7.41

Reconciliation of Expected return and actual returns on planned assets

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Expected return on plan assets	8.59	2.26	7.78	1.47
Actuarial gain / (loss) on plan assets	0.74	0.43	1.10	0.79
Actual return on plan assets	9.33	2.69	8.88	2.26

Reconciliation of opening and closing net liability / (asset) recognized in balance sheet

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Opening net liability as at 1st April	2.42	8.30	2.89	9.12#
Expenses as recognised in profit & Loss account	11.73	10.09	4.01	7.41
Employers contribution / Benefits paid	(4.04)	(6.51)	(4.48)	(8.23)
Net liability / (asset) recognised in balance sheet	10.11	11.87	2.42	8.30

Opening adjustment on account of subsidiary consolidation

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Experience Adjustment

(₹ in crore)

Particulars	2018-19		2017-18		2016-17		2015-16		2014-15	
	Pension	Gratuity	Pension	Gratuity	Pension	Gratuity	Pension	Gratuity	Pension	Gratuity
Present value of funded obligation at 31st March	126.85	49.20	114.05	38.42	108.15	29.85	107.88	23.34	90.65	18.82
Fair value of plan assets at 31st March	116.74	37.32	111.63	30.12	105.26	21.77	87.58	18.46	69.12	14.03
Deficit / (Surplus)	10.11	11.87	2.42	8.30	2.89	8.08	20.30	4.88	21.53	4.79
On Plan Liabilities (gains) / losses	8.55	2.87	1.91	1.46	(6.09)	2.20	18.46	1.35	10.00	1.07
On Plan Assets (losses) / gains	0.74	0.43	1.10	0.79	0.83	0.04	1.01	0.24	0.64	0.12

Other Details

(₹ in crore)

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Expected Contribution on Plan assets	7.14	15.80	6.62	12.13

A breakup of Investments under Plan Assets of Gratuity fund and Pension fund is as follows:

Category of Assets	2018-19		2017-18	
	Pension (%)	Gratuity (%)	Pension (%)	Gratuity (%)
Central Government securities	16.03	6.22	17.35	19.05
State Government securities	37.52	42.15	35.73	32.10
Corporate Bonds	22.12	28.10	19.98	20.80
Funds with LIC	–	6.29	–	–
Fixed deposits and bank balances	24.33	17.24	26.94	28.05
Total	**100.00**	**100.00**	**100.00**	**100.00**

Key Actuarial Assumptions

Particulars	2018-19		2017-18	
	Pension	Gratuity	Pension	Gratuity
Discount rate	7.79%	6.96%~7.80%	7.69%	8.05%~7.50%
Expected rate of return on Plan Asset	7.79%	7.79%	7.69%	7.50%
Salary Escalation	For 0 yr to 1 yr 12% p.a. thereafter 6% p.a.	6.00%~12.00%	6.00%	6.00%~10.00%
Attrition rate	0.22%	10.00%~25.52%	0.44%	3.00%~22.10%

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Compensated absences

The Bank does not have a policy of encashing unavailed leave for its employees, except for employees under Indian Banks¬' Association ('IBA') structure. The actuarial liability of compensated absences of accumulated privileged and sick leaves of the employees of the Bank is given below:

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Privileged leave	15.32	13.29
Sick leave	2.10	1.92
Total actuarial liability	**17.42**	**15.21**
Assumptions		
Discount rate	7.79%	7.85%
Salary escalation rate	6.00%~12.00%	6.00%~10.00%

1.2. Segment Reporting: Information about business segments

In terms of the AS-17 (Segment Reporting) issued by ICAI and RBI circular Ref. DBOD.No. BP.BC.81/21.04.018/2006-07 dated April 18, 2007 read with DBR.BP.BC No.23/21.04.018/2015-16 dated July 1, 2015 and amendments thereto, the following business segments have been disclosed:

- **Corporate/Wholesale Banking:** Includes lending, deposits and other banking services provided to corporate customers of the Bank.
- **Retail Banking:** Includes lending, deposits and other banking services provided to retail customers of the Bank through branch network or other approved delivery channels.
- **Treasury:** includes investments, all financial markets activities undertaken on behalf of the Bank's customers, proprietary trading, bullion business, maintenance of reserve requirements and resource mobilization from other Banks and financial Institutions. Intersegment earnings of Balance Sheet management function are included in the Treasury segment.
- **Other Banking Operations:** Includes para banking activities like Bancassurance, credit cards etc.

Segment revenues include earnings from external customers and earnings from other segments on account of funds transferred at negotiated rates, which are determined by the management. Segment results includes segment revenues as reduced by interest expense, charge from other segments on account of funds transferred at negotiated rates and operating expenses and provisions either directly identified or allocated to each segment.

The following table sets forth the business segment results:

(₹ in crore)

Particulars	2018-19					2017-18				
	Corporate/ Wholesale Banking	Retail Banking	Treasury	Other Banking Operations	Total	Corporate/ Wholesale Banking	Retail Banking	Treasury	Other Banking Operations	Total
Gross Revenue	4,348.84	3,923.41	4,657.13	1,470.49	**14,399.87**	2,910.54	3,006.44	3,648.69	664.53	**10,210.20**
Unallocated Revenue					**–**					**3.33**
Less: Inter Segment Revenue					**6,656.81**					**4,583.24**
Total Revenue					**7,743.06**					**5,630.29**

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(₹ in crore)

Particulars	2018-19					2017-18				
	Corporate/ Wholesale Banking	Retail Banking	Treasury	Other Banking Operations	Total	Corporate/ Wholesale Banking	Retail Banking	Treasury	Other Banking Operations	Total
Segment Results	493.52	398.77	139.44	266.10	**1,297.83**	374.21	242.26	258.20	96.30	**970.97**
Unallocated revenue					**–**					**3.33**
Less :Unallocated expenses					**–**					**0.47**
Operating Profit					**1,297.83**					**973.83**
Income Tax expense (including deferred tax)					**436.47**					**334.62**
Net Profit[1]					**861.36**					**639.21**
Segment Assets	33,488.89	16,049.70	23,787.18	5,409.00	**78,734.77**	26,605.44	11,876.34	19,936.04	2300.33	**60,718.15**
Unallocated Assets					**1,663.02**					**1,159.12**
Total Assets					**80,397.79**					**61,877.27**
Segment Liabilities	21,044.07	29,767.95	21,868.24	163.81	**72,844.07**	12,839.82	21,910.31	20,250.35	187.46	**55,187.94**
Unallocated Liabilities					**6.40**					**5.36**
Total Liabilities					**72,850.47**					**55,193.30**
Capital Employed (Segment Assets – Segment Liabilities)	12,444.82	(13,718.24)	1,918.94	5,245.18	**5,890.70**	13,765.62	(10,033.97)	(314.31)	2,112.87	**5,530.21**
Unallocated Capital					**1,656.62**					**1,153.76**
Total Capital					**7,547.32**					**6,683.97**
Capital Expenditure	64.20	96.26	14.41	20.31	**195.18**	67.99	78.52	13.49	12.54	**172.54**
Depreciation	59.91	49.76	10.22	5.89	**125.78**	40.94	34.50	10.93	2.37	**88.74**

[1] Includes share of net profit of minority shareholders and excludes share of profit/loss of associates.

Notes:

- The business of the Group is concentrated largely in India. Accordingly, geographical segment results have not been reported in accordance with AS-17 (Segment Reporting).
- The Bank commenced its operations at its International Financial Services Centre Banking Unit (IBU) in Gujarat International Finance Tec (GIFT) City, Gujarat in April 2017 and the same is included in Corporate and wholesale Banking segment.
- Income, expenses, assets, liabilities, depreciation for the year and Capital expenditure for the year have been either specifically identified to individual segment or allocated to segments on a reasonable basis or are classified as unallocated.
- Unallocated items include Fixed Assets, realized gains/losses on their sale, income tax expense, deferred income tax assets/liabilities, advance tax, cash in hand, share capital and reserves.

1.3. Related Party Transactions

As per AS 18 "Related Party Disclosures", the Bank's related parties for the year ended March 31, 2019 are disclosed below:

a) **Key Management Personnel ('KMP')**

Mr. Vishwavir Ahuja (Managing Director & Chief Executive Officer)

Mr. Rajeev Ahuja (Executive Director)

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forming part of the consolidated financial statements for the year ended March 31, 2019

b) **Relatives of Key Management Personnel**

Mrs. Reva Ahuja, Mr. Dharam Bir Ahuja, Ms. Vasudhaa Ahuja, Ms. Vrinda Ahuja, Mrs. Dipeeka Dhand, Ms. Kanika Ahuja, D. B. Ahuja & Sons (HUF)

Ms. Aishwarya Ahuja, Mrs. Priti Ahuja, Mr. Raman Ahuja, Ms. Nandita Ahuja, Miss Asavari Ahuja

c) **Associates**

RBL Finserve Limited (RFL) (formerly Swadhaar Finserve Private Limited (SFPL)) (w.e.f. April 5, 2016 till November 7, 2017)

d) **Subsidiary**

RBL Finserve Limited (RFL) (formerly Swadhaar Finserve Private Limited (SFPL)) (w.e.f. November 8, 2017)

The following represents the significant transactions between the Group and such related parties including relatives of above mentioned KMP during the year ended March 31, 2019.

(₹ in crore)

Items / Related Party	Subsidiary/ Associates/ Joint ventures #	Maximum Balance during the year #	KMP	Maximum Balance during the year	Relatives of KMP	Maximum Balance during the year
Dividend Paid	–	–	3.10	–	0.11	–
Remuneration	–	–	4.51	–	–	–
Deposit	–	–	11.55	14.39	4.27	4.41
Deposits placed	–	–	–	–	0.65	–
Advances	–	–	0.57	0.67	–	–
Advance repaid	–	–	0.10	–	–	–
Interest paid	–	–	0.68	–	0.18	–
Interest received	–	–	0.06	–	–	–
Interest payable	–	–	–	0.11	–	0.05
Interest receivable	–	–	–	–	–	–

The following represents the significant transactions between the Group and such related parties including relatives of above mentioned KMP during the previous year ended March 31, 2018.

(₹ in crore)

Items / Related Party	Subsidiary/ Associates/ Joint ventures #	Maximum Balance during the year #	KMP	Maximum Balance during the year	Relatives of KMP	Maximum Balance during the year
Dividend Paid	–	–	2.57	–	0.10	–
Remuneration	–	–	4.57	–	–	–
Deposit	–	–	10.23	10.23	3.01	3.84
Deposits Placed	–	–	–	–	0.69	–
Advances	–	–	0.67	0.76	–	–
Advances repaid	–	–	0.09	–	–	–
Interest paid	–	–	0.48	–	0.20	–
Interest received	–	–	0.07	–	–	–
Interest payable	–	–	–	0.09	–	0.04
Interest receivable	–	–	–	–	–	–

In accordance with RBI guidelines dated March 29, 2003 "Guidance on compliance with the accounting standards by banks", details pertaining to the related party transactions have not been provided where there is only one related party in each of the above categories.

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forming part of the consolidated financial statements for the year ended March 31, 2019

1.4. Operational Leases

The Group has taken certain premises on operating lease. The agreements entered into provide for renewal and rent escalation. Particular of future minimum lease payments in respect of the same are as mentioned below:

(₹ in crore)

Period	2018-19	2017-18
Not later than one year	100.09	83.07
Later than one year and not later than five years	274.53	224.16
Later than five years	95.53	83.75
Total	**470.15**	**390.98**
Lease payment recognized in profit and loss account for the year	127.74	102.71

1.5. Earnings Per Share (EPS)

(₹ in crore)

Particulars	2018-19	2017-18
Basic		
Weighted Average Number of equity shares	423,523,484	402,311,032
Net Profit after tax available for equity share holders (₹)	857.84	631.67
Basic Earnings Per Share (F V ₹ 10/-)	20.25	15.70
Diluted		
Weighted Average Number of equity shares (including dilutive potential equity shares)	432,690,064	418,498,576
Net Profit after tax available for equity share holders (₹)	857.84	631.67
Diluted Earnings Per Share (F V ₹ 10/-)	19.83	15.09
Nominal Value per share	₹ 10	₹ 10

The dilutive impact is due to stock options granted to employees of the Bank.

1.6. Deferred Tax (AS -22)

Major components of Deferred Tax Assets and Deferred Tax Liabilities as on March 31, 2019 are as under:-

(₹ in crore)

Particulars	2018-19	2017-18
Deferred tax assets:		
Provision for Assets	191.62	125.35
Employee benefits	5.69	5.26
Others	18.00	14.58
Deferred tax liabilities:		
Fixed Assets	(5.82)	(5.61)
Total	**209.49**	**139.58**

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forming part of the consolidated financial statements for the year ended March 31, 2019

1.7. Fixed Assets

The following table sets forth, for the periods indicated, the movement in software acquired by the Group, as included in fixed assets:

(₹ in crore)

Particulars	2018-19	2017-18
At cost at the beginning of the year	245.46	162.50
Additions during the year	76.20	82.96
Deductions during the year	2.47	–
Accumulated depreciation at March 31	163.60	112.80
Closing balance at March 31	155.59	132.66
Depreciation charge for the year	53.25	37.31

1.8. Small and Micro Industries

RBL Bank Limited

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments during the years ended March 31, 2019 and March 31, 2018. The above is based on the information available with the Bank which has been relied upon by the auditors.

RBL Finserve Limited

On the basis of the information available with the Company and the confirmations received from the 'suppliers' covered under the Micro, Small and Medium Enterprises Development Act, 2006 the amount unpaid as at March 31, 2019 was ₹ 0.69 crore (previous year: ₹ 0.01 crore). There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments during the years ended March 31, 2019 and March 31, 2018. The above is based on the information available with the Company which has been relied upon by the auditors.

1.9. Amount of Provisions made for Income-tax during the year:

(₹ in crore)

Particulars	2018-19	2017-18
i) Provision for Income tax / Wealth tax	500.60	378.18
ii) Provision for deferred tax	(64.13)	(43.56)

1.10. Contingent Liabilities

Description of nature of contingent liabilities is set out below:

i) Claims against the Bank not acknowledged as debts:

These represent claims filed against the Bank in the normal course of business relating to various legal cases currently in progress.

ii) Liability for partly paid investments:

These represent contingent liability on account of possible claims for uncalled amount by the issuer of the securities held by the Bank.

iii) Liability on account of forward exchange and interest rate contracts:

The Bank enters into foreign exchange contracts currency options, forward rate agreements, currency swaps with inter-bank participants on its own account and for the customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. Currency swaps are commitments to exchange cash flows by the way of interest/principal in one currency against another, based on pre-determined rates. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows.The amount recorded as contingent liability with respect to these contracts represents the underlying notional amounts of these contracts.

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forming part of the consolidated financial statements for the year ended March 31, 2019

iv) Guarantees given on behalf of Constituents, Acceptances, Endorsement and other obligations:

As a part of its corporate banking activities, the Bank issues documentary credit and guarantees on behalf of its customers. Documentary credits such as letters of credit enhance the credit standing of the customer of the Bank. Guarantees generally represent irrevocable assurances that the Bank will make the payment in the event of the customer failing to fulfill its financial or performance obligations.

v) Acceptances, endorsements and other obligations:

These include documentary credit issued by the Bank on behalf of its customers and bills drawn by the Bank's customers that are accepted or endorsed by the Bank.

vi) Other contingent items:

a. Commitments for settlement date accounting for securities transactions;

b. Demands raised by income tax and other statutory authorities and disputed by the Bank;

c. Amount transferred to RBI under the Depositor Education and Awareness Fund (DEAF).

RBL Bank Limited makes provident fund contributions to an independently administered Trust. The Bank is currently in dispute with the Provident Fund authorities regarding applicability of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 (the 'Act') on the Bank and the matter is pending with Central Government Industrial Tribunal, Mumbai for further adjudication.

Additionally, in light of the recent Honorable Supreme Court of India judgement on 28th February 2019, which clarified that any emolument paid universally, necessarily and ordinarily to all employees across the board are to be considered as basic wage and accordingly needs to be considered for calculation of Provident Fund contribution.

Any potential likely impact on the financial statements in view of the above will be ascertained on the decision of the Central Government Industrial Tribunal, Mumbai and on clarification from the Provident Fund authorities / courts, if any.

Refer schedule 12 for amounts relating to contingent liabilities.

1.11 The disclosure regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2019.

2. Break up of Provisions and Contingencies debited to Profit & Loss Account

(₹ in crore)

Particulars	2018-19	2017-18
i) Provision made towards NPAs / Write off/ Sacrifice for Restructured Advance / Debt Relief as per RBI guidelines		
a) For Advances	466.99	257.09
b) For Investments	25.10	(13.62)
ii) Provisions towards Standard Assets	56.39	42.44
iii) Provision for depreciation on investments	28.10	56.08
iv) Provision / (Write-back) for credit card reward points	40.36	21.09
v) Provision for others	56.65	4.40
vi) Provisions towards Income tax	500.60	378.18
vii) Provision towards deferred tax (net)	(72.67)	(43.55)
Total	**1,101.51**	**702.11**

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forming part of the consolidated financial statements for the year ended March 31, 2019

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

4. Additional information to consolidated accounts as at March 31, 2019 (Pursuant to Schedule III of the Companies Act, 2013)

(₹ in crore)

Name of the entity	2018 -19				2017 -18			
	Net assets		Share in profit or loss		Net assets		Share in profit or loss	
	% of total net assets	Amount	% of total net profit	Amount	% of total net assets	Amount	% of total net profit	Amount
Parent								
RBL Bank Ltd	99.44	7,492.76#	101.06	866.95	99.57	6,651.76#	100.54	635.09
Subsidiary								
RFL	0.56	42.03	(0.65)	(5.59)	0.71	47.62	0.65	4.10
Associate								
RFL	–	–	–	–	–	–	(0.93)	(5.90)
Minority Interests	–	–	(0.41)	(3.53)	(0.28)	(18.82)	(0.26)	(1.62)
Total	**100.00**	**7,534.79**	**100.00**	**857.54**	**100.00**	**6,680.56**	**100.00**	**631.67**

after incorporating inter-company adjustments amounting to ₹ 54.56 crore (₹ 32.21 crore in previous year)

5. Additional statutory information disclosed in the separate financial statements of the Bank and Subsidiaries having no material bearing on the true and fair view of the consolidated financial statements and the information pertaining to the items which are not material have not been disclosed in the consolidated financial statement.

