Bandhan Bank

Trust that Grows, Bandhan that Strengthens

Annual Report
2024-25

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About the Report

Reporting Objective

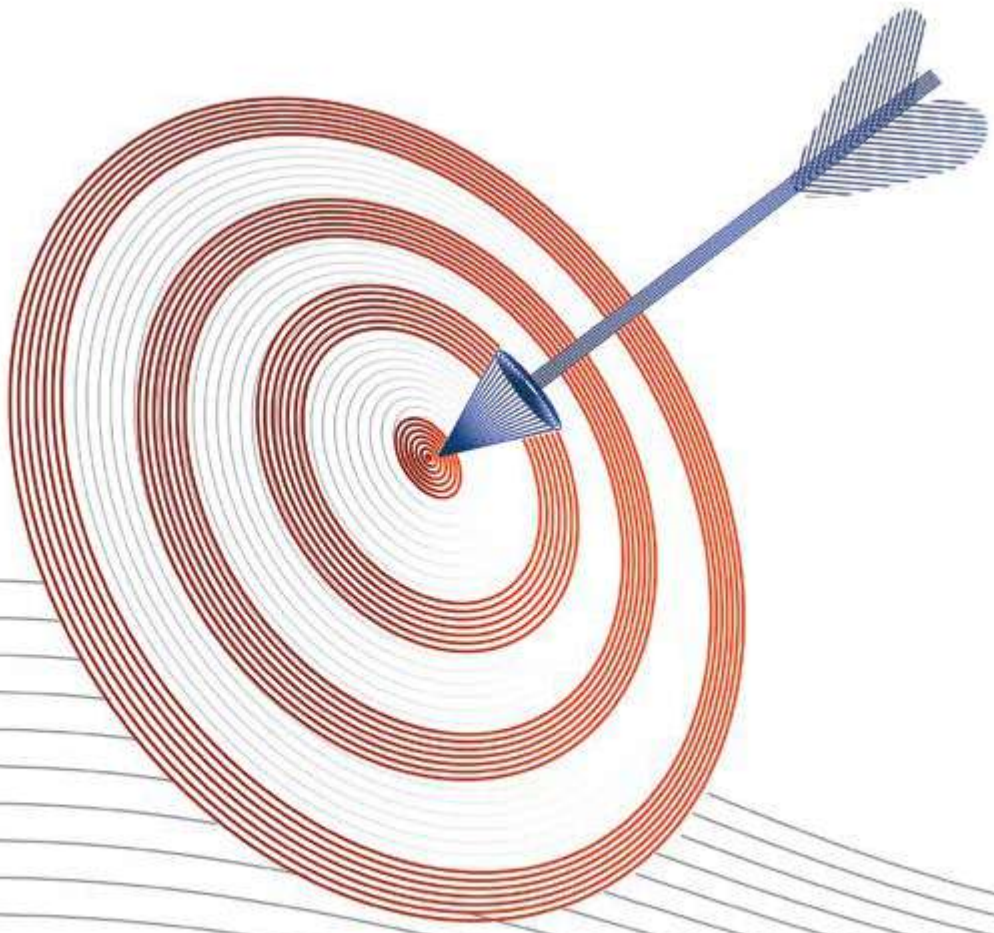
As an entity deeply committed to upholding a legacy of trust, integrity, and excellence, your Bank's journey in FY25 reflects its unwavering focus on customer centricity, ethical governance, and long-term value creation. Your Bank's key purpose is to ensure that every individual falls under the purview of formal banking. To achieve this, your Bank is providing universal banking services to the unbanked and underbanked, while also serving metro and urban customers through its products and services. This reflects your Bank's commitment to its purpose.

The objective of this Annual Report is to communicate your Bank's FY25 financial performance, strategic priorities, and operational successes openly and comprehensively. Through this Report, your Bank seeks to strengthen stakeholder trust, reaffirm its commitment to ethical governance, and showcase its brand values translate into meaningful impact for its customers, partners, and the wider community.

Scope and Boundary

This Annual Report presents a comprehensive account of the financial and non-financial performance of your Bank for the period of April 1, 2024 to March 31, 2025.

It offers a holistic view of your Bank's operations, outlining the key activities that drive short-term and long-term value creation for its stakeholders. The Report also covers your Bank's product portfolio, competitive positioning, strategic priorities, business model, and risk management framework.



Reporting Framework

This Report has been prepared as per the following guiding principles, encompassing strategic focus, future orientation, information connectivity, stakeholder engagement, and consistency to ensure transparency and long-term value communication.

Board Approval

The Board of Directors affirms that it has collectively applied its mind to the preparation and presentation of this Annual Report. The Board accepts responsibility for the integrity and completeness of the Report. It is of the view that it fairly, transparently, and accurately reflects all material matters and your Bank's financial and non-financial performance during the reporting period. This Report has been prepared in accordance with applicable laws, regulations, and reporting frameworks.

Forward-looking Statement

Certain statements in the Report regarding your Bank's business operations may constitute forward-looking statements. They may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about your Bank's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements.

While these statements reflect your Bank's future expectations, it is important to be mindful that some of the risks, uncertainties and other important factors can cause actual results to differ materially from the expectations.

Your Bank does not assume responsibility to publicly amend, modify, or revise any forward-looking statements based on subsequent developments, information, or events. Your Bank has sourced the industry information from publicly available resources and has not verified that information independently.

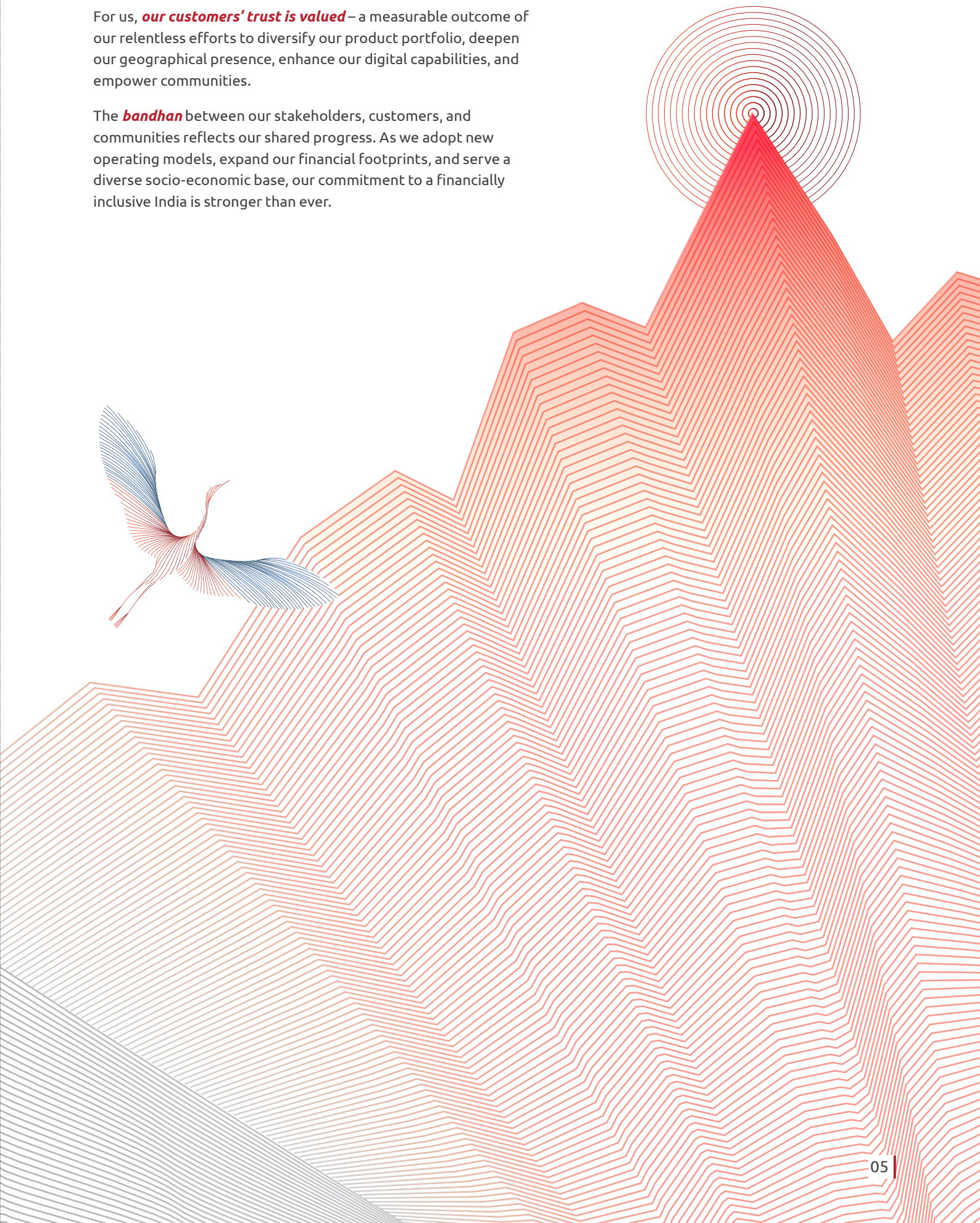
Trust that Grows, Bandhan that Strengthens

Your Bank's continued efforts to serve the unbanked and underbanked segments remain uninterrupted. The bold journey towards becoming a universal Bank has been marked by a range of financially inclusive products closely knit by hope.

In this journey, what has transpired, is the trust of our customers. A trust forged gradually through every interaction, every transaction, every relationship. This year's theme, ***'Trust that Grows, Bandhan that Strengthens',*** encapsulates your Bank's FY25 journey.

For us, ***our customers' trust is valued*** – a measurable outcome of our relentless efforts to diversify our product portfolio, deepen our geographical presence, enhance our digital capabilities, and empower communities.

The ***bandhan*** between our stakeholders, customers, and communities reflects our shared progress. As we adopt new operating models, expand our financial footprints, and serve a diverse socio-economic base, our commitment to a financially inclusive India is stronger than ever.



Company Overview

A Growing Network, A Deeper Commitment

With an inclusive banking approach at its core, your Bank is among India's youngest universal banks. Your Bank's philosophy, 'Aapka Bhala, Sabki Bhalai', embodies its mission to provide end-to-end banking solutions catering to all kinds of customers. Trust is your Bank's currency, and Bandhan its promise, together signifying integrity and reliability reflected in the resilient customer relationships it has built and nurtured over the years. With a diverse range of financial services, your Bank continues to strengthen its standing as a trusted banking partner.

Your Bank's 360° financial services are tailored to meet the dynamic demands across India.

Your Bank's dual focus on inclusive and last-mile banking ensures a smooth transition and economic prosperity across diverse regions. Also, your Bank's customer-centric approach strengthens its strategic resolve to upgrade its digital, retail, and Small and Medium Enterprises (SME) banking services.

Your Bank's vision, mission, and values define its Philosophy.

Vision

To be a world class bank for convenient and affordable financial solutions to all, in an inclusive and sustainable manner.

Mission

To provide our customers with accessible, simple, cost-effective and innovative financial solutions in a courteous and responsible manner. To create value for all stakeholders with a committed team, robust policies and superior systems and technology.

Core Values

C Cost-Effective and Simple

R Respect for All

E Exemplary Governance

A Accountability, Professionalism, and Discipline

T Transparency and Integrity

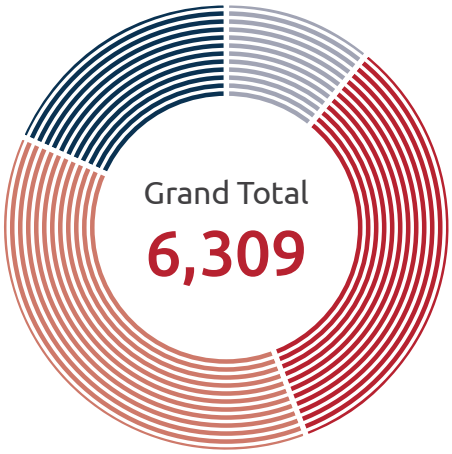
E Effective Teamwork and Commitment

Nationwide Footprint

Strengthening Trust Across India

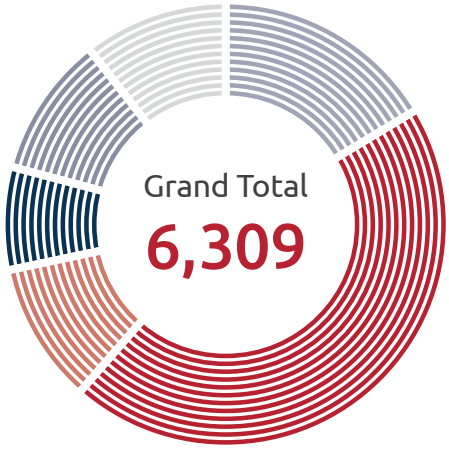
Your Bank's growth story is rooted in its ever-expanding footprint, spanning over 35 states and union territories and serving 3.16 crore customers. The robust outreach is supplemented by a wide network of around 6,309 banking outlets, delivering personalised, accessible, and convenient services across the nation.

