

**TAMILNAD MERCANTILE BANK LTD, THOOTHUKUDI**

**BALANCE SHEET AS ON 31st MARCH 2022**

	Schedule	(₹ in thousands)	
		As on 31.03.2022	As on 31.03.2021
<b>CAPITAL AND LIABILITIES:</b>			
Capital	1	1425115	1425115
Reserves and Surplus	2	51931948	44374709
Deposits	3	449331146	409704168
Borrowings	4	0	0
Other Liabilities and Provisions	5	25896672	19767693
Total		<b>528584881</b>	<b>475271685</b>
<b>ASSETS :</b>			
Cash and balances with Reserve Bank of India	6	21131137	16802899
Balance with Banks and Money at Call and Short Notice	7	17388898	10247853
Investments	8	130354642	117032089
Advances	9	334915428	310696034
Fixed Assets	10	2108354	1371762
Other Assets	11	22686422	19121048
Total		<b>528584881</b>	<b>475271685</b>
Contingent Liabilities	12	<b>87976951</b>	<b>113870824</b>
Bills for Collection		<b>9831349</b>	<b>8959148</b>
Significant Accounting Policies	17		
Notes form part of Accounts	18		
The Schedules referred to above form an integral part of the Balance Sheet			

Sd/-  
K.V.Rama Moorthy  
**Managing Director & CEO**

Sd/-  
A.Niranjan Sankar  
Director

Sd/-  
S.R.Ashok  
Director

Sd/-  
P.C.G.Asok Kumar  
Director

Sd/-  
C.Chiranjeeviraj  
Director

Sd/-  
S.Ezhil Jothi  
Director

Sd/-  
N.Gopal  
Director

Sd/-  
K.Nagarajan  
Director

Sd/-  
D.N.Nirranjan Kani  
Director

Sd/-  
B.Prabaharan  
Director

Sd/-  
S.B.Suresh Kumar  
Director

Sd/-  
B.Vijayadurai  
Director

Sd/-  
D. Inbamani  
General Manager

Sd/-  
P.Suriaraj  
General Manager

Sd/-  
R.Arumugapandi  
General Manager

Sd/-  
V.Jayaraman  
General Manager

Sd/-  
P.A.Krishnan  
Chief Financial Officer

Sd/-  
P.C.Panda  
Company Secretary

Vide our report of even date attached  
For Suri & Co  
Chartered Accountants  
FRN No. 004283S

Vide our report of even date attached  
For Abarna & Ananthan  
Chartered Accountants  
FRN No. 000003S

Chennai  
29.04.2022

Sd/-  
M.Sivaram  
Partner (M.No.211916)

Sd/-  
Lalitha Rameswaran  
Partner (M.No.207867)

**TAMILNAD MERCANTILE BANK LTD, THOOTHUKUDI**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2022**

	Schedule	₹ in thousands	
		Year ended on 31-03-2022	Year ended on 31-03-2021
<b>I. INCOME</b>			
Interest earned	13	38338601	36090535
Other income	14	8225748	6443482
Total		46564349	42534017
<b>II. EXPENDITURE</b>			
Interest expended	15	20186309	20715248
Operating expenses	16	11110354	9796531
Provisions and contingencies		7048599	5988945
Total		38345262	36500724
<b>III. PROFIT / LOSS</b>			
Net profit/loss (-) for the year		8219087	6033293
Profit/Loss (-) brought forward		799931	507138
Total		9019018	6540431
<b>IV. APPROPRIATIONS</b>			
Transfer to Statutory Reserve		2470000	1810000
Transfer to Other Reserves		3000000	3100000
Transfer to Capital Reserve		109500	384800
Transfer to Investment reserve		0	0
Transfer to Investment Fluctuation Reserve		103800	95700
Transfer to Special Reserve 36(1)(viii)		360000	350000
<u>Dividend</u>			
Interim Dividend		712557	0
Balance carried over to Balance Sheet		2263161	799931
Face value of the equity share is ₹10/-			
Total		9019018	6540431
Earning per share (Basic and Diluted) (Rs)		57.67	42.34
Significant Accounting Policies	17		
Notes form part of Accounts	18		

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

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Managing Director & CEO

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S.B.Suresh Kumar  
Director

Sd/-  
B.Vijayaraj  
Director

Sd/-  
D. Inbamani  
General Manager

Sd/-  
P.Suriaraj  
General Manager

Sd/-  
R.Arumugapandi  
General Manager

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Chennai  
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M.Sivaram  
Partner (M.No.211916)

Sd/-  
Lalitha Rameswaran  
Partner (M.No.207867)

**TAMILNAD MERCANTILE BANK LTD, THOOTHUKUDI**

Schedules to Balance Sheet	(₹ in thousands)	
SCHEDULE I - CAPITAL	As on 31.03.2022	As on 31.03.2021
Authorised Equity Capital 28,00,00,000 Equity Shares of Rs.10/- each	2800000	2800000
Issued, Subscribed, Called-up and Paid-up Capital 14,25,11,454 Equity Shares of Rs.10/- each	1425115	1425115
Less: Calls unpaid	0	0
Add: Forfeited shares	0	0
Total	1425115	1425115

SCHEDULE 2 - RESERVES AND SURPLUS	As on 31.03.2022	As on 31.03.2021
I. Statutory Reserves		
Opening Balance	15437786	13627786
Additions during the year	2470000	1810000
Deductions during the year	0	0
Total	17907786	15437786
II. Capital Reserves		
Opening Balance	879735	494935
Additions during the year	109500	384800
Deductions during the year	0	0
Total	989235	879735
III. Share Premium		
Opening Balance	0	0
Additions during the year	0	0
Deductions during the year	0	0
Total	0	0
IV. Revenue and Other Reserves		
Opening Balance	27257257	23741488
Additions during the year	3514509	3566478
Deductions during the year	0	50709
Total	30771766	27257257
V. Balance in Profit and Loss Account	2263161	799931
Total (I, II, III, IV and V)	51931948	44374709

**TAMILNAD MERCANTILE BANK LTD, THOOTHUKUDI**

<b>Schedules to Balance Sheet</b>		<b>(₹ in thousands)</b>	
<b>SCHEDULE 3 - DEPOSITS</b>		<b>As on 31.03.2022</b>	<b>As on 31.03.2021</b>
A. I.	Demand Deposits		
	(i) From Banks	892	821
	(ii) From Others	43300190	35962313
II.	Savings Bank Deposits	93750564	80889520
III.	Term Deposits		
	(i) From Banks	0	0
	(ii) From Others	312279500	292851514
	Total (I, II and III)	<b>449331146</b>	<b>409704168</b>
B.	(i) Deposits of Branches in India	449331146	409704168
	(ii) Deposits of Branches outside India	0	0
	Total	<b>449331146</b>	<b>409704168</b>

<b>SCHEDULE 4 - BORROWINGS</b>		<b>As on 31.03.2022</b>	<b>As on 31.03.2021</b>
I.	Borrowings in India		
	(a) Reserve Bank of India	0	0
	(b) Other Banks	0	0
	(c) Other Institutions and Agencies	0	0
II.	Borrowings outside India	0	0
	Total (I and II)	<b>0</b>	<b>0</b>
		<b>0</b>	<b>0</b>
	Secured borrowings included in I and II above	<b>0</b>	<b>0</b>

<b>SCHEDULE 5-OTHER LIABILITIES AND PROVISIONS</b>		<b>As on 31.03.2022</b>	<b>As on 31.03.2021</b>
I.	Bills Payable	3695823	2683943
II.	Inter Office Adjustments (Net)	0	0
III.	Interest Accrued	1439907	2388077
IV.	Others (Including Provisions)	20760942	14695673
	Total	<b>25896672</b>	<b>19767693</b>

**TAMILNAD MERCANTILE BANK LTD, THOOTHUKUDI**

Schedules to Balance Sheet		₹ in thousands)	
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA		As on 31.03.2022	As on 31.03.2021
I.	Cash in hand (including foreign currency notes)	3628175	2602698
II	Balances with Reserve Bank of India		
	(a) in Current Account	17502962	14200201
	(b) in Other Accounts	0	0
	Total (I and II)	21131137	16802899

SCHEDULE 7 - BALANCES WITH BANKS & MONEY AT CALL AND SHORT NOTICE		As on 31.03.2022	As on 31.03.2021
I.	In India		
	i) Balances with banks		
	(a) in Current Accounts	133393	182192
	(b) in Other Deposit Accounts	25	25
	ii) Money at call and short notice		
	(a) with banks	14340000	6180000
	(b) with other institutions	0	0
	Total (i and ii)	14473418	6362217
II.	Outside India		
	(i) in Current Accounts	1065480	789636
	(ii) in Other Deposit Accounts	1850000	3096000
	(iii) Money at call and short notice	0	0
	Total (i, ii and iii)	2915480	3885636
	Grand Total (I and II)	17388898	10247853

SCHEDULE 8 - INVESTMENTS		As on 31.03.2022	As on 31.03.2021
I.	<b>Investments in India in</b>		
(i)	Government Securities	118271730	105119995
(ii)	Other approved securities	0	0
(iii)	Shares	20927	73407
(iv)	Debentures and Bonds	12061985	11838687
(v)	Subsidiaries and/or joint ventures	0	0
(v)	Others - Mutual Fund, Commercial Paper	0	0
	Total	130354642	117032089
II.	<b>Investments outside India in</b>		
(i)	Government Securities (including local authorities)	0	0
(ii)	Subsidiaries and/or joint ventures abroad	0	0
(iii)	Others - Mutual Fund, Commercial Paper	0	0
	Total	0	0
	Grand Total (I and II)	130354642	117032089

**TAMILNAD MERCANTILE BANK LTD, THOOTHUKUDI**

Schedules to Balance Sheet		(₹ in thousands)	
SCHEDULE 9 - ADVANCES		As on 31.03.2022	As on 31.03.2021
A. (i)	Bills purchased and discounted	3918270	3949154
(ii)	Cash credits, overdrafts and loans repayable on demand	221239666	207411496
(iii)	Term Loans	109757492	99335384
	Total	<b>334915428</b>	<b>310696034</b>
B. (i)	Secured by tangible assets *	330875564	307181036
	* includes advances against Book Debt ₹ in thousands: 4926241 (previous year: 4569714)		
(ii)	Covered by Bank / Government Guarantee	1670746	1810397
(iii)	Unsecured	2369118	1704601
	Total	<b>334915428</b>	<b>310696034</b>
C.I	Advances in India		
(i)	Priority Sector	243276605	222305632
(ii)	Public Sector	2704953	2199226
(iii)	Banks	0	0
(iv)	Others	88933870	86191176
	Total	<b>334915428</b>	<b>310696034</b>
C.II	Advances outside India		
(i)	Due from Banks	0	0
(ii)	Due from Banks	0	0
	(a) Bills purchased and discounted	0	0
	(b) Syndicated loans	0	0
	(c) Others	0	0
	Total	<b>0</b>	<b>0</b>
	Grand Total (C.I and II)	<b>334915428</b>	<b>310696034</b>

SCHEDULE 10 - FIXED ASSETS		As on 31.03.2022	As on 31.03.2021
I.	Premises		
	At cost as on 31st March of the preceding year	742011	742011
	Additions during the year	457	0
	Deductions during the year	0	0
	Depreciation to date	245805	237328
	Total	<b>496663</b>	<b>504683</b>
II.	Other Fixed Assets ( including furniture and fixtures		
	At cost as on 31st March of the preceding year	4663267	4290395
	Additions during the year	1069986	375901
	Deductions during the year	1999	3029
	Depreciation to date	4119563	3796188
	Total	<b>1611691</b>	<b>867079</b>
	Total (I and II)	<b>2108354</b>	<b>1371762</b>

**TAMILNAD MERCANTILE BANK LTD, THOOTHUKUDI**

<b>Schedules to Balance Sheet</b>		<b>(₹ in thousands)</b>	
<b>SCHEDULE 11 - OTHER ASSETS</b>		<b>As on 31.03.2022</b>	<b>As on 31.03.2021</b>
I.	Inter-Office adjustments (net)	0	0
II.	Interest accrued	3290203	2914312
III.	Tax paid in advance / tax deducted at source	10441870	7600632
IV.	Stationery and stamps	9554	12949
V.	Non-Banking Assets acquired in satisfaction of claims	0	0
VI.	Others	8944795	8593155
	Total	<b>22686422</b>	<b>19121048</b>

<b>SCHEDULE 12 - CONTINGENT LIABILITIES</b>		<b>As on 31.03.2022</b>	<b>As on 31.03.2021</b>
I.	Claims against the Bank not acknowledged as debts	1353210	1353210
II.	Liability for partly paid investments	0	0
III.	Liability on account of outstanding forward exchange contracts	66433606	91886907
IV.	Guarantee given on behalf of constituents		
	(a) In India	11392249	11630021
	(b) Outside India	0	0
V.	Acceptances, endorsements and other obligations	7686930	8099073
VI.	Other items for which the bank is contingently liable	1110956	901613
	Total	<b>87976951</b>	<b>113870824</b>