6. Figures for the previous year have been regrouped / reclassified wherever necessary to conform to current years' presentation.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Place : Mumbai
Date : April 18, 2019

For and on behalf of RBL Bank Limited

Prakash Chandra
Chairman

Jairaj Purandare
Director

Deepak Ruiya
Chief Financial Officer (interim)

Vishwavir Ahuja
Managing Director & CEO

Rajeev Ahuja
Executive Director

Vinay Tripathi
Company Secretary

FORM AOC-1

(pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES

Part A: Subsidiaries

₹ in crore

Sr. No.	Name of the Subsidiary Company & Particulars	RBL Finserve Limited*
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
3.	Share capital	54.68
4.	Reserves & Surplus	(12.65)
5.	Total assets	152.09
6.	Total Liabilities	110.06
7.	Investments	0.05
8.	Turnover	193.41
9.	Profit / (Loss) before taxation	(1.32)
10.	Provision for taxation	4.27
11.	Profit / (Loss) after taxation	(5.59)
12.	Proposed Dividend	–
13.	% of shareholding	100.00

* During the year, the Bank has increased its equity stake in its subsidiary RBL Finserve Limited (formerly known as Swadhaar Finserve Private Limited) from 60.48% to 100%, and thus, with effect from June 28, 2018, RBL Finserve Limited has become wholly owned subsidiary of the bank.

Part B: Associates and Joint Ventures

Not Applicable

Notes:

1. Names of associates or joint ventures which are yet to commence operations. Not Applicable
2. Names of associates or joint ventures which have been liquidated or sold during the year. Not Applicable

For and on behalf of RBL Bank Limited

Prakash Chandra
Chairman

Vishwavir Ahuja
Managing Director & CEO

Jairaj Purandare
Director

Rajeev Ahuja
Executive Director

Deepak Ruiya
Chief Financial Officer (interim)

Vinay Tripathi
Company Secretary

Place : Mumbai
Date : April 18, 2019

Basel III Disclosures

For the Financial Year Ended March 31, 2019

I. SCOPE OF APPLICATION

The framework of disclosures applies to RBL Bank Limited (hereinafter referred to as the Bank), a scheduled commercial bank, incorporated on August 6, 1943.

The Bank's subsidiary, RBL Finserve Ltd. (Formerly Swadhaar Finserve Private Limited), is a non-financial entity, and hence not consolidated for capital adequacy purpose. The bank does not have interest in any insurance entity.

As per capital adequacy guidelines under Basel III, insurance and non-financial subsidiaries / joint ventures / associates etc. of banks are not to be consolidated.

II. CAPITAL ADEQUACY

Regulatory capital assessment

The Bank is subjected to Capital Adequacy guidelines stipulated by Reserve Bank of India (RBI). In line with RBI guidelines under Basel III, the Bank has adopted Standardized Approach for Credit Risk, Standardized Duration Approach for Market Risk and Basic Indicator Approach for Operational Risk while computing its Capital Adequacy Ratio (CAR).

As per capital adequacy guidelines under Basel III, the Bank is required to maintain a minimum CAR of 9% {11.5% including Capital Conservation Buffer (CCB)} by March 31, 2020, with minimum Common Equity Tier I (CET I) CAR of 5.5% {8% including CCB}. The minimum CAR required to be maintained by the Bank for the year ended March 31, 2019 is 9% {10.875% including CCB} with minimum CET I of 5.5% {7.375% including CCB}.

As on March 31, 2019, total CAR of the Bank stood at 13.46%, well above regulatory minimum requirement of 10.875% (including CCB). Tier I ratio of the Bank stood at 12.10% and CET I ratio at 12.10%.

Assessment of adequacy of Capital to support current and future activities

The Bank has a comprehensive Internal Capital Adequacy Assessment Process (ICAAP) which is approved by the Board of Directors (Board). Under ICAAP, the Bank determines adequacy of capital required for current and future business needs. ICAAP evaluates and documents all risks and substantiates appropriate capital allocation for risks identified under Pillar 1 (i.e. Credit, Market and Operational Risk) as well as Pillar 2.

ICAAP enables the Bank to assess the adequacy of capital to take care of future business growth, factoring in all the various risks that the Bank is exposed to, so that the minimum capital required is maintained on a continuous basis irrespective of changing economic conditions/ economic recession. The Bank takes into account both quantifiable and non-quantifiable risks while assessing capital requirements. The Bank considers the following risks as material and has considered these while assessing and planning its capital requirements:

- Credit Risk
- Market Risk
- Operational Risk
- Credit Concentration Risk
- Interest Rate Risk in banking Book
- Liquidity Risk
- Business Risk
- Strategic Risk
- Compliance Risk
- Reputation Risk
- Technology Risk
- Model Risk
- Other Residual Risks

The Bank has also implemented a Board approved Stress Testing Framework. This involves the use of various techniques to assess the Bank's vulnerability to plausible but extreme stress events. The stress tests cover assessment of Credit Risk, Market Risk, Operational Risk, Liquidity Risk as well as Interest Rate Risk under assumed 'stress' scenarios. Tolerance limits have also been defined for these stress tests. The stress tests are used in conjunction with the Bank's business plans for the purpose of capital planning in ICAAP. The stress tests are performed at periodic intervals and results are reported to the Senior Management and Board.

As per the Bank's assessment, it believes that its current robust capital adequacy position, adequate headroom available to raise capital, demonstrated track record for raising capital and adequate flexibility in the balance sheet structure and business model, the capital position of the Bank is expected to remain robust.

Basel III Disclosures

For the Financial Year Ended March 31, 2019

Capital requirements for various risks

A summary of Bank's capital requirement for credit, market and operational risk along with CAR as on March 31, 2019 is presented below:

(₹ In Millions)

SN	Particulars	31.03.2019
(a)	Capital requirements for Credit risk:	60,617.08
	- Portfolios subject to standardized approach	
(b)	Capital requirements for Market risk:	
	Standardized duration approach	
	- Interest rate risk	2,058.69
	- Foreign exchange risk (including gold)	117.00
	- Equity risk	314.66
(c)	Capital requirements for Operational risk:	
	- Basic indicator approach	3,026.93
(d)	Capital Adequacy Ratios	
	- Total Capital Adequacy Ratio (%)	13.46%
	- Tier-1 Capital Adequacy Ratio (%)	12.10%
	- Common Equity Tier-1 Capital Adequacy Ratio (%)	12.10%

III. CREDIT RISK: GENERAL DISCLOSURES

Policy and Strategy for Credit Risk Management

At the apex level, the Board of Directors is responsible for the Bank's Risk Management Framework. The Board has approved the Bank's Risk Appetite Framework for all the various risks that the Bank is exposed including Credit Risk, Earnings Risk, Capital Risk, Operational Risk, Compliance Risk and others. The Board of Directors also maintains oversight on the management of various risks as outlined above.

The Risk Management Committee of Board (RMCB) assists the Board and helps to devise Policy and strategy for management of various risks including Credit Risk. RMCB approves the Bank's Credit Policies, prudential exposure limits, credit assessment and approval system and procedure, margin and collateral management, credit documentation, credit pricing framework, credit administration and monitoring system, non-performing assets management policy, credit risk management system and exception management.

The Bank's Credit Risk Policies prescribe procedures for credit risk identification, measurement, grading, monitoring, reporting, risk control / mitigation techniques and management of problem loans/ credit. These Policies ensure that credit risk is identified, quantified and managed within the approved Risk Appetite Framework. The various Credit Risk Management Policies are Commercial Credit Policy, Investment Policy, Recovery Policy, Enterprise Risk Policy, and Policy on Transfer of Asset through Securitization & Direct Assignment of Cash Flows, Customer Suitability & Appropriateness Policy, and Retail Assets Credit Policy. All these Policies are duly approved by the Board.

Credit Risk is defined as the probability of losses associated with reduction in credit quality of borrowers or counterparties leading to non-payment of dues to the Bank. In the Bank's portfolio, losses arise from default due to inability or unwillingness of a customer or counterparty to meet commitments in relation to lending, trading, settlements, or any other financial transaction.

Organizational Structure for Credit Risk Management function

At Executive level, Management Credit Committee (MCC) is responsible for operationalizing the credit policy and implementing credit framework as approved by the Board and RMCB. The committee recommends policies on standards for presentation of credit proposals, financial covenants, ratings, prudential limits on large credit exposures, standards for loan collaterals, etc. MCC also oversees portfolio risk management, loan review mechanism, risk concentrations, pricing of loans, provisioning and other regulatory/ legal compliances. The roles and responsibilities of the key functions involved in credit risk management are detailed below:

- Portfolio Risk Department– The Portfolio Risk department reports to the Chief Risk Officer (CRO) and is the custodian of all Credit Risk Policies of the Bank. The team is responsible for implementation and operationalization of these Policies, as well as ensuring these are reviewed on a periodic basis, and disseminated to all relevant stake-holders. The unit is also responsible for portfolio analysis and reporting the same to Senior Management and Board, review of internal rating system, monitoring prudential limits and submission of credit related returns/ MIS at periodic intervals.

- Credit Risk Department (CRD) – The CRD has an independent reporting to Chief Credit Officer (CCO) of the Bank and has credit recommendation and approval authorities at different levels. The CRD takes decisions on all applications in accordance with policies applicable to the specific proposal / product / scheme. To ensure complete independence, and to avoid any conflict of interest, the CRD is not assigned any business targets.

- Credit Administration Department (CAD) – The CAD at Corporate / Regional level acts as the third eye after business and CRD to ensure compliance with the Bank's policies and prudent lending requirements.

- Portfolio Management & Early Warning Department – This department reports to the CRO and monitors the portfolio for identifying accounts which exhibit signs of incipient stress. Such accounts are reviewed along with the Relationship Manager (RM) and CRD.

- Stressed Assets Group (SAG) – The Stressed Assets Group monitors standard accounts under stress and NPAs, manages restructuring of advances after examining viability of the unit, follows up for recoveries very closely and provides guidance to the Relationship Manager (RM's) / Branch Managers responsible for collections and actively participates in the recovery effort where warranted. SAG also coordinates legal action for recovery, as warranted.

Credit risk measurement, mitigation, monitoring & reporting systems

Credit Origination and Appraisal System

There are separate Credit Origination and Appraisal Processes for Wholesale and Retail segments. Within the Wholesale segment, Bank has adopted underwriting standards for different client segments that is based, inter alia, on internal risk ratings, availability of security and other risk parameters. The credit sanctions are provided by experienced credit professionals and / or credit committees with delegated approval authorities as per Bank's Board approved Credit Policy, basis detailed appraisal memorandum that takes into account business and financial risks of the proposal. The Retail segment, on the other hand, relies largely on standardized product programs for credit risk assessment and approvals.

Credit Rating Framework

The Bank has put in place an internal rating system for Wholesale segment. The rating system uses various models, depending upon size of company as well as specialized models for Non-Banking Finance Companies (NBFC), Micro Finance Institutions (MFI) and Traders. The internal rating system is a step towards migration to Advanced Approach for Credit Risk as per Basel III.

The rating system is based on a two dimensional rating framework, Borrower Rating and Facility Rating. The Borrower Rating is determined first, which is based on assessment of Industry Risk, Business Risk, Management Risk and Financial Risk along with Project Risk / Conduct of Account (if applicable). This is calibrated to the Probability of Default (PD). The Facility Rating is based on Borrower Rating, and takes into account security structure, therefore is a combination of PD and LGD (Loss Given Default).

Besides, the Bank continues to endeavor to have all facilities above ₹ 5 crore, to have external ratings.

Credit Documentation

The objective of credit documentation is to clearly establish the debt obligation of borrower to the Bank. In most cases, standardized set of documents are used as applicable, depending upon the type of credit facilities and the borrower entity. In cases of credit facilities for structured finance/ customized credit facilities for which standard documents have not been prescribed of are not appropriate, the documentation would be done on case to case basis in consultation with the Legal department/ external counsel.

Delegation of powers

The Bank has adopted 'Four Eyes' principle for credit approval. The principle dictates that generally at least two people must create, examine and approve a credit proposal. Most of the loan proposals require Joint Signature Approvals (JSA). This helps to avoid credit approval based on judgment of one functionary alone, ensures compliance and reduces risk from errors & prejudices. The Bank has also adopted Committee Approach for sanctioning high value credit proposals, viz. Board Investment & Credit Committee (BICC) and Management Credit Committee (MCC), as per authority matrix.

Post Sanction Monitoring

The Bank has evolved a process to ensure end-use of funds is for the purpose for which credit limits are sanctioned. Further, it is ensured that the security obtained from borrowers by way of hypothecation, pledge, etc. are not tampered with in any manner and are adequate.

Quarterly Call Reports (QCR) are used to track the borrower's performance on a quarterly basis. Performance, Status of compliance with Internal Risk Triggers, Covenants, Position of Un-hedged FCY exposure & Adherence to specific approval conditions (if any) is tracked on quarterly basis through QCR.

All exceptions related to sanctioned credit facilities are monitored by Credit Administration Department (CAD) with MIS to Senior Management.

Early Warning System (EWS)

The Bank has an Early Warning System (EWS) for identification of incipient stress in loan accounts across business segments. EWS works on the basis of various triggers derived from inputs received from external and internal sources of information, including transaction data available with the Bank. Such accounts are closely monitored by the Portfolio Monitoring and

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Early Warning Department, along with Relationship Managers (RMs) and Credit Risk Department.

Watch List & Adverse Labeled Accounts

Accounts which exhibit stress are tagged as "Watch list" accounts. Accounts which exhibit severe stress are tagged as "Adverse Labeled" accounts. Both these categories of accounts receive special management attention. Such accounts are monitored very closely by Stressed Assets Group, Senior Management and Board/ RMCB.

In view of the enactment of the Insolvency and Bankruptcy Code, 2016 (IBC), RBI has substituted the existing guidelines on Resolution of Stressed Sectors with a harmonized and simplified generic framework through circular issued in Feb 2018. The Bank is compliant with these guidelines.

Review / Renewal of Loans

After a credit facility is sanctioned and disbursed, follow-up and reviews are conducted at periodic intervals. All funded and non-funded facilities granted to a customer are reviewed at least once a year or at more frequent intervals, as warranted.

Credit Pricing

Pricing of loans / advances / cash credit / overdraft or any other financial accommodation granted / provided / renewed or discounted usance bills is in accordance with the directives on interest rates on advances issued by RBI as well as internal policies of the Bank. The Bank has also adopted Risk Based Pricing for different categories of customers.

Credit Portfolio Analysis

Credit portfolio analysis is carried out at periodic intervals to review entire credit portfolio of the Bank to monitor growth, distribution, concentration, quality, compliance with RBI guidelines & policies of the Bank, accounts under Early Warning System (EWS)/ Watch-List (WL)/ Adversely Labeled (AL) category etc. The same is monitored / reviewed by Senior Management/ Board / RMCB.

Loan Review Mechanism (LRM) and Credit Audit

The Bank has implemented LRM and Credit Audit framework. The primary objective includes monitoring effectiveness of loan administration, compliance with internal policies of Bank and regulatory framework, monitor portfolio quality, concentrations, post sanction follow-ups and appraising top management with information pertaining to the audit finding for further corrective actions.

Non-performing Assets (NPA)

An asset, including a leased asset, becomes non-performing when it ceases to generate income for the Bank.

A non-performing asset (NPA) is a loan or an advance where:

i) Interest and/ or installment of principal remain overdue for a period of more than 90 days in respect of a term loan. Any amount due to the bank under any credit facility is 'overdue' if it is not paid on the due date fixed by the bank.

ii) The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted;

iii) Installment of principal or interest thereon remains overdue for two crop seasons for short duration crops, and one crop season for long duration crops;

iv) The account remains 'out of order' in respect of an Overdraft/ Cash Credit (OD/CC). An account is treated as 'out of order' if:

a. the outstanding balance remains continuously in excess of the sanctioned limit / drawing power for more than 90 days; or

b. where outstanding balance in principal operating account is less than sanctioned limit / drawing power, but there are no credits continuously for 90 days as on the date of balance sheet or credits are not enough to cover interest debited during the same period;

v) The regular/ ad hoc credit limits have not been reviewed/ renewed within 180 days from the due date / date of ad-hoc sanction;

vi) Drawings have been permitted in working capital account for a continuous period of 90 days based on drawing power computed on the basis of stock statements that are more than 3 months old, even though the unit may be working or the borrower's financial position is satisfactory;

vii) Bank Guarantees/ Letters of Credits devolved on the Bank which are not reimbursed by the customer within 90 days from the date of payment;

viii) A loan for an infrastructure / non-infrastructure project will be classified as NPA during any time before commencement of commercial operations as per record of recovery (90 days overdue), unless it is restructured and becomes eligible for classification as 'standard asset';

ix) A loan for an infrastructure (/ non-infrastructure) project will be classified as NPA if it fails to commence commercial operations within 2 years (/1 year) from original date of commencement of commercial operations, even if it is regular as per record of recovery, unless it is restructured and becomes eligible for classification as 'standard asset'.

x) The amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitization transaction undertaken in terms of RBI guidelines on securitization;

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

Non- performing Investments (NPI)

NPI is one where:

i) Interest / installment (including maturity proceeds) is due and remains unpaid for more than 90 days;

ii) The fixed dividend is not paid in case of preference shares;

iii) In case of equity shares, in the event investment in shares of any company is valued at Re.1 per company on account of non-availability of latest balance sheet in accordance with RBI instructions;

iv) If any credit facility availed by the issuer is NPA in the books of the bank, investment in any of the securities issued by the same issuer would be treated as NPI and vice versa;

v) The investments in debentures / bonds which are deemed to be in the nature of advance would also be subjected to NPI norms as applicable to investments.