Banking Outlets as on March 31, 2025*



Metro	693	10.98%
Rural	2,109	33.43%
Semi Urban	2,353	37.29%
Urban	1,154	18.30%

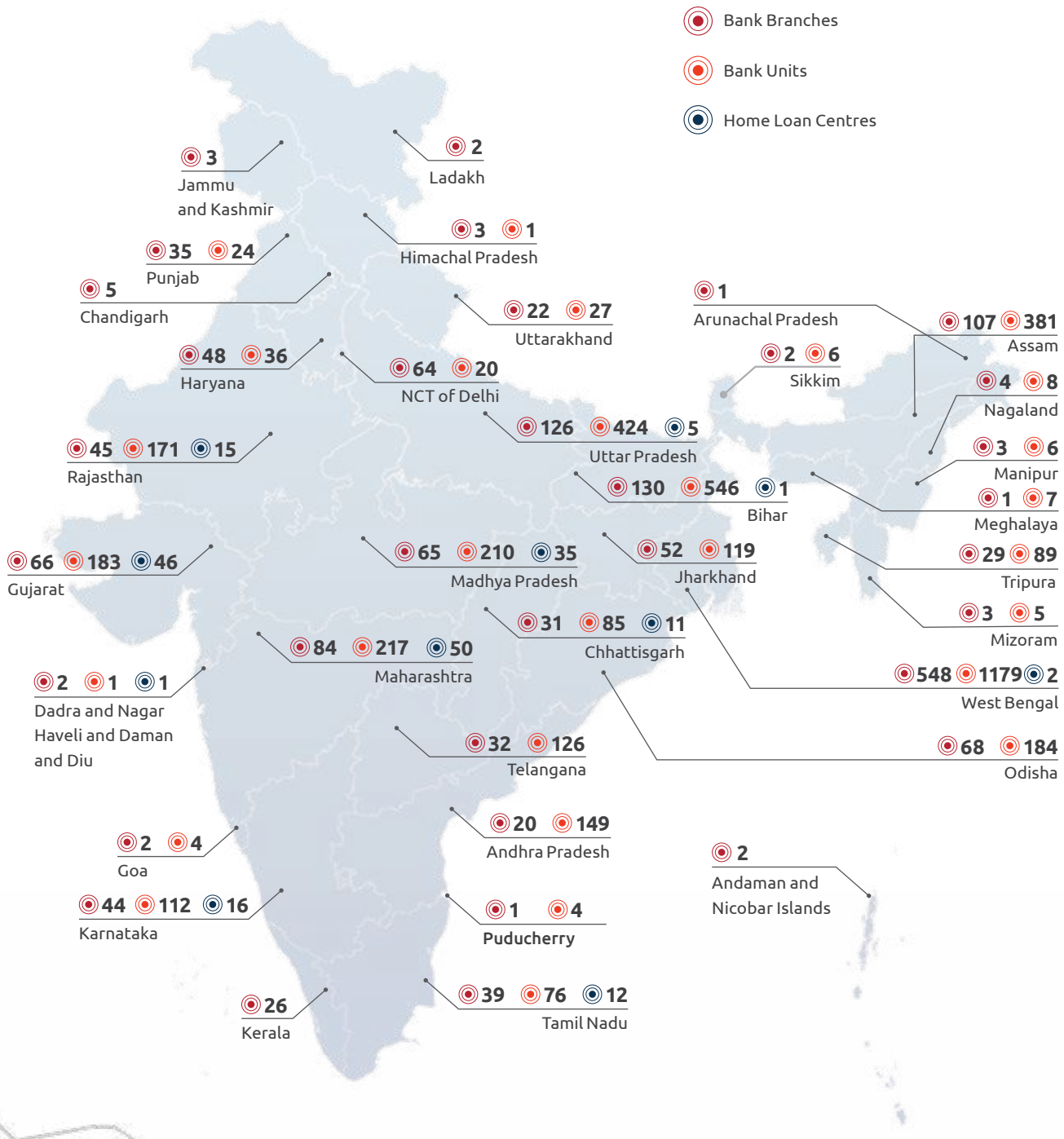
Distribution of Banking Outlets as on March 31, 2025



Central	1,041	16.50%
Eastern	2,839	45.00%
North Eastern	644	10.21%
Northern	472	07.48%
Southern	657	10.41%
Western	656	10.40%

*Basis original classification at the time of opening.

Pan-India presence with a strong network of branches, banking units, and home loan centres, driving inclusive growth.



Map not to scale. For illustrative purposes only.

Milestone

Our Journey Over the Years

Your Bank's long, purposeful journey has covered several milestones from its humble beginning as an NGO to becoming India's largest NBFC-MFI and a universal Bank. Your Bank attributes the sustained success of its purposeful journey to the unwavering trust of its stakeholders.

2001

Started as a society that stood for financial inclusion and women's empowerment through sustainable livelihood creation, along with the launch of microfinance operations in rural Bengal.

2006

Acquired an NBFC and established Bandhan Financial Services Private Limited, with a continued focus on financial inclusion.

2009

Microfinance portfolio was transferred from society to NBFC.

2010

Became the largest Micro Finance Institution (MFI) in the country.

2015

Started operations as a universal Bank on August 23, with 2,523 banking outlets, after becoming India's first Micro Finance Institution to get a universal banking licence.

2018

Emerged as the eighth most valued bank in India on the basis of market capitalisation on the day of listing on stock exchanges.

2019

Acquired HDFC Limited's stake in GRUH Finance.

2021

Crossed the milestone of ₹1,50,000 crore total business.

2022

Crossed the milestone ₹2,00,000 crore total business.

2023

Migrated to a new state-of-the-art Core Banking System (CBS).

2024

Surpassed 3.16 crore customer mark across Bank's growing nationwide network.

FY25 Highlights

Trust Reflected in Numbers

1,36,995
Gross Advances (₹ in cr)

11,491
Net Interest Income (NII) (₹ in cr)

7,389
Operating Profit (₹ in cr)

2,745
Profit After Tax (PAT) (₹ in cr)

7.07%
Net Interest Margin (NIM)

1.53%
Return on Assets (ROA)

11.57%
Return on Equity (ROE)

48.89%

Cost-to-Income Ratio

1,715

Branches

4,594

Banking Units

438

ATMs

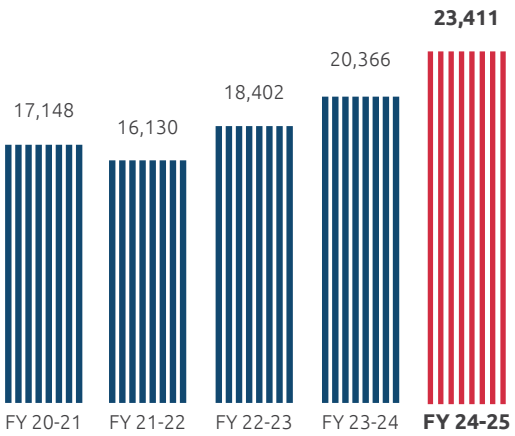
3.16 cr

Total Customers

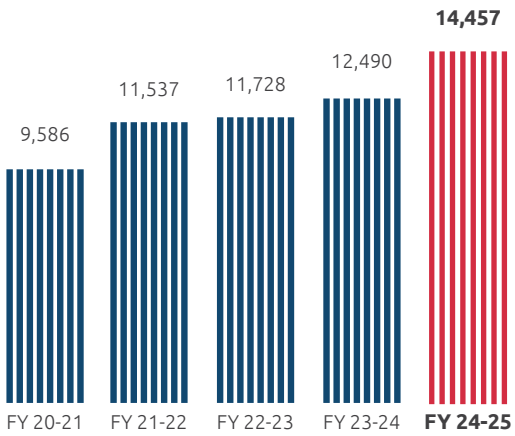
Key Performance Indicators

Sustaining the Bandhan in Numbers

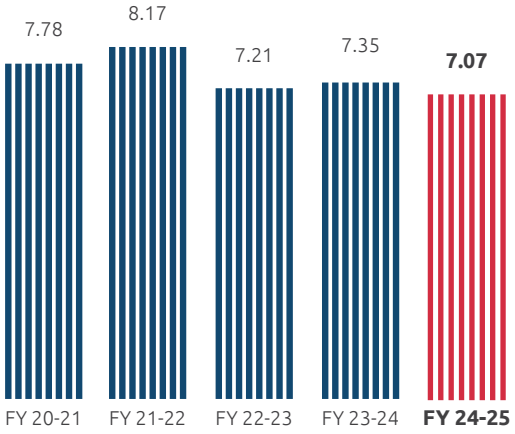
Net Worth
(₹ in crore)



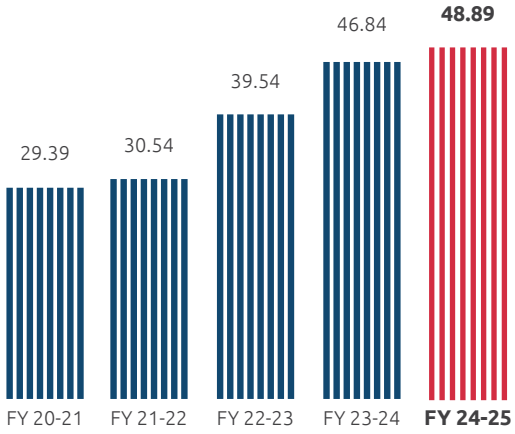
Net Total Income
(₹ in crore)



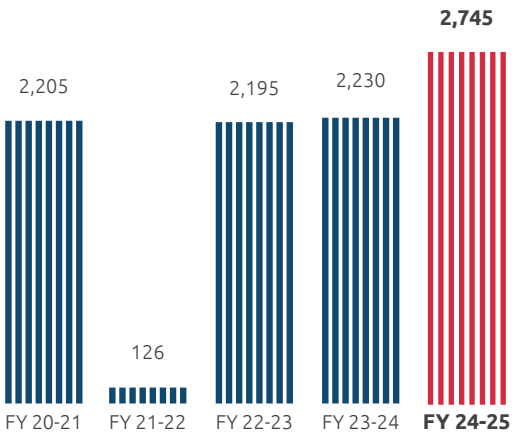
Net Interest Margin
(%)



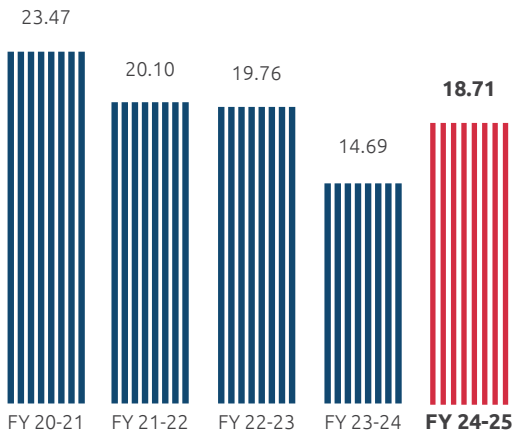
Cost to Income Ratio
(%)



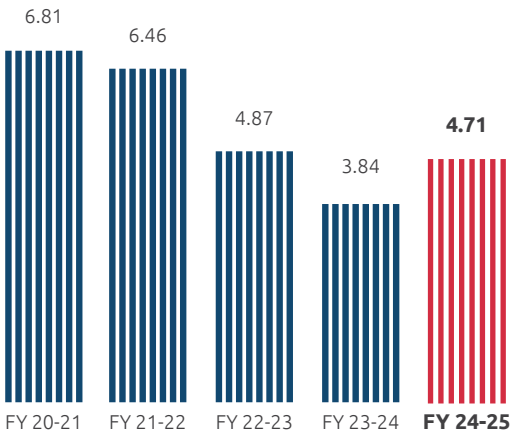
Profit After Tax
(₹ in crore)



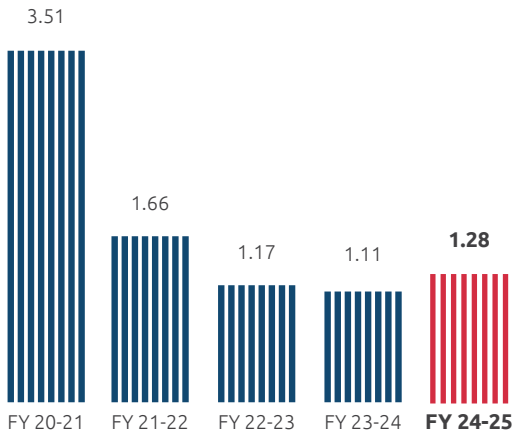
Capital Adequacy Ratio
(%)



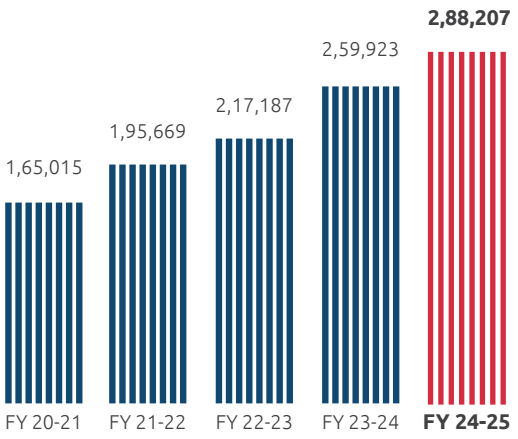
Gross NPA
(%)



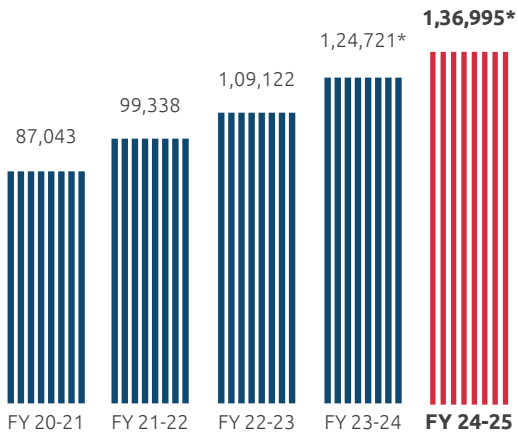
Net NPA
(%)



Total Business
(₹ in crore)