**TAMILNAD MERCANTILE BANK LTD, THOOTHUKUDI**

**SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2022**

		(₹ in thousands)	
<b>SCHEDULE 13 - INTEREST EARNED</b>		Year ended on 31-03-2022	Year ended on 31-03-2021
I.	Interest / discount on advances / bills	29527939	28114421
II.	Income on investments	8224841	7504145
III.	Interest on balances with Reserve Bank of India and other inter-bank funds	497308	354502
IV.	Others	88513	117467
Total		<b>38338601</b>	<b>36090535</b>

		Year ended on 31-03-2022	Year ended on 31-03-2021
<b>SCHEDULE 14 - OTHER INCOME</b>			
I.	Commission, exchange and brokerage	1859702	1700003
II.	Profit on sale of investments	727872	1581638
	Less: Loss on sale of investments	(49894)	(30963)
III.	Profit on revaluation of investments	0	0
	Less: Loss on revaluation of investments	0	0
IV.	Profit on sale of land, building and other assets	1092	2421
	Less: Loss on sale of land, building and other assets	(932)	(664)
V.	Profit on exchange transactions	331846	253660
	Less: Loss on exchange transactions	(122)	0
VI.	Income earned by way of dividends, etc. from subsidiaries/companies and/or joint ventures abroad/in India	0	0
VII.	Miscellaneous income	5356184	2937387
Total		<b>8225748</b>	<b>6443482</b>

**TAMILNAD MERCANTILE BANK LTD, THOOTHUKUDI**

Schedules to Profit & Loss Account		(₹ in thousands)	
SCHEDULE 15 - INTEREST EXPENDED		Year ended on 31-03-2022	Year ended on 31-03-2021
I.	Interest on deposits	20118477	20506903
II.	Interest on Reserve Bank of India / Inter-Bank borrowings	13913	86619
III.	Others	53919	121726
Total		20186309	20715248

SCHEDULE16 - OPERATING EXPENSES		Year ended on 31-03-2022	Year ended on 31-03-2021
I.	Payment to and provisions for employees	6157931	5604953
II.	Rent, taxes and lighting	895851	820576
III.	Printing and stationery	94708	93934
IV.	Advertisement and publicity	59919	44879
V.	Depreciation on Bank's Property	331852	285639
VI.	Director's fees, allowances and expenses	21280	14568
VII.	Auditors' fees and expenses (including branch auditors)	28101	13908
VIII.	Law charges	4472	7360
IX.	Postages, Telegrams, Telephones, etc.	205382	147224
X.	Repairs and maintenance	180723	106092
XI.	Insurance	497394	453669
XII.	Other expenditure	2632741	2203729
Total		11110354	9796531

**TAMILNAD MERCANTILE BANK LIMITED**

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**SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2022.**

**SCHEDULE-17: SIGNIFICANT ACCOUNTING POLICIES**

**1. GENERAL**

**Overview**

Tamilnad Mercantile Bank Limited (TMB or the Bank), incorporated in Thoothukudi, India is a publicly held Banking Company governed by the Banking Regulation Act, 1949 and is engaged in providing a wide range of banking & financial services involving retail, corporate banking and para-banking activities in addition to treasury and foreign exchange business.

**Basis of preparation**

The financial statements have been prepared in accordance with requirements prescribed under the Third Schedule of the Banking Regulation Act, 1949. The accounting and reporting policies used in the preparation of these financial statements conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by Reserve Bank of India (RBI) from time to time and the Accounting Standards 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. The Bank follows the historical cost convention and the accrual method of accounting, except where specifically stated and it conforms to the guidelines issued by RBI for banks.

**Use of estimates**

The preparation of financial statements requires management to make estimates and assumptions that are considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates & assumptions used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. The impact of any revision in these estimates is recognised prospectively from the period of change.

## 2. REVENUE REGOGNITION

Income and expenditure is generally accounted on accrual basis except in the following cases:

- a) In the case of NPAs, income is recognized on realization basis, in terms of guidelines of Reserve Bank of India. Where recovery is not adequate to upgrade the NPA accounts by way of regularization, such recovery is being appropriated towards interest in the first instance and towards the principal / book values thereafter, except in the case of suit filed accounts. In case of Non-performing investments (NPIs), the same accounting treatment as above is followed except otherwise agreed.
- b) Dividend Income is recognised when right to receive the dividend is established.
- c) Income from sale of mutual fund products, locker rent, insurance claims, commission on LCs, income on auxiliary services and other services, overdue charges on bills, commission on Government business and insurance business are accounted on cash / realization basis.
- d) Income related to credit card is accounted on the basis of the bills raised.
- e) In the case of suit filed accounts, legal expenses are charged to the profit and loss account. Similarly, at the time of recovery of legal expenses, in respect of such suit filed accounts, the amount recovered is accounted as income.
- f) Funded Interest on Standard Restructured Advances and Interest on FITL are accounted as per the guidelines of Reserve Bank of India.

## 3. INVESTMENTS

Investments are accounted for in accordance with the extant RBI guidelines on investment classification and valuation.

### ***Classification:***

Classification of investments has been made as per the guidelines of Reserve Bank of India.

- a) The entire investment portfolio of the Bank is classified under three categories viz. "Held to Maturity", "Available for sale" and "Held for Trading". Securities that are held principally for resale within 90 days from the date of purchase are classified under the HFT Category. Investments that the company intends to hold till maturity are classified under the HTM category or as per RBI guidelines. Securities which are not classified in the above categories are classified under the AFS category.
- b) Transfer between the categories – Reclassification of investments from one category to other, if done, is in accordance with RBI guidelines. Transfer of script from AFS / HFT Category to HTM category is made at book value or market value, whichever is lower.
- c) In case of transfer of securities from HTM to AFS / HFT category, the investments held under HTM at a discount are transferred to AFS / HFT category at the acquisition price and investments placed in the HTM category at a premium are transferred to AFS / HFT at amortized cost.
- d) Transfer of investments from AFS to HFT or vice versa is done at the book value. Depreciation carried if any on such investments is also transferred from one category to another.
- e) The investments are classified for the purpose of Balance Sheet under five groups viz. (i) Government securities, (ii) Other approved securities, (iii) Shares, (iv) Debentures and Bonds and (v) Others.

***Cost of Acquisition:***

Brokerage / commission received on subscriptions is reduced from the cost. Brokerage, commission, securities transaction tax, stamp duty etc. paid in connection with acquisition of investments are expensed upfront and excluded from cost. Broken period interest paid / received on debt instruments is treated as interest expense / income and is excluded from cost / sale consideration.

***Valuation:***

Valuation of investments is done as follows:

- a) Investments held under "Held to Maturity" are valued at cost price. Wherever the cost price is more than the face value, the premium paid is amortized over the

remaining period of maturity and the amortisation expenses is accounted on quarterly basis as per policy. In terms of the instructions of RBI, the excess of acquisition cost over face value of securities kept under “Held to Maturity” category is amortized up to the date of maturity and the amount amortized is deducted in Profit & Loss account Schedule 13 – Interest Earned, under item II – Income on Investments.

Profit on sale of securities under “Held to Maturity” category is initially taken to Profit & Loss account and then appropriated to Capital Reserve Account. The amount so appropriated would be net of taxes and the amount required to be transferred to statutory reserves. If there is a loss it is charged to Profit & Loss account.

- b) Investments classified under “Available for Sale” category are marked to market on quarterly basis. Shares held under “Available for sale” are marked to market on weekly basis. Scrip wise appreciation / depreciation is segregated group-wise. The Net Depreciation category wise is charged to Profit & Loss account. The Net Appreciation in any category is ignored.
- c) Investments classified under “Held for Trading” category except shares are marked to market scrip-wise on daily basis. Shares held under “Held for Trading” are marked to market on weekly basis. The net depreciation group wise is charged to Profit and Loss account and the net appreciation is ignored.
- d) Investments received in lieu of restructured advances are valued in accordance with RBI guidelines.
- e) Investments are valued periodically as per RBI guidelines as follows:
  - i. Central / State Government Securities are valued as per rates published by the Financial Benchmark India Pvt. Ltd. (FBIL).
  - ii. Debenture and Bonds have been valued with appropriate mark up over the YTM rates for Central Government Securities declared by FIMMDA/FBIL.
  - iii. Quoted shares are valued at market rates quoted on NSE / BSE.

- iv. Unquoted shares are valued at book value ascertained from the latest available Balance Sheet and in case the latest Balance Sheet is not available, the same is valued at Re.1 per company.
- v. Preference shares are valued at YTM, if dividend is received regularly. Where dividend is in arrears, appropriate depreciation is provided based on the number of years for which dividend is in arrears as per RBI guidelines.
- vi. Mutual Fund units are valued at market rates / NAV / Repurchase price as applicable.
- vii. Treasury bills, certificate of deposits and commercial papers are valued at carrying cost.
- viii. Zero Coupon Bonds are valued in the books at carrying cost. In the absence of market value, the ZCBs are marked to market with reference to the present value of the ZCB.
- ix. Provisions for Non performing investments are made as per RBI prudential norms. \*

(\* ) Prudential norms: Securities guaranteed by the State Government where the principal / interest is due but not paid for a period of more than 90 days are treated as non performing investments and appropriate provision is made and interest in respect of such investments is recognized as income only on cash basis.

***Repurchase (REPO) transactions:***

Repo and reverse Repo transactions are accounted in accordance with the extant RBI guidelines. Securities purchased / sold under Liquidity Adjustment Facility (LAF) with RBI are debited / credited to Investment account and reversed on maturity of the transaction. Interest expended / earned thereon is accounted for as expenditure / revenue

#### 4. ADVANCES & PROVISIONS

##### **Classification:**

Advances are classified into Standard, Sub-standard, Doubtful and Loss Assets and provisions for possible losses on such advances are made as per prudential norms / directions of the Board of Directors/directions issued by Reserve Bank of India from time to time.

In case of loan accounts classified as NPA, such accounts may be reclassified as Standard Asset if it confirms to the guidelines prescribed by RBI

##### **Provisioning, Write Off & Recovery:**

- a) With regard to the Standard Advances, Provisions are made as per extant RBI guidelines. In addition to the specific provision made towards identified NPAs, the bank also holds floating provision. Provisioning on categorized assets are made as follows:

<b>Asset Classification</b>	<b>Provisioning</b>
Sub-standard	Secured 25%
	Unsecured 25%
Doubtful 1	Secured 25%
	Unsecured 100%
Doubtful 2	Secured 40%
	Unsecured 100%
Doubtful 3	100% on outstanding
Loss	100% on outstanding
NCLT referred loans	As per RBI instruction

- b) Education loans were provided at 100% in respect of NPA asset classification.
- c) Reserve Bank of India has given methodology to arrive at Unhedged Foreign Currency Exposure (UFCE) and for introduction of incremental provision and capital requirements. Accordingly, the incremental provisioning for UFCE is made as per RBI extant guidelines.
- d) Advances disclosed are net of provisioning made for non performing assets and floating provisions, provisioning on diminution in fair value of assets on restructured accounts.
- e) In terms of RBI guidelines, the NPAs are written-off in accordance with the Bank's policy. Amounts recovered against bad debts written-off are recognised in the profit and loss account.

## 5. FIXED ASSETS & DEPRECIATION

### ***Fixed Assets:***

Fixed assets are stated at cost less accumulated depreciation and impairment, if any. Cost includes incidental expenditure incurred on the assets before they are ready for intended use and Taxes and duties to the extent not eligible for input credits if any.

Computer Software is capitalised along with computer hardware and included under other fixed assets.

Carrying amount of fixed assets is reviewed at each balance sheet date for indication of impairment. Impairment loss if any, is recognised in the Profit and Loss Account to the extent the carrying amount of an asset exceeds its estimated recoverable value.

### ***Depreciation:***

Depreciation on fixed assets is provided over the estimated useful life of fixed assets on a straight-line basis, in accordance with estimated useful lives as specified in Schedule II to the Companies Act, 2013, and reckoning the residual value at 5% of the original cost of the asset except for the following:

<b>Class of Asset</b>	<b>Rates of depreciation per annum</b>
Computer Hardware & Software	33.33%

In case of Assets purchased / sold during the year, depreciation is provided on a pro-rata basis for the actual number of days the asset has been capitalized.

Expenditure during construction / capital works pending completion is shown at cost.

## 6. FOREIGN CURRENCY TRANSACTION

Monetary Assets and Liabilities, Forward Exchange Contracts, Guarantees, Letters of Credit, Acceptances, Endorsements and other obligations are evaluated at the closing spot rates / forward rates as published by the FEDAI and in accordance with Accounting Standard 11.

Income and expenditure items are translated at the exchange rates ruling on the respective dates of the transaction.

Gain or loss on evaluation of outstanding monetary assets / liabilities and Foreign Exchange Contracts are taken to Profit and Loss Account.

## **7. EMPLOYEE BENEFITS**

The bank is following Accounting Standard 15 (Revised 2005) "Employee Benefits" as under:

- a) In respect of contributory plans viz – Provident Fund and Contributory Pension Scheme, the bank pays fixed contribution at pre-determined rates to a separate entity, which invests in permitted securities. The obligation of the bank is limited to such fixed contribution.
- b) In respect of Defined Benefit Plans, viz. Gratuity and pension as well as for leave encashment, provision has been made based on actuarial valuation as per the guidelines.
- c) The summarized position of Post-employment benefits and long term employee benefits have been recognized in the profit and loss account and balance sheet, as required in accordance with the Accounting Standard-15.
- d) The actuarial gain / loss is recognized in the profit and loss account.