Quantitative Disclosures

(a) Total gross credit risk exposures*, Fund based and Non-fund** based separately:

(₹ In Millions)

Category	31.03.2019
Fund Based	753,435.65
Gross Advances	546,901.22
Investment in Banking book	114,432.28
All other Assets	92,102.15
Non-Fund Based	192,808.74
Total	**946,244.39**

* Represents book value including bill re-discounted.

** Guarantees given on behalf of constituents, Acceptances, Endorsements & other Obligations, Liability on account of outstanding forward exchange contracts (credit equivalent amount).

(b) Geographic distribution of exposure*, Fund based & Non- fund** based separately

(₹ In Millions)

Category	31.03.2019		
	Domestic	Overseas	Total
Fund Based	727,896.81	25,538.84	753,435.65
Non-Fund Based	192,344.06	464.68	192,808.74
Total	**920,240.87**	**26,003.52**	**946,244.39**

* Represents book value including bills re-discounted;

** Guarantees given on behalf of constituents, Acceptances, Endorsements & other Obligations, Liability on account of outstanding forward exchange contracts (credit equivalent amount).

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(a) Industry type distribution of exposures*- Funded & Non-funded**

(₹ In Millions)

Industry Name		31.03.2019	
		Fund Based	Non Fund Based
A.	**Mining and Quarrying (A.1 + A.2)**	5,811.45	3,523.51
A.1	Coal	2,913.22	1,167.67
A.2	Others	2,898.23	2,355.84
B.	**Food Processing (Sum of B.1 to B.5)**	17,930.87	11,644.75
B.1	Sugar	1,380.76	4,427.50
B.2	Edible Oils and Vanaspati	3,230.89	6,650.97
B.3	Tea	3,554.38	17.74
B.4	Coffee	2,882.42	50.00
B.5	Others	6,882.41	498.54
C.	**Beverages (excluding Tea & Coffee) and Tobacco (Sum of C.1 & C.2)**	1,792.52	34.41
C.1	Tobacco and tobacco products	-	-
C.2	Others	1,792.52	34.41
D.	**Textiles (Sum of D.1 to D.6)**	9,578.40	2,314.07
D.1	Cotton	2,106.07	96.76
D.2	Jute	-	-
D.3	Handicraft/ Khadi (Non Priority)	-	-
D.4	Silk	-	-
D.5	Woolen	-	-
D.6	Others	7,472.33	2,217.31
Out of D (i.e. Total Textiles) to Spinning Mills		-	-
E.	**Leather and Leather Products**	803.49	54.09
F.	**Wood and Wood products**	-	-
G.	**Paper and Paper Products**	2,310.79	804.22
H.	**Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels**	2,294.03	2,414.47
I.	**Chemicals and Chemical Products (Dyes, Paints etc.) Sum of I.1 to I.4)**	36,531.86	15,468.08
I.1	Fertilizers	2,470.63	5,821.95
I.2	Drugs and Pharmaceuticals	23,004.96	4,085.36
I.3	Petro-chemicals (excluding under Infrastructure)	5,965.77	765.12
I.4	Others	5,090.51	4,795.65
J.	**Rubber, Plastic and their products**	3,862.55	829.41
K.	**Glass & Glassware**	1,407.70	15.24
L.	**Cement and Cement Products**	6,171.08	2,011.70
M.	**Basic Metal and Metal Products (M.1 & M.2)**	11,955.59	8,819.92
M.1	Iron and Steel	10,991.82	3,791.96
M.2	Other Metal and Metal Products	963.77	5,027.97
N.	**All Engineering (N.1 & N.2)**	16,287.07	23,444.89
N.1	Electronics	3,168.08	5,860.18
N.2	Others	13,118.99	17,584.71
O.	**Vehicles, Vehicle Parts and Transport Equipments**	5,461.21	1,892.39
P.	**Gems and Jewellery**	7,543.75	193.35
Q.	**Construction**	14,202.76	22,416.03
R.	**Infrastructure (Sum R.1 to R.4)**	28,510.65	28,701.60
R.1	Transport(Sum of R.1.1 to R.1.5)	3,885.40	6,471.00
R.1.1.	Railways	18.32	208.80
R.1.2	Roadways	3,477.09	5,963.18
R.1.3	Airport	-	299.02
R.1.4	Waterways	-	-
R.1.5	Ports	390.00	-
R.2	Energy (Sum of R.2.1 to R.2.4)	18,619.67	18,142.01
R.2.1	Electricity (generation-transportation and distribution)	16,612.60	9,834.28
R.2.1.1	State Electricity Boards	-	-
R.2.1.2	Others	-	-
R.2.1.3	Power Generation	5,821.90	2,356.54
R.2.1.4	Power transmission / Distribution	3,396.44	1,005.11
R.2.1.5	Power -Non-Conventional Energy	7,394.26	6,472.63
R.2.2	Gas/LNG/Oil (Storage and pipeline)	2,007.06	8,307.73
R.2.3	Others	-	-
R.3	Telecommunication	1,594.48	3,899.86
R.4	Others	4,411.10	188.73
R.4.1	Water sanitation	64.31	125.47
R.4.2	Social & Commercial Infrastructure	4,346.79	63.26
R.4.3	Others	-	-
S.	**Other Industries**	41,944.20	17,869.42
T.	**Other Services**	59,375.90	28,385.00
U.	**NBFC**	29,361.50	1,727.86
V.	**Housing Finance Companies (HFC)**	8,620.66	77.27
W.	**Micro-Finance Institutions (MFI)**	12,266.13	25.12
X.	**Core investment Companies (CIC)**	-	131.98
Y.	**Asset Finance Companies (AFC/IFC)**	7,903.87	618.66
Z.	**Traders**	26,951.50	6,046.16
All Industries (Sum of A to Y)		358,879.53	179,463.61
Residuary Other Advances [a+b]		225,764.21	13,345.14
a.	Aviation	185.00	0.10
b.	Other Residuary Advances	225,579.21	13,345.04
Total		**584,643.74**	**192,808.74**

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For the Financial Year Ended March 31, 2019

The Bank's exposure to the industries stated below was more than 5% of the total gross credit exposure:

Sr. No.	Industry classification	Percentage of the total gross credit exposure as on 31.03.2019
1	Infrastructure	7.36%
2	Construction	6.69%
3	Chemicals and Chemical Products	5.11%
4	Traders	7.36%

* Represents book value of gross advances and investments through credit substitutes;

** Guarantees given on behalf of constituents, Acceptances, Endorsements & other Obligations and Liability on account of outstanding forward exchange contracts (credit equivalent amount).

(b) Residual contractual maturity breakdown of assets as on 31.03.2019

(₹ In Millions)

Maturity bucket	Cash, balances with RBI and other Banks	Investments	Advances	Other assets including fixed assets
1 day	12,806.32	11,455.95	5,869.45	1,628.45
2 to 7 days	25,268.14	3,756.54	13,737.11	803.93
8 to 14 days	1,176.76	12,230.99	7,079.06	101.45
15 to 30 days	1,786.68	12,799.53	31,432.95	1,037.03
31 days to 2 months	1,965.35	16,913.24	23,361.03	1,095.99
2 to 3 months	2,360.02	16,340.98	21,014.21	797.03
3 to 6 months	2,439.06	17,250.34	43,673.90	1,717.39
6 to 12 months	6,004.28	31,582.75	1,21,706.58	11,669.35
1 to 3 years	11,535.71	32,936.93	1,81,645.24	1,716.30
3 to 5 years	475.66	3,702.22	39,805.55	1,019.82
5 to 7 years	73.30	3,945.94	16,299.22	426.41
7 to 10 years	63.93	5,164.77	13,580.41	43.08
10 to 15 years	6.12	29.58	17,056.62	0.00
Over 15 years	59.80	293.85	6,821.10	4,024.79
Total	**66,021.13**	**168403.61**	**543082.43**	**26081.02**

(Note: Classification of assets and liabilities under the different maturity buckets in the above table is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI.)

(c) **Asset Quality**

- **NPA Ratios**

Particulars	31.03.2019
Gross NPAs to gross advances	1.38%
Net NPAs to net advances	0.69%

- **Net NPAs**

(₹ In Millions)

Particulars	31.03.2019
Gross NPAs	7,546.23
Less: Provisions	3,818.79
Net NPAs	3,727.44

- **Classification of gross NPAs**

(₹ In Millions)

Particulars	31.03.2019
Sub-standard	4,260.03
Doubtful*	2,619.86
• Doubtful 1	1,220.84
• Doubtful 2	791.44
• Doubtful 3	607.58
Loss	666.34
Total Gross NPAs	**7,546.23**

* Doubtful 1, 2 and 3 categories correspond to the period for which asset has been doubtful viz., up to one year ('Doubtful 1'), one to three years ('Doubtful 2') and more than three years ('Doubtful 3')

Note: NPAs include all assets that are classified as non-performing.

- **Movement of Gross NPAs**

(₹ In Millions)

Particulars	01.04.2018 to 31.03.2019
Opening balance	5,667.32
Additions during the year	7,070.13
Reductions	5,191.22
Closing balance	7,546.23

- **Movement of Provisions for NPAs**

(₹ In Millions)

Particulars	01.04.2018 to 31.03.2019
Opening balance	2,541.71
Provisions made during the year	3,866.83
Write-off	2,067.10
Any other adjustment, including transfer between provisions	0.00
Write-back of excess provisions	522.65
Closing balance	3,818.79

- Recoveries from written off accounts aggregating of ₹ 86.64 Million and write-offs aggregating ₹ 3,202.08 Million have been recognized in the statement of profit and loss.

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(d) Non-performing Investment

(₹ In Millions)

Particulars	31.03.2019
Gross non-performing investments	389.81
Less: Provisions	(250.96)
Net non-performing investments	138.85

- **Provision for depreciation on Investment**

(₹ In Millions)

Particulars	01.04.2018 to 31.03.2019
Opening balance	729.27
Provisions made during the year	476.81
Write-off	–
Any other adjustment, including transfer between provisions	(189.29)
Write-back of excess provisions	(6.57)
Closing balance	1,010.22

Movement in provisions held towards depreciation on investments have been reckoned on a yearly basis

- **Provision for Standard Asset**

(₹ In Millions)

Particulars	31.03.2019
Opening balance	1,768.02
Provisions made/reversed during the year	567.32
Any other adjustment, including transfer between provisions*	–
Closing balance	2,335.34

Refers to foreign currency translation adjustment relating to provision for standard assets in the Bank's overseas branches.

- **Geographic Distribution**

(₹ In Millions)

Particulars	31.03.2019		
	Domestic	Overseas	Total
Gross NPA	7,546.23	0.00	7,546.23
Provisions for NPA	3,818.79	0.00	3,818.79
Provision for standard assets	2,264.32	70.68	2,335.00

(e) Industry-Wise Distribution

(₹ In Millions)

Industry Name		As on 31.03.2019			For year ended 31.03.2019	
		Gross NPA	Provision For NPA	Provision for standard assets	Write offs	Additional Provision
A.	**Mining and Quarrying (A.1 + A.2)**	–	–	21.84	–	–
A.1	Coal	–	–	10.25	–	–
A.2	Others	–	–	11.59	–	–
B.	**Food Processing (Sum of B.1 to B.5)**	510.39	276.84	61.45	64.27	284.41
B.1	Sugar	145.41	45.62	1.44	63.26	94.43
B.2	Edible Oils and Vanaspati	–	–	8.92	–	–
B.3	Tea	–	–	12.68	–	–
B.4	Coffee	–	–	11.55	–	–
B.5	Others	364.98	231.22	26.86	1.01	189.98
C.	**Beverages (excluding Tea & Coffee) and Tobacco (Sum of C.1 & C.2)**	–	–	9.65	–	–
C.1	Tobacco and tobacco products	–	–	–	–	–
C.2	Others	–	–	9.65	–	–
D.	**Textiles (Sum of D.1 to D.6)**	25.35	3.90	29.73	60.06	4.17
D.1	Cotton	0.29	0.14	8.50	1.64	0.55
D.2	Jute	–	–	–	–	–
D.3	Handicraft/ Khadi (Non Priority)	–	–	–	–	–
D.4	Silk	–	–	–	–	–
D.5	Woolen	–	–	–	–	–
D.6	Others	25.06	3.76	21.23	58.42	3.76
Out of D (i.e. Total Textiles) to Spinning Mills		–	–	–	–	–
E.	**Leather and Leather Products**	–	–	3.20	–	–
F.	**Wood and Wood products**	–	–	–	–	–
G.	**Paper and Paper Products**	90.42	22.60	8.82	–	23.16
H.	**Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels**	75.58	50.46	5.78	–	36.92
I.	**Chemicals and Chemical Products (Dyes, Paints etc.) Sum of I.1 to I.4)**	46.50	6.98	131.68	–	7.63
I.1	Fertilizers	–	–	8.52	–	–
I.2	Drugs and Pharmaceuticals	–	–	97.55	–	–
I.3	Petro-chemicals (excluding under Infrastructure)	–	–	5.55	–	–
I.4	Others	46.50	6.98	20.06	–	7.63
J.	**Rubber, Plastic and their products**	160.38	140.35	14.62	–	8.37
K.	**Glass & Glassware**	–	–	2.61	–	–
L.	**Cement and Cement Products**	–	–	24.85	–	–
M.	**Basic Metal and Metal Products (M.1 & M.2)**	–	–	32.40	11.67	–
M.1	Iron and Steel	–	–	29.49	11.67	–
M.2	Other Metal and Metal Products	–	–	2.91	–	–

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(₹ In Millions)

Industry Name		As on 31.03.2019			For year ended 31.03.2019	
		Gross NPA	Provision For NPA	Provision for standard assets	Write offs	Additional Provision
N.	**All Engineering (N.1 & N.2)**	194.78	167.40	63.63	–	4.83
N.1	Electronics	–	–	10.83	–	–
N.2	Others	194.78	167.40	52.80	–	4.83
O.	**Vehicles, Vehicle Parts and Transport Equipments**	160.98	24.15	20.13	–	31.06
P.	**Gems and Jewellery**	–	–	21.88	–	–
Q.	**Construction**	857.47	669.76	56.15	75.39	63.15
R.	**Infrastructure (Sum R.1 to R.4)**	–	–	104.48	–	–
R.1	Transport(Sum of R.1.1 to R.1.5)	–	–	11.08	–	–
R.1.1.	Railways	–	–	–	–	–
R.1.2	Roadways	–	–	9.52	–	–
R.1.3	Airport	–	–	–	–	
R.1.4	Waterways	–	–	–	–	
R.1.5	Ports	–	–	1.56	–	–
R.2	Energy (Sum of R.2.1 to R.2.4)	–	–	62.74	–	–
R.2.1	Electricity (generation-transportation and distribution)	–	–	54.71	–	–
R.2.1.1	State Electricity Boards	–	–	–	–	
R.2.1.2	Others	–	–	–	–	
R.2.1.3	Power Generation	–	–	27.06	–	–
R.2.1.4	Power transmission / Distribution	–	–	7.73	–	–
R.2.1.5	Power -Non-Conventional Energy	–	–	19.92	–	–
R.2.2	Gas/LNG/Oil (Storage and pipeline)	–	–	8.03	–	–
R.2.3	Others	–	–	–	–	–
R.3	Telecommunication	–	–	6.26	–	–
R.4	Others	–	–	24.40	–	–
R.4.1	Water sanitation	–	–	0.39	–	–
R.4.2	Social & Commercial Infrastructure	–	–	24.01	–	–
R.4.3	Others	–	–	–	–	
S.	**Other Industries**	358.68	89.67	355.40	17.05	102.65
T.	**Other Services**	24.01	24.01	155.48	8.18	–
U.	**NBFC**	–	–	113.82	–	–
V.	**Housing Finance Companies (HFC)**	–	–	23.79	–	–
W.	**Micro-Finance Institutions (MFI)**	6.44	6.44	72.10	–	–
X.	**Core Investment Companies (CIC)**	–	–	–	–	–
Y.	**Traders**	–	–	90.49	–	–
All Industries (Sum of A to Y)		671.76	333.73	1423.98	–	74.35
Residuary Other Advances [a+b]		3182.74	1816.29	911.36	236.62	640.70
a.	Aviation	–	–	0.15	–	–
b.	Other Residuary Advances	4363.49	2002.50	911.21	2965.46	3244.03
Total		**7546.23**	**3818.79**	**2335.34**	**3202.08**	**3866.83**

IV. CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDIZED APPROACH

Ratings used under Standardized Approach:

As stipulated by RBI, the Bank applies ratings assigned to domestic counterparties by following Eligible Credit Assessment Institutions (ECAI's) namely:

- CRISIL Limited;
- CARE Limited
- India Ratings & Research Private Limited (earlier known as Fitch India);
- ICRA Limited;
- Brickwork Ratings India Pvt. Ltd (Brickwork);
- SMERA.
- Infomerics Valuation and Rating Pvt Ltd

The Bank applies the ratings assigned by the following international credit rating agencies, approved by the RBI, for risk weighting claims on overseas entities:

- Fitch Ratings
- Moody's
- Standard & Poor's

The Bank reckons external ratings for risk weighting purposes, if the external rating assessment complies with the guidelines stipulated by RBI.

Types of exposures for which each agency is used:

The Bank has used the solicited ratings assigned by the above approved credit rating agencies for all eligible exposures, both on balance sheet and off balance sheet, whether short term or long term, as prescribed in the RBI guidelines.

Process used for application of issue ratings to comparable assets in banking book:

Key aspects of the Bank's external ratings application framework are as follows:

1. The Bank uses only those ratings that have been solicited by the counterparty;

2. Where the facility provided by the Bank possesses rating assigned by approved ECAI, the risk weight of the claim is based on this rating;

3. The Bank also reckons external rating at the borrower (issuer) level as follows:

   a. In case the Bank does not have exposure in a rated issue, the Bank would use the long term issue rating (inferred rating) for its comparable unrated exposures to the same borrower, provided that the Bank's exposures is pari-passu or senior and of similar or shorter maturity as compared to the rated issue, then this rating is applied on all unrated facilities of the borrower;

   b. Where a short term rating is used as an inferred rating for a short term un-rated claim, the risk weight applied shall be one notch higher than corresponding to the risk weight of the inferred rating.