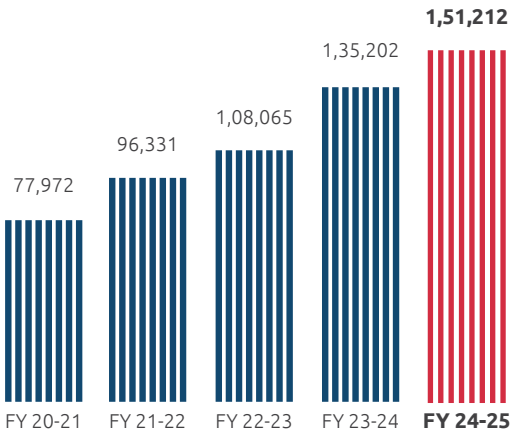


Advances
(₹ in crore)

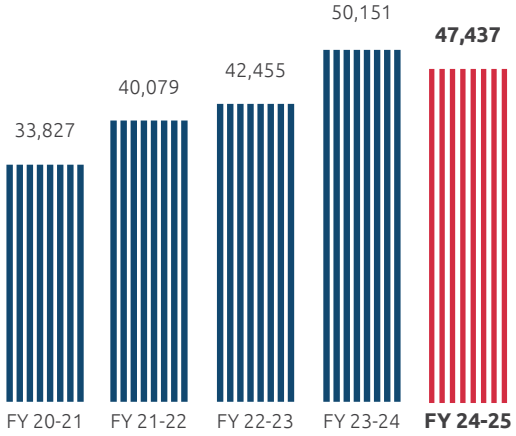


*includes PTC amounting to ₹265 crore in FY25 and ₹147 crore in FY24

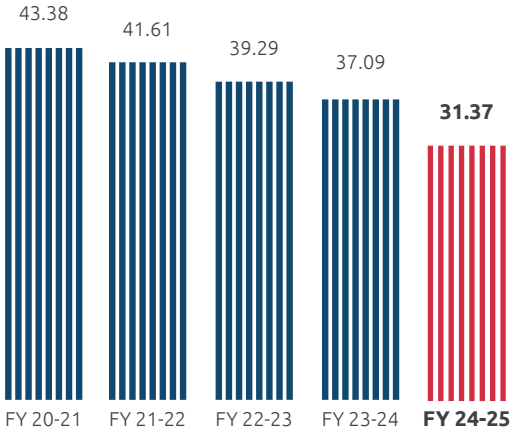
Deposits
(₹ in crore)



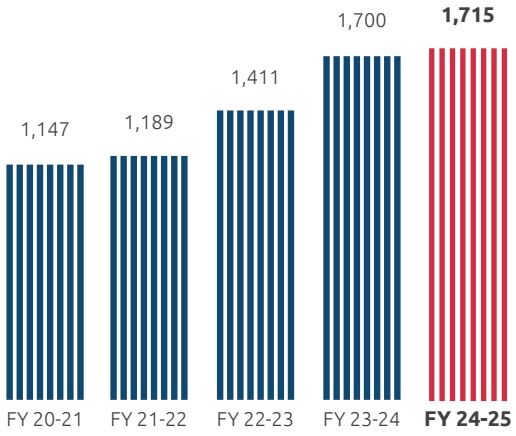
CASA
(₹ in crore)



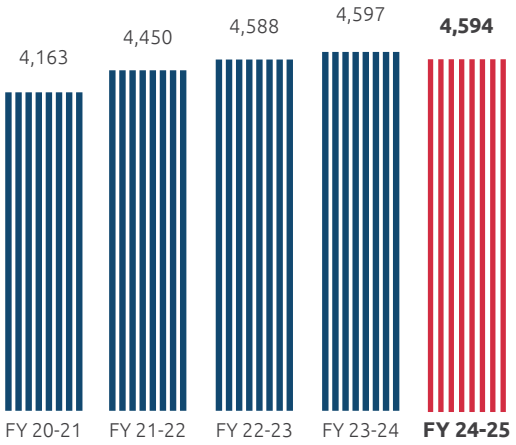
CASA Ratio
(%)



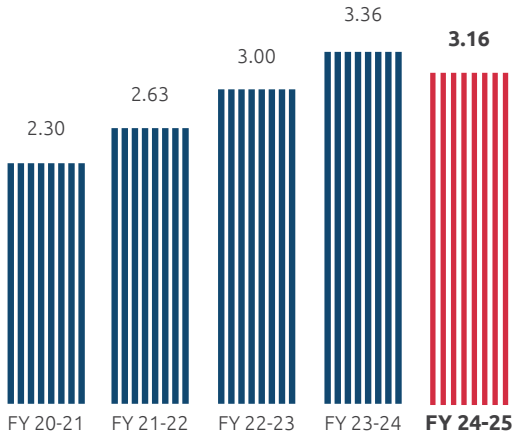
Branches
(in numbers)



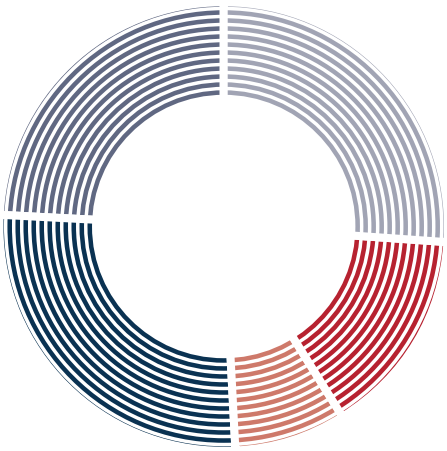
Banking Units
(in numbers)



Number of Customers
(in crore)



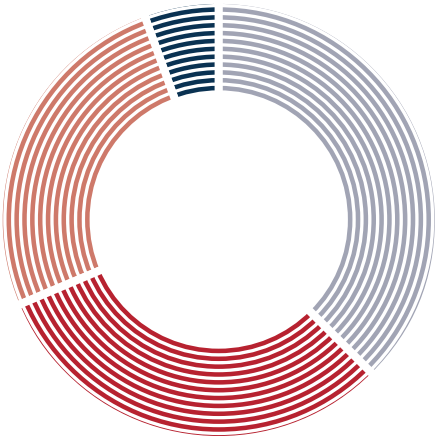
Business Mix (Assets)
(₹ in crore)



EEB Group	36,088
EEB Individual	20,456
Retail Loans	11,021
Commercial Banking#	36,344
Mortgages	33,086

#includes PTC amounting to ₹265 crore in FY25

Business Mix (Liabilities)
(₹ in crore)



Term Deposit (Retail)	56,720
Term Deposit (Others)	47,055
Savings Account	39,348
Current Account	8,089

Management Messages

Chairman's Message

Dr. Anup Kumar Sinha
Non-Executive (Independent) Chairman

Dear Shareholders,

It is with great privilege that I present your Bank's Annual Report for FY 2024-25. This is a moment to reflect on the progress your Bank has made and the values that have shaped its journey. As your Bank continues to grow and evolve, we remain committed to building a resilient, inclusive, and purpose-driven institution.

From its inception with a bold vision for financial empowerment, your Bank has evolved into a trusted financial institution, grounded in resilience, transparency, and empathy. The theme of this year's report, 'trust that grows, bandhan that strengthens', aptly captures the essence of what we have built together, a growing institution anchored in enduring relationships and shared purpose

Indian Economic Review

The Indian economy demonstrated commendable resilience in FY25, sustaining its status as the fastest-growing major economy worldwide. GDP growth eased to 6.5% in FY25 due to a high base in the previous year. However, a strong 7.4% growth in the fourth quarter reaffirmed the economy's momentum. This recovery was driven partly by private consumption (over 7% growth), steady rural demand, and a resilient agricultural sector that grew by more than 4%. Additionally, construction activity surged, registering annual growth exceeding 9%. Gross Fixed Capital Formation (GFCF) rose by 9.4% in Q4 FY25, the fastest pace in six quarters, indicating increased investment in infrastructure and construction.

Despite external challenges, including heightened geopolitical tension and policy uncertainty and subdued global demand, India's structural strengths, favourable demographics, accelerating digital adoption, and supportive fiscal policies continued to provide macroeconomic stability. These trends created a conducive environment for credit growth and financial sector expansion. Sustained consumption and infrastructure investment are expected to drive continued demand for retail and corporate banking services, while a stable macroeconomic backdrop supports prudent risk management and long-term sectoral growth.

Indian Banking Sector's Performance

The Indian banking sector demonstrated resilience and adaptability in FY 2024-25 amidst evolving macroeconomic dynamics. Public sector banks (PSBs) strengthened their market position, particularly in home and MSME lending, supported by improved asset quality and effective credit guarantee mechanisms. Private sector banks continued to exhibit stability, although they exercised greater caution in unsecured retail and small business lending due to rising delinquency levels. The microfinance segment, however, faced headwinds with a contraction in the loan book, elevated credit costs, and increased delinquencies, particularly in specific pockets. Despite these challenges, sector-wide GNPA levels remained contained, and the regulatory outlook points to gradual normalisation in asset quality and credit performance into FY26.

Bandhan Bank's Progress

Amid a challenging macroeconomic landscape and headwinds for the microfinance (MFI) segment during the latter half of FY 2024-25, marked by rising credit costs and moderated growth, your Bank displayed strong resilience and strategic agility. Despite these headwinds, Profit After Tax (PAT) for the full year rose by a robust 23% year-on-

year to ₹2,745 crore, highlighting your Bank's disciplined execution and focus on sustainable profitability. Building on this momentum, your Bank's digital transformation remained a key enabler of its strategic priorities, driving operational efficiency, enhancing risk management, and elevating customer engagement. Initiatives such as the establishment of the Transformation Management Team and the Digital and Transaction Excellence Unit have advanced automation, digital payments, and fee-based income streams, while the Market Intelligence Team leverages AI to provide real-time market insights. Additionally, your Bank's expanded government payment integrations have strengthened its presence in the public sector, collectively positioning your Bank as a digitally empowered, customer-centric institution ready to capture new growth opportunities.

This year also marked a critical transition in your Bank's leadership journey. Your Bank welcomed Mr. Partha Pratim Sengupta as the new Managing Director & CEO, effective November 1, 2024. A seasoned industry leader with expertise across business, credit, and technology, Mr. Sengupta brings with him a fresh perspective and strategic depth that will be instrumental in leading your Bank through its next phase—Bandhan Bank 2.0. His vision for a customer-centric, digitally enabled, and operationally efficient Bank is well aligned with your Bank's long-term goals. The leadership transition was seamless, further strengthening your Bank's governance and risk management frameworks, and reinforcing our commitment to regulatory compliance and operational resilience.

Throughout the year, your Bank remained steadfast in its commitment to good governance, risk discipline, and long-term value creation. We have expanded the scope of our conversations beyond just financial metrics to encompass the growing relevance of financial inclusion, digital equity, climate-conscious banking, and ethical leadership. Your Bank continues to evolve, ensuring its growth is not only inclusive but also sustainable. We recognise that while balance sheet strength is essential; it is trust, transparency, and social impact that define an enduring institution.

India's macroeconomic fundamentals remain supportive of sustained growth in the financial sector. GDP is projected to expand by around 6.5% in FY26, with inflation easing towards the lower end of the Reserve Bank of India's (RBI) target range. In response, the RBI reduced key policy rates and the Cash Reserve Ratio (CRR) in June 2025, signalling a more neutral monetary stance aimed at lowering funding costs, improving liquidity, and stimulating credit demand. Stable food prices and moderating inflation are expected to revive rural demand and support urban consumption. Investment activity is gaining momentum, driven by healthy corporate balance sheets, increasing private capital expenditure, and continued public infrastructure investment. While global uncertainties, geopolitical tensions, commodity price volatility, and climate-related risks persist, India's banking sector remains well-positioned to navigate these challenges.

In this promising environment, your Bank remains focused on leveraging these macro tailwinds by expanding its reach, deepening its customer relationships, and continuing to strengthen its balance sheet. We are confident that its diversified portfolio, robust capital base, and digital-led approach will enable your Bank to capture emerging opportunities and deliver sustainable growth in the years ahead.

As your Bank enters its second decade, it does so with renewed momentum, a sharper strategic vision, and a deep sense of responsibility to the millions of lives it serves. The journey ahead is filled with both purpose and promise, and we are well-positioned to seize the opportunities it presents. With each passing year, we have gained not only scale but also a richer understanding of the evolving needs of our customers, communities, and stakeholders. We move forward with the confidence that comes from staying rooted in our founding values, of trust, inclusion, service, and resilience. These values have served as our compass, guiding us through dynamic economic landscapes and times of transformation.

Looking Ahead

Looking ahead, your Bank is more determined than ever to accelerate progress on its core priorities: delivering inclusive financial solutions, driving digital innovation, enhancing customer experience, and building a future-ready, sustainable bank. This agenda is firmly anchored in strong governance, regulatory compliance, and robust risk management, ensuring that its growth is both responsible and resilient. Your Bank's mission is not just to expand but to empower, not just to grow but to do so with integrity and accountability.

I would like to take this opportunity to express my deepest gratitude to all those who have been part of this journey - customers, employees, regulators, and shareholders, for your enduring trust and belief in your Bank's purpose.

Together, let us build not just a larger Bank, but a stronger, more inclusive, and future-ready institution that continues to stand the test of time and creates lasting value for generations to come.

Warm regards,

Dr. Anup Kumar Sinha

Non-Executive (Independent) Chairman

Management Messages

MD and CEO's Message

Partha Pratim Sengupta
Managing Director and Chief Executive Officer

Despite the headwinds of global macroeconomic and geopolitical uncertainties, the Indian economy and the banking sector demonstrated strong resilience. Amongst the major economies, India's real GDP growth of 6.5% during FY25 had been the highest. While inflation had been high during H1 FY25, it moderated considerably during the latter half of the financial year allowing the Reserve Bank of India (RBI) to start lowering the repo rate by Q4, apart from strongly infusing liquidity. Banking sector's deposit and credit growth moderated during the year to reach low double-digit growth by the end of the year, while maintaining decent asset quality.