## **8. SEGMENT REPORTING**

As per RBI guidelines on enhancement of disclosures relating to segment reporting under AS-17, the reportable segments have been divided into treasury, corporate / wholesale, retail banking operations.

- (a) The Bank recognizes the Business Segment as the Primary Reporting Segment and Geographical Segment as the Secondary Reporting Segment, in accordance with the RBI guidelines and in compliance with the Accounting Standard 17.
- (b) Business Segment is classified into (i) Treasury (ii) Corporate and Wholesale Banking (iii) Retail Banking and (iv) Other Banking Operations.

- (c) Geographical Segment consists only of the Domestic Segment since the Bank does not have any foreign branches.

## **9. LEASES**

Leases where the lessor effectively retains substantially all risks and benefits of ownership are classified as Operating Leases. Operating Lease payments are recognized as an expense in the profit and loss account on a straight line basis over the lease term in accordance with AS19 Leases

## **10. EARNINGS PERSHARE**

The bank reports basic and diluted earnings per share in accordance with applicable AS-20. For the year under reference, both Basic and diluted earning per share being the same, is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding for the period

## **11. TAXES ON INCOME**

- a) Income tax expense is the aggregate amount of current tax and deferred tax. Current taxes are determined in accordance with the provisions of tax laws prevailing in India. Deferred tax adjustments comprise changes in the deferred tax assets or liabilities during the period and Deferred Tax is determined in terms of AS-22 issued by ICAI.
- b) Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted prior to the balance sheet date. Deferred tax assets and liabilities are recognized on a prudent basis for future tax consequences of timing differences by adoption of Profit and Loss approach with their respective tax bases. The impact of changes in the deferred tax assets and liabilities is recognized in the profit and loss account.
- c) Deferred tax assets are recognized at each reporting date, based upon management's judgment as to whether realization is considered reasonably certain. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future profits.
- d) No withdrawal is made from the Special Reserve created and maintained under the provisions of Section 36(1)(viii) of the Income Tax Act, 1961.

**12. IMPAIRMENT OF ASSETS**

Impairment losses, if any, on fixed assets are recognized in accordance with the AS-28 - 'impairment of assets' and charged to profit and loss account.

**13. NET PROFIT**

The net profit is arrived at after provisions for:

- a) direct taxes;
- b) possible losses on standard assets, restructured advances, NPAs and other contingencies;
- c) depreciation / diminution on investments ;
- d) employee retirement benefits and
- e) Other usual and necessary provisions.

**14. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash in hand, Balance with RBI, Balance with other Banks and Money at Call at Short Notice including cash in ATM, Coin Vending Machine and Cash Deposit Machine.

**15. CASH FLOW STATEMENT**

The Bank has adopted the respective Accounting Standard prescribed under Companies (Accounting Standard) Rules, 2006 and follows indirect method.

**16. INTANGIBLE ASSETS**

In respect of Intangible Assets, the Bank has adopted the respective Accounting Standard (AS26)

**17. CONTINGENCIES**

Loss, if any from contingencies arising from claims, litigation, assessment, fines, penalties etc are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

The Bank does not recognize a contingent liability but discloses its existence in the financial statements. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

## 18. ACCOUNTING FOR PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

a) As per the Accounting Standard 29, the bank recognizes provisions only when it has a present obligation as a result of past event, it is probable that an outflow of resources is required to settle the obligation and when a reliable estimate of the amount can be made. The required disclosure for contingent liability is made on possible obligation that arises from past events, the existence of which depends on occurrence or non occurrence of future event not under control.

b) Contingent assets are not recognized in the financial statement since this may result in the recognition of income that may never be realized.

Sd/-  
K.V.Rama Moorthy  
**Managing Director & CEO**

Sd/-  
A.Niranjana Sankar  
Director

Sd/-  
S.R.Ashok  
Director

Sd/-  
P.C.G.Asok Kumar  
Director

Sd/-  
C.Chiranjeeviraj  
Director

Sd/-  
S.Ezhil Jothi  
Director

Sd/-  
N.Gopal  
Director

Sd/-  
K.Nagarajan  
Director

Sd/-  
D.N.Nirranjan Kani  
Director

Sd/-  
B.Prabaharan  
Director

Sd/-  
S.B.Suresh Kumar  
Director

Sd/-  
B.Vijayadurai  
Director

Sd/-  
D. Inbamani  
General Manager

Sd/-  
P.Suriaraj  
General Manager

Sd/-  
R.Arumugapandi  
General Manager

Sd/-  
V.Jayaraman  
General Manager

Sd/-  
P.A.Krishnan  
Chief Financial Officer

Sd/-  
P.C.Panda  
Company Secretary

Vide our report of even date attached Vide our report of even date attached

For Suri & Co  
Chartered Accountants  
FRN No. 004283S

For Abarna & Ananthan  
Chartered Accountants  
FRN No. 000003S

Chennai  
29.04.2022

Sd/-  
M.Sivaram  
Partner (M.No.211916)

Sd/-  
Lalitha Ramesswaran  
Partner (M.No.207867)

**SCHEDULE – 18: Disclosure in Financial Statements – ‘Notes to Accounts’**

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**

- The Financial Statements have been prepared in conformity with Forms A & B of the Schedule III to the Banking Regulation Act, 1949 read with 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. During the year, all the 509 branches have been subjected to statutory audit.
- Reconciliation of inter branch / office adjustment accounts has been completed up to **31.03.2022**.

**1. Regulatory Capital**

**a) Composition of Regulatory Capital**

***As per Basel-II:***

Sr. No.	Particulars	2021-22	2020-21
i)	Common Equity Tier I capital ratio (%)	20.46%	17.95%
ii)	Tier I capital (%)	20.46%	17.95%
iii)	Tier II capital (%)	1.62%	1.01%
iv)	Total Capital Ratio (CRAR %)	22.08%	18.96%

***As per Basel-III :***

(Amount in ₹ crore)

Sr. No.	Particulars	2021-22	2020-21
i)	Common Equity Tier 1 capital (CET 1) / Paid up share capital and reserves (net of deductions, if any)	5231.77	4486.43
ii)	Additional Tier 1 capital/ Other Tier 1 capital	0.00	0.00
iii)	Tier 1 capital (i + ii)	5231.77	4486.43
iv)	Tier 2 capital	415.62	253.34
v)	Total capital (Tier 1+Tier 2)	5647.39	4739.77
vi)	Total Risk Weighted Assets (RWAs)	25604.49	25019.21
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs) / Paid-up share capital and reserves as percentage of RWAs	20.44%	17.93%
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	20.44%	17.93%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	1.62%	1.01%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	22.06%	18.94%
xi)	Leverage Ratio	9.50%	9.00%
xii)	Percentage of the shareholding of		
	a) Government of India		
	b) State Government (specify name)	0.00	0.00
	c) Sponsor Bank		

Sr. No.	Particulars	2021-22	2020-21
xiii)	Amount of paid-up equity capital raised during the year	0.00	0.00
xiv)	Amount of non-equity Tier 1 capital raised during the year	0.00	0.00
xv)	Amount of Tier 2 capital raised during the year	0.00	0.00

b) Draw down from Reserves – NIL (Previous Year – ₹5.07 Crores)

## 2. Asset liability management

### a) Maturity pattern of certain items of assets and liabilities

(Amount in ₹ crore)

	Day 1	2 to 7 days	8 to 14 days	15 to 30 Days	31 days to 2 months	Over 2 months and to 3 months	Over 3 months and up to 6 Months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits	263.19	818.72	715.14	2540.69	1122.47	1394.49	2218.56	12748.72	20864.96	1000.00	1246.17	<b>44933.11</b>
Advances	904.47	531.44	336.21	657.14	175.91	1036.35	2616.57	5936.23	13481.91	2293.72	5521.59	<b>33491.54</b>
Investments	4950.80	290.49	207.41	217.35	180.43	200.28	405.85	2068.18	3322.73	597.09	594.85	<b>13035.46</b>
Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
Foreign Currency assets	331.20	19.65	53.76	151.59	149.76	122.60	161.37	0.06	11.87	2.25	8.72	<b>1012.83</b>
Foreign Currency liabilities	50.40	4.14	0.75	3.48	7.51	14.72	21.99	359.00	2.79	1.10	0.00	<b>465.88</b>

**b) Liquidity coverage ratio (LCR):**

Quantitative information on Liquidity Coverage Ratio (LCR) for the year ended March 31, 2022 is given below:

The Liquidity Coverage Ratio (LCR) is one of the Basel Committee's key reforms to develop a more resilient banking sector. The objective of the LCR is to promote the short-term resilience of the liquidity risk profile of banks by ensuring that banks have an adequate stock of unencumbered high-quality liquid assets (HQLA) that can be converted easily and immediately into cash to meet their liquidity needs for a 30 calendar days liquidity stress scenario. The LCR is expected to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spillover from the financial sector to the real economy. The LCR is calculated by dividing a bank's stock of HQLA by its total net cash outflows over a 30-days stress period. HQLA of bank is in the form of Government Securities and highly marketable and liquid securities / bonds. The Bank has been maintaining HQLA mainly in the form of SLR investments over and above the mandatory requirements.

The guidelines for LCR were effective January 1, 2015, with the minimum requirement at 60%, which would rise in equal annual steps to reach 100% on January 1, 2019. In order to accommodate the burden on banks cash flows on account of the Covid19 pandemic, RBI had permitted the banks to maintain LCR as under: vide their circular Ref DOR.BP.BC.No.65/21.04.098/2019-20 dated 17.04.2020.

<b>Date</b>	<b>LCR to be maintained</b>
17.04.2020 to 30.09.2020	80%
01.10.2020 to 31.03.2021	90%
01.04.2021 onwards	100%

The present requirement, as on March 31, 2022 is 100%. Bank prepares daily Liquidity Coverage Ratio statement to assess the liquidity needs of the Bank on an ongoing basis. A number of data points are used in calculating the average figures in the template since January 01, 2017 and a simple average is calculated on daily observations over the previous quarter. Bank has been publishing information on LCR in annual financial statements under Notes to Accounts. LCR related information based on simple averages of daily observations for the year ended March 2022 is furnished below:

**i) Liquidity coverage ratio (LCR) Current Year (2021-22)**

(Amount in ₹ crore)

		2021-22 (Q1)		2021-22 (Q2)		2021-22 (Q3)		2021-22 (Q4)	
		Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)
<b>High Quality Liquid Assets</b>									
1	Total High-Quality Liquid Assets (HQLA)		10398.71	10529.95	10479.33	10624.73	10572.05	11447.55	11387.19
<b>Cash Outflows</b>									
2	Retail deposits and deposits from small business customers, of which:	12689.72	885.43	12416.46	864.97	13295.76	934.57	13370.44	943.85
i)	Stable deposits	7670.96	383.55	7533.70	376.69	7900.16	395.01	7863.97	393.20
ii)	Less stable deposits	5018.76	501.88	4882.76	488.28	5395.60	539.56	5506.47	550.65
3	Unsecured wholesale funding, of which:	6738.66	3446.31	7180.11	3711.23	7570.90	3943.02	7332.85	3684.99
i)	Operational deposits (all counterparties)	143.13	35.78	132.17	33.04	136.99	34.25	135.91	33.98
ii)	Non-operational deposits (all counterparties)	6595.53	3410.53	7047.94	3678.19	7433.91	3908.77	7196.94	3651.01
iii)	Unsecured debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Secured wholesale funding		0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Additional requirements, of which	1642.07	1642.07	1357.32	1357.32	1314.76	1314.76	1541.38	1541.38
i)	Outflows related to derivative exposures and other collateral Requirements	1642.07	1642.07	1357.32	1357.32	1314.76	1314.76	1541.38	1541.38
ii)	Outflows related to loss of funding on debt products	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

iii)	Credit and liquidity facilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	Other contractual funding Obligations	4522.87	328.31	4467.29	319.76	4743.47	339.74	4822.80	346.67
7	Other contingent funding obligations	2324.01	385.42	2365.77	515.02	2732.27	889.40	2851.73	943.56
8	<b>Total Cash Outflows</b>		6687.54	27786.95	6768.30	29657.16	7421.49	29919.20	7460.45
<b>Cash Inflows</b>									
9	Secured lending (e.g. reverse repos)	701.44	0.00	1372.30	0.00	2091.30	0.00	1010.29	0.00
10	Inflows from fully performing Exposures	696.29	348.15	954.87	477.44	924.21	462.10	857.97	428.98
11	Other cash inflows	1565.35	1565.35	1294.68	1294.68	1333.39	1333.39	1460.52	1460.52
12	<b>Total Cash Inflows</b>	2963.08	1913.50	3621.85	1772.12	4348.90	1795.49	3328.78	1889.50
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	<b>Total HQLA</b>		<b>10398.71</b>		<b>10479.33</b>		<b>10572.05</b>		<b>11387.19</b>
14	<b>Total Net Cash Outflows</b>		<b>4774.04</b>		<b>4996.18</b>		<b>5626.00</b>		<b>5570.95</b>
15	<b>Liquidity Coverage Ratio (%)</b>		<b>217.82%</b>		<b>209.75%</b>		<b>187.91%</b>		<b>204.40%</b>