Quantitative Disclosures

For exposure amounts after risk mitigation subject to the standardized approach, amount of Bank's exposure (rated and unrated) in the following three major risk buckets as well as those that are deducted:

(₹ In Millions)

Particulars	31.03.2019
- Below 100% risk weight	647,784.24
- 100% risk weight	201,012.26
- More than 100% risk weight	97,447.89
- Deducted	1,213.74

Treatment of undrawn exposures

As required by regulatory norms, the Bank holds capital even for the undrawn portion of credit facilities which are not unconditionally cancellable without prior notice by the Bank, by converting such exposures into a credit exposure equivalent based on the applicable Credit Conversion Factor ("CCF"). For credit facilities which are unconditionally cancellable without prior notice, the Bank applies a CCF of zero percent on the undrawn exposure.

V. CREDIT RISK MITIGATION: DISCLOSURES FOR STANDARDIZED APPROACHES

Policies and processes

The Bank has in place Commercial Credit Policy, Retail Assets Credit Policy duly approved by the Board. The policies lay down the types of securities normally accepted by the Bank for lending, and administration / monitoring of such securities in order to safeguard / protect the interest of the Bank so as to minimize the risk associated with it.

Credit Risk Mitigation

In line with RBI guidelines, the Bank uses comprehensive approach for credit risk mitigation. Under this approach, the Bank reduces its credit exposure to the counterparty when calculating its capital requirements to the extent of risk mitigation provided by the eligible financial collateral as specified.

Basel III Disclosures

For the Financial Year Ended March 31, 2019

Main types of collateral taken by Bank

Bank uses various collaterals financial as well as non-financial, guarantees and credit insurance as credit risk mitigants. The main collaterals include bank deposits, National Saving Certificate (NSC) / Kisan Vikas Patra (KVP) / Life Insurance Policies, plant and machinery, Book debts, residential and commercial mortgages, vehicles and other movable properties. All collaterals are not recognized as credit risk mitigants under the standardized approach. The following are the eligible financial collaterals which are considered under standardized approach.

- Fixed Deposit receipts issued by the Bank;
- Securities issued by Central and State Governments;
- KVP and NSC provided no lock-in period is operational and that can be encashed within the holding period;
- Life Insurance Policies with declared surrender value, issued by an insurance company regulated by the insurance sector regulator;
- Gold, include bullion and jewellery after notionally converting to 99.99% purity.

Main type of guarantor counterparties

Wherever required the Bank obtains personal or corporate guarantee as an additional comfort for mitigation of credit risk which can be translated into a direct claim on the guarantor which is unconditional and irrevocable. The creditworthiness of the guarantor is normally not linked to or affected by the borrower's financial position.

Concentration Risk in Credit Risk Mitigants

The credit risk mitigation taken is largely in the form of cash deposit with the Bank and thus the concentration risk (credit and market) of the mitigants is low. Besides, the Bank has also set internal limits for certain sensitive sectors to mitigate concentration risk.

Quantitative Disclosures

(₹ In Millions)

SN	Particulars	31.03.2019
1.	Total Exposure (on and off balance sheet) covered by eligible financial collateral after application of haircuts	38,445.61
2.	Total Exposure (on and off balance sheet) covered by guarantees / credit derivatives	8,533.03

VI. SECURITIZATION EXPOSURES: DISCLOSURE FOR STANDARDIZED APPROACH

In respect of securitization transactions, the Bank's role is limited as an investor. The outstanding value of securitized exposure as on March 31, 2019 was ₹ 9,324.71 Million.

Quantitative Disclosures

Banking Book

(₹ In Millions)

SN	Particulars	31.03.2019
1.	Total amount of exposures securitized by the Bank	NIL
2.	For exposures securitized, losses recognized by the Bank during the current period	NIL
3.	Amount of assets intended to be securitized within a year	NIL
4.	Of (3), amount of assets originated within a year before securitization	NIL
5.	Total amount of exposures securitized and unrecognized gain or losses on sale by exposure type	NIL
6.	Aggregate amount of:	
	- On balance sheet securitization exposures retained or purchased broken down by exposure type	NIL
	- Off balance sheet securitization exposures	NIL
7.	Aggregate amount of:	
	- Securitization exposures retained or purchased and the associated capital charges, broken down between exposures & different risk weight bands.	NIL
8.	Exposures that have been deducted entirely from Tier I capital, credit enhancing I/Os deducted from total capital, and other exposures deducted from total capital (by exposure type)	NIL

Trading Book

(₹ In Millions)

SN	Particulars	31.03.2019
1.	Aggregate amount of exposures securitized by the Bank for which the Bank has retained some exposures and which is subject to market risk approach, by exposure type	NIL
2.	Aggregate amount of:	
	- On balance sheet securitization exposures retained or purchased broken down by exposure type	Securities (PTC) purchased with book value ₹ 9,002.87 Million. backed by pool of micro-finance loans and investment in security receipts with book value ₹ 321.84 Million.
	- Off balance sheet securitization exposures	NIL
3.	Aggregate amount of securitization exposures retained or purchased separately for:	
	- Securitization exposures retained or purchased subject to Comprehensive Risk Measure for Specific Risk	₹ 9,324.71 Millions
	- Securitization exposures subject to the securitization framework for specific risk broken down into different risk weight bands	(₹ in Millions)

Risk Weight	Exposure
Below 100%	8,960.17
100%	42.70
More than 100%	321.84

SN	Particulars	31.03.2019
4.	Aggregate amount of:	
	- Capital requirements for securitization exposures, subject to the securitization framework broken down into different risk weight bands	(₹ in Millions)

Risk Weight	Capital Required
Below 100%	302.15
100%	0.00
More than 100%	3.47

	- Securitization exposures that are deducted entirely from Tier I capital, credit enhancing I/Os deducted from total capital, and other exposures deducted from total capital (by exposure type)	NIL

VII. MARKET RISK IN TRADING BOOK

Policy and Strategy for Market Risk Management

Market Risk is defined as the risk of losses in trading book due to movements in market variables such as interest rates, credit spreads, foreign exchange rates, forward premia, commodity prices, equity prices etc. Bank's market risk exposure arises from investment in trading book (AFS & HFT category), foreign exchange positions, and derivative positions. Under market risk management, liquidity risk, interest rate risk, equity price risk and foreign exchange risk are monitored and managed.

Market Risk is managed in accordance to the Board approved Investment Policy, Market Risk Management Policy, Asset Liability Management (ALM) Policy, and FX & Derivatives Policy. The policies lay down well-defined organization structure for market risk management functions and processes whereby the market risks carried by the Bank are identified, measured, monitored and controlled within the stipulated risk appetite of the Bank.

Organization Structure for Market Risk Management function

The organizational structure of Market Risk Management function has the Board of Directors at the apex level that maintains overall oversight on management of risks. The Risk Management Committee of Board (RMCB) devises policy and strategy for integrated risk management which includes Market Risk. At executive level, Asset Liability Management Committee (ALCO) monitors management of Market Risk. The main functions of ALCO also include balance sheet planning from a risk return perspective including the strategic management of interest rate risk and liquidity risk.

The Market Risk Management process includes the following key participants:

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For the Financial Year Ended March 31, 2019

- The Market Risk Management Group, which is an independent function, reports to Chief Risk Officer (CRO), and is responsible for developing the policy framework for Market Risk management and day to day oversight over the Market Risk exposures of the Bank.
- The Treasury Mid Office is responsible for monitoring all Market Risk exposures in line with the policies of the bank and escalating excesses/ violations etc. in a timely manner so that corrective action can be initiated.
- Treasury Investment Committee oversees and reviews investments in Government Securities, bonds and debentures, equity investments, and investments in other approved securities and instruments.

Risk Reporting, Measurement, Mitigation and Monitoring Systems

The Market Risk Management framework ensures that there are sufficient processes and controls in place to ensure all market risk exposures are monitored and are within the risk appetite set by the Bank's Board.

Reporting and measurement systems

The Bank has prescribed various risk metrics/ limits for different products and investments. These limits help to measure and manage Market Risk, thereby ensuring that all exposures are within the Board approved risk appetite of the Bank. The nature of limits includes position limits, gap limits, tenor & duration limits, stop-loss trigger level, Value at Risk (VaR) limits. All these limits are monitored on a daily basis by the Mid-Office. Limit breaches/ excesses are escalated as per the Market Risk policy.

Liquidity Risk Management

Liquidity Risk is managed in the following manner:

- Asset Liability Management (ALM) Policy of the Bank specifically deals with liquidity and interest rate risk management.
- As envisaged in the ALM policy, liquidity risk is managed through Traditional Gap Analysis based on the residual maturity / behavioral pattern of assets and liabilities as prescribed by RBI.
- Monitoring of prudential (tolerance) limits set for different residual maturity time buckets, large deposits, loans, various liquidity ratios for efficient asset liability management;
- The Bank has also put in place mechanism of short term dynamic liquidity and contingency plan for liquidity risk management;
- Contingency Funding Plan (CFP), approved by the Board sets process to take care of crisis situation in the event of liquidity crunch or a run on the Bank. A comprehensive set of Early Warning Indicators has been designed to forewarn of impending liquidity stress. Crisis Management Team (CMT) would be convened to provide direction of follow up action on handling the crisis situation.

Assessment of Illiquidity

The Bank has established procedures for calculating an adjustment to the current valuation of less liquid (i.e. illiquid) positions for regulatory capital purposes. The adjustment to the current valuation of illiquid positions is deducted from Common Equity Tier I (CET I) capital while computing CAR of the Bank.

Portfolios covered by Standardized Approach

The Bank has adopted Standardized Duration Approach (SDA) as prescribed by RBI for computation of capital charge for market risk for:

- Securities included under the Held for Trading (HFT) category,
- Securities included under the Available for Sale (AFS) category,
- Open foreign exchange position limits, and
- Trading positions in derivatives.

Capital requirement for:

(₹ In Millions)

Particulars	31.03.2019
Interest Rate Risk	2,058.69
Equity Position Risk	314.66
Foreign Exchange Risk	117.00

VIII. OPERATIONAL RISK

Policy and Strategy for Operational Risk Management

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational Risk includes legal risk but excludes strategic and reputation risk. The Bank is exposed to Operational Risk due to its extensive use of technology, exposure to potential errors, frauds, or unforeseen events resulting in unexpected losses in the course of business activities.

The Bank has a Board approved Operational Risk Management Policy to mitigate and manage Operational Risk. The Operational Risk Management process of the Bank is driven by a strong control culture and sound operating procedures, involving corporate values, attitudes, competencies, internal control culture, effective internal reporting and contingency planning.

Operational Risk Management Governance Structure

The Bank has a well-defined Operational Risk Management governance structure. The Board of Directors define the risk appetite, sets the risk management strategy and approves the operational risk policies of the Bank. The Bank's risk management processes are guided by well-defined policies commensurate with the size of the organization and appropriate for various risk categories, independent risk oversight and periodic monitoring of the portfolio by the Risk Management Committee of Board (RMCB).

To oversee the effective management of Operational Risk, the Bank has constituted the Operational Risk Management Committee (ORMC) consisting of senior management personnel. The ORMC which supports the Risk Management Committee of Board (RMCB) is responsible for implementing the Operational Risk Management Policy and adopting best practices. The primary function of the ORMC is to monitor the management of key operational risks and to provide guidance and direction for mitigating the same.

The Operational Risk Management (ORM) unit is tasked with driving processes for sound management of operational risk. The ORM team analyses identified risks, facilitates root cause analysis of reported operational risk events, to identify inherent risks and suggest suitable risk mitigating actions which are monitored for resolution. It is also responsible for ensuring the communication of operational risk events and loss experience to senior management and the ORMC.

Risk Reporting, Measurement, Mitigation and Monitoring Systems

The following are some of the key techniques applied by the Bank and/or group companies to manage operational risks:

- The Bank's operational processes incorporate the following principles - segregation of duties, clear reporting structures, well defined processes, operating manuals, staff training, verification of high value transactions and strong audit trails.
- New product notes prepared by business units are reviewed by all concerned departments including compliance, risk management and legal and approved through Product Approval Committee (PAC). Similarly, new process notes prepared by operating units are reviewed by all concerned departments and ratified by the Operational Risk Management Committee (ORMC).
- Operational loss and Near miss events are reported as and when they occur. The Operational Risk team facilitates root cause analysis of such events, to identify open risks and suggest suitable risk mitigating actions. These are tracked/monitored for resolution in a time bound manner. A database of the same is also maintained to understand the risk drivers.
- Risk Control Self-Assessments (RCSA) are performed by all key operating units, to systematically assess inherent operational risks and quality of controls to mitigate these risks. Gaps identified, if any, are discussed with the relevant stakeholders, and necessary corrective controls are put into place. Periodic updates are provided to the ORMC. Key Risk Indicators (KRI) are defined for all key operating units and are monitored regularly to enable timely action to mitigate any anticipated risks.

Additionally, to ensure sound practices in respect of governance of the overall Operational Risk, the Bank has outlined policies and processes in respect of Information Security, Outsourcing, Business Continuity Planning & IT Disaster Recovery, Records Management, Fraud Control and Customer Service.

- Online training and awareness programs are in place to make the line functions aware of operational risk and its mitigation.
- Disaster Recovery (DR) and Business Continuity Plans (BCP) have been established for significant businesses to ensure continuity of operations and minimal disruption to services. These plans are reviewed and tested periodically to ensure their effectiveness.
- The Information Security Steering Committee (ISSC) provides direction for mitigating risks relating to Information Security.
- Risk transfer via insurance is a key strategy to mitigate operational risk exposure at the Bank.
- Internal Audit is part of the ongoing monitoring of the Bank's system of internal control. Internal Audit provides independent assessment of the adequacy of, and compliance with, the Bank's established policies and procedures.

Approach for Operational Risk capital assessment

In accordance with RBI guidelines, the Bank has adopted Basic Indicator Approach (BIA) for computation of capital charge for operational risk.

Basel III Disclosures

For the Financial Year Ended March 31, 2019

IX. INTEREST RATE RISK IN THE BANKING BOOK (IRRBB)

Policy and Strategy for Interest Rate Risk Management

The Bank's balance sheet holds assets and liabilities with different maturity dates, rates linked to different benchmarks, thereby creating asset liability and interest rate mis-matches. This results in Interest rate risk in banking book.

Interest Rate Risk is managed in accordance to the Board approved Asset Liability Management (ALM) Policy. The policy lays down well-defined organization structure for interest rate risk management functions and processes, whereby the interest rate risks are identified, measured, monitored and controlled.

Organization Structure for Interest Rate Risk Management function

The organizational structure of the Bank for Interest Rate Risk Management function has the Board of Directors at the apex level that maintains overall oversight of management of risks. The Risk Management Committee of Board (RMCB) devises policy and strategy for integrated risk management which includes interest rate risk. At operational level, Asset Liability Management Committee (ALCO) monitors management of interest rate risk. The main functions of ALCO include balance sheet planning from a risk return perspective including the strategic management of interest rates and liquidity risks.

Risk Reporting, Measurement, Mitigation & Monitoring systems

- Interest rate risk is managed using Gap Analysis of Rate Sensitive Assets (RSA) and Rate Sensitive Liabilities (RSL) and monitoring of prudential (tolerance) limits prescribed.
- Earnings perspective - Based on the gap report, Earnings at Risk (EaR) approximates the impact of an interest rate/ re-pricing shock for a given change in interest rate on the net interest income (difference between total interest income and total interest expense) over a one year horizon.
- Economic value perspective - As against the earnings approach, interest rate risk is monitored based on the present value of the Bank's expected cash flows. A modified duration approach is used to ascertain the impact on interest sensitive assets, liabilities and off-balance sheet positions for a given change in interest rates on Market Value of Equity (MVE).
- Monitoring – The Bank employs EaR and MVE measures to assess the sensitivity to interest rate movements on entire balance sheet. EaR and MVE thresholds have been prescribed and the results are monitored on an ongoing basis.

The findings of the risk measures for IRRBB are reviewed by Board at quarterly intervals.

Nature of IRRBB and Key assumptions

- Interest rate risk is measured by using Earnings Perspective and Economic Value Perspective method.
- The distribution into rate sensitive assets and liabilities under Interest Rate Sensitivity Statement, Coupons, Yields are as prescribed in ALM policy of the Bank.
- Non-maturity deposits (current and savings) are classified into appropriate buckets according to the study of behavioral pattern. In case of these deposits, volatile portion is classified into '1-28 Days' time bucket and remaining core portion into '1-3 years' time bucket.

Quantitative Disclosures

Increase (decline) in earnings and economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB.

Earnings Perspective

(₹ In Millions)

Interest rate shock	31.03.2019
1% change in interest rate for 1 year	38.36

Economic Value Perspective

(₹ In Millions)

Interest rate shock	31.03.2019
200 basis point shock	5396.70

X. GENERAL DISCLOSURE FOR EXPOSURES RELATED TO COUNTERPARTY CREDIT RISK

Counterparty Credit Risk (CCR) is the risk that the counterparty to a transaction could default before the final settlement of the transaction's cash flows. An economic loss would occur if the transactions or portfolio of transactions with the counterparty has a positive economic value for the Bank at the time of default. Unlike exposure to credit risk through a loan, where the exposure to credit risk is unilateral and only the lending bank faces the risk of loss, CCR creates a bilateral risk of loss whereby the market value for many different types of transactions can be positive or negative to either counterparty. The market value is uncertain and can vary over time with the movement of underlying market factors.

The Bank's Derivative transactions are governed by the Bank's FX & Derivatives Policy, Commercial Credit Policy, Market Risk Policy, Country Risk Framework & Inter-Bank Limit Policy and Customer Suitability and Appropriateness Policy as well as by the extant RBI guidelines.