Dear Shareholders,

It is with great pride and gratitude that I present your Bank's Annual Report for the financial year 2024–25. This year's report, themed trust that grows, bandhan that strengthens, reflects the essence of your Bank's journey — building enduring trust, nurturing stronger bonds, and driving sustainable growth. Over the past decade, your Bank has evolved from a pioneering venture to a pan-India universal Bank, serving millions and strengthening financial inclusion across diverse geographies.

Despite the headwinds of global macroeconomic and geopolitical uncertainties, the Indian economy and the banking sector demonstrated strong resilience. Amongst the major economies, India's real GDP growth of 6.5% during FY25 had been the highest. While inflation had been high during H1 FY25, it moderated considerably during the latter half of the financial year allowing the Reserve Bank of India (RBI) to start lowering the repo rate by Q4, apart from strongly infusing liquidity. Banking sector's deposit and credit growth moderated during the year to reach low double-digit growth by the end of the year, while maintaining decent asset quality.

Against the backdrop of a resilient economy and banking sector, your Bank also continued demonstrating resilience, innovation, and an unwavering commitment to stakeholders. Your Bank reaffirms its dedication to creating lasting value, deepening relationships, and fortifying its position as a trusted banking partner in India.

Performance:

Your Bank's deposits reached ₹1.51 lakh crore by March 2025, a decent 12% increase year-on-year. This growth is a testament to the trust our customers have placed in your Bank as a safe, reliable financial partner. A well-diversified and granular deposit base underpins your Bank's financial resilience. We prioritised CASA and retail term deposits to ensure a stable, low-cost funding mix that supports sustainable credit expansion and liquidity management.

Reducing dependence on volatile bulk deposits has been a strategic focus, as these funds, while substantial, tend to be more expensive and less reliable. Your Bank's conscious shift towards a more stable deposit profile safeguards long-term cost efficiency and balance sheet stability. Your Bank also pivoted towards enhancing fee-based income, accelerating digital adoption, and reinforcing risk controls to sustain profitability and stakeholder confidence.

Gross advances grew by 10% year-on-year to ₹1.37 lakh crore as of March 2025. This growth was broad-based, driven by increased demand from secured lending portfolios and strategic sectors aligned with national priorities. Secured advances showed exceptional growth of 32%, now forming 50.5% of total advances. This transition towards secured lending mitigates credit risk and improves portfolio quality by leveraging collateral-backed credit. Emerging Entrepreneur Business (EEB) loans continued to be a key segment, with prudent credit appraisal and collection efforts ensuring strong portfolio performance vis-à-vis other players in the microfinance industry.

Your Bank delivered a Profit After Tax of ₹2,745 crore for FY25, a growth of 23% year-on-year increase in full-year profit, reflecting sustained and resilient performance. Fee-based income, treasury operations, and trade finance also contributed to diversifying income streams beyond interest margins.

A disciplined cost management approach, including technology-driven operational efficiencies, helped maintain a competitive cost-to-income ratio. Your Bank posted a Return on Assets (RoA) of 1.5% for FY25. Your Bank remains focused on enhancing RoA to 1.8%–1.9% over the next 2–3 years through quality asset growth and diversified revenue sources.

The capital adequacy ratio stood robustly at 18.7% as of 31 March 2025, well above the regulatory requirement of 11.5%. This strong capital position enables your Bank to absorb shocks, invest in growth initiatives, and meet future regulatory demands comfortably. Capital strength remains a key enabler of strategic flexibility and risk mitigation.

We are committed to improve our Gross NPA and Net NPA levels, which stood at 4.7% and 1.3%, respectively, at the end of FY25. This will be achieved through disciplined credit appraisal, proactive provisioning, and effective recovery mechanisms. The Provision Coverage Ratio improved to 86.5%, including technical write-offs, indicating prudent provisioning. Excluding technical write-offs, PCR was at 73.7%, reinforcing our conservative risk posture.

Risk Management and Compliance

Your Bank's risk management framework is a foundational pillar that supports sustainable growth and stakeholder confidence. We continuously embed risk awareness across all levels, from frontline employees to senior management, ensuring risks are identified early and mitigated effectively. Regular risk assessments and stress-testing scenarios are integral to our prudential practices. Your Bank maintains strict adherence to our Risk Appetite Framework, ensuring that all business decisions align with our risk tolerance levels and strategic objectives. In today's dynamic regulatory environment, compliance is more critical than ever. Your Bank is committed towards a high standard of compliance – statutory, regulatory, and internal policies. A robust vigilance mechanism protects customers and your Bank's reputation alike.

Geographic Diversification:

Your Bank remains steadfast in its mission to expand its geographic footprint across the country. Your Bank had over 6,300 outlets pan-India, including over 1,700 bank branches as at end of FY25, which reflects our commitment to inclusive banking. Your Bank will remain committed to strengthening presence in semi-urban and rural areas, while maintaining steady branch and ATM expansion across the country. Your Bank remains focused to further promote financial inclusion through these banking outlets.

Customer Centricity:

At the heart of your Bank's success is an unwavering focus on the customer. Your Bank strives to deliver seamless experiences through innovative products and both personalised and digital services. Your Bank has initiated steps towards revamping its mobile banking, retail and corporate internet banking, WhatsApp banking and QR payments to enhance customer delight. Your Bank also prioritises complaint resolution and prevention of cyber frauds through feedback mechanisms and customer engagement initiatives.

Technology, Innovation and Transformation:

During the year, your Bank made significant progress in embedding technology across functions to drive innovation and agility. A major milestone in this journey was the establishment of the Transformation Management Team, a dedicated unit focused on reimagining core processes through automation and digital services.

In parallel, your Bank formed Digital and Transaction Excellence Unit (DTEU) to build customised digital solutions combining technical, functional, and commercial platforms.

Your Bank has also introduced Credit Administration and Asset Operations Department (CAD), which monitors post-disbursement formalities, NPA resolutions, underwriting reviews, and ensures regulatory reporting. This will help in achieving better asset quality for the Bank.

Additionally, your Bank has established a Market Intelligence Team that works in extensive collaboration with the Data Science and Analytics team to process unstructured data, providing early warning signals and also real-time insights into borrower sentiments and market trends.

These initiatives collectively reinforce your Bank's position as a digitally empowered customer-centric institution, ready to adapt to rapid technological changes while capturing new growth opportunities across the financial ecosystem.

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People Initiatives:

Your Bank's most valuable asset is its people. With a workforce of over 70,000, your Bank remains deeply committed to building a future-ready organisation through continuous investment in training, upskilling, and reskilling initiatives. These efforts empower employees to thrive in a dynamic banking environment and contribute meaningfully to your Bank's growth and innovation.

Learning and Development (L&D) plays a central role in this transformation. Through structured programmes delivered at dedicated learning centres, the L&D team addresses identified skill and knowledge gaps and drives strategic capability building across levels.

Recognising the critical role of leadership in guiding employee transformation and driving long-term success, your Bank has partnered with the Indian School of Business (ISB) and INSEAD. In FY25, our Employee Engagement Survey with Gallup yielded an impressive score of 4.56 out of 5. Together, these initiatives are shaping a skilled, agile, and productive workforce, fully aligned with your Bank's long-term strategic vision and commitment to inclusive, customer-centric banking.

Sustainability and Social Responsibility:

Your Bank's commitment to sustainability and social responsibility is embedded in our mission. Guided by Trust that grows, bandhan that strengthens, your Bank has positively impacted over 25.81 lakh families across 82 districts in 14 states through targeted CSR initiatives.

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Your Bank's programmes address critical areas such as healthcare, education, livelihoods, and climate resilience, particularly benefiting women and rural communities. Your Bank continues to align efforts with United Nations Sustainable Development Goals, reinforcing our role as a catalyst for inclusive, long-term development.

Way Forward:

This year holds special significance as your Bank completes ten years of service, growth, and impact. It is a moment to reflect on the journey so far and the foundation that has been laid for the future.

While the first decade was about building, learning, and evolving, the next decade holds the promise of greater opportunities, confident growth, and purposeful scale. Your Bank is now poised to enter a new chapter — one defined by innovation, inclusion, and impact. With experience as our guide and a strong foundation in place, your Bank is prepared to meet the aspirations of customers – both existing and potential – in a rapidly evolving financial landscape.

Together, we will embrace the future with confidence and a shared commitment to building a stronger, more inclusive financial ecosystem for India.

Warm regards,

Partha Pratim Sengupta

Managing Director and Chief Executive Officer

Governance

Board of Directors

Dr. Anup Kumar Sinha
Non-Executive (Independent) Chairman

Dr. Anup Kumar Sinha is the former Director of Heritage Business School ('HBS') and currently designated as the Chief Mentor. He has also served on the Board of NABARD.

Dr. Sinha has taught at Presidency College and Indian Institute of Management Calcutta ('IIMC'). He served IIMC as Professor of Economics for 25 years. He served three terms on the Board of Governors at IIMC and also as the Dean during 2003-06.

He received the Best Teacher Award in 2004 and Best Faculty Award in 2005 from the IIMC Alumni Association. In 2012, 2014 and 2015, he won the Most Popular Teacher Award from the outgoing MBA students of IIMC

He has held visiting appointments at University of Calcutta, Indian Statistical Institute, National Institute of Public Finance & Policy, University of Southern California, Washington University at St. Louis, Curtin University and Curtin Business School at Perth and Kyoto University. He has been actively engaged in training and consulting for a number of organisations in the public and private sector, as well as for international agencies in the fields of economics. He has also authored publications on various topics including economics, rural economy, management, etc.

Dr. Anup Kumar Sinha is an economist with a Ph.D. from the University of Southern California, Los Angeles. He is also an M.S. in Economics, University of Rochester, USA, Master in Economics from University of Calcutta and B.A (Economics Honours), Presidency College, Calcutta.

Arun Kumar Singh
RBI (Nominee) Additional Director

Shri Arun Kumar Singh was appointed by the Reserve Bank of India as an additional director on the Board of the Bank on June 24, 2024. Shri Singh is a former Senior Central Banker and has a wide and rich experience of working in RBI for 35 years in the field of Banking and Non-Banking Regulation and Supervision, Enforcement actions against banks and non-banks, Information Technology, Financial Inclusion, Monetary Policy, Government Banking, etc. He has acted as Principal Inspecting Officer / Senior Supervisory Manager for various commercial banks and NBFCs and has actively participated in first Asset Quality Review (AQR) of banks as well as Risk-based Supervision (RBS) related processes and development. He has been associated with committees / working groups related to operational risk, MCLR, stress testing, payment and small finance banks, prompt corrective action, financial resolution, returns rationalisation, etc. He was involved in framing banking policies in various capacities. As the head of the Enforcement Department, he was responsible for enforcement action against commercial banks, small finance and payment banks, NBFCs, cooperative banks, credit information companies, payment system operators, asset reconstruction companies, etc. He was also the head of Information Technology, Reserve Bank of India, spearheading technological development in RBI, particularly, in the areas of Currency Management, Government Banking, Payment System, e-Kuber, Cyber Security, Data Centre upgradation, Internal Applications, IT Infrastructure, etc. He was the Regional Director for Rajasthan and carried out his central banking responsibilities in the areas of currency management, financial inclusion, financial literacy, banking / non-banking development, government banking, etc. in the state of Rajasthan.

He has served as RBI nominee director on the Board of Uttar Bihar Gramin Bank (RRB), Union Bank of India, Reserve Bank Information Technology Pvt. Ltd. (ReBIT), Mumbai, Reserve Bank Innovation Hub (RBiH), Bengaluru, and Institute for Development in Research and Banking Technology (IDRBT), Hyderabad. Besides he is currently serving on the Board of PNB MetLife India Insurance Company Ltd.

Shri Arun Kumar Singh has done his Graduation in Economics and MBA in Finance and HR. He is also a Certified Associate of the India Institute of Banking (CAIIB).

Divya Krishnan
Non-Executive Non-Independent Director (Nominee of BFHL)

Ms. Krishnan is a finance and investment banking consultant with over 30 years of experience in the sector. She also currently serves as visiting faculty at one of India's leading private universities, Ashoka, where she teaches highly rated courses in finance. She was formerly Chief Investment Officer and Head of Investments at SBI Mutual Fund, India's largest mutual fund.

She left SBI Mutual Fund to pursue her passion to work in the social impact sector and has served as an advisor to several leading non-profits and NGOs. She has worked primarily in the areas of education and disability, including advising an organisation that works with government administration and teachers to transform the quality of education at government schools, educational organisations for the hearing impaired, the blind, and young girl children from economically disadvantaged backgrounds. She was a member of the Working Group on Disabilities to help develop the 12th Five Year Plan for the Kerala state government. She was invited as Scholar-in- Residence by a leading Private University in the US, to guide its students to effectively support developmental initiatives in India.

Ms. Krishnan holds an MBA from the Indian Institute of Management, Ahmedabad and is an alumnus of Shri Ram College of Commerce, Delhi and La Martiniere School, Kolkata.

N V P Tendulkar
Independent Director

Mr. Tendulkar is a qualified Chartered Accountant and Company Secretary and did his executive management from Wartorn Universality USA. He has more than 41 years of experience in Finance, General Management & Operations in IT, Telecom and Manufacturing industries. He has extensive experience working with American & European based multinational organisations and has successfully resolved multidimensional, dynamic & challenging issues.