**ii) Liquidity coverage ratio (LCR) Previous Year (2020-21)**

(Amount in ₹ crore)

		2020-21 (Q1)		2020-21 (Q2)		2020-21 (Q3)		2020-21 (Q4)	
		Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)
<b>High Quality Liquid Assets</b>									
1	Total High-Quality Liquid Assets (HQLA)		8472.54	9538.00	9487.19	10499.70	10448.77	10860.16	10808.64
<b>Cash Outflows</b>									
2	Retail deposits and deposits from small business customers, of which:	11542.66	806.33	12104.14	845.19	11866.91	826.01	11821.11	821.20
i)	Stable deposits	6958.80	347.94	7304.40	365.22	7213.56	360.68	7218.22	360.91
ii)	Less stable deposits	4583.86	458.39	4799.74	479.97	4653.35	465.33	4602.89	460.29
3	Unsecured wholesale funding, of which:	5220.48	2557.97	4815.28	2212.31	5306.40	2406.67	5698.49	2674.44
i)	Operational deposits (all counterparties)	119.82	29.96	120.16	30.04	123.03	30.76	126.80	31.70
ii)	Non-operational deposits (all counterparties)	5100.66	2528.01	4695.12	2182.27	5183.37	2375.91	5571.69	2642.74
iii)	Unsecured debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Secured wholesale funding		0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Additional requirements, of which	1100.06	1100.06	1839.23	1839.23	1750.08	1750.08	1641.15	1641.15
i)	Outflows related to derivative exposures and other collateral Requirements	1100.06	1100.06	1839.23	1839.23	1750.08	1750.08	1641.15	1641.15
ii)	Outflows related to loss of funding on debt products	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

iii)	Credit and liquidity facilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	Other contractual funding Obligations	4772.36	348.35	5036.17	370.94	4910.94	355.57	4840.59	350.84
7	Other contingent funding obligations	2052.56	349.15	2065.27	408.49	2133.86	404.10	2326.47	428.51
8	<b>Total Cash Outflows</b>		5161.86	25860.09	5676.16	25968.19	5742.43	26327.81	5916.14
<b>Cash Inflows</b>									
9	Secured lending (e.g. reverse repos)	1517.38	0.00	796.04	0.00	517.30	0.00	365.05	0.00
10	Inflows from fully performing Exposures	653.00	326.50	681.17	340.59	614.07	307.04	605.90	302.95
11	Other cash inflows	1185.97	1185.97	1982.21	1982.21	1790.62	1790.62	1700.41	1700.41
12	<b>Total Cash Inflows</b>	3356.35	1512.47	3459.42	2322.80	2921.99	2097.66	2671.36	2003.36
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	<b>Total HQLA</b>		<b>8472.54</b>		<b>9487.19</b>		<b>10448.77</b>		<b>10808.64</b>
14	<b>Total Net Cash Outflows</b>		<b>3649.39</b>		<b>3353.36</b>		<b>3644.77</b>		<b>3912.78</b>
15	<b>Liquidity Coverage Ratio (%)</b>		<b>232.16%</b>		<b>282.92%</b>		<b>286.68%</b>		<b>276.24%</b>

### **iii) Qualitative disclosure about LCR:**

#### **The main drivers of LCR Results:**

The bank is having an adequate stock of unencumbered high-quality liquid assets (HQLA) that can be converted easily and immediately in markets into cash to meet liquidity needs for a 30 calendar days under liquidity stress scenario.

The net cash outflows for the next 30 days have been calculated after deducting the cash inflows from the outflows for the period. The inflows and outflows have been calculated based on RBI prescribed haircuts and run-off factors.

The Bank's LCR has been more than the minimum regulatory requirement for all the dates from April'21 to March'22. LCR of the bank for the Annual Financial Year 2021-22 stood at 204.2910%.

#### **Composition of HQLA**

The Level 1 Assets of our bank comprises of Cash in hand & Cash at ATM, Excess CRR and SLR, MSF & FALLCR are as per permitted extent. Level 1 asset is the main driver of HQLA, contributing around 97.89% in the total HQLA of the Bank.

Level 2A and Level 2B assets are well within the regulatory cap of 40% and 15% of the stock of HQLA respectively after the required haircut.

Corporate Bonds not issued by a Bank/Financial/NBFC which have been rated AA- or above by an Eligible Credit Rating Agency have been classified under Level 2A assets. Similarly Bonds not issued by a Bank/FI/NBFC which have been rated not lower than BBB- have been classified under level 2B Assets.

#### **Outflows & Inflows:**

Deposits are the main source of funds for the Bank.

#### **Currency mismatch in LCR:**

LCR is expected to be met and reported in a single currency. The bank is not having significant liabilities and HQLAs in any foreign currency.

#### **Description of the degree of centralization of liquidity management and interaction between the group's units:**

The Bank does not belong to any group and does not have any associate, subsidiaries, joint venture, etc.

### C) Net Stable Funding Ratio (NSFR):

The RBI guidelines stipulated the implementation of NSFR effective from 1st October 2021 at a consolidated level with disclosure from quarter ended December 2021. Accordingly, the bank is computing the Consolidated NSFR. The NSFR is defined as the amount of Available Stable Funding relative to the amount of Required Stable Funding.

Net Stable Funding is a liquidity measure which is the indication of the long term liquidity health of the Bank is measured as under.

$$\text{NSFR} = (\text{Available Stable Funding (ASF)}) / (\text{Required Stable Funding (RSF)}) \geq 100\%$$

Available stable funding (ASF) is measured based on the broad characteristics of relative stability of funding sources, including contractual maturity of its liabilities and the differences in the tendency of different types of funding providers to withdraw their funding. Required Stable Funding (RSF) is a function of the liquidity characteristics and residual maturities of the various assets held by the bank including Off-Balance Sheet (OBS) exposures. The result should minimum of 100% to ensure liquidity comfort.

The table given below sets out the un-weighted and weighted value of the NSFR components as on 31st March 2022 based on audited financials.

At a consolidated level, the NSFR of the bank comes out to 166.02% as on 31st March 2022 against the requirement of 100% as per RBI guidelines.

(Amount in ₹ crore)

NSFR Disclosure Template						
S.No	ASF Item	Unweighted value by residual maturity				Weighted Value
		No Maturity	< 6 months	6 months to < 1 year	>= 1 year	
<b>1</b>	<b>Capital: (2+3)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5781.05</b>	<b>5781.05</b>
2	Regulatory capital	0.00	0.00	0.00	5781.05	5781.05
3	Other capital instruments	0.00	0.00	0.00	0.00	0.00
<b>4</b>	<b>Retail deposits and deposits from small business customers: (5+6)</b>	<b>12269.36</b>	<b>8674.31</b>	<b>10329.13</b>	<b>5294.95</b>	<b>34439.78</b>
5	Stable deposits	7356.26	3900.90	4608.32	2719.73	17772.25
6	Less stable deposits	4913.10	4773.41	5720.81	2575.22	16667.53
<b>7</b>	<b>Wholesale funding: (8+9)</b>	<b>1253.32</b>	<b>4163.05</b>	<b>2310.25</b>	<b>638.74</b>	<b>2707.40</b>
8	Operational deposits		0.00	0.00	0.00	0.00
9	Other wholesale funding	1253.32	4163.05	2310.25	638.74	2707.40
<b>10</b>	<b>Other liabilities: (11+12)</b>	<b>198.90</b>	<b>3273.96</b>	<b>314.29</b>	<b>7.07</b>	<b>0.00</b>
11	NSFR derivative liabilities		3273.96	314.29	7.07	
12	All other liabilities and equity not included in the above categories	198.90			0.00	0.00
<b>13</b>	<b>Total ASF (1+4+7+10)</b>					<b>42928.23</b>

<b>13.</b>	<b>RSF Item</b>					
14	Total NSFR high-quality liquid assets (HQLA)					254.00
15	Deposits held at other financial institutions for operational purposes	<b>304.89</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>152.44</b>
<b>16</b>	<b>Performing loans and securities: (17+18+19+21+23)</b>	<b>3.30</b>	<b>11377.63</b>	<b>11824.66</b>	<b>11491.35</b>	<b>19726.72</b>
17	Performing loans to financial institutions secured by Level 1 HQLA	0.00	1434.00	0.00	0.00	0.00
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0.00	330.59	42.78	6.43	21.39
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0.00	9611.21	11779.58	6958.54	16502.17
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	0.00	0.00	266.90	166.01
21	Performing residential mortgages, of which:	0.00	1.83	2.30	3728.22	2521.92
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	1.68	2.28	3447.06	2240.59
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	3.30	0.00	0.00	798.16	681.24
<b>24</b>	<b>Other assets: (sum of rows 25 to 29)</b>	<b>210.84</b>	<b>2905.35</b>	<b>460.67</b>	<b>1483.90</b>	<b>5360.22</b>
25	Physical traded commodities, including gold	0.00	0.00	0.00	0.00	0.00
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	0.00	0.00	0.00	250.41	212.84
27	NSFR derivative assets	0.00	2747.72	292.13	8.20	3048.05
28	NSFR derivative liabilities before deduction of variation margin posted	0.00	0.00	0.00	0.00	0.00
29	All other assets not included in the above categories	210.84	157.63	168.54	1225.30	2099.33
30	Off-balance sheet items		4025.89	4025.89		364.50
<b>31</b>	<b>Total RSF (14+15+16+24+30)</b>	<b>519.02</b>	<b>18308.87</b>	<b>16311.21</b>	<b>12975.25</b>	<b>25857.88</b>
	<b>Net Stable Funding Ratio</b>					<b>166.02</b>

### 3. Investments

#### Composition of Investment Portfolio: As at 31.03.2022

(Amount in ₹ crore)

	Investments in India						Investments outside India					Total Investments
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	
<b>Held to Maturity</b>												
Gross	9196.25	0.00	0.00	0.00	0.00	0.00	9196.25	0.00	0.00	0.00	0.00	9196.25
Less: Provision for non-performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	<b>9196.25</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>9196.25</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>9196.25</b>
<b>Available for Sale</b>												
Gross	2630.92	0.00	87.95	1211.20	0.00	0.00	3930.07	0.00	0.00	0.00	0.00	3930.07
Less: Provision for depreciation and NPI	0.00	0.00	85.86	5.00	0.00	0.00	90.86	0.00	0.00	0.00	0.00	90.86
Net	<b>2630.92</b>	<b>0.00</b>	<b>2.09</b>	<b>1206.20</b>	<b>0.00</b>	<b>0.00</b>	<b>3839.21</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3839.21</b>
<b>Held for Trading</b>												
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Investments</b>	11827.17	0.00	87.95	1211.20	0.00	0.00	13126.32	0.00	0.00	0.00	0.00	13126.32
Less: Provision for non-performing investments	0.00	0.00	79.82	5.00	0.00	0.00	84.82	0.00	0.00	0.00	0.00	84.82
Less: Provision for depreciation and NPI	0.00	0.00	6.04	0.00	0.00	0.00	6.04	0.00	0.00	0.00	0.00	6.04
Net	<b>11827.17</b>	<b>0.00</b>	<b>2.09</b>	<b>1206.20</b>	<b>0.00</b>	<b>0.00</b>	<b>13035.46</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13035.46</b>

**As at 31.03.2021:**

*(Amount in ₹ crore)*

	Investments in India							Investments outside India				Total Investments
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	
<b>Held to Maturity</b>												
Gross	8383.91	0.00	0.00	0.00	0.00	0.00	8383.91	0.00	0.00	0.00	0.00	8383.91
Less: Provision for non-performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	<b>8383.91</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8383.91</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8383.91</b>
<b>Available for Sale</b>												
Gross	2128.09	0.00	93.20	1189.68	0.00	0.00	3410.97	0.00	0.00	0.00	0.00	3410.97
Less: Provision for depreciation and NPI	0.00	0.00	85.86	5.81	0.00	0.00	91.67	0.00	0.00	0.00	0.00	91.67
Net	<b>2128.09</b>	<b>0.00</b>	<b>7.34</b>	<b>1183.87</b>	<b>0.00</b>	<b>0.00</b>	<b>3319.30</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3319.30</b>
<b>Held for Trading</b>												
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Investments</b>	10512.00	0.00	93.20	1189.68	0.00	0.00	11794.88	0.00	0.00	0.00	0.00	11794.88
Less: Provision for non-performing investments	0.00	0.00	79.82	5.81	0.00	0.00	85.63	0.00	0.00	0.00	0.00	85.63
Less: Provision for depreciation and NPI	0.00	0.00	6.04	0.00	0.00	0.00	6.04	0.00	0.00	0.00	0.00	6.04
Net	<b>10512.00</b>	<b>0.00</b>	<b>7.34</b>	<b>1183.87</b>	<b>0.00</b>	<b>0.00</b>	<b>11703.21</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>11703.21</b>

**a) Movement of Provisions for Depreciation and Investment Fluctuation Reserve**

(Amount in ₹ crore)

Particulars	2021-22	2020-21
i) Movement of provisions held towards depreciation on investments		
a) Opening balance	91.67	86.81
b) Add: Provisions made during the year	0.00	5.00
c) Less: Write off / write back of excess provisions during the year	0.81	0.14
d) Closing balance	<b>90.86</b>	<b>91.67</b>
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	68.22	58.65
b) Add: Amount transferred during the year	10.38	9.57
c) Less: Drawdown	0.00	0.00
d) Closing balance	<b>78.60</b>	<b>68.22</b>
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	<b>2.05%</b>	<b>2.06%</b>

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

The value of sales and transfers of securities to/from HTM category has not exceeded 5 per cent of the book value of investments held in HTM category at the beginning of the year.