Various risk limits are set up for taking into account market volatility, business strategy and management experience. Risk limits are in place for risk parameters viz. PV01, Value at Risk (VaR), Stop Loss and Stress Scenario Limits. All exposures are monitored against these limits on a daily basis and breaches, if any, are reported promptly.

The Bank measures counterparty risk using current exposure method. Counterparty limits are approved as per the Bank's Credit Policies. The sanction terms may include the requirement to post upfront collateral, or post collateral should the mark to market (MTM) exceed a specified threshold; on a case to case basis. The Bank retains the right to terminate transactions as a risk mitigation measure, in case the client does not adhere to the agreed terms.

All counterparty exposures are monitored against these limits on a daily basis and breaches, if any, are reported promptly.

Exposure on account of Counterparty Credit Risk

(₹ In Millions)

Particulars	Notional Amounts	Exposure (Current + Potential future)
Foreign Exchange Contracts	2,65864.51	11,265.38
Interest rate derivative contracts	98,666.81	2,070.68
Cross currency swaps	51,556.97	6,272.63
Currency options	22,069.16	1,452.94
Total	**4,38,157.45**	**21,061.64**

XI. DF 11 - COMPOSITION OF CAPITAL

(₹ In Millions)

	Basel III common disclosure template		Amounts Subject to Pre-Basel III Treatment	Ref No.
	Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	51,118.87		a1+a2 + a3
2	Retained earnings	316.76		b1
3	Accumulated other comprehensive income (and other reserves)	21,854.59		c1+c2 +c3
	Revaluation reserves at 55% discount	4.12		
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	–		
	Public sector capital injections grandfathered until January 1, 2018	NA		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	–		
6	Common Equity Tier 1 capital before regulatory adjustments	73,294.34		
	Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	240.56		
8	Goodwill (net of related tax liability)	–		
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	–		d1
10	Deferred tax assets	–		e1
11	Cash-flow hedge reserve	–		
12	Shortfall of provisions to expected losses	–		
13	Securitisation gain on sale	–		

Basel III Disclosures

For the Financial Year Ended March 31, 2019

(₹ In Millions)

	Basel III common disclosure template		Amounts Subject to Pre-Basel III Treatment	Ref No.
14	Gains and losses due to changes in own credit risk on fair valued liabilities	–		
15	Defined-benefit pension fund net assets	–		
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	–		
17	Reciprocal cross-holdings in common equity	–		
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	–		
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	–		
20	Mortgage servicing rights (amount above 10% threshold)	–		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)			
22	Amount exceeding the 15% threshold	–		
23	of which: significant investments in the common stock of financial entities	–		
24	of which: mortgage servicing rights	–		
25	of which: deferred tax assets arising from temporary differences	–		
26	National specific regulatory adjustments (26a+26b+26c+26d)	–		
26a	of which: Investments in the equity capital of the unconsolidated insurance subsidiaries	–		
26b	of which: Investments in the equity capital of unconsolidated non-financial subsidiaries	952.36		
26c	of which: Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	–		
26d	of which: Unamortised pension funds expenditures	–		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	–		
28	**Total regulatory adjustments to Common equity Tier 1**	1,192.92		
29	**Common Equity Tier 1 capital (CET1)**	72,101.42		
	Additional Tier 1 capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)	–		
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	–		
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	–		
33	Directly issued capital instruments subject to phase out from Additional Tier 1	–		

(₹ In Millions)

	Basel III common disclosure template		Amounts Subject to Pre-Basel III Treatment	Ref No.
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	–		
35	of which: instruments issued by subsidiaries subject to phase out	–		
36	**Additional Tier 1 capital before regulatory adjustments**	–		
	Additional Tier 1 capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	–		
38	Reciprocal cross-holdings in Additional Tier 1 instruments	–		
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	–		
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–		
41	National specific regulatory adjustments (41a+41b)	–		
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	–		
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	–		
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	–		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	–		
43	**Total regulatory adjustments to Additional Tier 1 capital**	–		
44	**Additional Tier 1 capital (AT1)**	–		
44a	**Additional Tier 1 capital reckoned for capital adequacy**	–		
45	**Tier 1 capital (T1 = CET1 + AT1) (29 + 44a)**	72,101.42		
	Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus plus Investment Reserve	5,823.60		
47	Directly issued capital instruments subject to phase out from Tier 2	–		
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	–		
49	of which: instruments issued by subsidiaries subject to phase out	–		
50	Provisions	2,335.34		j1x45%+j2+j3
51	**Tier 2 capital before regulatory adjustments**	8,158.94		
	Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	–		
53	Reciprocal cross-holdings in Tier 2 instruments	20.82		

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(₹ In Millions)

	Basel III common disclosure template		Amounts Subject to Pre-Basel III Treatment	Ref No.
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	–		
55	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–		
56	National specific regulatory adjustments (56a+56b)	–		
56a	of which: Investments in the Tier 2 capital of unconsolidated subsidiaries	–		
56b	of which: Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	–		
57	**Total regulatory adjustments to Tier 2 capital**	20.82		
58	**Tier 2 capital (T2)**	8,138.13		
58a	**Tier 2 capital reckoned for capital adequacy**	8,138.13		
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**	–		
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	8,183.13		
59	**Total capital (TC = T1 + T2) (45 + 58c)**	80,239.54		
60	**Total risk weighted assets (60a + 60b + 60c)**	5,96,070.91		
60a	**of which: total credit risk weighted assets**	5,27,105.04		
60b	**of which: total market risk weighted assets**	31,129.29		
60c	**of which: total operational risk weighted assets**	37,836.57		
	Capital ratios			
61	**Common Equity Tier 1 (as a percentage of risk weighted assets)**	12.10%		
62	**Tier 1 (as a percentage of risk weighted assets)**	12.10%		
63	**Total capital (as a percentage of risk weighted assets)**	13.46%		
64	**Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)**	7.38%		
65	**of which: capital conservation buffer requirement**	1.88%		
66	**of which: bank specific countercyclical buffer requirement**	0.00%		
67	**of which: G-SIB buffer requirement**	0.00%		
68	**Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)**	4.71%		
	National minima (if different from Basel III)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.50%		
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%		
71	National total capital minimum ratio (if different from Basel III minimum)	10.88%		

(₹ In Millions)

	Basel III common disclosure template		Amounts Subject to Pre-Basel III Treatment	Ref No.
	Amounts below the thresholds for deduction (before risk weighting)			
72	Non-significant investments in the capital of other financial entities	–		
73	Significant investments in the common stock of financial entities	–		
74	Mortgage servicing rights (net of related tax liability)	–		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	–		
	Applicable caps on the inclusion of provisions in Tier 2-			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	–		
77	Cap on inclusion of provisions in Tier 2 under standardised approach	–		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	–		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	–		
	Capital instruments subject to phase-out arrangements (only applicable between Sep 30, 2017 and Sep 30, 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	–		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	–		
82	Current cap on AT1 instruments subject to phase out arrangements	–		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–		
84	Current cap on T2 instruments subject to phase out arrangements	–		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	–		

Notes to the Template

Row No. of the template	Particular	(₹ In Millions)
10	Deferred tax assets associated with accumulated losses	–
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	–
	Total as indicated in row 10	–
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	NA
	of which: Increase in Common Equity Tier 1 capital	NA
	of which: Increase in Additional Tier 1 capital	NA
	of which: Increase in Tier 2 capital	NA
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then:	NA
	(i) Increase in Common Equity Tier 1 capital	NA
	(i) Increase in risk weighted assets	NA

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Row No. of the template	Particular	(₹ In Millions)
44a	Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)	0.00
	of which: Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	0.00
50	Eligible Provisions included in Tier 2 capital	2,335.34
	Eligible Revaluation Reserves included in Tier 2 capital	–
	Total of row 50	2,335.34
58a	Excess Tier 2 capital not reckoned for capital adequacy (difference between Tier 2 capital as reported in row 58 and T2 as reported in 58a)	–

XII. DF 12 - COMPOSITION OF CAPITAL- RECONCILIATION REQUIREMENTS

Step 1

(₹ In Millions)

	Composition of Capital- Reconciliation Requirements	Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on reporting date	As on reporting date
A	**Capital & Liabilities**		
i.	**Paid-up Capital**	4,267.10	
	Reserves & Surplus	71,206.10	
	Minority Interest	–	
	Total Capital	**75,473.20**	
ii.	**Deposits**	5,83,944.16	
	of which: Deposits from banks	61,603.49	
	of which: Customer deposits	5,22,340.67	
	of which: Other deposits (pl. specify)	–	
iii.	**Borrowings**	1,18,320.65	
	of which: From RBI	–	
	of which: From banks	14,877.50	
	of which: From other institutions & agencies	53,155.74	
	of which: Others (outside India)	42,987.41	
	of which: Capital instruments	7,300.00	
iv.	**Other liabilities & provisions**	25,850.18	
	Total Capital & Liabilities	**8,03,588.19**	
B			
i	**Cash and balances with Reserve Bank of India**	48,395.18	
	Balance with banks and money at call and short notice	17,625.95	
ii	**Investments:**	1,68,403.61	
	of which: Government securities	1,19,426.98	
	of which: Other approved securities	–	

(₹ In Millions)

	Composition of Capital- Reconciliation Requirements	Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on reporting date	As on reporting date
	of which: Shares	1,048.76	
	of which: Debentures & Bonds	14,035.28	
	of which: Subsidiaries / Joint Ventures / Associates	952.36	
	of which: Others (Commercial Papers, Mutual Funds etc.)	32,940.23	
iii	**Loans and advances**	5,43,082.43	
	of which: Loans and advances to banks	663.91	
	of which: Loans and advances to customers	5,42,418.52	
iv	**Fixed assets**	4,024.79	
v	**Other assets**	22,056.23	
	of which: Goodwill and intangible assets	–	
	of which: Deferred tax assets	2,094.91	
vi	**Goodwill on consolidation**	–	
vii	**Debit balance in Profit & Loss account**	–	
	Total Assets	**8,03,588.19**	

Step 2

(₹ In Millions)

	Composition of Capital- Reconciliation Requirements	Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation	Ref. No.
		As on reporting date	As on reporting date	
A	**Capital & Liabilities**			
i	**Paid-up Capital**	4,267.10		
	Of which:			
	Amount eligible for CET1	4,267.10		
	Amount eligible for AT1			
	Share application money*			
	Reserves & Surplus	71,206.10		
	Of which:			
	Share Premium	46,851.77		
	Statutory Reserve	7,160.50		
	Capital Reserve	342.57		
	Revenue & Other Reserves	14,346.55		
	Revaluation Reserve	9.15		

Basel III Disclosures

For the Financial Year Ended March 31, 2019

(₹ In Millions)

	Composition of Capital- Reconciliation Requirements	Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation	Ref. No.
		As on reporting date	As on reporting date	
	Investment Fluctuation Reserve	783.60		
	Foreign Currency Translation Reserve	5.18		
	ESOP Reserve	1.08		
	Investment Reserve	–		
	Balance in Profit & Loss Account	1,705.70		
	Of which: Profit brought forward reckoned for capital adequacy purpose			
	Of which: Current period profit not reckoned for capital adequacy purpose			
	Minority Interest			
	Total Capital	**75,473.20**		
ii	**Deposits**	5,83,944.16		
	of which: Deposits from banks	61,603.49		
	of which: Customer deposits	5,22,340.67		
	of which: Other deposits (pl. specify)	–		
iii	**Borrowings**	1,18,320.65		
	of which: From RBI	–		
	of which: From banks	14,877.50		
	of which: From other institutions & agencies	53,155.74		
	of which: Others (borrowings outside India)	42,987.41		
	of which: Capital instruments	7,300.00		
iv	**Other liabilities & provisions**	25,850.18		
	of which: Provision for Standard Assets	2,335.34		
	Total Capital & Liabilities	**8,03,588.19**		
B	**Assets**			
i	**Cash and balances with Reserve Bank of India**	48,395.18		
	Balance with banks and money at call and short notice	17,625.95		
ii	**Investments**	1,68,403.61		
	of which: Government securities	1,19,426.98		
	of which: Other approved securities	–		
	of which: Shares	1,048.75		
	of which: Debentures & Bonds	14,035.28		
	of which: Subsidiaries / Joint Ventures / Associates	952.36		
	of which: Others (Commercial Papers, Mutual Funds etc.)	32,940.23		
iii	**Loans and advances**	5,43,082.43		
	of which: Loans and advances to banks	663,91		
	of which: Loans and advances to customers	5,42,418.52		

(₹ In Millions)

	Composition of Capital- Reconciliation Requirements	Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation	Ref. No.
		As on reporting date	As on reporting date	
iv	**Fixed assets**	4,024.79		
v	**Other assets**	22,056.23		
	of which: Goodwill and intangible assets			
	Out of which:			
	Goodwill			
	Other intangibles (excluding MSRs)			
	Deferred tax assets	2,094.91		
vi	**Goodwill on consolidation**			
vii	**Debit balance in Profit & Loss account**			
	Total Assets	**8,03,588.19**		

* Share Application Money is considered as a part of CET1 Capital as the amount is non-refundable and the shares have since been allotted to the applicants

Leverage Ratio Disclosure

The leverage ratio act as a credible supplementary measure to the risk based capital requirement. The Bank is required to maintain a minimum leverage ratio of 4.5%. The Bank's leverage ratio calculated in accordance with RBI guidelines under consolidated framework is as follows:

1. **Leverage ratio common disclosure as of March, 2019**

(₹ In Millions)

No.	Leverage ratio framework	Amount
	On-balance sheet exposures	
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	773,246.87
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	1,192.92
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)**	**772,053.94**
	Derivative exposures	
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	6,192.04
5	Add-on amounts for PFE associated with all derivatives transactions	14,471.53
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	**Total derivative exposures (sum of lines 4 to 10)**	**20,663.57**

Basel III Disclosures

For the Financial Year Ended March 31, 2019

(₹ In Millions)

No.	Leverage ratio framework	Amount
	Securities financing transaction exposures	
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	24,149.29
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	–
14	CCR exposure for SFT assets	–
15	Agent transaction exposures	–
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	**24,149.29**
	Other off-balance sheet exposures	
17	Off-balance sheet exposure at gross notional amount	295,451.00
18	(Adjustments for conversion to credit equivalent amounts)	(159,484.09)
19	**Off-balance sheet items (sum of lines 17 and 18)**	**135,966.91**
	Capital and total exposures	
20	**Tier 1 capital**	**72,101.41**
21	**Total exposures (sum of lines 3, 11, 16 and 19)**	**952,833.71**
	Leverage ratio	
22	Basel III leverage ratio	7.57%

2. **Comparison of accounting assets and leverage ratio exposure**

(₹ In Millions)

S. No.	Particulars	Amount
1	Total consolidated assets as per published financial statements	803,588.19
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	–
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	–
4	Adjustments for derivative financial instruments	14,471.53
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	–
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	135,966.91
7	Other adjustments	(1,192.92)
8	Leverage ratio exposure	952,833.71

3. **Reconciliation of total published balance sheet size and on balance sheet exposure under common disclosure**

(₹ In Millions)

S. No.	Particulars	Amount
1	Total consolidated assets as per published financial statements	803,588
2	Replacement cost associated with all derivatives transactions, i.e. net of eligible cash variation margin	(6,192)
3	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	(24,149)
4	Adjustment for entitles outside the scope of regulatory consolidation	–
5	On-balance sheet exposure under leverage ratio (excluding derivatives & SFTs)	773,247