He was an Executive Director with Hewlett Packard / Hewlett Packard Enterprise India Limited for almost 14 years. He was also on several boards of like Trans India Network Private Limited, Tata Telecom Ltd, Aruba Network, Mercury Software, Krone Communications Ltd and etc. He was also associated with many IT Companies including Tata Telecom, AT & T, USA, Digital Global Soft etc. Currently, he is also an Independent Director on the boards of Siemens Gamesa Renewal Power Private Limited and PSB Alliance Private Limited.

Mr. Tendulkar is the recipient of many awards such as CFO 100 Roll of Honor in 2012 and 2016 from 9.9 Media, Best CFO of Hewlett Packard worldwide, Special Achievement Award for leading the Best Finance Team in APAC & Japan Region for FY 2005, Best Governance Award in year 2000 from the Institute of Chartered Finance Analyst and was also nominated for the prestigious CNBC TV 18 CFO award for the year 2006.

Partha Pratim Sengupta
Managing Director & Chief Executive Officer

Mr. Partha Pratim Sengupta is an experienced banker, who has nearly four decades of experience in the banking industry. He has worked in different geographies, across both retail and corporate banking. He has been groomed at State Bank of India ('SBI'), where he rose to the role of Deputy Managing Director and Chief Credit Officer of the Bank. He then took over as the Managing Director and Chief Executive Officer of Indian Overseas Bank ('IOB'). Mr. Sengupta is a resilient and outcome-oriented leader who has demonstrated consistent achievement of goals. In both his stints, at SBI and at IOB, he has leveraged technology and innovation for achieving business results. Mr. Sengupta has spent his career in a range of retail and corporate branches and business. His postings included Branch Manager roles at retail and commercial branches, Forex, Trade Finance and Credit Officer roles, Regional Manager, Deputy General Manager in Corporate Centre Internet Banking Department, General Manager Mid Corporate, etc.

Between 2016 to 2018, Mr. Sengupta served as Chief General Manager, SBI Kolkata Circle, which included the states of West Bengal and Sikkim and also the Union Territory of Andaman and Nicobar Islands. In 2018, Mr. Sengupta was elevated to the rank of Deputy Managing Director and Chief Credit Officer of State Bank of India. He was the Chairman of the Corporate Centre Credit Committee, the highest sanctioning committee of the Bank just below the Board. He was a member of the Investment Committee, Fraud Management Committee, NPA Management Committee and Operational Risk and Marketing Risk Management Committees of the Bank. At SBI, he was a permanent invitee in the Board of SBI as DMD & Chief Credit Officer of the Bank. He has also been a non-executive director on the Board of SBI's investments (YES Bank, ARCIL, among others) and IOB's joint venture (Universal Sompo Life Insurance).

In 2020, Mr. Sengupta was selected as the Managing Director and Chief Executive Officer of Indian Overseas Bank and led the bank until December, 2022.

Mr. Sengupta has graduated in Physics Honours and is also a Certified Associate of Indian Institute of Bankers. He has received training in Leadership Development from Harvard Business School, IIM Calcutta, and ISB Hyderabad.

Rajinder Kumar Babbar
Executive Director & Chief Business Officer

Mr. Babbar has over 35 years of experience across the banking sector in various leadership roles. He is an accomplished senior leader, with vast experience across multiple spheres of banking. He has a proven track record of creating new businesses and propelling existing ones, consistently delivering growth multiples in AUM, market share, and profitability.

At Bandhan Bank, he has been the Executive Director and Chief Business Officer since March 8, 2024. He is leading the business functions including Liabilities, Emerging Entrepreneur Business, Wholesale Banking, Housing Finance, Retail Assets, etc.

During his tenure spanning more than 23 years with HDFC Bank, he has handled various leadership assignments and has successfully led large teams across Transportation and Infrastructure Finance, Rural Banking and Retail Liabilities. He was the Group Head - Transportation, Infrastructure and Tractor Finance Group at HDFC Bank.

Prior to this, he was responsible for building and managing the Rural Banking Group for the HDFC Bank covering farmer finance, MSME loans to intermediaries, related retail assets and third party products. Under his leadership, the rural businesses witnessed robust growth, making it one of the best rural franchises in the industry for any bank or financial institution in terms of size and profitability.

Prior to joining HDFC Bank Ltd, he has worked with Centurion Bank, Bank of Punjab and Central Bank of India, handling various roles and responsibilities.

He holds Bachelor in Science, LLB, LLM Corporate Law & Criminal Law and is currently pursuing PhD from NMIMS, Mumbai. He has also completed a leadership development programme from IIM Ahmedabad.

Ratan Kumar Kesh
Executive Director & Chief Operating Officer

Mr. Kesh has around three decades of experience across industries in leadership roles in multiple domains, including Operations, Technology, Transaction Banking, Product, Affluent Banking, Operations Risk, Enterprise Governance, Intelligent Automation, Digital, Cx and Organisation Transformation. He was recognised among the 50 most talented Quality Professionals in India by the World Quality Congress. He was also recognised as one of India's top 25 Emerging Tech Leaders by BIOCON Network in collaboration with MeitY.

At Bandhan Bank, he has been the Executive Director and Chief Operating Officer since March 31, 2023. He is leading multiple functions including Technology, Operations, Digital and Transaction Banking, Data Team, Customer Experience, Transformation, Internal Audit, and other support functions. Mr. Kesh successfully led the IT transformation at the Bank and has been playing an instrumental role in optimising the processes, controls, digitisation at scale, Intelligent Automation and AI, customer services, and business excellence, among others at the Bank.

He was a part of the core team to lead organisation transformation with technology, digital, governance, quality and customer focus during his tenures at ICICI Bank, HDFC Bank, Yes Bank, and Axis Bank. Mr. Kesh is also a Member of the Managing Committee of the Bengal Chamber of Commerce and Industry, Co-Chairman of CII Eastern Region Banking & Financial Services Subcommittee. He is also the Finance Advisor in Economic Council of India promoting Peace Economy.

He is a B.E (Mechanical Engineering) from NIT, Durgapur and MBA from NMIMS. He is also certified Quality Engineer from Quality Council of Indiana, USA and has completed advance leadership course from IIM-A and Harvard.

Santanu Mukherjee
Independent Director

Mr. Santanu Mukherjee is the former Managing Director of the erstwhile State Bank of Hyderabad, an associate bank of the country's largest lender, State Bank of India. He has four decades of experience in the fields of banking, finance, risk management, etc. in various capacities. From 2013 to mid-2014, he was the Chief General Manager of State Bank of Bikaner and Jaipur. He has also worked as the Chief Executive Officer of State Bank of India, Paris from 2004 to 2008. He joined as a probationary officer and carried out important domestic and overseas assignments in the SBI Group.

Mr. Mukherjee is an Independent Director on the boards of Aurobindo Pharma Limited, Suven Life Sciences Limited, Muthoot Housing Finance Company Limited, Sumedha Fiscal Services Limited, NACL Industries Limited, Rainbow Children's Medicare Limited, and Rainbow Speciality Hospitals Private limited. He is also on the Board of Governors of the Institute of Management and Technology, Hyderabad.

Mr. Mukherjee holds a B.Sc. (Honours) degree from Presidency College under the University of Calcutta and CAIIB from the Indian Institute of Bankers.

Subrata Dutta Gupta
Independent Director

Mr. Dutta Gupta has a rich experience of more than 35 years in Asset-based Financing, with 20 years dedicated to the Mortgage industry in India and 11 years to Development Finance. His domain expertise has been in investment and advisory services related to the mortgage industry, covering areas like strategic planning, business plan, underwriting, and policy formulation.

He has an extensive experience in mentoring the workforce at startups in the housing finance sector, grooming and upskilling them on lending to the informal and low-income borrowers, including developing business plans and data analytics platforms.

Mr. Dutta Gupta worked at the International Financial Corporation ('IFC'), World Bank Group for more than a decade from 2008 to 2019 and retired as the Principal Financial Officer of IFC. During his stint at IFC, he worked in South Asia, South East Asia, and Central Asia. He has also been associated with BHW Birla Home Finance as the Managing Director, with SREI International Finance as Senior Vice President and with Classic Financial Services & Enterprises Ltd. as the Regional Manager for Operations. Currently, he is also an Independent Director on the Board of RMBS Development Company Limited.

Mr. Dutta Gupta holds a Master of Arts degree in Economics from the Delhi School of Economics.

Suhail Chander
Independent Director

Mr. Chander is a veteran Banker. He has 42 years of rich experience in Banking Operations, Trade Finance, Retail and Wholesale Banking. His extensive experience covers the entire gamut from retail, small and medium enterprise, mid-sized corporates to large corporates.

Mr. Chander started his professional journey in banking as a trainee at Grindlays Bank in 1983 and since then has worked in foreign banks in India and abroad, and a private sector bank in India. He retired as the Head of Corporate and Institutional Banking at IndusInd Bank in March 2020. Currently, he is also an Independent Director on the Board of Canara Robeco Asset Management Company Limited.

In 2018, Mr. Chander set up SOCH Foundation, a not for profit that works with children with Learning Disability studying in Government and Municipal Schools. The Foundation is one of the few organisations working at grassroots level to ensure inclusive education for students of all abilities.

Mr. Chander is a Chartered Accountant (1982). He also holds a Bachelor of Arts (Honours) degree in Economics from the University of Delhi (1978).

Veni Thapar
Additional (Independent) Director

Ms. Thapar, a qualified Chartered Accountant, has over 29 years of extensive knowledge and experience in the fields of Statutory and Internal Audits, Bank Audits, Government Audits, Information Systems Audit, Consultancy in Company Law, Indirect Taxes, FEMA and RBI Matters with an ability to handle complex and challenging assignments in the field of Audit, Taxation and International Taxation as a Senior Partner in the firm, M/s. V K Thapar and Company, a well recognised Chartered Accountants firm established in 1965, which she had joined in April 1996, after completing her training with Price WaterHouse.

She is currently an Independent Director on the Board of Directors of Mazagon Dock Shipbuilders Limited and SJS Enterprises Ltd, both listed companies; an Independent Director on the board of Monedo Financial Services Private Limited, a base layer NBFC and RVR Corporate Consultancy Pvt Ltd., a Management Consultancy Firm in Practice in Corporation form and is a member on the Board of Investor Education and Protection Fund Authority appointed through the order of the Central Government.

She has been an Independent Director on the Boards of Bank of India for two terms, HLS Asia Limited and Yokogawa India Limited, both public limited companies and has been a member on the Board of Governors of Indian Institute of Corporate Affairs also for two terms. She has the experience of chairing the Audit Committee of the Board, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and the Risk Committee across various boards and has been a member of other committees of the Board, viz. Monitoring of Large Value Frauds Committee, Committee of Directors for Customer Service, IT Strategy and Digital Payment Promotion Committee, Share Transfers Committee, Stakeholders Committee, Group Governance Committee, Committee for Non Cooperative Borrowers, Disciplinary Proceedings Committee, Steering Committee of the Board on HR.

She has excellent communication skills and has been a speaker at various forums and a part of various round table and fire side deliberations, covering topics related to Indian banks, their challenges, solutions and way forward; Reforming Financial Institutions, Preparing NBFCs for Future Challenge; Employability Matrix and Skilling New India;

Roadmap for $5 Trillion Economy; Technology & Ease of Living in Urban India; Challenges to Brick and Mortar in an Online Model; Auditors Contribution to the Financial Sector and Economy as a Whole; Chartered Accountants Profession in the Artificial Intelligence Era; Role of Independent Directors; Presence and Upliftment of Women in Board Positions; Work-life balance for women among other related areas with a firm conviction that learning is a continuous process and imagination and creativity have no boundaries while endorsing responsible adaptability and compliance.

Ms. Thapar is a qualified Chartered Accountant, a Cost Accountant from ICMA, a qualified Certified Information Systems Auditor from ISACA (USA) and a qualified Diploma holder in Information Systems Audit from ICAI. She is a certificate holder in International Taxation from ICAI, and has completed the certificate programme in IT and Cyber Security for Board Members from the IDRBT. She has successfully completed the Online Proficiency Self-Assessment Test for Independent Director's Database from IICA, a certification in the IICA Valuation Certificate Programme from IICA, and has a certification of successfully completing the Directors Development Program from Harvard Business Publishing and EgonZehnder.

Vijay N Bhatt
Independent Director

Mr. Vijay N Bhatt is a qualified Chartered Accountant and a Bachelor in Law. He has over 39 years of experience in large, medium, and small Indian and multinational businesses. Being in the audit profession, he has a good understanding of the business environment, business risks, controls, accounting and financial reporting issues relevant to businesses operating in India.

He was with KMPG for over 10 years (Senior Independent Director), with E&Y for 2 years, R S M & Co., Chartered Accountants for 19 years and for a few months with Lovelock Lewis. He has been a member of various committees of the Institute of Chartered Accountants of India, such as Accounting Standard Board, Audit Standard Board, Information Technology Committee, Financial Reporting Review Group and Professional Development Committee of WIRC. Currently, he is also an Independent Director on the boards of JK Files & Engineering Limited, FDC Limited, IRB Infrastructure Developers Limited, Maini Precision Products Limited and Finolex Industries Limited.