**c) Non-SLR investment portfolio**

**i) Non-performing non-SLR investments**

(Amount in ₹ crore)

Sr. No.	Particulars	2021-22	2020-21
a)	Opening Balance	85.63	80.63
b)	Additions during the year	0.00	5.00
c)	Reductions during the year	0.81	0.00
d)	Closing balance	84.82	85.63
e)	Total provisions held	<b>84.82</b>	<b>85.63</b>

ii) Issuer composition of non-SLR investments

(Amount in ₹ crore)

Sr. No.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
(1)	(2)	(3)		(4)		(5)		(6)		(7)	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
a)	PSUs	454.03	412.96	89.00	95.00	0.00	0.00	0.00	0.00	2.00	2.00
b)	FIs	662.43	671.99	110.21	105.00	5.00	5.81	0.00	0.00	1.04	1.04
c)	Banks	102.62	107.60	40.00	50.00	5.00	10.00	0.00	0.00	0.00	0.00
d)	Private Corporates	79.82	90.33	0.00	0.00	0.00	0.00	0.00	0.00	37.98	37.98
e)	Subsidiaries/ Joint Ventures	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f)	Others	0.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g)	Provision held towards depreciation	90.86	91.67	0.00	0.00	0.00	0.00	0.00	0.00	37.98	37.98
	Total	<b>1208.29</b>	<b>1191.21</b>	<b>239.21</b>	<b>250.00</b>	<b>10.00</b>	<b>15.81</b>	<b>0.00</b>	<b>0.00</b>	<b>3.04</b>	<b>3.04</b>

Note:

1. Total under column 3 shall match with the sum of total of Investments included under the following categories in Schedule 8 to the balance sheet:
  - a) Investment in India in
    - i) Shares
    - ii) Debentures and Bonds
    - iii) Subsidiaries and/or Joint Ventures
    - iv) Others
  - b) Investment outside India in (where applicable)
    - i) Government securities (including local authorities)
    - ii) Subsidiaries and/ or joint ventures abroad
    - iii) Other investments

(Amount in ₹ crore)

**I) Investment in India**

Particulars	2021-22	2020-21
Shares	2.09	7.34
Debentures and Bonds	1206.20	1183.87
Subsidiaries and Joint Ventures	0.00	0.00
Others (CD,CP, MF)	0.00	0.00
Total	<b>1208.29</b>	<b>1191.21</b>

**II) Investment outside India – Nil**

**d) Repo transactions including Liquidity Adjustment Report (LAF) (in Face Value Terms) for the year 2021-22:**

(Amount in ₹ crore)

	Minimum outstanding during the year 2021-22	Maximum outstanding during the year 2021-22	Daily average outstanding during the year 2021-22	Outstanding as on March 31, 2022
i. Securities sold under repo				
➤ Government securities	0.00	0.00	0.00	0.00
➤ Corporate debt securities	0.00	0.00	0.00	0.00
➤ Any other securities	0.00	0.00	0.00	0.00
ii) Securities purchased under reverse repo				
a) Government securities	6.00	3028.00	1306.92	1434.00
b) Corporate debt securities	0.00	0.00	0.00	0.00
c) Any other securities	0.00	0.00	0.00	0.00

**e) Repo transactions including Liquidity Adjustment Report (LAF) (in Face Value Terms) for the year 2020-21 :**

(Amount in ₹ crore)

	Minimum outstanding during the year 2020-21	Maximum outstanding during the year 2020-21	Daily average outstanding during the year 2020-21	Outstanding as on March 31, 2021
i. Securities sold under repo				
➤ Government securities	197.00	324.00	149.50	0.00
➤ Corporate debt securities	0.00	0.00	0.00	0.00
➤ Any other securities	0.00	0.00	0.00	0.00
iii) Securities purchased under reverse repo				
a) Government securities	30.00	2230.00	741.67	618.00
b) Corporate debt securities	0.00	0.00	0.00	0.00
c) Any other securities	0.00	0.00	0.00	0.00

#### 4) Asset quality

##### a) i) Classification of advances and provisions held current year (2021-22)

(Amount in ₹ crore)

	Standard	Non-Performing			Total Non-Performing Advances	Total
	Total Standard Advances	Sub-standard	Doubtful	Loss		
<b>Gross Standard Advances and NPAs</b>						
Opening Balance	30456.25	530.97	533.32	20.48	1084.78	31541.02
Add: Additions during the year					518.16	518.16
Less: Reductions during the year					1032.02	1032.02
Closing balance	33177.25	124.83	435.31	10.78	570.92	33748.17
Reductions in Gross NPAs due to:						
i) Upgradation					401.68	401.68
ii) Recoveries (excluding recoveries from upgraded accounts)					309.45	309.45
iii) Technical/ Prudential Write-offs					320.89	320.89
iv) Write-offs other than those under (iii) above					0.00	0.00
<b>Provisions (excluding Floating Provisions)</b>						
Opening balance of provisions held	0.00	147.67	266.99	15.37	430.03	430.03
Add: Fresh provisions made during the year					179.09	179.09
Less: Excess provision reversed/ Write-off loans					359.49	359.49
Closing balance of provisions held	0.00	33.10	205.80	10.73	249.63	249.63
<b>Net NPAs</b>						
Opening Balance					613.82	
Add: Fresh additions during the year					376.28	
Less: Reductions during the year					672.52	
Closing Balance					317.58	317.58

	Standard	Non-Performing			Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances
<b>Floating Provisions</b>					
Opening Balance					38.97
Add: Additional provisions made during the year					2.21
Less: Amount drawn down during the year					37.03
Closing balance of floating provisions					4.15
<b>Technical write-offs and the recoveries made thereon</b>					
Opening balance of Technical/ Prudential written-off accounts					1913.39
Add: Technical/ Prudential write-offs during the year					320.89
Less: Recoveries made from previously technical/ prudential written-off accounts during the year					177.14
Closing balance					2057.14

Ratios (in per cent)	2021-22	2020-21
Gross NPA to Gross Advances	1.69%	3.44%
Net NPA to Net Advances	0.95%	1.98%
Provision coverage ratio	87.92%	79.53%

**a) ii) Classification of advances and provisions held previous year (2020-21)**

(Amount in ₹ crore)

	Standard	Non-Performing			Total	
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
<b>Gross Standard Advances and NPAs</b>						
Opening Balance	27215.20	325.19	682.14	13.65	1020.98	<b>28236.18</b>
Add: Additions during the year					574.96	<b>574.96</b>
Less: Reductions during the year					511.16	<b>511.16</b>
Closing balance	30456.25	530.97	533.32	20.49	1084.78	<b>31543.03</b>
Reductions in Gross NPAs due to:						
i) Upgradation					5.62	<b>5.62</b>
ii) Recoveries (excluding recoveries from upgraded accounts)					112.95	<b>112.95</b>
iii) Technical/ Prudential Write-offs					392.59	<b>392.59</b>
iv) Write-offs other than those under (iii) above					0.00	<b>0.00</b>
<b>Provisions (excluding Floating Provisions)</b>						
Opening balance of provisions held	0.00	83.91	387.23	12.09	483.23	<b>483.23</b>
Add: Fresh provisions made during the year					336.80	<b>334.14</b>
Less: Excess provision reversed/ Write-off loans					390.00	<b>390.00</b>
Closing balance of provisions held	0.00	147.67	266.99	15.37	430.03	<b>430.03</b>
<b>Net NPAs</b>						
Opening Balance					497.47	
Add: Fresh additions during the year					284.11	
Less: Reductions during the year					167.76	
Closing Balance					613.82	<b>613.82</b>

	Standard	Non-Performing			Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances
<b>Floating Provisions</b>					
Opening Balance					35.66
Add: Additional provisions made during the year					3.31
Less: Amount drawn down during the year					0.00
Closing balance of floating provisions					38.97
<b>Technical write-offs and the recoveries made thereon</b>					
Opening balance of Technical/ Prudential written-off accounts					1563.17
Add: Technical/ Prudential write-offs during the year					392.59
Less: Recoveries made from previously technical/ prudential written-off accounts during the year					42.37
Closing balance					1913.39

Ratios (in per cent)	2020-21	2019-20
Gross NPA to Gross Advances	3.44%	3.62%
Net NPA to Net Advances	1.98%	1.80%
Provision coverage ratio	79.53%	80.75%

**b) Sector-wise Advances and Gross NPAs**

(Amount in ₹ crore)

Sr. No.	Sector	2021-22			2020-21		
		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
<b>i)</b>	<b>Priority Sector</b>						
a)	Agriculture and allied activities	10021.77	52.04	0.52%	8645.61	117.79	1.36%
b)	Advances to industries sector eligible as priority sector lending	4838.66	143.43	2.96%	4535.55	231.64	5.11%
c)	Services	7616.92	177.18	2.33%	7521.76	327.26	4.33%
d)	Personal loans	2035.01	31.63	1.55%	1837.40	46.72	2.54%
	Subtotal (i)	<b>24512.36</b>	<b>404.28</b>	<b>1.65%</b>	<b>22540.32</b>	<b>723.41</b>	<b>3.20%</b>
<b>ii)</b>	<b>Non-priority Sector</b>						
a)	Agriculture and allied activities	1.08	0.00	0.00%	0.13	0.00	0.00%
b)	Industry	1813.05	45.00	2.48%	2383.70	153.86	6.45%
c)	Services	2698.57	99.38	3.68%	2190.56	167.88	7.66%
d)	Personal loans	4723.11	22.26	0.47%	4426.32	39.63	0.89%
	Sub-total (ii)	<b>9235.81</b>	<b>166.64</b>	<b>1.80%</b>	<b>9000.71</b>	<b>361.37</b>	<b>4.01%</b>
	<b>Total (I + ii)</b>	<b>33748.17</b>	<b>570.92</b>	<b>1.69%</b>	<b>31541.03</b>	<b>1084.78</b>	<b>3.44%</b>

**c) Overseas assets, NPAs and revenue – There is no foreign operation, hence not applicable.**

d) Particulars of resolution plan and restructuring:

i) Particulars of resolution plan – NIL

ii) Details of Accounts subjected to restructuring – Not applicable

iii) *Particulars of resolution plan and restructuring Details of Loan assets subjected to Restructuring*

(Amount in ₹ Crore)

SI No	Type of Restructuring →		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
			Standar d	Sub stan dard	Dou btful	Los s	Tota l	Stand ard	Sub stand ard	Doubtful	Los s	Total	Stand ard	Sub stand ard	Doubtful	Los s	Total	Standar d	Sub stand ard	Doubtful	Loss	Total
Details ↓																						
1	restructured standard category during the FY Accounts as on April 1 of the FY (opening figures)	No. of borrowers	0	0	0	0	0	96	9	28	0	133	6	0	15	4	25	102	9	43	4	158
		Amount outstanding	0.00	0.00	0.00	0.00	0.00	138.93	17.09	56.56	0.00	212.58	18.22	0.00	0.34	0.01	18.57	157.15	17.09	56.90	0.01	231.15
		Provision thereon	0.00	0.00	0.00	0.00	0.00	7.30	4.27	25.11	0.00	36.68	1.82	0.00	0.32	0.01	2.15	9.12	4.27	25.43	0.01	38.83
2	Fresh restructuring During the year	No. of borrowers	0	0	0	0	0	0	0	0	0	0	3255	0	0	0	3255	3255	0	0	0	3255
		Amount outstanding	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	757.78	0.00	0.00	0.00	757.78	757.78	0.00	0.00	0.00	757.78
		Provision thereon	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	86.24	0.00	0.00	0.00	86.24	86.24	0.00	0.00	0.00	86.24
3	Upgradations to restructured standard category during the FY	No. of borrowers	0	0	0	0	0	6	-2	-4	0	0	0	0	0	0	0	6	-2	-4	0	0
		Amount outstanding	0.00	0.00	0.00	0.00	0.00	6.25	-3.95	-2.83	0.00	-0.53	0.00	0.00	0.00	0.00	0.00	6.25	-3.95	-2.83	0.00	-0.53
		Provision thereon	0.00	0.00	0.00	0.00	0.00	0.33	-0.99	-0.71	0.00	-1.37	0.00	0.00	0.00	0.00	0.00	0.33	-0.99	-0.71	0.00	-1.37
4	Restructured standard advances	No. of borrowers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