List of Branch Offices

Sr. No.	State	Branch Name	City	Address
1.	Andhra Pradesh	Tirupati	Tirupati	Plot No. 87, Motor Workers Colony, Padmathipuram, Tirupati-Tiruchanur Road, Tirupati - 517501
2.	Andhra Pradesh	Peravaram	Peravaram	Door No. 2-43, R.s. No. 117/14, Peravaram Village, Atreyapuram Mandal, Andheri Pradesh - 533235
3.	Andhra Pradesh	Kovada - Kakinada	Kovvada, Kakinada	Door No. 1-93, Kovvada Panchayat, Kakinada Rural Mandal, Andhra Pradesh - 533006
4.	Andhra Pradesh	Lalupuram	Lalupuram	Door No. 6-48A, Lalupuram Village, Guntur Rural Mandal, Andhra Pradesh - 522017
5.	Andhra Pradesh	Visakhapatnam	Visakhapatnam	47-1—1/4, Bhuvaneshwari Plaza, Diamond Park Main Road, Dwarakanagar, Visakhapatnam - 530016
6.	Andhra Pradesh	Vijayawada Branch	Vijayawada	D. No. 40-5-1, Tikkle Road, Opp. Dv Manor, Vijayawada - 520010
7.	Bihar	Gandhi Maidan Branch	Patna	Shop No 1 ,2,3,4, Twin Tower, South Gandhi Maiden, Patna - 800003
8.	Chandigarh	Chandigarh	Chandigarh	SCO 135-136, Ground Floor, Sector-9C, Madhya Marg, Chandigarh - 160009 -
9.	Chandigarh	Manimajra Branch	Mani Majra	SCO 830, Nac Manimajra, Chandigarh - 160101
10.	Chandigarh	Sector 35 Chandigarh	Chandigarh	S.C.O No 329, Sector 35B, Chandigarh - 160022
11.	Chhattisgarh	Raipur	Raipur	Gr. Floor Shop No 3 & 5, First Floor 3,4,& 5 Raheja Extension, M G Road, Raipur - 492001
12.	Chhattisgarh	Hirapur	Hirapur	Gram Panchayat Bhawan, Hirapur Village, Makadi Block, Kondagaon, Chhattishgarh - 494226
13.	Dadra And Nagar Haveli	Silvassa	Silvassa	Unit No.1,2 & 7, Roshan Avenue, Silvassa-Vapi Road, Silvassa - 396230
14.	Daman & Diu	Daman	Daman	Shop No. 1,2,3, Plot No. 758/7 Ad 758/8 At Villagedabhel, Somnath Temple Road, Daman - 396210
15.	Delhi	Karol Bagh	New Delhi	17 A/53, W.E.A. Karol Bagh, Opp. Jessaram Hospital, Guradwar Road, New Delhi - 110005
16.	Delhi	Capitol Point	New Delhi	DLF Capitol Point, Baba Kharag Singh Marg, New Delhi - 110001
17.	Delhi	Haus Khas	New Delhi	Ground Floor, M-6 Hauz Khas, New Delhi - 110016
18.	Delhi	Rajouri Garden	New Delhi	J-13/52, Basement & Ground Floor, Rajouri Garden, New Delhi - 110027
19.	Delhi	Vasant Vihar	New Delhi	23, Basant Lok Market Community Centre, Vasant Vihar New Delhi - 110057
20.	Delhi	Chandani Chowk	Delhi	Plot No.450-454, Kucha Brij Nath, Chandni Chowk, Delhi - 110006
21.	Delhi	Pitampura	Delhi	Plot No.4, Kapil Vihar, Delhi - 110034 - 110034
22.	Delhi	Vikas Marg	New Delhi	6 Shankar Vihar, Vikas Marg, New Delhi - 110092
23.	Delhi	Sadar Bazar	Delhi	Sadar Bazar- Plot No.4, 5332 Sadar Thana Road, Delhi - 110006
24.	Delhi	Jagriti Enclave	Delhi	183, Upper Ground Floor, Jagriti Enclave, Delhi - 110092
25.	Delhi	Greater Kailash Part 2	New Delhi	M-2, Greater Kailash Part 2, New Delhi - 110048
26.	Delhi	Lajpat Nagar	New Delhi	L-96, Lajpat Nagar-Ii, New Delhi - 110024
27.	Delhi	Dwarka Branch	New Delhi	Plot No.12B/58, Dwarka, New Delhi - 110075
28.	Delhi	Punjabi Bagh Branch	New Delhi	39 West Avenue Road, Punjab Bagh, New Delhi - 110026
29.	Delhi	Janakpuri Branch	New Delhi	B-1/511,Janakpuri, New Delhi - 110058
30.	Delhi	Jasola Branch	New Delhi	Shop No - Ja0028 & Ja0029, DLF Tower A, Jasola, New Delhi - 110025
31.	Delhi	Gujrawala, Model Town	New Delhi	B-11, Gujranwala, Model Town, New Delhi - 110009
32.	Delhi	Saket	New Delhi	214, Block J, Saket, New Delhi - 110017
33.	Delhi	Defence Colony	New Delhi	E-10, Defence Colony, New Delhi - 110024
34.	Delhi	Meera Bagh, Paschim Vihar Branch	New Delhi	B-376, Meera Bagh, Paschim Vihar, New Delhi - 110087
35.	Delhi	Kirti Nagar Branch	New Delhi	F-43, Kirti Nagar, New Delhi - 110015
36.	Delhi	Dariyaganj Branch	New Delhi	2/3619 Faiz Bazar, Daryaganj , New Delhi - 110002
37.	Delhi	Naraina Branch	New Delhi	C-126, Naraina Industrial Area, Phase-1, New Delhi - 110028
38.	Delhi	Kamla Nagar Branch	New Delhi	Ground Floor, 4/3 Roop Nagar, Kamla Nagar, New Delhi - 110007
39.	Delhi	Kailash Colony Branch	New Delhi	A-13, Kailash Colony New Delhi - 110048
40.	Delhi	West Patel Nagar Branch	New Delhi	2/12, West Patel Nagar, Main Patel Road, New Delhi - 110008
41.	Delhi	Vasant Kunj Branch	New Delhi	Ground Floor, 2, Nelson Mandela Marg, Vasant Kunj, New Delhi - 110070
42.	Goa	Margoa	Margoa	Vasant Arcade, Behind Police Station, Comba, Margoa - 403601
43.	Goa	Ponda	Ponda	Dr. Dada Vaidya Chowk,Main Road, Ponda (Goa) - 403401
44.	Goa	Mhapusa	Mapusa	Shop No.S1, Mapusa Trade Centre,Maroda,Mapusa-Goa - 403507
45.	Goa	Panjim	Panjim	Shop No.G-10 & 11,Nizamar Centre, Dr. Atmaram Road,Panaji, Goa - 403001
46.	Goa	Calangute	Calangute	Shop No. 7,8,9,10, Simplex Complex Phase 2, Calangute, Bardez, Goa - 402516
47.	Goa	Porvorim	Porvorim	House No. 456, Near Chodankar Nursing Home, Alto Porvorim, Bardez, Goa - 403521
48.	Goa	Shiragao	Sirgaon	House No.12/1, Wadacha Wada, Shirgaon, Assonora, Goa - 403503
49.	Goa	Netravali	Sanguem	House No. 110, Marga Eadda, Netravali, Sanguem, South Goa - 403704
50.	Gujarat	Ahmedabad	Ahmedabad	Shop No. 8,9,10,13 & 14, Mallinath Complex, Shahibaug, Ahmedabad - 380004
51.	Gujarat	Surat	Surat	Showroom No 4, Twin Tower A, Sahara Darwaja, Ring Road, Surat - 395002
52.	Gujarat	Vapi	Vapi	9/10/11 Sahara Market, Vapi-Silvassa Road, Vapi, Gujarat - 396191
53.	Gujarat	Kadi	Kadi	Shop Nos. 9A,9B,10,10A & 10B, Diamond Plaza, Thol Road, Kadi, Gujarat - 382715
54.	Gujarat	Bardoli	Bardoli	U01 & U02 Empire Plaza, Station Road, Bardoli, District Surat, Gujarat - 394601
55.	Gujarat	Deesa	Deesa	Shop No. 9-10, Kiran Complex, Near Gayatri Temple, Hihway Road, Deesa, Gujarat - 385535

List of Branch Offices

Sr. No.	State	Branch Name	City	Address
56.	Gujarat	Padra	Padra	7/8 Umiya Nagar, Near Post Office, Padra, Vadodara, Gujarat - 391440
57.	Gujarat	Unjha	Unjha	Plot No. 82, Survey No. 8-5-27, Opp. Unjha Pharmacy, Station Road, Unjha, Guajrat - 384170
58.	Gujarat	Vadodara	Baroda	Chitrakut Complex, Near Pashabhai Park And Natubhai Circle, Race Course Circle Road, Vadodara - 390007
59.	Gujarat	Ahmedabad Viva Complex	Ahmedabad	Viva Complex, Ellisbridge, Opp. Parimal Garden, Ahmedabad - 380006
60.	Gujarat	Biriyandayara	Biriyandayara	Bhuj-Khavda Highway, Near Bhirandiyara Bus Stand, Bhirandiyara, District Bhuj, Gujarat - 370510
61.	Gujarat	Khambhala	Khambhala	Umiya Nivas, Main Bazar, Village Khambala, Taluka Paddhari, District Rajkot, Gujarat - 360110
62.	Gujarat	Himatnagar	Himatnagar	Shop No. 7,8 9, Ashok Vatika, Sahkari Jin Road, Himatnagar - 383001
63.	Gujarat	Valetva	Valetva	Shop No. 1 & 2,Amtiya Enclave, Nadiad Petland Road, Kheda, Gujarat - 388440
64.	Gujarat	Kamalpur	Kamalpur	Shop No. 7 & 8, Sakal Avenue, Kamalpur, Tal - Prantij, Sabarkantha, Gujarat - 383205
65.	Gujarat	Khalikpur	Khalikpur	Shop No. 16/ 17, Sanskruti Complex, Malpur Road, Aravali, Gujarat - 383315
66.	Gujarat	South Bopal, Ahmedabad	Mouje Bopal	Shop No. 8/9, Orchid Centre, South Bopal, Mouje Bopal, Ahmedabad, Gujarat - 380058
67.	Gujarat	Ankleshwar	Ankleshwar	Shop No. 1 - 5, Mayur Nagar, Old N H No. 08, Village Piraman, Dist. Bharuch - 393002
68.	Gujarat	Bhojpara	Bhojpara	R.s. No - 58/3, National Highway 27, Bhojpara, Gondal, Rajkot - 360311
69.	Gujarat	Vv Nagar	Vallabh Vidyanagar	Plot No.154/155, Nilkanth Estate, Shop No G-3, Nana Bazar, Vallabh Vidyanagar - 388120
70.	Gujarat	Rajkot	Rajkot	4, Business Park, Opp TVS Jivrajani Show Room, Kalawad Road, Rajkot - 360001
71.	Gujarat	Prahlad Nagar	Ahmedabad	Shop No. 1, Safal Pegasus, Prahlad Nagar, Ahmedabad - 380015
72.	Gujarat	Maninagar Branch	Ahmedabad	Shop No. 3, Sparsh, Jai Hind Char Rasta, Mani Nagar, Ahmedabad - 380008
73.	Gujarat	Kamrej Branch	Kamrej	43,Jyoti Park Society, Surat - Kamrej Road, Kamrej, Surat, Gujarat - 394185
74.	Gujarat	Manjalpur Branch	Vadodara	G01 & G02, Ground Floor, Pinnacle Business Park, Manjalpur, Vadodara - 390011
75.	Gujarat	Varachha Road, Surat Branch	Surat	G-5, Mangaldeep Complex, Near Baug Circle, Varaccha Surat - 395006
76.	Haryana	Sohna	Sohna	Killa No.230-8/2/1,Rakba 2, Ward No.5, Aditya Building, Sohna, Haryana - 122103
77.	Haryana	Gurgaon	Gurgaon	Unit No 7 & 14, Ground Floor, Block A, ABW Towers IFFCO Chowk, Gurgaon - 122001
78.	Haryana	Panipat	Panipat	Showroom #1 196/7(Part), Opp. N.k. Tower, G.T Road, Panipat - 132103
79.	Haryana	Faridabad	Faridabad	Shop No.g-01 To G-05 And G-09 To G-10 Sco No.101, Sector-16 Faridabad, Haryana - 121002
80.	Haryana	Ocus Technopolis	Gurgaon	Unit No. Tgf 4 & 5, Ocus Technopolis Golf Course Road, Gurgaon, Haryana - 122003
81.	Haryana	Sirsama	Sirsama	Ground Floor, Pipli - Ladwa Road, Sirsama Village, Kurukshetra, Haryana - 136131
82.	Haryana	Palm Square, Golf Course Extension Road	Gurugram	Ground Floor, Emaar MGF Palm Square, Golf Course Extn Road, Sector-66, Gurugram - 122102
83.	Haryana	Panchkula Branch	Panchkula	S.C.O No. 15, Sector 11, Panchkula - 134109
84.	Haryana	Faridabad Nit Branch	Faridabad	Shop No 20,21,53,54, Tikona Park, Nit Faridabad - 121001
85.	Himachal Pradesh	Shimla	Shimla	B, Khasran No.159 - 165,Craigs Court, The Mall, Shimla, Himachal Pradesh - 171001
86.	Himachal Pradesh	Solan Branch	Solan	Shop No. 1& 2, Khasra No.8469/520, Maujajawahar Park, Solan, Himachal Pradesh - 173211
87.	Karnataka	Belgaum	Belgaum	"Bharti", CTS No-3939/1A, Ground Floor, Club Road, Next Harsha, Belgaum - 590001
88.	Karnataka	Shamnewadi	Shamnewadi	1145, Khemalapure Building Near Bedkihal Circle Shamnewadi, Belgaum - 591214
89.	Karnataka	Shedbal	Shedbal	Bazar Peth, Shedbal,Tal; Athani,Dist. Belgaum - 591315
90.	Karnataka	Shirguppi	Shirguppi	379, A/P Shirguppi, Tal; Athani, Dist. Belgaum - 591242
91.	Karnataka	Bellad-Bagewadi	Bellad-Bagewadi	395,Basac Circle, A/P Bellad Bagewadi Tal. Hukeri, Belgaum - 591305
92.	Karnataka	Gokak	Gokak	CTS No 3195 Bar B Bar 2B Nilkanthnilaya Bhamgaouda Building, Hospeth Galli, Gokak - 591307
93.	Karnataka	Ankali (Shitol)	Ankali Shitol	A/P-Ankali, Chikodi, Belgaum - 591213
94.	Karnataka	Nipani	Nipani	228, Padmaraj Bldg, Sakharwadi,Pune-Bangalore Road, Nipani, Belgaum (Karnataka) - 591237
95.	Karnataka	Hubli	Hubli	Hotel Sri Krishna Bhavan Building 10/1 Lamington Road, Hubli - 580020
96.	Karnataka	Dharwad	Dharwad	Kabadi Mansion, Kosmos Club Road, Behind Court, Dharwad - 580001
97.	Karnataka	Gandhinagar Bangalore	Bangalore	178, Municipal No 4, 6Th Cross, Gandhi Nagar, Bengaluru - 560009
98.	Karnataka	Harugeri	Harugeri	259/1And 2, 269/1 And 2, Halingali Bldg. A/P Harugeri Taluka Raibagh, Dist Belgaum - 591220
99.	Karnataka	Davangere	Davangere	718/1, Subhash Road, Mandi Peth, Davangere - 577001
100.	Karnataka	Koramangla Bangalore	Bangalore	631 3rd Block 3Rd Cross, 100 Feet Road, Nr. BDA Complex, Koramangala, Bangalore - 560034
101.	Karnataka	Doddaballapur	Dod Ballarpur	Khata No 1762/66 ,Ward No 4, D Cross, Mail Road, Doddaballapur - 561203
102.	Karnataka	Ramnagarm	Ramnagarm	Khata No.169/1789/1736, GNR Complex, I Stage, B M Road, Ramanagarm - 562159
103.	Karnataka	Munavalli	Munoli	No. 2577/2512/1B, N C Yaligar Building, Panchaligershwar Temple Road, Manoli, Belgaum - 591117
104.	Karnataka	Bagalkot	Bagalkot	T.P. No. 163A/2B, Near Lions School, Bagalkot, Karnataka - 587101
105.	Karnataka	Mudhol	Mudhol	CTS 4026/3/D/6, Near Ranna Circle, Mudhol, District Bagalkot, Karnataka - 587313
106.	Karnataka	Inchageri	Inchageri	Gram Panchayat, Inchagri Village, Indi Taluk, Bijapur, Karnataka - 586117
107.	Karnataka	Manglore	Manglore	UG-8 & Ug-9 Maximus Commercial Complex, Light House Hill Road, Mangalore - 575001
108.	Karnataka	Prestige Towers Banglore	Bangalore	Ground Floor, G-13, G-14,G-15 & G-17 Prestige Towers, 99 & 100 Residency Road, Bangalore - 560025
109.	Karnataka	Jp Nagar	Bangalore	N-15, 24Th Main, J. P. Nagar, I Phase, Aurobido Marg, Bangalore - 560078
110.	Karnataka	Indiranagar - Bangalore	Bangalore	546, Chm Road, Indira Nagar, Bangalore - 560038
111.	Karnataka	Malleswaram - Bangalore	Bangalore	Shop No: 141, Komarla Plaza, Margosa Road, Malleswaram, Bangalore - 560003
112.	Karnataka	Hoskote Branch	Hoskote	Plot No 4189/6275/2/ Survey No 125, N H Road, KND Complex, Haskote Town, Bengaluru - 562114
113.	Karnataka	HSR Layout	Bengaluru	Ground Floor, Ss Arcade, 257, 14th Main, HSR Sector 7, Bengaluru - 560102
114.	Karnataka	Bommasandra, Bangalore Branch	Bommasandra	Shop No.3, Bhavani Tower,Ananth Nagar Main Road, Electronic City, Bangalore - 560100
115.	Karnataka	Banashankari Branch	Bangalore	108, 100 Ft. Ring Road, Bsk 3Rd Stage, Kathriguppe, Bangalore - 560085
116.	Karnataka	Brookefields Branch	Bangalore	No. 605, Suraksha De Venetian, Kundalahalli, Brook Field, Bangalore - 560037
117.	Karnataka	Rajajinagar Branch	Bangalore	No. 257/18, Shanti Tower, 10th Cross Road, Rajaji Nagar, Bangalore - 560010
118.	Karnataka	Millers Road Branch	Bangalore	Unit No 1, SBT Offices, Millers Road, Bengaluru, Karnataka - 560052
119.	Kerala	Cochin	Cochin	Palal Arcade, Opp. The Avenue Regent Hotel, M. G. Road, Dist - Ernakulam, Karithala, Cochin - 682016
120.	Kerala	Kozhikode Branch	Kozhiode	Ground Floor, Aks Enclave, Mini Bypass Road, Puthiyara, Kozhiode, Kerala - 673004
121.	Kerala	Thrissur Branch	Thrissur	Ground Floor, Aricaria, Jyoti Nest, Premji Road, Punkunnam, Thrissur - 680002
122.	Madhya Pradesh	Mandideep	Mandideep	Plot No. 1, Ward No. 12, Sector-A, Indiranagar, Mandhideep, Madhya Pradesh - 462046
123.	Madhya Pradesh	Khurai	Khurai	Sai Centre Point, Nehru Ward, Station Road, Khurai, Mahya Pradesh - 470117
124.	Madhya Pradesh	Pipariya	Pipariya	Ground Floor, Murli Tower, Cement Road, Pipariya, Madhya Pradesh - 461775
125.	Madhya Pradesh	Chakh Kamed	Ghatiya	Ground Floor, Survey No. 283/2, Gram Chak Kamed, Ujjain, Madhya Pradesh - 456006
126.	Madhya Pradesh	Kamatoon	Kamtoon	Flat No 1, Mahesh Puram Colony, J J Road, Raisen, Madhya Pradesh - 464668
127.	Madhya Pradesh	Ashta	Ashta	Khasra No. 416/1, Ashta, Madhya Pradesh - 466116
128.	Madhya Pradesh	Ganjbasoda	Ganj Basoda	Ward No. 12. Station Road, Ganj Basoda, Madhya Pradesh - 464221
129.	Madhya Pradesh	Dhar	Dhar	Shop 21-22, Kashi Baghh, Dhar, Madhya Pradesh - 454001
130.	Madhya Pradesh	Bhopal	Bhopal	Plot No. 2, Akanksha Complex, Zone-1, M. P. Nagar, Bhopal - 462011
131.	Madhya Pradesh	Seoni Malwa	Seoni Malwa	Plot No. 100/1/1, Thakur Colony, Main Road, Seoni Malwa, Madhya Pradesh - 461223
132.	Madhya Pradesh	Hoshangabad	Hoshangabad	Plot No. 34/1, Al Aziz Tower, Babai Piparya Road, Anand Nagar, Hoshangabad - 461001
133.	Madhya Pradesh	Makronia	Makronia	Khasra No. 174/21, 174/23, 172/2, Patwari Halka No.72, Makronia, Madhya Pradesh - 470001
134.	Madhya Pradesh	Indore	Indore	Shop No.3, The Grace, Plot No. 1&2, Kibe Compound, Indore - 452001
135.	Madhya Pradesh	Nanasa	Nanasa	Village Nanasa P.h. No. 21, Tehsil Kannod, District Dewas, Madhya Pradesh - 455336
136.	Madhya Pradesh	Bawarikheda	Bawarikheda	Gram Panchayat Bawarikheda, Dist. Dewas, Madhya Pradesh - 455332
137.	Maharashtra	Shahupuri	Kolhapur	1st Lane, Shahupuri, Kolhapur - 416001
138.	Maharashtra	Kolhapur City (Laxmipuri)	Kolhapur	CTS No. 1414, Shop No. 1 - 5 Om Estate, C Ward, Laxmipuri Kolhapur - 416002
139.	Maharashtra	Sangli Main	Sangli	Sukh-Shanti Heights, Aamrai Road, Shivaji Nagar (North), Sangli - 416416
140.	Maharashtra	Miraj	Miraj	Shivraj Complex, High School Road, Jawahar Chowk, ,Miraj - 416410
141.	Maharashtra	Jaysingpur	Jaysingpur	A.B.Patil Complex Subhash Road, Jaysingpur - 416101
142.	Maharashtra	Pethvadgaon	Peth Vadgaon	R S No. 126, Bavadekar Complex, Peth Vadgaon, Dist Kolhapur, Maharashtra - 416112
143.	Maharashtra	Hupari	Hupari	1670/1,Opp Hutatma Smarak Mahaveer Nagar, Hupari - 416203
144.	Maharashtra	Rukadi	Rukadi	Main Road A/P- Rukadi.tal.hatkangle, Kolhapur - 416118
145.	Maharashtra	Ichalkaranji	Ichalkaranji	Shop No. 3,4,5, Hira Towers, Ward No. 12, Near Janata Chowk, Shahu Corner, Ichalkaranji - 416115
146.	Maharashtra	Tarabai Park - Kolhapur	Kolhapur	Shop No.6,7&8 Siddivinayak Apartment, CTS No 233,Plot No.12/13, Tarabai Park Kolhapur - 416003
147.	Maharashtra	M.Y.Sangli	Sangli	Plot No.88, Bank Building, Market Yard, Sangli - 416416
148.	Maharashtra	Mhaisal	Mhaishal	Near Nagoba Katta, Shantisagar Marg, Mhaisal Tal. - Miraj, Sangli - 416409
149.	Maharashtra	Kalbadevi	Mumbai	Jewel World Building, 175, Kalbadevi Road, Corner of Shaik Memonstreet, Mumbai - 400002
150.	Maharashtra	Bhilawdi	Bhilwadi	Dakshin Bhag Bhilwadi Vikas Society Building, Bhilwadi, Taluka Palus, Sangli - 416303
151.	Maharashtra	Nandre	Nandre	249, E Ward, Society Building, A/P Nandre .Taluka Miraj, Sangli - 416423
152.	Maharashtra	Samdoli	Samdoli	A/P Samdoli - 416 427.Taluka Miraj, Sangli - 416427
153.	Maharashtra	Ingali	Ingali	446, A/P Ingali - 416 202.Taluka Hatkanangale, Kolhapur - 416202
154.	Maharashtra	Vasagade	Vasgade	A/P Vasgade, Taluka Karveer, Dist Kolhapur - 416202
155.	Maharashtra	Gandhinagar Kolhapur	Gandhinagar, Kolhapur	Chabbriy Building, Gandhinagar, Tal.karveer, Kolhapur - 416119
156.	Maharashtra	Rajarampuri	Kolhapur	Vitthal Complex, 9th Lane, Rajarampuri, Kolhapur - 416008
157.	Maharashtra	Haladi	Haladi	Plot No. 667, Survey No. 104, Haladi, Tal. Karveer, Dist Kolhapur - 416211
158.	Maharashtra	Inam Dhamni	Inam Dhamani	A/P Inam Dhamani , Tal. Miraj, Dist. Sangli - 416416
159.	Maharashtra	Arjunwad	Arjunwad	A/P Arjunwad, Shirol, Kolhapur - 416120
160.	Maharashtra	Islampur	Islampur	H. No.2127/28, Dr.pardeshi Bldg.Islampur Taluka Walva, Sangli - 415409
161.	Maharashtra	Rangoli	Rangoli	A/P Rangoli ,Taluka Hatkanangale, Kolhapur - 416143
162.	Maharashtra	Khupire	Khupire	C/o Shri Balbhim Vks Vikas Seva Sanstha, Khupire, Taluka Karveer, Kolhapur - 416205
163.	Maharashtra	Ghotawade	Ghotawade	Bapu Dongale Building, Ghotawade,Taluka Radhanagari, Kolhapur - 416230
164.	Maharashtra	Akkiwat	Akkiwat	Kallnawar Bldg. A/P - Akkiwat, Tal. - Shirol, Kolhapur - 416108
165.	Maharashtra	ICC Pune	Pune	Show Room No. 5, Mccia Trade Tower, Senapati Bhapat Road, Pune - 411016