Governance

Senior Management Team

Santanu Banerjee
Head - Human Resources

Gopalkrishnan Santosh
Head - Consumer Lending & Mortgages

Rajeev Mantri
Chief Financial Officer

Satish Kumar
Head - Wholesale Banking

Biju E Punnachalil
Chief Risk Officer

Nand Kumar Singh
Head - Credit Administration & Asset Operations

Navin Sharma
Chief Audit Executive

Amitava Goswami
Chief Compliance Officer

Arindam Sarkar
Head - Treasury

Pinaki Halder
Chief Information Officer

Rajesh Kumar Srivastava
Head - Liabilities & Transaction Operations & Operations Support Group

Suresh Chandran
Head - Branch Banking, Current Accounts, Affluent, TPP & Government Business

Vishal Wadhwa
Head - Emerging Entrepreneurs Business

Indranil Banerjee
Company Secretary

P Ramaswamy
Chief of Internal Vigilance

Ravindra Baburaya Gadiyar
Head - Commercial & Retail Credit

Leadership Team

Dibyendu Kumar Das
Head - Digital & Transaction Excellence Unit

Sujoy Roy
Head - Financial Institutions Group (FIG), Business Banking Group (BBG), & Small Enterprise Loans (SEL)

Biswajit Das
Chief Transformation Officer

Hirak Sumatiprasad Joshi
Head - Retail Assets

Neha Dharmendra Chotaliya
Head - Liability Products & Assets Cross-sell

Piush Jha
Head - Credit Card

Pramod Agarwal
Head - Product, Consumer Lending, Mortgages & Digital

Radhika Raghavan
Head - Customer Experience, Process Quality & Transformation

Ronti Kar
Head - Vendor Management

Siddhartha Sanyal
Chief Economist & Head Research

Subhash Balkrishna Samant
Head - Housing Finance

Sundeep Bhan
Head - Operational & Fraud Risk

Sureshkumar S Pillai
Head - Legal

Vinay Jain
Head - Finance & Accounts

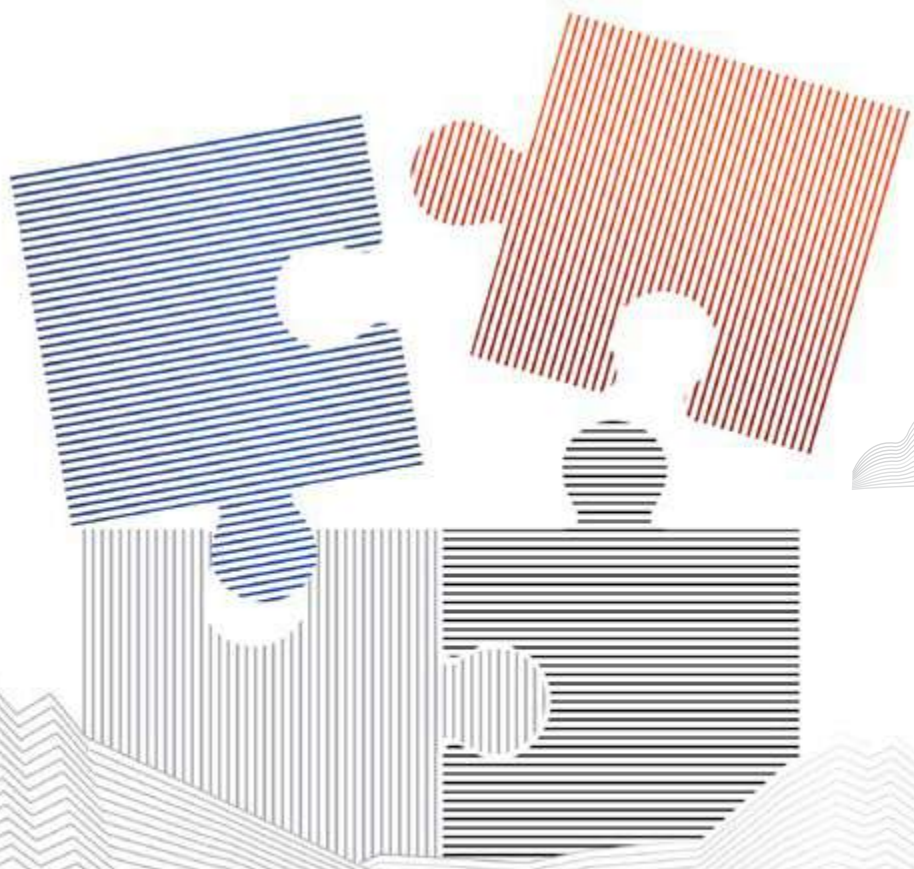
Partha Pratim Samanta
Head - Infra Facility Management

Dhruba Jyoti Chaudhuri
Head - Corporate Services

Diversified Product Suite

Tailored Offerings: Built on *Bandhan*, Designed for Progress

Your Bank offers an array of products designed for prompt and efficient functioning for diverse banking requirements, irrespective of the socio-economic status. Your Bank's comprehensive product suite prioritises customer satisfaction, values trust, and enhances its bandhan with its stakeholders.



Retail Liabilities

Designed for your Bank's Diverse Customer Aspirations

Your Bank continues to deepen its commitment to customer-centric banking through a broad suite of retail liability products. These offerings are designed to promptly and effectively serve the diverse banking needs of your Bank's customers, reinforcing the growing trust they place in your Bank and the enduring relationships the Bank cultivates with them.

During FY25, your Bank's deposit portfolio recorded a robust 12% growth, with the total deposit base reaching ₹1,51,212 crore as on March 31, 2025. This growth was largely driven by a well-diversified liability product mix comprising term, savings, and current account deposits, reflecting the growing confidence that customers place in your Bank. The retail deposit book grew by 11%, underscoring the strengthening of customer relationships and your Bank's expanding reach.

Further, your Bank enhanced its savings product proposition by strategically addressing diverse customer segments. Alongside strengthening its offerings for the Affluent Segment with Elite Plus and Elite Savings Accounts, your Bank introduced four new savings products: Avni Savings Account for women, Pension Savings Account, PMJDY Savings Account, and Classic Savings Account.

These were launched to deepen financial inclusion further and respond to the unique needs of every customer segment, thereby strengthening the *bandhan* your Bank shares with its customers. These efforts were supported by targeted campaigns focused on product awareness, interest rates, and technology-led services.

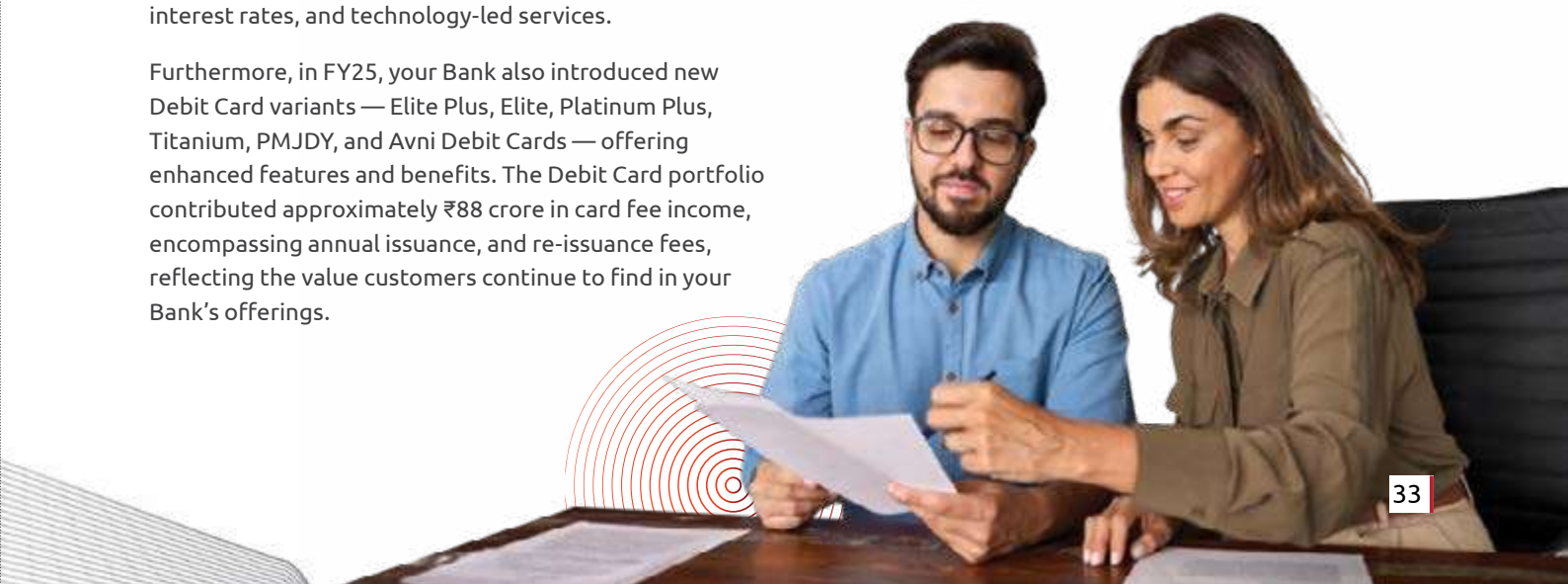
Furthermore, in FY25, your Bank also introduced new Debit Card variants — Elite Plus, Elite, Platinum Plus, Titanium, PMJDY, and Avni Debit Cards — offering enhanced features and benefits. The Debit Card portfolio contributed approximately ₹88 crore in card fee income, encompassing annual issuance, and re-issuance fees, reflecting the value customers continue to find in your Bank's offerings.

The Current Account segment demonstrated remarkable resilience, benefiting from a range of well-executed strategic initiatives. These included the launch of the new Collection Account, higher penetration of EDC and QR code solutions, re-engagement with existing customers, and a stronger team of Current Account managers. Through sharper customer segmentation, digital expansion, and process automation, your Bank not only enhanced customer experience but also fortified operational efficiency, advancing its focus on long-term, trust-driven growth. Expansion into high-potential catchment areas and targeted acquisition campaigns further contributed to the performance.

The Merchant Acquiring Business remains a key driver of liability growth. FY25 marked significant gains:

- 127% Y-O-Y growth in merchant acquisition
- 68% Y-O-Y increase in transaction throughput
- 21% Y-O-Y growth in revenue, backed by increased balances in associated current accounts

Merchant Acquiring Business' success highlights the trust merchants place in your Bank and its integral role in reinforcing relationships through value-added digital services. To deepen connections with customers, your Bank undertook extensive communication efforts through marketing campaigns, social media, and branch-level initiatives. Looking ahead, your Bank remains focused on harnessing technology to deliver secure, convenient, and user-friendly solutions, living up to its core values of trust, customer-centricity, and empowerment. Indeed, FY25 reflects your Bank's customers' growing trust through continued deposit momentum and a deepening *bandhan* through broader customer engagement and inclusive growth strategies.



Affluent Business

A Steady Growth Pillar in your Bank's Liability Franchise

The Affluent Business has emerged as a significant contributor to the growth of your Bank's liabilities. Customers in this segment have consistently demonstrated their confidence in your Bank's offerings, especially the Elite Plus and Elite propositions. In the current financial year, your Bank has successfully added 1,00,000 new affluent customers, reflecting strong market acceptance and trust.

As a result, the Affluent Segment now accounts for:

45% of the Total Retail Deposit

34% of the Total Liability Book

This remarkable growth has empowered your Bank to tailor innovative, high-value products specifically designed for the Affluent Segment. These new offerings will further strengthen the proposition and enhance customer engagement.

Under its guiding philosophy, your Bank has built deep-rooted trust by delivering personalised banking experiences. A team of dedicated relationship managers, supported by strong branch leadership and an efficient service team, has been instrumental in delivering consistent, high-touch service.

To further elevate the service quality, your Bank has implemented a comprehensive training programme for the relationship team. This initiative has significantly enhanced customer experience across all touchpoints.

Furthermore, the introduction of the green channel for the seamless onboarding of affluent clients has further enriched their journey, offering a smoother and more personalised welcome experience, building a strong sense of *bandhan* and belonging.

Looking ahead, your Bank remains dedicated to upholding its service ethos, leveraging technology without losing sight of the personal touch. Your Bank's Affluent Segment team will symbolise an unparalleled blend of digital innovation and personal engagement, a combination that will reinforce the trust clients place in your Bank.

Your Bank is confident that the Affluent Segment will drive continued success and elevate service excellence, carrying forward your Bank's trajectory of sustained trust and strengthened *bandhan*.

Government Business Group

Deepening Institutional Trust

The Government Business Group has built a robust liability business franchise by forging enduring partnerships with Central and State Governments, Public Sector Undertakings and Autonomous Bodies, offering comprehensive account management services. Strengthening these institutional relationships, your Bank continues to nurture trust while expanding its reach and relevance across the governance ecosystem.

Leveraging its ever-expanding distribution network, your Bank caters to the banking needs at every level: Central, State, District, Block, and Panchayat. These efforts are anchored in your Bank's commitment to deepen connections and deliver impactful services that reinforce the trust placed in it by both institutions and individuals.

In FY25, your Bank facilitated the collection of Direct Taxes and Indirect Taxes (Goods and Services Tax) and disbursed Central, Civil, and Railway Pensions under the Agency Business mandate. Through its digital platforms and 1,700+ branches nationwide, your Bank enabled tax payments for both customers and non-customers, making the process more accessible and inclusive. Your Bank also activated account validation services, allowing customers to receive income tax refunds directly, and integrated with the Government of India's Jeevan Pramaan portal to enable the digital submission of life certificates, delivering services that reflect its commitment to seamless public financial services.

Furthermore, your Bank has been empanelled by the Government of Haryana to undertake government business within the state. Simultaneously, the Government of Madhya Pradesh has authorised your Bank to manage investments for state bodies, corporations, boards and similar entities, thereby strengthening relationships with key public-sector organisations and deepening institutional trust in your Bank's capabilities.

Moreover, your Bank provides tailored fund management solutions to State Governments, enabling efficient tracking of financial flows and balances across administrative functions. These digital solutions are fully aligned with the Single Nodal Account framework prescribed by the Government of India. Additionally, your Bank remains responsive and agile, implementing ongoing system upgrades in sync with the Public Financial Management System (PFMS) and various state financial platforms to ensure the seamless processing of government transactions.