	which cease to attract higher provisioning and/ or additional risk weight at the end of FY and hence need not be shown as restructured standard advances at the beginning of the next FY	Amount outstanding	0.00	0.00	0.00	0.00	<b>0.00</b>	0.00	0.00	0.00	0.00	<b>0.00</b>	0.00	0.00	0.00	0.00	<b>0.00</b>	0.00	0.00	0.00	0.00	<b>0.00</b>	
		Provision thereon	0.00	0.00	0.00	0.00	<b>0.00</b>	0.00	0.00	0.00	0.00	<b>0.00</b>	0.00	0.00	0.00	0.00	<b>0.00</b>	0.00	0.00	0.00	0.00	<b>0.00</b>	
5	Down gradation of restructured accounts during the FY	No. of borrowers	0	0	0	0	<b>0</b>	-5	4	1		<b>0</b>	-23	21	2		<b>0</b>	-28	25	3	0	<b>0</b>	
		Amount outstanding	0.00	0.00	0.00	0.00	<b>0.00</b>	-3.83	2.99	0.16		<b>-0.68</b>	-11.06	10.72	0.34		<b>0.00</b>	-14.89	13.71	0.50	0.00	<b>-0.68</b>	
		Provision thereon	0.00	0.00	0.00	0.00	<b>0.00</b>	-0.20	0.73	0.06		<b>0.59</b>	<b>-2.75</b>	2.62	0.13		<b>0.00</b>	-2.95	3.35	0.19	0.00	<b>0.59</b>	
6	Write-offs of restructured accounts during the FY	No. of borrowers	0	0	0	0	<b>0</b>	-4	-1	-6		<b>-11</b>	-243		-3		<b>-246</b>	-247	-1	-9	0	<b>-257</b>	
		Amount outstanding	0.00	0.00	0.00	0.00	<b>0.00</b>	-16.73	-0.02	-26.14		<b>-42.89</b>	-1.13		-0.06		<b>-1.19</b>	-17.86	-0.02	-	26.20	0.00	<b>-44.08</b>
		Provision thereon	0.00	0.00	0.00	0.00	<b>0.00</b>	-1.02		-12.74		<b>-13.76</b>	-0.12		-0.06		<b>-0.18</b>	-1.14	0.00	-	12.80	0.00	<b>-13.94</b>
7	Restructured as on March 31 of the FY(closing figure)	No. of borrowers	0	0.00	0	0	<b>0</b>	93	10	19	0	<b>122</b>	2995	21	14	4	<b>3034</b>	3088	31	33	4	<b>3156</b>	
		Amount outstanding	0.00	0.00	0.00	0.00	<b>0.00</b>	124.62	16.11	27.75	0.00	<b>168.48</b>	763.81	10.72	0.62	0.01	<b>775.16</b>	888.43	26.83	28.37	0.01	<b>943.64</b>	
		Provision thereon	0.00	0.00	0.00	0.00	<b>0.00</b>	6.41	4.01	11.72	0.00	<b>22.14</b>	85.19	2.62	0.39	0.01	<b>88.21</b>	91.60	6.63	12.11	0.01	<b>110.35</b>	

Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight

**IV) Disclosure on Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances (RBI/DBR.BP.BC.No.18/21.04.048/ 2018-19 dated 1<sup>st</sup> January 2019**

(Amount in ₹ crore)

Year	No.of Accounts Restructured – MSME	Amount
2021-22	Nil	Nil
2020-21	135	82.20

**V) Details of single borrower limit (SBL)/group borrower limit (GBL) exceeded by the Bank.**

Single Borrower limit / Group Borrower limit has not been exceeded during the year.

**e) Divergence in Asset Classification and provisioning:**

The requirement of disclosure, in terms of RBI circular DBR.BP.BC.NO.32/ 21.04.018/ 2018-19 dated 1<sup>st</sup> April 2019 does not arise since there was no RBI's Annual Supervisory Review process carried out during the year 2021-22.

**f) Disclosure of transfer of Loan exposures: NIL**

i) There were no loans that are not in default or stressed, transferred and acquired to or from other entities.

ii) Particulars of stressed loans transferred acquired - NIL

**g) Fraud accounts**

(Amount in ₹ crore)

Particulars	2021-22	2020-21
Number of frauds reported (Advances & Non- Advances)*	86	47
Amount involved in fraud*	209.18	163.86
Amount of Book Balance (excluding interest) for Advances related fraud a/cs	179.75	161.64
Amount of provision made for such frauds	179.75	156.57
Amount of Unamortised provision debited from 'other reserves' as at the end of the year	0.00	5.07

\*As per FMR reported to RBI.

**h) Disclosure under Resolution Framework for COVID-19 related Stress:**

**i) Disclosures to be made half yearly Resolution Framework 1.0**

(Amount in ₹ crore)

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half-year ending 30.09.2021 (A)	Of (A) aggregate debt that slipped into NPA during the current half-year ending 31.03.2022	Of (A) amount written off during the half-year ending 31.03.2022	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half-year ending 31.03.2022
Personal Loans	3.41	0.00	0.00	(0.14)#	3.55
Corporate persons*	79.44	0.00	0.00	0.40	79.04
Of which MSMEs	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00
Total	82.85	0.00	0.00	0.26	82.59

\*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016. "corporate person" means a company as defined in clause (20) of section 2 of the Companies Act, 2013, a limited liability partnership, as defined in clause (n) of sub-section (1) of section 2 of the Limited Liability Partnership Act, 2008, or any other person incorporated with limited liability under any law for the time being in force but shall not include any financial service provider;

Personal Loan<sup>3</sup> 'Personal loans', for the purpose of this circular shall have the same meaning as defined in the Circular DBR.No.BP.BC.99/08.13.100/2017-18 dated January 4, 2018 on "XBRL Returns – Harmonization of Banking Statistics".

# due to further disbursement as per sanction terms

## ii) Disclosures to be made half yearly Resolution Framework 2.0:

(Amount in ₹ crore)

Type of Borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half-year ending 30.09.2021 (A)	Of (A) aggregate debt that slipped into NPA during the current half-year ending 31.03.2022	Of (A) amount written off during the half-year ending 31.03.2022	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half-year ending 31.03.2022
Personal Loans	198.22	1.26	0.00	5.85	191.11
Corporate persons*	141.99	3.13	0.00	0.53	138.33
Of which MSMEs	4.34	0.00	0.00	1.06	3.28
Others	295.48	5.45	0.00	19.38	270.65
Total	640.03	9.84	0.00	26.82	603.37

\*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016. "corporate person" means a company as defined in clause (20) of section 2 of the Companies Act, 2013, a limited liability partnership, as defined in clause (n) of sub-section (1) of section 2 of the Limited Liability Partnership Act, 2008, or any other person incorporated with limited liability under any law for the time being in force but shall not include any financial service provider;

Personal Loan<sup>3</sup> 'Personal loans', for the purpose of this circular shall have the same meaning as defined in the Circular DBR.No.BP.BC.99/08.13.100/2017-18 dated January 4, 2018 on "XBRL Returns – Harmonization of Banking Statistics".

### i) COVID -19

COVID-19 pandemic has and had an extraordinary impact on macroeconomic conditions in India and around the world during the past two years. The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and Individual activities, had led to volatility in global and Indian financial markets and a decrease in global and local economic activities. The revival of economic activity has since improved supported by relaxation of restrictions due to administration of the COVID vaccines to a large population in the country. The extent to which any new wave of COVID-19 pandemic will impact the Bank results will depend on ongoing as well as future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us. On a prudent basis, the Bank holds a provision of ₹250 crores as at 31<sup>st</sup> March, 2022 against the potential impact of COVID-19 & other uncertainties.

## 5. Exposures

### a) Exposure to real estate sector

(Amount in ₹ crore)

Category	2021-22	2020-21
<i>i) Direct exposure</i>		
a) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented of Which Individual housing loans eligible for inclusion in priority sector advances shall be shown separately. Exposure would also include non-fund based (NFB) limits.	4301.48	3854.34
b) Commercial Real Estate – Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	2030.39	1816.58
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –		
i. Residential	187.22	204.44
ii. Commercial Real Estate	0.00	0.00
<i>ii) Indirect Exposure</i>		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	0.05	1.20
<b>Total Exposure to Real Estate Sector</b>	<b>4488.75</b>	<b>4059.98</b>

**b) Exposure to capital market**

(Amount in ₹ crore)

Particulars	2021-22	2020-21
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	8.13	13.38
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;	0.59	1.51
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	0.00	0.00
iv) Advances for any other purposes to the extent secured by the collateral 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;	0.25	0.36
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	28.30	28.95
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;	0.00	0.00
vii) Bridge loans to companies against expected equity flows / issues;	0.00	0.00
viii) Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	0.00	0.00
ix) Financing to stockbrokers for margin trading;	0.00	0.00
x) All exposures to Venture Capital Funds (both registered and unregistered)	0.00	0.00
<b>Total exposure to capital market</b>	<b>37.27</b>	<b>44.20</b>

**c) Risk category-wise country exposure**

(Amount in ₹ crore)

Risk Category	Exposure (net) as at 31/03/2022	Provision held as at 31/03/2022	Exposure (net) as at 31/03/2021	Provision held as at 31/03/2021
Insignificant	319.58	0.00	296.73	0.00
Low	329.27	0.00	462.63	0.00
Moderately Low	13.93	0.00	6.58	0.00
Moderate	1.57	0.00	1.28	0.00
Moderately High	0.54	0.00	0.00	0.00
High	0.00	0.00	0.97	0.00
Very High	0.00	0.00	0.00	0.00
Total	<b>664.90</b>	<b>0.00</b>	<b>768.19</b>	<b>0.00</b>

**d) Unsecured advances**

(Amount in ₹ crore)

Particulars	2021-22	2020-21
Total unsecured advances of the bank	236.91	170.46
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	0.00	0.00
Estimated value of such intangible securities	0.00	0.00

**e) Factoring exposures – Nil**

**f) Intra-group exposures as on 31.03.2022**

- i) Total amount of intra-group exposures - - **NIL**
- ii) Total amount of top 20 intra-group exposures - **NIL**
- iii) Percentage of intra-group exposures to total exposure of the bank on borrowers/customers - - **NIL**
- iv) Details of breach of limits on intra-group exposures and regulatory action thereon, if any - - **NIL**

**g) Unhedged foreign currency exposure**

The provisioning required for currency induced Credit Risk for the bank on account of the unhedged Foreign Currency Exposure of the borrowers was estimated at 1.16 Crore (Previous Year – Rs.1.38 Crore). Bank holds required provision towards the same. Bank holds ₹4.89 Crore as capital towards the unhedged foreign currency exposure.

## 6. Concentration of deposits, advances, exposures and NPAs

### a) Concentration of deposits

(Amount in ₹ crore)

Particulars	2021-22	2020-21
Total deposits of the twenty largest depositors	4212.63	2994.35
Percentage of deposits of twenty largest depositors to total deposits of the bank	9.38%	7.31%

### b) Concentration of advances

(Amount in ₹ crore)

Particulars	2021-22	2020-21
Total advances to the twenty largest borrowers	1805.44	1686.67
Percentage of advances to twenty largest borrowers to total advances of the bank	5.35%	5.35%

### c) Concentration of exposures

(Amount in ₹ crore)

Particulars	2021-22	2020-21
Total exposure to the twenty largest borrowers/customers	3305.02	3308.01
Percentage of exposures to the twenty largest borrowers/customers to the total exposure of the bank on borrowers/customers	7.63%	8.10%

### d) Concentration of NPAs

(Amount in ₹ crore)

	2021-22	2020-21
Total Exposure to the top twenty NPA accounts	209.72	391.09
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	36.73%	36.05%

## 7) Derivatives

### a) Forward rate agreement/Interest rate swap

(Amount in ₹ crore)

Particulars	2021-22	2020-21
i) The notional principal of swap agreements		
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements		
iii) Collateral required by the bank upon entering into swaps	NIL	NIL
iv) Concentration of credit risk arising from the swaps		
v) The fair value of the swap book		

**b) Exchange traded interest rate derivatives**

(Amount in ₹ crore)

Sr. No.	Particulars	2021-22	2020-21
i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument wise)	NIL	NIL
ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 <sup>st</sup> March .....(instrument wise)		
iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)		
iv)	Mark to market value of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)		

**c) Disclosures on risk exposure in derivatives****i) Qualitative disclosures**

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

- a) the structure and organization for management of risk in derivatives trading,
- b) the scope and nature of risk measurement, risk reporting and risk monitoring systems,
- c) policies for hedging and / or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants, and
- d) accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation.

ii) Quantitative disclosures

(Amount in ₹ crore)

Sr. No	Particular	2021-22		2020-21	
		Currency Derivatives	Interest rate derivatives	Currency Derivatives	Interest rate derivatives
a)	Derivatives (Notional Principal Amount)	NIL	NIL	NIL	NIL
	i) For hedging				
	ii) For trading				
b)	Marked to Market Positions <sup>[1]</sup>				
	i) Asset (+)				
	ii) Liability (-)				
c)	Credit Exposure <sup>[2]</sup>				
d)	Likely impact of one percentage change in interest rate (100PV01)				
	i) on hedging derivatives				
	ii) on trading derivatives				
e)	Maximum and Minimum of 100PV01 observed during the year				
	i) on hedging				
	ii) on trading				

d) Credit default swaps - NIL

8) Disclosures relating to securitization- NIL

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

Name of the SPV sponsored	
Domestic	Overseas
NIL	NIL

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

(Amount in ₹ crore)

Sr. No.	Particulars	2021-22	2020-21
i)	Opening balance of amounts transferred to DEA Fund	89.79	77.95
ii)	Add: Amounts transferred to DEA Fund during the year	13.69	13.22
iii)	Less: Amounts reimbursed by DEA Fund towards claims	0.82	1.38
iv)	Closing balance of amounts transferred to DEA Fund	102.66	89.79

## 11) Disclosure of complaints

### a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman

Sr. No	Particulars	2021-22	2020-21
	Complaints received by the bank from its customers		
1.	Number of complaints pending at beginning of the year	318	51
2.	Number of complaints received during the year	39682	24324
3.	Number of complaints disposed during the year	39679	24057
	3.1 Of which, number of complaints rejected by the bank	-	-
4.	Number of complaints pending at the end of the year	321	318
	Maintainable complaints received by the bank from Office of Ombudsman		
5.	Number of maintainable complaints received by the bank from Office of Ombudsman	164	176
	5.1. Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	164	176
	5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	2	1
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	-	-
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-
Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme.			