List of Branch Offices

Sr. No.	State	Branch Name	City	Address
166.	Maharashtra	Burli	Burli	Kamdhenu Dudh Utpadak Society Building, Burli, Sangli - 416308
167.	Maharashtra	Aitawade Budruk	Aitawade Budruk	Karmvir Sanskritik Bhavan A/P. Aitawade Budruk, Sangli - 415401
168.	Maharashtra	Nerle	Nerle	A/P Nerle- 415 406 Tal., Walwa, Sangli - 415406
169.	Maharashtra	Dudhagaon	Dudhagaon	395/2,A/P Dudhagaon, Taluka Miraj, Sangli - 416315
170.	Maharashtra	Ankali(Sangli)	Ankali	178, A/P Ankali.taluka Miraj, Sangli - 416416
171.	Maharashtra	Kabnur	Kabnur	Opposite of Marathi Primary School, Ichalkaranji Kolhapur Road, Kabnur, Kolhapur - 416138
172.	Maharashtra	Bhose	Bhose	C.S. No. 191, Gandhi Chowk, Bhose, Tal - Miraj, Sangli - 416420
173.	Maharashtra	Hingangaon	Hingangaon	53, Grampanchayat Building, A/P Hingangaon , Sangli - 416405
174.	Maharashtra	Gaonbagh Sangli	Sangli	CS. No. 966&967, Mehendale-Kulkarni Bhave, Gaonbhag, Sangli - 416416
175.	Maharashtra	Unchagaon	Unchagaon	Shop No. 101 & 102, Seema Pride, At Post-Uchagaon, Kolhapur - 416005
176.	Maharashtra	Borpadale	Borpadale	A/P Borpadale.taluka Panhala, Dist. Kolhapur - 416213
177.	Maharashtra	Swargate Pune	Pune	Showroom No. 8, Vega Centre, Shankarshet Road, Swargate, Pune - 411042
178.	Maharashtra	Madilge	Madilage	Gadhinglaj -Ajara Road, A/P- Madilage, Ajara, Kolhapur - 416505
179.	Maharashtra	Chinchwad	Pune	199/A, Ashirwad, Mumbai-Pune Road, Chinchwad, Pune - 411019
180.	Maharashtra	Kandivali	Mumbai	295, Shri Bldg, Shantilal Modi Rd, Kandivali (West) - 400067
181.	Maharashtra	Bhadavan	Bhadvan	A/P Bhadvan, Taluka Ajara, Dist. Kolhapur - 416505
182.	Maharashtra	Visapur	Visapur	A/P Visapur - 416 314, Tasgaon, Sangli - 416314
183.	Maharashtra	Thane	Thane	Laxmi Market, Pokharan Road No 1, Vartak Nagar, Thane (W) - 400606
184.	Maharashtra	Baramati	Baramati	Shantilal Shaha (Pandarkar) Bldg., Mahavir Path, Baramati - 413102
185.	Maharashtra	Solapur	Solapur	Hotel Dhruva Building, 157/1 Railway Lines, Solapur - 413001
186.	Maharashtra	Borivali	Mumbai	Shop No. 2 To 6, Shroff Arcade, Sodawala Lane, Boriwali (W), Mumbai - 400092
187.	Maharashtra	Akluj	Akluj	R. S. No. 2258/4A, Mahaveer Path, Near Sadubhau Chowk Akluj, Malshiras, Solapur - 413101
188.	Maharashtra	Vasai	Vasai	Shop No. 2 & 3, Nikunj Signature, Ambadi Road, Vasai (W), Palghar - 401202
189.	Maharashtra	Panvel	Panvel	Block No.102/103, Indraprashta Building, Tapal Naka, Uran Road, Panvel - 410206
190.	Maharashtra	Vile Parle	Mumbai	Everest Square Building, Shraddhanand Road, Vile Parle East, Mumbai - 400057
191.	Maharashtra	Nashik	Nasik	Shop No G-01, Sahyadree Business Park Inn, Near Mico Circle, Nashik - 422002
192.	Maharashtra	Fort	Mumbai	2, 2A Dhannur, 15, Sir Firoz Shah Mehta Road, Mumbai, Fort - 400001
193.	Maharashtra	Nerul	Navi Mumbai	Millenium Park, Plot No.17, Sector-25, Nerul, Navi Mumbai - 400706
194.	Maharashtra	Tasgaon	Tasgaon	1565-A, Siddheshwar Chowk, A/P Tasgaon. Dist. Sangli - 416312
195.	Maharashtra	Kalyaninagar	Pune	Shop No. 126 &127, Vitoria-I, Fortaleza, Central Avenue Road, Kalyaninagar, Pune - 411006
196.	Maharashtra	Kharghar	Kharghar	Surya Koti Building, Surya Chs Ltd. Plot No.16, Sector 19, Kharghar, Navi Mumbai, Raigad - 410210
197.	Maharashtra	Karad	Karad	Shop No. 1,2&3, Janaki Palza, Near Kolhapur Naka, Karad - 415110
198.	Maharashtra	Dombivali (W)	Dombivali	Atma Tara, Subhash Road, Vishnunagar, Dombivali (W) - 421202
199.	Maharashtra	Nalasopara	Nalasopara	Shop No.1,2,3,4, Shree Ram Sankul, Achole Road, Palghar, Nalasopara (E) - 401209
200.	Maharashtra	Baner	Pune	A Wing, Anmol Pride, Survey No. 270, Hissa No. 1/16, Baner, Pune - 411045
201.	Maharashtra	Virar	Virar	Sumant Chaya, Purandarewadi, Near Talathi Office Bazarward, Palghar, Virar (E) - 410303
202.	Maharashtra	Lower Parel	Mumbai	One Indiabulls Centre, Tower 2, 3rd Floor, 841 Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013
203.	Maharashtra	Thane - Ram Maruti	Thane	Shankeshwar Arcade, Ram Ganesh Gadkari Path, Ram Maruti Cross Road, Thane(W) - 400602
204.	Maharashtra	Chakan	Pune	Shop No. 5 & 6, Tukaram Market, Mega Centre Pune - Nashik Road, Medankarwadi, Chakan - 410501
205.	Maharashtra	Airoli	Navi Mumbai	Unit No. 1 To 6, Ripplez Mall, Plot No 6A, Sector No 7, Airoli, Navi Mumbai - 400708
206.	Maharashtra	Malkapur	Malkapur	More Building, CTS No.215,B Ward, Malkapur, Kolhapur - 415101
207.	Maharashtra	Saneguruji Vasahat	Kolhapur	Plot No 9, Rs No 1012, A Ward, Sadashiv Jadhav Housing Society, Radhanagari Road, Kolhapur - 416012
208.	Maharashtra	Kagal	Kagal	Ameya Complex,C S No.3611, 3612, 3613 Brahmapuri, Kagal, Kolhapur - 416216
209.	Maharashtra	Ghodbunder Road	Thane	Skyline Arcade, Gopal Baugh, Ghodbunder Road, Kapurbawadi, Thane (W) - 400608
210.	Maharashtra	Omerga	Omerga	Omerga Branch, Mane Hospital Building No 20/21, Ward No 13, Omerga, Osmanabad - 413606
211.	Maharashtra	Kurundwad	Kurundwad	123, B, Bhau Smruti, Kurundwad,Tal Shirol, Dist Kolhapur - 416106
212.	Maharashtra	Vashi	Navi Mumbai	Arti Chs Ltd. Plot No. 29, Sector 2, Vashi, Navi Mumbai - 400703
213.	Maharashtra	Badlapur E	Badlapur	Nisarg Pratiksha Apartments Old D P Road, Katrap, Badlapur East, Thane - 421503
214.	Maharashtra	Aurangabad	Aurangabad	N-3, Plot No 303, CIDCO Jalna Road, Aurangabad - 431001
215.	Maharashtra	Boisar	Boisar	Ameya Park, Near Hotel Boisar, Navapur Road, Boisar, Palghar - 401501
216.	Maharashtra	Ahmednagar	Ahmednagar	Sai Icon, Opp Mauli Sankul, Savedi Road, Ahmednagar - 414003
217.	Maharashtra	Shirdi	Shirdi	The Executive Inn, City Survey No. 961,Nagar-Manmad Highway, A/P Shirdi, Ahmednagar - 423109
218.	Maharashtra	Chincholi	Chincholi	Gut No. 111, Plot No. 5 & 6, Jalgaon Aurangabad Road, Chincholi Village, Jalgaon - 425003
219.	Maharashtra	Nariman Point	Mumbai	Office No. 1/A, Ground Floor, Mittal Court, 224 Nariman Point, Mumbai - 400021
220.	Maharashtra	Pune Camp Branch	Pune	Ground Floor, 11, Moledina Road, Pune - 411001
221.	Maharashtra	Andheri West	Mumbai	Ground Floor Ghansham Chambers Plot No. B-12 Linking Road, Andheri West Mumbai - 400053
222.	Maharashtra	Borgaon	Borgaon	Shop No. 13, A Wing, Citiland Complex, Borgaon Village, Amravati - 444709
223.	Maharashtra	Ramdaspeth - Nagpur	Nagpur	3,4,5, Aditya Enclave, Plot No. 20-A, Central Bazar, Ramdaspeth, Nagpur - 440010
224.	Maharashtra	Dadar	Mumbai	Plot No. 399, Gokhale Road South, Opp. BMC School, Dadar (West) - 400028
225.	Maharashtra	Ghatkopar (East)	Mumbai	Shop No. 13 & 13A Zest Business Spaces, M G Road, Ghatkopar East, Mumbai - 400077
226.	Maharashtra	Andheri (East)	Mumbai	Shop No. 002, Balaji Business Park, CTS No. 785, Marol, Andheri East, Mumbai - 400059
227.	Maharashtra	Crawford Market	Mumbai	190/194 Lokmanya Tilak Marg, Sardar Griha, Crawford Market, Mumbai - 400002
228.	Maharashtra	Santacruz West	Mumbai	Shop No. 3, Greendfield, S V Road, Santacruz West, Mumbai - 400054
229.	Maharashtra	Mira Road	Mira-Bhayandar	Shop No. 21/ 25, Asmita Super Market, Beverly Park, Mira Road, Mira-Bhayandar - 400107
230.	Maharashtra	Malad West	Mumbai	Shop 16/17, Simplex Realty Limited, Vijaykarwadi, Sv.road, Malad West, Mumbai - 400064
231.	Maharashtra	Lamington Road Branch	Mumbai	Unit No. G1/ G-2, Simlim Square Premises, Lamington Road, Grant Road (East), Mumbai - 400007
232.	Maharashtra	Bandra West Branch	Mumbai	Unit No.2/ 3, Kala Kunj Building, Plot No.710. Linking Road, Khar West, Mumbai - 400052
233.	Maharashtra	C G Road Branch	Mumbai	G 28-31, Mercantile Apartment, Dr. C. P. Gidwani Road, Near Gurukrupa Hall, Chembur, Mumbai - 400074
234.	Maharashtra	Kothrud Pune Branch	Pune	Shop No.6 & 7, Parijat Apartment, Shivteerth Nagar, Kothrud, Pune - 411038
235.	Maharashtra	Magarpatta	Pune	Shop No 135/136, Farena Corporate Park, Magarpatta Road, Hadapsar, Pune - 411028
236.	Maharashtra	Aundh Branch	Pune	Shop No. 02, Varsha Avenue, Plot No. 104, Anand Park, Aundh, Pune - 411007
237.	Maharashtra	Ambedkar Garden Branch	Mumbai	Plot No. 157, Samruddhi, 18th Road, Chembur East, Mumbai - 400071
238.	Maharashtra	Cumbala Hill	Mumbai	Shop No 3, Smruti Apartments, Mahalaxmi Mandir Marg, Cumbala Hill, Mumbai - 400026
239.	Maharashtra	Mazgaon	Mumbai	230 Moun Road, Near Sales Tax Office, Mazgaon, Mumbai - 400010
240.	Maharashtra	Wakad Branch	Pune	Showroom No. 1C, Go Square Mall, Hinjewadi Wakad Road, Wakad, Pune - 411057
241.	Maharashtra	Viman Nagar Branch	Pune	Shop No. 5, Alfa Premio, Near Datta Mandir, Viman Nagar, Pune - 411014
242.	Maharashtra	Bund Garden Road Branch	Pune	Commercial Unit No. 8, P T Gera Centre, Bund Garden Road, Pune - 411001
243.	Maharashtra	Borivali West – Link Road	Mumbai	Shop No 5, The AHCL Homes CHSL, Opp. Shimpoli Tel Exchange, Borivali W, Mumbai - 400092
244.	Maharashtra	Vile Parle East - Sahar Road	Mumbai	A/11, Gokul Arcade Premises, Opp. Garware House, Vile Parle(East), Mumbai - 400057
245.	Maharashtra	Sion East Branch	Mumbai	Unit No. 1, Regal Heights CHS, Road No. 31, Sion (East), Mumbai - 400022
246.	Maharashtra	Andheri East - Kanakia Wallstreet Branch	Mumbai	A/8, Kanakia Wallstreet, Andheri Kurla Road, Andheri East, Mumbai - 400093
247.	Maharashtra	Juhu Tara Road Branch	Mumbai	Shop No. 1, Ratnadeep Building, Juhu Tara Road, Santacruz (West), Mumbai - 400049
248.	Maharashtra	Khar West Branch	Mumbai	Plot No. 130, Bhawan Mahal, Swami Vivekanand Road, Khar (West), Mumbai - 400052
249.	Odisha	Bhubaneshwar Branch	Bhubaneshwar	Ground Floor Hig-16, Jaydev Vihar, Bhubaneshwar, Odisha - 751013
250.	Odisha	Jajpur Road Branch	Jajapur	Plot No 1253/2117, Chorada Main Road, Jajpur Road, Odisha - 755019
251.	Puducherry	Pondicherry Branch	Puducherry	Shop No. 12, Padmini Complex, 100 Ft Road, Nellithope, Puducherry - 605005
252.	Punjab	Ludhiana	Ludhiana	SCO No. 18-19 C, Canal Colony, Green Park Avenue, Pakhowal Road, Ludhiana - 141001
253.	Punjab	Rajpura	Rajpura	Ground Floor, D-21, Calibre Market, Rajpura - 140401
254.	Punjab	Phagwara, Kapurthala	Phagwara	338, City Centre Tower, Guru Hargobind Nagar, Phagwara Dist - Kapurthala - 144401
255.	Punjab	Zirakpur	Zirakpur	SCO 1&2, Orbit Apartments, VIP Road, Zirakpur District, Mohali - 140603
256.	Punjab	Model Town, Jalandhar	Jalandhar	265 R, Model Town, Jalandhar - 144003
257.	Punjab	Ropar Branch	Ropar	SCO No.36, Beant Singh Aman Nagar, Bela Road, Ropar - 140001
258.	Punjab	Mandi Gobindgarh Branch	Mandi Gobindgarh	Plot No 416, Sector-3,Block C, Opposite HDFC Bank, Mandi Gobindgarh - 147301
259.	Punjab	Tripuri, Patiala	Patiala	SCO No.13, DLF Colony Banking Lane, Tripuri, Patiala - 147001
260.	Punjab	Mohali Branch	Mohali	SCF 116, 3B2, Mohali - 160059
261.	Punjab	Amritsar Branch	Amritsar	Unit No.1, Srk Mall, Mall Road, Amritsar - 143001
262.	Rajasthan	Bhiwadi - Bhagatsing Colony Branch	Bhiwadi	A-4, Bhagat Singh Colony, Alwar Bypass Road, Bhiwadi, Alwar, Rajasthan - 301019
263.	Rajasthan	Jainpurwas	Jainpurwas	Grand Sapphire Infotech Pvt Ltd, Village Jainpurwas, Nh-8 Highway, Alwar - 301701
264.	Rajasthan	Udaipur	Udaipur	Plot No. 99, L Road, Bhupalpura, Verma Circle, Opp. Collector Bungalow, Udaipur - 313001
265.	Rajasthan	Chittorgarh	Chittorgarh	Plot No.2, Sukhshanti Colony, Bhilwara Road, Chittorgarh, Rajasthan - 312001
266.	Rajasthan	Mohanpura	Mohanpura	Khasra No.374/264, Part C-1, Mohanpura, Ajmer, Rajasthan - 305801
267.	Rajasthan	Seenta	Seenta	Patta No.7, Village Seenta, Tehsil- Talera, District- Bundhi, Rajasthan - 323021
268.	Rajasthan	Jaipur	Jaipur	Shop No. 1, Silver Square, Bhagwan Das Road, Jaipur - 302001
269.	Rajasthan	Harota, Chomu	Harota	Ground Floor, Near Anjani Hanuman Mandir At Post - Harota, Chomu, Jaipur - 303705
270.	Rajasthan	Chak 7-Z, Sriganganagar	Chak 7-Z	Murraba No. 42 & 26 - Shop No. 18-21, Chak 7-Z, Tehsil & Dist Sriganganagar - 335001
271.	Rajasthan	Vaishali Nagar	Jaipur	Shop No. C, Plot No C1, Vaibhav Complex, Vaishali Nagar, Jaipur - 302021
272.	Tamil Nadu	Chennai	Chennai	Door No. 56, Anand Business Centre/Hmh Plaza, G N Chetty Road, T Nagar, Chennai - 600017
273.	Tamil Nadu	Panruti	Panruti	68/7, Kamaraj Nagar Annai Indira Gandhi Salai, Panruti, Cuddalore District, Tamil Nadu - 607106
274.	Tamil Nadu	Avinashi	Avinashi	Shop No. 5/215, Rajan Nagar, K K Pudur Post, Tirupur District, Tamil Nadu - 641654
275.	Tamil Nadu	Salem	Salem	No. 22, Kandaswarna Beemaratha Arcade, Indhira Gandhi Road, Fairlands, Salem - 636016