Reflecting its core value of serving those who serve the nation, your Bank has revitalised its product suite and outreach strategy. It has signed a Memorandum of Understanding (MoU) with the Indian Air Force to offer 'Shaurya Salary Accounts' for serving personnel and empowered over 557 branches to provide focused service to defence pensioners through the SPARSH platform. These initiatives not only meet the financial needs of the servicemen but also symbolise the growing trust and deepening *bandhan* between your Bank and those it is privileged to serve.

Digital Banking

Nurturing Innovation and Inclusion

FY25 marked a pivotal milestone in the evolution of your Bank's digital banking journey, an embodiment of your Bank's commitment to nurturing trust and deepening the *bandhan* it shares with its customers through innovation and inclusion.

At the heart of this transformation is the Digital and Transaction Excellence Unit (DTEU), established to lead the design and delivery of highly personalised, relevant digital banking solutions that cater to the evolving needs of your Bank's diverse customer base. This strategic initiative underscores your Bank's commitment to building trust through seamless, secure, and customer-centric digital experiences.

Accelerating Digital Transformation

Staying true to your Bank's core value of customer-centricity, DTEU has driven key advances in digitisation across your Bank:

- Enhanced Customer Onboarding: Your Bank has made notable strides in its digital onboarding journeys, across assisted savings accounts, self-service savings accounts, and self-service term deposits, making it easier and more secure for customers to start banking with your Bank.
- Expanding the Government Payment Ecosystem: Your Bank's integration capabilities have grown to include SBIePAY, West Bengal's GRIPS system, and soon, EPFO and Customs tax systems, in addition to GST and CBDT. This demonstrates your Bank's ongoing commitment to financial inclusion and collaboration with government systems, further strengthening its *bandhan* with institutional stakeholders.
- Streamlining Collections: The introduction of QR code-based collections for your Bank's EEB segment has enhanced efficiency and ease of use for your Bank's field teams.

The DTEU continues to drive agility, compliance, and innovation by integrating advanced technology and analytics into your Bank's processes, ensuring richer digital experiences while carefully managing risk. Through these efforts, your Bank continues to earn the trust that grows with every digital touchpoint.

Empowering Customers through Innovation

Your Bank's digital offerings are built with one aim in mind: to empower customers to bank anytime, from anywhere.

- The Neo+ Digital Savings Account, equipped with video Know Your Customer (vKYC), has revolutionised account opening by offering a fully paperless and seamless onboarding experience. Currently, 90% of your Bank's savings accounts are opened digitally via vKYC and tab-assisted models, highlighting the strong adoption of digital channels.
- Mobile banking activations surged by 52%, driving a remarkable 61% increase in digital transaction volumes, reflecting an accelerating shift towards digital adoption and trust in your Bank's platforms.
- In the Corporate and Transaction Banking space, the launch of the Cash Management Solutions (CMS) and expanded payment capabilities, integrated with multiple government entities, have significantly enhanced your Bank's product offering.

The Road Ahead

Building Best-in-Class Digital Platforms

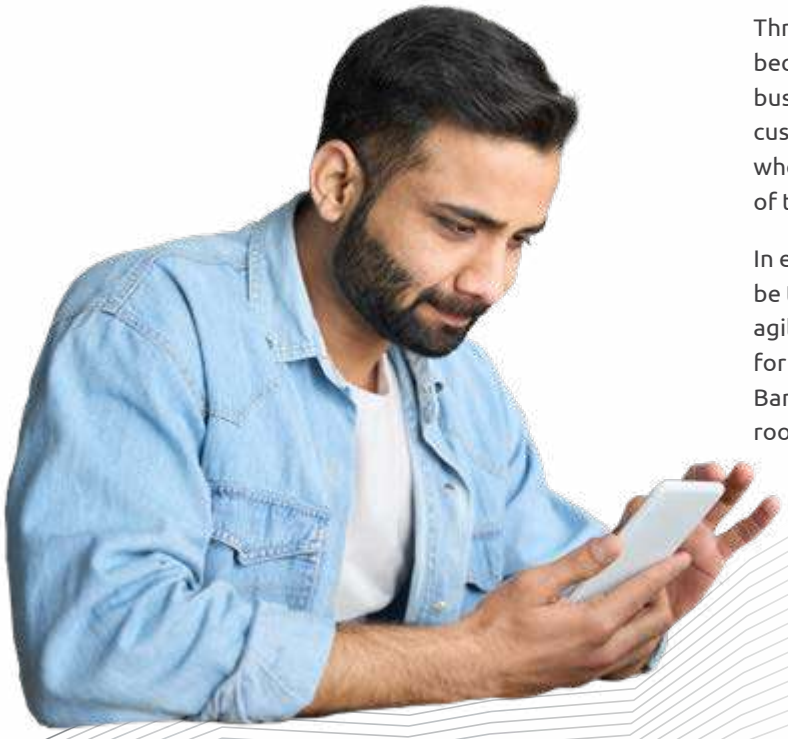
As your Bank looks to the future, it is dedicated to positioning its digital platforms not merely as service channels but as powerful strategic enablers for sustained business growth and competitive differentiation. Your Bank's vision is to create best-in-class digital ecosystems that deliver unmatched convenience, personalisation, and security, becoming the preferred banking destination for every customer segment.

Key strategic priorities include:

- Agile Technology and AI Integration: By harnessing agile development methodologies and embedding artificial intelligence across its platforms, your Bank will create adaptive, intuitive user experiences that anticipate and respond to customer needs in real time. This will enhance personalisation, simplify complex banking processes, and enable proactive financial management.
- Omnichannel Excellence: Your Bank ensures seamless integration across all digital touchpoints—mobile apps, web portals, and emerging channels—offering customers a consistent, frictionless banking journey whether they bank digitally or through assisted models. This cohesion will drive higher engagement and loyalty.
- Data-Driven Insights and Analytics: Leveraging advanced analytics, customer behaviour data, and market trends will enable your Bank to design hyper-personalised products and services, optimise risk management, and identify growth opportunities rapidly. Data will be central to enhancing customer lifetime value.
- Robust Security and Compliance: As digital adoption expands, your Bank will continue to prioritise cybersecurity, ensuring that all platforms adhere to the highest standards of safety, privacy, and regulatory compliance, building trust as the foundation of every interaction.
- Innovation in Financial Inclusion: Expanding digital access to underserved and new-to-bank customers remain a top priority. By innovating on onboarding, payments, and credit delivery, your Bank aims to deepen its impact and grow its customer base sustainably.

Through these focused efforts, digital banking will become the main leveraging tool for driving new business, increasing wallet share, and delivering superior customer experiences. Your Bank envisions a future where every customer touchpoint reinforces its promise of trust and strengthens the *bandhan* that connects.

In essence, your Bank's digital transformation journey will be the cornerstone of its growth story, fuelling resilience, agility, and innovation. Through consistent value-creation for customers, stakeholders, and the communities, your Bank continues to build a well-connected ecosystem rooted in trust and strengthened by *bandhan*.



Emerging Entrepreneurs Business (EEB)

Empowering Inclusive Growth and Economic Upliftment

Your Bank's Emerging Entrepreneurs Business (EEB) vertical offers accessible and affordable loans to borrowers at the bottom of the economic pyramid.

Through EEB, your Bank enables individuals to harness their entrepreneurial potential and reshape their futures. As your Bank continues to chart new paths of opportunity, it remains steadfast in its commitment to inclusive banking, enabling access for financially excluded communities and enabling them to step confidently into a brighter tomorrow.

At the heart of your Bank's EEB strategy lies its unwavering belief in building long-term relationships rooted in trust. Guided by the principles of inclusive banking and economic upliftment, your Bank partners with individuals across various stages of their entrepreneurial journey. It aims not merely to create customers but to walk alongside them, offering timely financial solutions that help them climb the socio-economic ladder. In doing so, your Bank nurtures enduring relationships that deepen over time, steadily strengthening its bond with customers and communities.

Loans under EEB are disbursed through Banking Units (BUs) designed to reach and support small business owners by providing doorstep service. The BUs are empowered with the capability to conduct credit assessments, open loan and deposit accounts independently, and operate seamlessly through tablets integrated with the Core Banking System (CBS).

To ensure efficient, consistent service and timely support, your Bank has established a structured framework comprising circles, territories, divisions, areas, and banking unit catchments. A dedicated central operations team ensures close monitoring of processes, maintaining operational integrity and adherence to regulatory guidelines at all times. With a strong focus on controls and standardisation, your Bank strives to ensure every customer interaction reflects the highest level of care, consistency, and compliance.

Your Bank continues to build inclusive growth and strengthen the foundation of trust it shares with its customers. These evolving relationships, built with sincerity and sustained engagement, exemplify the spirit of your Bank's deepening *bandhan*, driving its journey of resilience, impact, and collective progress.

EEB Performance

During FY25, your Bank's commitment to financial inclusion was reflected in the loans offered to ₹15.17 lakh new borrowers under the Group Loan and SBAL schemes. The portfolio for Group Loans stood at ₹36,088 crore, whereas the SBAL portfolio stood at ₹20,456 crore as your Bank worked towards bringing additional measures in credit control to improve the quality of its portfolio.

Product Portfolio

Group Loans

Srishti Loan:
₹15,000 – ₹1,50,000 for starting or expanding businesses

Suraksha Loan:
Up to ₹15,000 for emergency expenses like medical needs and sanitation

Sushiksha Loan:
Up to ₹10,000 for children's education expenses

Small Business and Agri Loans (SBAL)

Sahayata Loan:
₹50,001 – ₹5,00,000 for income-generating business needs

Bazaar Loan:
₹26,000 – ₹1,50,000 for working capital support to existing deposit customers

Fortifying Business Operations

During FY25, your Bank undertook the following initiatives:

- Implemented guardrails for microfinance loans to further strengthen customer selection and portfolio quality in the longer run, including limitations in lender cap, limitations in total outstanding per borrower and restrictions in lending to customers having 60+ DPD across microfinance lenders.
- Several initiatives to sharpen the underwriting process for the Group Loan and SBAL to have a better portfolio, such as location-specific credit strengthening and a higher CIC cut-off. An analytics-driven rule engine is being implemented to ensure quality sourcing.
- Awareness about using digital solutions, such as smartphone-based transactions and using credit/debit cards for online transactions, is among the persisting gaps in consumer interaction in the Banking Unit vertical. To overcome these challenges, your Bank is training the customers to be aware of the benefits of digital payments and various other aspects, such as seeding bank accounts with mobile numbers and Aadhaar. Also, an initiative is in place to inform customers about payments through online transactions. Additionally, your Bank has launched digital repayment modules, such as QR-based channels, to make repayments easier and hassle-free.
- Tracking and monitoring portfolios at the Banking Unit level through semi-automated dashboards and scorecards. Devising business strategies at the granular level to ensure effective and sustainable business growth.
- A separate independent Recovery Team is in place to improve recovery collections from delinquent customers based on data analytics-based prioritisation of recovery pools to ensure higher collection and productivity. A digital collection module is also being launched to enhance the collection process further and increase efficiency at an individual level.
- Deployed several analytics-driven models to improve both sourcing and recovery. Some of the key initiatives in this regard include identifying good borrowers for higher-ticket loans based on a data-driven renewal base, identifying potential borrowers graduating to individual loans, categorising delinquent borrowers based on their propensity to repay, prioritising collections accordingly, etc.
- Strong emphasis on training and development to upskill and reskill staff to ensure that they stay relevant to the fast-changing world across levels and locations. This includes online and classroom training sessions.

Housing Finance

Financing Dreams, Building Futures

During FY25, your Bank's Housing Finance business continued to align with its long-term strategic roadmap, delivering strong performance despite a challenging macroeconomic environment. Your Bank's commitment to inclusive housing credit, prudent risk management, and operational agility have translated into resilient growth across disbursements, portfolio size, borrower quality and geographic reach.

Business Performance Highlights

In FY25, the total housing loan book (excluding IBPC) reached ₹32,105 crore, up from ₹27,309 crore in FY24, registering an increase of 18% Y-O-Y. Disbursements during FY25 stood at ~₹9,340 crore, registering a 26% Y-O-Y increase. This growth is attributed to the Prime Lending Channel launched in FY24. It significantly enhanced disbursement volumes and contributed to a healthier asset quality by targeting stronger borrower profiles and reducing delinquency risk.

Furthermore, the share of the salaried borrower segment in your Bank's Housing Finance portfolio grew to 57.8% in FY25, up from 53% in FY24.

Geographic Expansion and Reach

In line with its financial inclusion goals, your Bank operated its housing loan network through 450+ branches offering home loans and 300+ banking units delivering micro home loans across 18 states and 3 union territories. This expansion enabled deeper market penetration and better customer access, particularly in underserved regions.

The portfolio remained predominantly Affordable Housing, constituting approximately 80% of the book. Regional diversification continued with strong performances across all zones.

Retail Assets

Building a Responsible and Accessible Portfolio

Your Bank has continued to strengthen its Retail Assets portfolio, focusing on building trust through relevant, responsible, and accessible credit offerings. Anchored in a prudent risk framework, your Bank's strategy emphasises secured lending, spanning Gold Loans, Car Loans, Commercial Vehicle and Construction Equipment (CVCE) Loans, and Two-Wheeler Loans, supplemented by carefully selected unsecured Personal Loans. This expanding portfolio reflects a growing *bandhan* with customers across geographies and income segments, underpinned by your Bank's commitment to long-term, sustainable relationships.