**b) Top five grounds of complaints received by the bank from customers**

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the 2020-21	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
<b>2021-22</b>					
ATM/ Debit Cards	318	34247	102%	321	
Internet/ Mobile/Electronic Banking	-	5105	-26%	-	
Loans and Advances	-	131	-2%	-	
Service Charges	-	53	-25%	-	
Account opening/ Difficulty in operation of accounts	-	21	-25%	-	
Others	-	125	-14%	-	
<b>Total</b>	<b>318</b>	<b>39682</b>	<b>-</b>	<b>321</b>	
<b>2020-21</b>					
ATM/ Debit Cards	13	16982	-16%	318	-
Internet/ Mobile/Electronic Banking	34	6963	60%	-	-
Loans and Advances	-	134	44%	-	-
Service Charges	-	71	91%	-	-
Account opening/ Difficulty in operation of accounts	-	28	-9%	-	-
Others	4	146	39%	-	-
<b>Total</b>	<b>51</b>	<b>24324</b>	<b>-</b>	<b>318</b>	<b>-</b>

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

- i) Penalty charged for detection of counterfeit notes by RBI: Penalty charged by RBI under Scheme of Incentives and Penalties for Bank Branches including Currency chests during the period from 01.04.2021 to 31.03.2022 - ₹45,600/-
- ii) During the year, RBI has imposed penalty of ₹1,00,00,000/- for the lapses in compliance with RBI direction contain in the circular on Cyber Security Framework in Bank dated June 02,2016. (Date of Order – 20/05/2021).
- iii) During the year, RBI has imposed penalty of ₹60,000/- under the scheme of penalty for Non-replenishment of ATM (DCM(RMMT) No.S153/11.01.01/2021-22) dated August 10, 2021. (Date of order – 30.03.2022).

### 13 Disclosures on remuneration

Type of disclosure		Information	
Qualitative	(a)	Information relating to the composition and mandate of the Nomination and Remuneration Committee.	<p>The Nomination &amp; Remuneration Committee comprised of three members constituted to oversee the framing, review and implementation of Compensation Policy of the Bank, on behalf of the Board.</p> <p>As on March 31,2022, the Nomination &amp; Remuneration Committee of the Board comprises of the following Directors</p> <p>Shri.K. Nagarajan (Independent Director) (Chairman) Shri.A. Niranjan Sankar Shri.B.Vijayadurai (Independent Director)</p>
	(b)	Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.	<p>The Bank has formulated and adopted a comprehensive compensation policy &amp; HR policy covering all the employees. The policy is reviewed on an annual basis. The policy covers all aspects of the compensation structure such as fixed pay, variable compensation, perquisites, performance bonus, pension, gratuity, etc., taking into account the guidelines issued by Reserve Bank of India from time to time.</p> <p><b>Key Features:</b></p> <p>i) Board oversees the design of the compensation package and operations. ii) Compensation commensurate with the responsibility and accountability.</p> <p><b>Objectives:</b></p> <p>i) Alignment of compensation with prudent risk taking Effective Supervisory oversight. ii) Sound Compensation Practices.</p>

	(c)	Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.	Compensation related to the types of risks and symmetric with risk outcomes.  1) Regional Heads, Branch Heads, IT department officials and Dealers in Treasury & IBD are paid special allowance based on risk taken by them. 2) The control staffs are not required to contribute to business, so that their functions are not diluted.
	(d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.	Qualitative features such as skills, knowledge and abilities are factored in. A performance based incentive scheme was approved by our Board of Directors and it is paid every year.  The employee who have joined on or after 01.06.2021 is covered under new salary structure and for them variable pay depends on the following factors 1.Outstanding achievement beyond regular KRA. 2.Participating in 'TMB My Bank', an initiative to evaluate individual contribution of the staff.
	(e)	A discussion of the bank's policy on deferral and vesting of variable remuneration and a discussion of the banks policy and criteria for adjusting deferred remuneration before vesting and after vesting.	There is no deferred remuneration payment to employees except to MD & CEO and CDO.  This is because at present the limit on cash component of variable pay is fixed at ₹25.00 lacs, as per our Compensation policy and no employee except MD &CEO and CDO getting variable pay more than ₹25.00 lacs.
	(f)	Description of the different forms of variable remuneration (i.e., cash and types of share-linked instruments) that the bank utilizes and the rationale for using these different forms.	The remuneration such as Exgratia / performance based incentive is in the form of cash only. There is no remuneration in the form of Shares, ESOP and other forms.

			2021-22	2020-21
<b>Quantitative disclosures</b>  <i>(The quantitative disclosures should only cover Whole Time Directors/ Chief Executive Officer/ Material Risk Takers)</i>	(g)	Number of meetings held by the Nomination and Remuneration Committee during the financial year and remuneration paid to its members.	7 meetings (Nomination and Remuneration Committee) were held during the financial Year and the total remuneration & commission paid to the members during the year is ₹4,95,000/-	2 meetings (Nomination and Remuneration Committee) were held during the financial Year and the total remuneration & commission paid to the members during the year is ₹90,000/-
	(h)	(i) Number of employees having received a variable remuneration award during the financial year. (ii) Number and total amount of sign-on/joining bonus made during the financial year. (iii) Details of severance pay, in addition to accrued benefits, if any.	(ii) 1 (one) Joining Bonus - ₹3,52,776/-	NIL
	(i)	(i) Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms. (ii) Total amount of deferred remuneration paid out in the financial year.	Nil	Nil
	(j)	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	Nil	Nil

			2021-22	2020-21
	(k)	(i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments. (ii) Total amount of reductions during the financial year due to ex post explicit adjustments. (iii) Total amount of reductions during the financial year due to ex post implicit adjustments.	Nil	Nil
	(l)	Number of MRTs identified.	530	530
	(m)	(i) Number of cases where malus has been exercised. (ii) Number of cases where clawback has been exercised. (iii) Number of cases where both malus and clawback have been exercised.	Nil	Nil
General Quantitative Disclosure	(n)	The mean pay for the bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean pay.	Mean Pay – ₹67,314.70 MD Pay - ₹3,60,625.00 Difference – ₹2,93,310.30	Mean Pay – 63028.00 MD Pay - 375000.00 Difference – 311972.00

## 14) Other Disclosures

### a) Business ratios

Particular	2021-22	2020-21
i) Interest Income as a percentage to Working Funds	7.77%	8.04%
ii) Non-interest income as a percentage to Working Funds	1.67%	1.43%
iii) Cost of Deposits	4.91%	5.49%
iv) Net Interest Margin	4.10%	3.77%
v) Operating Profit as a percentage to Working Funds	3.09%	2.68%
vi) Return on Assets	1.66%	1.34%
vii) Business (deposits plus advances) per employee (in ₹ crore)	17.75	16.63
viii) Profit per employee (in ₹ crore)	0.19	0.14

### b) Bancassurance business

The details of fees / brokerage earned in respect of insurance broking, agency and bancassurance business undertaken by us shall disclosed as under given below

(Amount in ₹ crore)

Particulars	2021-22	2020-21
Commission from UIIC	3.03	3.74
Commission from NIAC	0.14	0.03
Commission from LIC	1.82	1.72

### c) Marketing and distribution

Banks shall disclose the details of fees / remuneration received in respect of the marketing and distribution function (excluding bancassurance business) undertaken by them.

(Amount in ₹ crore)

S.No	Particulars	2021-22	2020-21
1	Government Schemes related NPS, etc	1.04	0.98
2	Distribution of Mutual Fund	0.15	0.13
3	Credit Card related	4.08	3.49
4	Point of Sales	1.58	1.63
5	Depository Services	0.32	0.31
6	Others	0.79	0.66
<b>Total</b>		<b>7.94</b>	<b>7.19</b>

**d) Disclosures regarding Priority Sector Lending Certificates (PSLCs)**

(Amount in ₹ crore)

S.No	Particulars	2021-22		2020-21	
		Purchase	Sale	Purchase	Sale
i)	PSLC- Agriculture	0.00	941.00	0.00	0.00
ii)	PSLC- Small & Marginal Farmer	0.00	1,970.00	0.00	0.00
iii)	PSLC- Micro Enterprises	0.00	2,971.50	0.00	0.00
iv)	PSLC- General	0.00	530.00	0.00	0.00
	<b>Grand Total</b>	<b>0.00</b>	<b>6412.50</b>	<b>0.00</b>	<b>0.00</b>

**e) Provisions and contingencies**

(Amount in ₹ crore)

Provision debited to Profit and Loss Account	2021-22	2020-21
i) Provisions for NPI	<b>0.00</b>	<b>0.00</b>
ii) Provision towards NPA	<b>141.87</b>	<b>337.45</b>
iii) Provision made towards Income tax	<b>293.18</b>	<b>192.00</b>
iv) Other Provisions and Contingencies (with details)		
a) Diminution on Investment	<b>10.32</b>	<b>5.64</b>
b) Provision towards Standard Asset	<b>5.70</b>	<b>3.50</b>
c) Floating Provision for Advances	<b>(34.82)</b>	<b>3.30</b>
d) Deferred Tax	<b>9.52</b>	<b>3.03</b>
e) Provision for MSME Advances	<b>0.00</b>	<b>0.00</b>
f) Provision for Restructured Advances	<b>82.55</b>	<b>3.07</b>
g) Contingency Provision for Covid and other uncertainties	<b>196.12</b>	<b>50.00</b>
h) Provision for fair value for Restructured Advances	<b>0.42</b>	<b>0.90</b>
<b>Grand Total</b>	<b>704.86</b>	<b>598.89</b>

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

The Proforma Financial Statement (PFS) are being submitted to RBI on a periodical basis. Bank is in the process of development of software for IFRS converged India Accounting Standard (IndAS). However bank is awaiting for the final guidance from RBI in order to make suitable system related changes.

**g) Payment of DICGC Insurance Premium**

(Amount in ₹ crore)

Sr. No.	Particulars	2021-22	2020-21
i)	Payment of DICGC Insurance Premium*	57.39	52.21
ii)	Arrears in payment of DICGC premium	0.00	0.00

\*Including GST

***h) Disclosure on amortisation of expenditure on account of enhancement in family pension of employees of banks:***

The Bank has incurred an additional liability of Rs.26.84 Crore on account of revision in family pension consequent to the 11th Bipartite settlement and it has been fully charged to the Profit & Loss Account during the financial year 2021-22 itself despite the RBI guidelines permitting Banks for amortisation of expenditure over a period of 5 years starting from the financial year ending 31.03.2022.

***i) Penalty levied by Directorate of Enforcement***

The Directorate of Enforcement vide its order dated 14.08.2020 had levied a penalty of Rs.16.99 Crores for recording share transfers, which took place on 13.05.2007, 26.12.2011 and 11.06.2012 in violation of the Regulation 4 of Foreign Exchange Management (Transfer or Issue of security by a person resident outside India) Regulations, 2000. The Bank had made an application for compounding and post facto approval in this regard to RBI vide its letter dated 12.10.2020. The Bank had also requested Directorate of Enforcement vide its letter dated 12.10.2020 and 24.11.2020 to keep in abeyance the order of penalty imposed on bank till the decision of the RBI regarding compounding application.

RBI vide its letter dated 27.01.2021 returned the Bank's compounding application by stating that as the contravention sought to be compounded has been adjudicated by the order of the Special Director, Directorate of Enforcement dated August 14, 2020, the compounding application is not maintainable. On 22.02.2021, the Bank had once again, requested RBI to review their decision regarding its compounding application dated 12.10.2020.

In the meantime, on 05.04.2021 Bank had received a copy of appeal filed by the Deputy Legal Adviser, Directorate of Enforcement, Chennai on 27.01.2021 before Appellate Tribunal for Foreign Exchange, New Delhi, against the Order of the Special Director of Enforcement dt.14.08.2020. On 26.07.2021, Bank once again requested the Reserve Bank of India, Foreign Investment Division to consider the compounding application filed by the Bank favourably by reviewing RBI's earlier decision, which is pending.

The Bank has not paid the above penalty amount. However, necessary provision for the penalty amount has been made in the books of account.