List of Branch Offices

Sr. No.	State	Branch Name	City	Address
276.	Tamil Nadu	N Pugalpur - Karur	Nanjai Pugalur, Karur	Survey No. 596/2A, N.h 7, Bye Pass Road, Nanjai Pugalur, Karur Taluk And District, Tamil Nadu - 639113
277.	Tamil Nadu	Vengangudi - Trichy	Vengangudi	Sasha Complex, Mannachanallur Road, Samayapuram Post, Tiruchirapalli, Tamil Nadu - 621112
278.	Tamil Nadu	Aladikkumulai - Thanjavur	Aladikkumulai, Thanjavur	221/7 Ranganatha Vellalar Complex, Thanjavur Main Road, Thanjavur District, Tamil Nadu - 614615
279.	Tamil Nadu	Coimbatore	Coimbatore	R. G. Chambers, 726 Avinashi Road, New T. S. No. 1/1396/3B, Coimbatore, Tamil Nadu - 641018
280.	Tamil Nadu	Nungambakkam - Chennai	Chennai	Shop No.1, Rashmi Towers, Valluvarkottam High Road, Nungambakkam, Chennai - 600034
281.	Tamil Nadu	Adyar	Chennai	Shop No. 11, Nibhav Building, L. B. Road, Adyar, Chennai - 600020
282.	Tamil Nadu	Parrys Corner	Chennai	Dass India Towers No.3, Second Line Beach Parrys Corner, Chennai - 600001
283.	Tamil Nadu	Anna Nagar	Chennai	Shop No. AB, 106-108, Fourth Avenue Shanti Colony, Anna Nagar, Chennai - 600040
284.	Tamil Nadu	Ariyappampalayam	Sathyamangalam	121 A Sathy Erode Highways, Ariyappampalayam, Sathyamangalam TK, Erode Dt - 638402
285.	Tamil Nadu	Raskapalayam	Pollachi	2/139, Sree Mahalakshmi Amman Complex,Rasakapalayam, Puliampatti (Po) Pollachi Tk - 642002
286.	Tamil Nadu	Ambur	Ambur	No.73, S S Avenue, By Pass Road, Melkrishnapuram, Ambur - 635802
287.	Tamil Nadu	Madurai	Madurai	153-G-H-I, People's Tower, North Veli Street, Madurai - 625001
288.	Tamil Nadu	Kagam Erode	Kagam Erode	49/A, Manalkattu Thottam, Ellakadai, Kagam Erode, Tamil Nadu - 638109
289.	Tamil Nadu	Maduravoyal	Chennai	No. 135/A, P H Road, Maduravoyal, Chennai - 600095
290.	Tamil Nadu	Krishnagiri	Krishnagiri	Vasavi Complex, Royaotta Road, Adjacent to State Bank of Hyderabad, Krishnagiri - 635001
291.	Tamil Nadu	Sadaiyampattu Branch, Kallakurichi	Sadaiyampattu	No.127/2, Near Om Sakthi Kovil, Kachirayapalayam Main Road, Kattukottai, Villupuram District - 606213
292.	Tamil Nadu	R A Puram - Chennai	Chennai	Unit No. 2, Oxford Centre, 62 / 63 C P Ramaswamy Road, Alwarpet, Chennai - 600018
293.	Tamil Nadu	Saravanampatti Branch	Saravanampatti	37, Sathy Main Road, Sivanandapuram, Saravanampatti, Coimbatore - 641035
294.	Tamil Nadu	Tiruchengode Branch	Tiruchengode	Door No. 180, Bangala Street, Erode Main Road, Tiruchengode - 637211
295.	Tamil Nadu	Ashok Nagar Branch	Chennai	11Th Nrd Tower, 100 Ft Road, 1st Avenue Ashok Nagar, Chennai - 600083
296.	Tamil Nadu	Neelangarai Branch	Chennai	1St Floor, 145, East Coast Road, Neelangarai, Kancheepuram Sholinganallur - 600115
297.	Tamil Nadu	Kilpauk Branch	Chennai	Shop No. 58, Sreerosh Madhav, New Avadi Road, Kilpauk, Chennai - 600010
298.	Tamil Nadu	Gopalapuram Branch	Chennai	Shop No. 211, Avvai Shanmugam Salai, Gopalapuram, Chennai - 600086
299.	Tamil Nadu	Tirupur Branch	Tirupur	Shop No. 9 & 9(1), Universal Theatre Road, Tirupur, Tamil Nadu - 641601
300.	Telangana	Hyderabad	Hyderabad	D No, 6-3-865, My Home Jupally, Opp Green Park, Green Lands, Amarpet, Hyderabad - 500016
301.	Telangana	Kukatpally - Hyderabad	Hyderabad	Shop No.10 B, Manjeera Majestic Mall, Kukatpally, Hyderabad - 500072
302.	Telangana	Madhapur - Hyderabad	Hyderabad	Survey No. 88, Krishe Sapphire, Hi-Tech City Main Road, Madhapur, Hyderabad - 500081
303.	Telangana	Secunderabad Branch	Secunderabad	50, Ground Floor, M. G. Road, Secunderabad - 500003
304.	Telangana	Himayat Nagar Branch	Hyderabad	3-5-926/3, Himayat Nagar, Hyderabad - 500029
305.	Telangana	Dilsukhnagar Branch	Hyderabad	Shop No. 001, Srinivasa Tower, Saleem Nagar, Malakpet Main Road, Hyderabad - 500036
306.	Telangana	Jubilee Hills Branch	Hyderabad	G-7, Empire Square, Road No. 36, Jubileehills, Hyderabad - 500033
307.	Uttar Pradesh	Noida	Noida	P-7, Sector-18, Noida, Uttar Pradesh - 201301
308.	Uttar Pradesh	Moradabad	Moradabad	GF-1, Parsvnath Plaza -Ii, Neelgiri Commercial Complex, Delhi Road, Moradabad - 244001
309.	Uttar Pradesh	Agra	Agra	Block No 41/4, Sanjay Place-Shop No.5,6,7,8 And Basement Floor-Shop No.5 & 7, Agra, Uttar Pradesh - 282002
310.	Uttar Pradesh	Noida, Sector 63	Noida	Ground Floor H 1A/28, Sector 63, Noida - 201301
311.	Uttar Pradesh	Rdc Ghaziabad	Ghaziabad	D-33, Raj Nagar District Centre (RDC), Ghaziabad - 201002
312.	Uttar Pradesh	Noida Sector 50 Branch	Noida	B 258, Sector – 50, Noida - 201301
313.	West Bengal	Thapar House Kolkata	Kolkata	Thapar House, 25 Barbourne Road, Kolkata - 700001
314.	West Bengal	J L Nehru Road - Kolkata	Kolkata	Ground Floor, Horizon Building, 57 Jawaharlal Nehru Road, Kolkata - 700071
315.	West Bengal	Gariahat, Kolkata	Kolkata	Plot No.9/3 A, Main Road Facing, Gariahat Road, Kolkata - 700019
316.	West Bengal	Kalakar Street, Kolkata	Kolkata	Property No.19, First Floor, Bysack Street, Kolkata - 700007
317.	West Bengal	Budge Budge - Kolkata	Kolkata	523/2/1 & 523/2/2, Shubham Building, M. G. Road, Chowrasta, Budge Budge Road, Kolkata - 700137
318.	West Bengal	Dankuni	Hoogly	Flat No. 101 & 102, Shreya Apartments, T. N. Mukherjee Road, Lichubagan, Hoogly - 712311
319.	West Bengal	Kalyani	Kalyani	B-7/20(S), Kalyani, Besides Beri Honda Showroom, P.O. Kalyani, Dist Nadia - 741235
320.	West Bengal	Salt Lake, Kolkata	Bidhannagar	Plot No. Xi 16, Block EP & GP, Sector V, Salt Lake City, Kolkata - 700091
321.	West Bengal	Girish Park, Kolkata	Kolkata	187, Chittranjan Avenue, Police Station Girish Park, Ward No. 25, Kolkata - 700007
322.	West Bengal	Shyam Bazaar	Kolkata	128 B, Bidhan Sarani, Kolkata - 700004
323.	West Bengal	New Alipore	Kolkata	Premises No: 51, Bankim Mukherjee Sarani, New Alipore, Kolkata - 700053
324.	West Bengal	Rash Bihari Branch	Kolkata	8A,Ground Floor, Rash Behari Avenue, Kolkata - 700026

The above list is subject to change from time to time. Readers are kindly advised to refer to our website (www.rblbank.com) for updated information.

Corporate Information

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Chartered Accountants,
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Apollo Mills Compound,
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Mumbai - 400 0112.

Registrar & Transfer Agent
Link Intime India Pvt. Ltd.
C-101, 247 Park, L. B. S. Marg,
Vikroli (West), Mumbai - 400 083.
Maharashtra, India.
Phone: 022 491886270
E-mail: rnt.helpdesk@linktime.co.in

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Corporate Identity Number (CIN)
L65191PN1943PLC007308

Key Managerial Personnel
Mr. Vishwavir Ahuja, Managing Director & CEO

Mr. Rajeev Ahuja, Executive Director

Mr. Deepak Ruiya, Chief Financial Officer *(interim)*

Mr. Vinay Tripathi, Company Secretary (till March 31, 2019)

2018-19 in Pictures



Prakash Chandra, Chairman, receiving award for the 'Most Promising Company of the Year' from Raman Singh, Chief Minister of Chhattisgarh at the CNBC Awaaz CEO Awards 2018.



Senior members of the bank, Shanta Vallury Gandhi & Anand Bagri receiving the 'Silver Award' (Private Sector Bank of the Year Category) from Nitin Gadkari, Union Minister, Government of India at the Outlook Money Awards 2018.



Prof. Tarun Khanna from Harvard Business School engaging in a freewheeling conversation around the topic of Trust with senior business journalist Tamal Bandyopadhyay as the packed audience listened to discussion with rapt attention.



Prof. Sunil Gupta from Harvard Business School engrossing a house full with key RBL Bank clients while delivering an insightful talk around how to drive digital strategy in business.



In order for the Bank to deliver round the clock, better quality customer service, RBL Bank launched an X'perience Centre at Malad, Mumbai. In the picture: Senior members of the bank cutting a cake to celebrate the launch.



RBL Bank raised 2.5 Crore for the cause of Girl Child education from the fifth edition of its CSR initiative, Umeed 1000. Seen in the picture: Gautam Gambhir (ex-India Cricket Captain) along with senior members from both RBL Bank and Udbhav School (Beneficiary of the fund).



On occasion of its 75th anniversary, RBL Bank donated four ambulances and two shredding machines to various local government institutions in Kolhapur & Sangli along with the Mahalakshmi Temple of Kolhapur. Seen in the picture above; senior members of RBL Bank along with representatives from local government administration.



The D&B - RBL Bank SME Business Excellence Awards are organised to identify and celebrate the contribution of high-performing Indian SMEs and Mid-Corporates. In the picture: Senior members of RBL Bank along with representatives from D&B releasing a SME report at the award ceremony.



Vishwavir Ahuja, MD & CEO, participate in a panel discussion around 'Bank Transformation Roadmap: How best can banks convert challenges into opportunities' at FICCI FIBAC 2018.



Vishwavir Ahuja, MD & CEO, addressing a packed house of shareholders at Kolhapur on the occasion of the 75th AGM of the Bank.



Power Conversations - A panel of senior industry stakeholders discussing on a trending topic around the Fintech space during an insightful session called 'Power Conversations @ RBL Bank' in Bangalore.



Rajeev Ahuja, Executive Director, speaking at the Economic Times BFSI Innovation Summit around the topic of disruptions driving innovation.



Chief Secretary of Odisha, Aditya Prasad Padhi, IAS inaugurated RBL Bank's branch in Bhubaneshwar. This is also the first branch opened by the bank in the state of Odisha.



Summer interns at RBL Bank participating in a Beach Cleaning Drive at Juhu Chowpatty.



The famous Sarod players and brother duo Amaan and Ayaan Ali Bangash performing at musical evenings organised for RBL Bank clients. They performed at multiple locations across India.



Unnati, a financial literacy programme, was launched by RBL Bank in association with CDC Group, UK's development finance institution. Unnati has been launched with an objective of imparting financial literacy to the women in four districts of Bihar. In the picture: A financial literacy training being conducted for women in a small village in Bihar.

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/Concept, content and design at AICL (hello@aicl.in)