**j) Transfer of Dividend and shares to IEPF:**

Unclaimed Dividend pertaining to the Financial Year 2013-14 (Interim Dividend 1 & 2) and related shares have been transferred to IEPF with little delay beyond the due date. Delay happened in transferring the unclaimed dividend and related shares, as we were in the process of transition of the data of shareholders to the Registrar and Transfer Agent M/s. Link Intime India Pvt Ltd.,

**IEPF 1 & 4 Transferred details (2021-22)**

S.No	Financial Year	Dividend Nature	Date of Declaration	Due of Transfer	Actual Transferred date (Dividend)	Dividend Amount Transferred	Actual Transferred date (Shares)	Shares Transferred
1	2013-14	Interim 1	31.01.2014	01.04.2021	09.07.2021	4844700	23.07.2021	65631
2	2013-14	Interim 2	29.05.2014	28.07.2021	07.02.2022	5642100	14.02.2022	231

**15) Disclosure Requirements as per Accounting Standards where RBI has issued guidelines in respect of disclosure items for Notes on Accounts:**

**15.1 Changes in Accounting Policies (AS-5):**

There were no material pertaining to prior period Income /Expenditure requiring disclosure as per AS.

**15.2 Revenue Recognition (AS-9):**

The heads of income recognized on cash basis are neither material enough nor do they require disclosure under AS 9 on Revenue Recognition.

**15.3 Employee Benefits (AS-15):**

(Amount in ₹ crore)

	2021-22		2020-21	
	Pension	Gratuity	Pension	Gratuity
<b>(i) Principal Actuarial Assumption used</b>				
Discount Rate	7.27%	7.52%	6.90%	6.90%
Rate of return on Plan Assets	7.00%	6.90%	7.00%	7.00%
Salary Escalation	6.50%	6.50%	6.50%	6.50%
<b>(ii) Change in Benefit Obligation:</b>				
Liability at the beginning of the year	544.66	174.72	489.24	160.69
Interest Cost	34.79	11.47	30.68	10.59
Current Service Cost	33.39	10.43	25.68	13.86
Benefit Paid	-132.19	-16.71	-89.20	-14.52
Actuarial (gain) / loss on obligation	111.41	-1.18	88.26	4.10
Liability at the end of the year	592.06	178.73	544.66	174.72

<b>(iii) Fair Value of Plan Assets :</b>				
Fair value of Plan Assets at the beginning of the year	513.38	174.32	489.63	159.39
Expected return on plan Assets	37.40	11.76	35.11	11.68
Contributions	174.28	8.95	80.86	18.85
Benefits paid	-132.19	-16.71	-89.20	-14.52
Actuarial Gain / (loss) Plan Assets	-0.72	0.42	-3.02	-1.08
Fair value of Plan Assets at the End of the year	592.16	178.73	513.38	174.32
<b>(iv) Actual Return on Plan Assets</b>				
Expected Return On Plan Assets	37.40	11.76	35.11	11.68
Actuarial gain/ (loss) Plan Assets	-0.72	0.42	-3.02	-1.08
Actual return on Plan Assets	36.68	12.18	32.09	10.60
<b>(v) Amount Recognised in the Balance Sheet</b>				
Liability at the end of the year	592.06	178.73	544.66	174.72
Fair value of Plan Assets at the End of the year	592.16	178.73	513.38	174.32
Amount recognised in the Balance Sheet	0.10	0.00	-31.28	-0.40
<b>(vi) Expenses Recognised in the Income Statement</b>				
Current Service Cost	33.39	10.43	25.68	13.86
Interest Cost	34.79	11.47	30.68	10.59
Expected Return On Plan Assets	-37.40	-11.76	-35.11	-11.68
Actuarial gain or Loss	112.13	-1.60	91.28	5.18
Past Service Cost	0	0	0	0
Expenses Recognized in P & L	142.91	8.54	112.53	17.95

Details of Provisions made for Other Long term Employee Benefits:

(Amount in ₹ crore)

S.no	Other Long Term Benefits	2021-22	2020-21
1	Leave Encashment	12.18	7.76
2	Sick Leave	0.75	2.33

## 15.4 Accounting Segment Reporting (AS-17):

### PART A: Operational Segments:

(Amount in ₹ crore)

Business Segments	Treasury		Corporate / Wholesale Banking		Retail Banking		Other Banking Business		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Revenue	1020.06	952.31	622.73	715.12	3006.66	2578.95	6.98	7.02	4656.43	4253.40
Result	354.23	281.79	131.93	111.90	631.47	397.64	6.98	7.02	1124.61	798.35
Unallocated expenses									0.00	0.00
Operating profit									1124.61	798.35
Income taxes									302.70	195.03
Extraordinary profit / loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net profit									821.91	603.33

Other information:										
Segment assets	15134.31	12912.25	8143.15	8623.85	28505.90	25202.36	0.00	0.00	51783.36	46738.46
Unallocated assets									69.03	74.52
Total assets									51852.39	46812.98
Segment liabilities	15643.73	14221.38	6154.35	7007.98	29783.48	25341.92	0.00	0.00	51581.56	46571.28
Unallocated liabilities									270.83	241.70
Total liabilities									51852.39	46812.98

#### Note:

1. Assets and Liabilities wherever directly related to segments have been accordingly allocated to segments and wherever not directly related have been allocated on the basis of segment revenue.

2. The Bank operates only in Domestic Segment.

### Part B: Geographic segments

(Amount in ₹ crore)

	Domestic		International		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
(a) Revenue	4656.43	4253.40	0.00	0.00	4656.43	4253.40
(b) Assets	51852.39	46812.98	0.00	0.00	51852.39	46812.98

## 15.5 Related Party disclosures (AS-18)

The bank has identified the following person to be the key Management person as per AS-18 on related Party Disclosures:

Thiru K.V.Rama Moorthy – Managing Director and Chief Executive Officer – 01.04.2021 to 31.03.2022.

### A. Emoluments:

(Amount in ₹)

Particulars	2021-22	2020-21
Salary	43,27,500.00	45,00,000.00
Bank contribution to provident Fund	5,19,300.00	5,40,000.00
Other Benefits	3,81,557.00	2,35,844.30
<b>Total</b>	<b>52,28,357.00</b>	<b>52,75,844.30</b>

B. Others – The bank has not paid any remuneration other than sitting fees to its non-executive directors.

### C. Other transaction with the Managing Director & CEO

(Amount in ₹ Crore)

Items/ Related Party	Parent (as per ownership or control)		Subsidiaries		Associates / Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Borrowings												
Deposits							0.50 (Maximum during the year 0.50)	0.29 (Maximum during the year 0.29)			0.50	0.29
Placement of deposits												
Advances												
Investments												
Non-funded commitments												
Leasing/HP arrangements availed	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Leasing/HP arrangements provided												
Purchase of fixed assets												
Sale of fixed assets												
Interest paid							0.03	0.02			0.03	0.02
Interest received												
Rendering of services											Nil	Nil
Receiving of services							Nil	Nil				
Management contracts												

## 15.6 Earnings per Share (AS-20)

<i>Items</i>	<b>Amount</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
Net Profit after Tax available for equity share holders (Rs. in Lakhs)	82190.87	60332.93
Average number of shares	142511454	142511454
Basic and Diluted EPS (in Rs.)	57.67	42.34
Nominal value per share (in Rs.)	10.00	10.00

## 15.7 Consolidated Financial Statements (AS-21)

The Bank has no subsidiaries/Joint ventures/ Associates. Hence reporting under CFS is not applicable.

## 15.8. Accounting for Taxes on Income (AS-22)

(Amount in ₹ crore)

<b>Particulars</b>	<b>Deferred tax Asset</b>	<b>Deferred tax Liability</b>	<b>Deferred tax Asset</b>	<b>Deferred tax Liability</b>
	<b>31.03.2022</b>	<b>31.03.2022</b>	<b>31.03.2021</b>	<b>31.03.2021</b>
Depreciation on Fixed Assets	4.57	0.00	5.20	0.00
Provision for NPAs/Bad Debts	0.00	0.00	0.00	0.00
Special Reserve u/s 36 (1) (viii)	0.00	71.94	0.00	60.11
Provisions on retirement benefit, Leave encashment etc	22.31	0.00	20.78	0.00
Others	4.07	0.00	2.67	0.00
<b>Deferred tax asset/liability</b>	<b>30.95</b>	<b>71.94</b>	<b>28.65</b>	<b>60.11</b>
<b>Net Deferred Tax Asset/(Liability)</b>	<b>(40.99)</b>		<b>(31.46)</b>	

## 15.9. Accounting for Investment in associates in CFS (AS-23)

The Bank has no associates. Hence reporting under AS 23 is not applicable.

## 15.10. Discontinuing Operation (AS-24):

The bank has not discontinued any operations. Hence reporting under AS 24 is not applicable.

## 15.11. Intangible assets (AS-26)

Depreciation on software is calculated on straight line method at 33.33% in compliance with RBI guidelines.

## 15.12. Impairment of Assets (AS-28)

In the opinion of the management, there is no impairment to the assets to which AS 28 "Impairment of Assets" applies.

### 15.13. Contingent Liabilities and Provisions (AS-29)

The details of provisions and contingencies, contingent liabilities, the movement of provisions on NPA's and depreciation on investment which are considered material are disclosed elsewhere under the appropriate headings as per RBI guidelines.

#### a) Provisions:

(Amount in ₹ crore)

Particulars	Provisions as at the beginning of the year	Additions During the year	Amount used during the year	Unused Amounts Reversed During the year	Provisions As at the Close of the year
A. Provision for Interest sacrifice on restructured accounts(DFV)	2.43	0.42	0.00	0.00	2.85
B.Provision for Contingencies	32.66	0.00	5.16	0.00	27.50

#### b) Contingent Liabilities:

(Amount in ₹ crore)

PARTICULARS	As on 31.03.2022	As on 31.03.2021
1. Claims not acknowledged as debt		
a)Counter suits filed by the borrowers against the Bank has initiated legal action.	Nil	Nil
b)Cases filed in Consumer/Civil Courts for deficiency in services	1.75	1.72
c)Any other claims against the bank not Acknowledged as debts*	133.57	133.60
2. Forward exchange contracts	6643.36	9188.69
3.Guarantees issued on behalf of constituents	1139.23	1163.00
4.Acceptance, endorsements & other obligations	768.69	809.91
5. Other items for which the Bank is contingently liable	111.10	90.16
<b>TOTAL</b>	<b>8797.70</b>	<b>11387.08</b>

\*This amount includes dispute on account of Income Tax, VAT/GST of ₹129.88 Crores. In the opinion of the Management, no provision is required for the same on account of favourable decision.

#### **15.14. Proposed dividend:**

RBI Vide its letter dated 25.03.2021 had lifted the restrictions imposed vide its letter dt 11.06.2019 on the Bank subject to the condition that the Bank shall list its shares on stock exchange by December 31,2021.

Despite the best efforts of your bank, the timeline of December 31, 2021 given by RBI for listing of shares could not be met. Hence your Bank requested RBI to extend the timeline further. So far the bank has not received any communication from RBI in this regard. As the timeline for listing expired, the Board of Directors, at their meeting held on April 29,2022 have recommended Dividend of Rs.10/- per equity share of Face Value of Rs.10/- each for the financial year ended March 31,2022, subject to approval of Reserve Bank of India and Shareholders. The recommended dividend are in compliance of the provisions of the Banking Regulation Act,1949 and RBI Circular No.DBOD.BP.BC.88/21.02.067/2004-05 dated May 4, 2005.

- 16 Fixed assets (Land and Building) include property held in Chennai, land (UDS 753.117 sqft Rs.10.76 lakh) and building (Rs.11.10 lakh) purchased during January 1993. While the UDS of land was registered in Bank's name, the building was to be handed over to the Bank after construction, by the corporate debtor, who are in corporate insolvency resolution process, which they failed to do so and the bank had preferred a suit in Madras High Court against them for specific performance and damages which is pending.

- 17 In respect of certain branches/offices where additional information was required, the data available at Controlling/Head office was considered.
- 18 2021-2022's figures have been regrouped wherever necessary to conform to this year's classification.
- 19 Figures have been rounded off to the nearest thousand rupees in the Financial Statements.

Sd/-  
K.V.Rama Moorthy  
**Managing Director & CEO**

Sd/- A.Niranjan Sankar Director	Sd/- S.R.Ashok Director	Sd/- P.C.G.Asok Kumar Director	Sd/- C.Chiranjeeviraj Director
Sd/- S.Ezhil Jothi Director	Sd/- N.Gopal Director	Sd/- K.Nagarajan Director	Sd/- D.N.Nirranjan Kani Director
Sd/- B.Prabakaran Director	Sd/- S.B.Suresh Kumar Director	Sd/- B.Vijayadurai Director	
Sd/- D. Inbamani General Manager	Sd/- P.Suriaraj General Manager	Sd/- R.Arumugapandi General Manager	Sd/- V.Jayaraman General Manager
Sd/- P.A.Krishnan Chief Financial Officer	Sd/- P.C.Panda Company Secretary		

Vide our report of even date attached Vide our report of even date attached

For Suri & Co  
Chartered Accountants  
FRN No. 004283S

For Abarna & Ananthan  
Chartered Accountants  
FRN No. 000003S

Chennai  
29.04.2022

Sd/-  
M.Sivaram  
Partner (M.No.211916)

Sd/-  
Lalitha Ramesswaran  
Partner (M.No.207867)