Gold Loan

Designed to address immediate financial needs with speed and simplicity, the Gold Loan product offers loan amounts ranging from ₹10,000 to ₹80,00,000, with flexible tenures of up to three years and competitive interest rates. To enhance accessibility, your Bank is expanding its branch network, enabling more customers to access timely credit with minimal formalities. This growing reach not only supports individual needs, but also reinforces your Bank's commitment to trust-led growth.

Car Loan

The Car Loan offering is tailored to a wide range of customers, with financing available for both new and pre-owned vehicles up to ₹1.5 crore. A seamless digital application process, an extensive dealer network, and flexible repayment structures ensure that customers experience a convenient and rewarding car ownership journey. The growing focus on pre-owned Car Loans reflects your Bank's agility in enabling access and responding to a changing market landscape.

CVCE Loan

Committed to supporting India's infrastructure and logistics sectors, your Bank offers CVCE Loans ranging from ₹1 lakh to ₹25 crore. By enhancing the single-unit loan limit and expanding into the used CVCE segment, your Bank is enabling greater financial flexibility for transporters and contractors. This offering is delivered through an integrated network of branches and partnerships with dealers and manufacturers, reinforcing your Bank's role as a trusted financial enabler.

Two-Wheeler Loan

Supporting mobility and access, your Bank's Two-Wheeler Loan portfolio has surpassed 1,90,000 customers, 90% of whom are new to your Bank. Loans of up to ₹5,00,000 are extended through a dealer or channel-based distribution model. With the addition of financing options for electric vehicles and premium motorcycles, your Bank continues to meet evolving consumer preferences while broadening its reach among new customer segments.

Personal Loan

Your Bank maintained a focused and adaptive approach to its Personal Loan offerings in FY25, aligning with customer expectations and market dynamics. With loan amounts between ₹50,000 and ₹25,00,000 and flexible tenures of up to five years, these unsecured loans are delivered through a dedicated sales team that ensures a responsive, trustworthy, and customer-centric experience.

Your Bank's retail lending journey continues to be marked by steady growth, increasing customer trust, and a strategic focus on secured asset-backed credit. It becomes the foundation upon which your Bank strengthens customer trust and delivers on its long-term vision of inclusive and sustainable financial empowerment.

Wholesale Banking

Advancing Balanced Development

With a keen focus on the corporate segment, your Bank actively engages with small, medium, and large businesses to contribute to financial inclusion, job creation, and equitable economic development. Your Bank has set up specialised verticals in the Wholesale Banking segment to expand its vertical and horizontal presence.

Mid-Market Group

The Mid-Market Group (MMG) supports small, medium, and large enterprises by offering secured financial solutions tailored to meet working capital and capital expenditure needs. These include both fund-based and non-fund-based options such as Term Loans, Cash Credit, Overdrafts, Loans Against Property, Construction/Project Finance, Lease Rental Discounting, Letters of Credit and Bank Guarantees.

With a national footprint and teams based in large business centres, the Group's businesses have dedicated relationship support. As part of its continued evolution, the Group has operationalised Cash Management Services and Trade Finance, while Supply Chain Finance is currently being rolled out.

Total Advances for the segment stood at ₹12,243 crore as of March 31, 2025, compared to ₹6,701 crore as of March 31, 2024, registering a growth of 83% during FY25. This progress reflects the growing confidence placed in your Bank by enterprise customers and the depth of relationships that have been cultivated over time.

Financial Institution Group (FIG), Healthcare and Education

The Financial Institution Group (FIG) continues to meet the financing requirements of Non-Banking Financial Companies (NBFCs), Housing Finance Companies (HFCs), and public financial institutions through a broad range of secured lending products. These include Term Loans, Working Capital Limits, Overdrafts and Cash Credit.

Within the NBFC segment, the focus remains on secured financing, including Housing Loans, Loans Against Property (LAP), Gold Loans, Commercial Vehicle Finance and Business Loans. For NBFC-MFIs, your Bank supports funding requirements aligned with priority sector norms.

Furthermore, FIG has developed a balanced and diversified portfolio with a nationwide presence. The Total Advances (including PTC and DA) stood at ₹15,773 crore as of March 31, 2025, up from ₹12,815 crore in the previous year, reflecting a growth of 23%. This steady growth is underpinned by long-standing partnerships

and a measured approach to risk, enabling sustained performance in a dynamic sector.

In FY25, your Bank strengthened its *bandhan* by extending its lending franchise to the healthcare and education sectors, providing tailored credit solutions within its existing secured lending framework. For the Healthcare and Education vertical, the book stood at ₹232 crore as of March 31, 2025, signifying your Bank's commitment to sectors essential for human and economic development. Your Bank also holds exposures through Direct Assignments, Pass-Through Certificates, and Non-Convertible Debentures.

Commercial Loan Against Property (Commercial LAP)

The Commercial LAP segment provides secured loans to proprietorships, partnerships, and private limited companies by leveraging immovable property. This segment plays a crucial role in strengthening your Bank's secured lending portfolio, offering businesses the flexibility to address a range of financial needs.

With an expanded reach of over 625 branches (as of March 2025) and complementary open-market sourcing, your Bank is expanding its presence in this segment. Digital enhancements are being introduced to improve turnaround time, scalability, and the overall customer experience.

As of March 31, 2025, the segment's Total Advances stood at ₹1,118 crore, compared to ₹516 crore in FY24, registering a growth of 117%. This reflects the growing reliance of small business owners on structured, transparent financial solutions and the trust built through consistent delivery.

Business Banking Group (BBG)

The Business Banking Group (BBG) caters to Micro, Small and Medium Enterprises (MSMEs), offering secured loans ranging from ₹25 lakh to ₹30 crore. Credit is extended in the form of Term Loans, Overdrafts, Lease Rental Discounting, and non-fund-based facilities, such as Letters of Credit and Bank Guarantees.

The segment features several specialised products:

- ***SME Business Connect,*** which finances both working capital and capital expenditure needs against primary and collateral security.
- ***SME GST Connect,*** offering Overdrafts and other fund-based facilities secured by business assets or property.
- ***Bandhan CGTMSE Loan,*** which provides collateral-free or partially secured loans under the CGTMSE scheme for micro and small enterprises.

As of March 31, 2025, BBG's fund-based advances reached ₹1,703 crore, displaying a rise of 69%, growing from ₹1,010 crore in FY24. This reflects not just access to capital but an enduring commitment to entrepreneurs whose ambitions fuel economic activity at the grassroots level.

Agri-business Loans

Agriculture remains integral to India's economy and livelihoods. Your Bank offers financial solutions that empower farmers and agri-entrepreneurs alike. The segment provides Kisan Cash Credit (KCC) loans for a range of farming and allied activities, including animal husbandry, horticulture, and aquaculture, supported by competitive rates and streamlined processes.

Beyond farm-level credit, your Bank also supports entities across the agricultural value chain, including processors, input dealers, and service providers. Offerings include working capital, term loans, and commodity pledge finance for agri-infrastructure and agri-trade.

As of March 31, 2025, the Total Advances stood at ₹749 crore, up from ₹268 crore in FY24, reflecting a growth of 180%. It reflects a long-term, relationship-driven approach to rural and agri-sector banking—grounded in familiarity, relevance, and continued support.

Across its Wholesale Banking portfolio, your Bank continues to build lasting financial partnerships, anchored in prudent risk management, responsive service, and sectoral expertise. The uniform growth across segments reflects not only expanding opportunities but also the

enduring trust placed in your Bank by businesses, institutions, and entrepreneurs. These deepening relationships are the foundation upon which your Bank strengthens its *bandhan* as a reliable partner in India's growth story.

Small Enterprise Loan (SEL)

Small Enterprise Loan (SEL) offers Term Loans and working capital products to small enterprises that rely on accessible and dependable financial solutions to sustain and expand their operations. The SEL vertical stands as a trusted financial partner, committed to empowering businesses with tailored funding solutions. With SEL, businesses gain more than just financial assistance; they build a relationship rooted in trust, security, and sustained growth.

Trusted financial products under SEL include:

- SEL Term Loans (₹3 lakh to ₹10 lakh): Designed to support small businesses in their journey, these term loans offer flexible tenures of one to three years, ensuring access to working capital and asset creation with reliability and ease.
- SEL Max Loans (₹10.01 lakh to ₹25 lakh): Designed for enterprises with ambitious business aspirations, SEL Max Loans extend higher-value funding, offering businesses a dependable avenue for expansion.
- SEL Cash Credit (₹5 lakh to ₹25 lakh): A trusted revolving credit facility that provides businesses the flexibility to access funds as needed, with interest applicable only on the utilised amount. Limits are renewed yearly, ensuring continuous financial support.
- SEL Secured Overdraft Loans (₹10.01 lakh to ₹25 lakh): Introduced in FY23 to cater to MSME borrowers, this overdraft solution strengthens financial resilience. Businesses can secure working capital while pledging assets, reaffirming the foundation of trust in financial partnerships.

The Total Advances of the segment stood at ₹4,526 crore as on March 31, 2025, supporting over 1.13 lakh valued small and growing businesses.

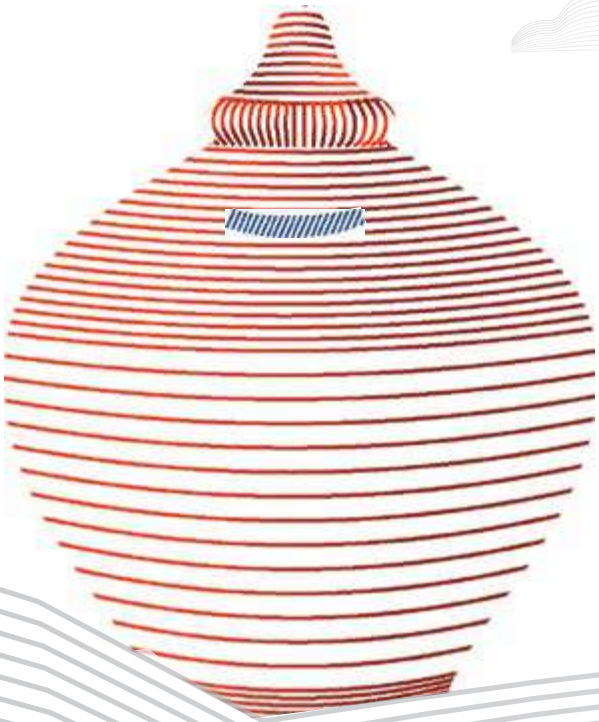
Transaction Banking

During FY25, your Bank continued to strengthen its transaction banking proposition across Cash Management Services (CMS), Trade Finance, and Supply Chain Finance, with a focus on product expansion and digital enablement.

During the year, the cash pick-up offering was further scaled and enhanced. Several new initiatives were also undertaken to broaden the CMS suite, including eNACH for external corporates, a centralised escrow platform, cheque printing and collection services, host-to-host integration, API banking, and virtual account solutions. These offerings are currently under development and are expected to be launched during the current financial year, with the objective of building a comprehensive and future-ready CMS platform to meet the evolving needs of corporate and institutional clients.

On the Trade Finance front, your Bank's non-fund-based trade book crossed ₹2,100 crore. The first foreign currency import Letter of Credit (LC) and the first Letter of Credit Bill Discounting (LCBD) transaction were executed, alongside steady growth in cross-border remittances averaging over $2.2 million per month.

Your Bank is also in the process of developing a Supply Chain Finance platform to complement its existing trade and CMS offerings. CMS and Trade continue to be key pillars within the Wholesale Banking business, supported by ongoing investments in product development and service delivery.



Treasury

Your Bank's Proactive Treasury Risk Governance

The Treasury Department of your Bank continues to play a pivotal role in nurturing financial stability, deepening stakeholder confidence, and enabling sustainable growth. It stands as a cornerstone of prudent financial management, ensuring an optimal balance between maintaining liquidity, profitability, and risk alongside unwavering compliance with regulatory frameworks.

The Treasury Department's proactive approach to excellence entails navigating dynamic economic conditions, managing risks and safeguarding your Bank's financial health. It leverages advanced analytics, a robust IT infrastructure, managing risks, and an in-depth perception of market dynamics. At the same time, it oversees value enhancement for depositors, investors, and partners. This dual-lensed approach ensures that your Bank upholds and sustains the trust it shares with all stakeholders.

This year, your Bank continued its legacy of competently managing investments across a diversified portfolio of bonds, equities, and foreign exchange instruments, amidst a shifting economic landscape. With a strong focus on transparency and performance, the team has delivered consistent returns while upholding the highest standards of governance and risk management.

In essence, the Treasury Department embodies the true spirit of *bandhan*—a bond of trust, responsibility, and shared progress in every transaction and strategy. As your Bank continues its journey of expansion and empowerment, the Treasury Department remains unwavering in its mission: to build enduring financial resilience and reinforce the trust that stakeholders place in your Bank.

Third-Party Products

Facilitating Comprehensive Solutions for Evolving Needs

The banking industry is undergoing a rapid transition, driven by shifting customer demands and data-driven technological advancements. However, amidst all this evolution in the banking ecosystem, the core philosophy of relationship-driven, trust-embedded banking remains firmly entrenched.

Your Bank continues its firm endeavour to be a Bank for All – the one destination for all financial services. Your Bank provides a comprehensive range of insurance and investment solutions, meticulously tailored to customers' financial well-being, a testament to its commitment to building a resilient relationship with its customers.

Over the past year, your Bank has focused on enhancing its service offerings by leveraging analytics, customer insights, and technology to better meet its customers' evolving needs. In doing so, your Bank continues to embody the spirit of *trust that grows, bandhan that strengthens*, reinforcing its dedication to nurturing trust and deepening its bond with customers, stakeholders, and communities.

Furthermore, in an era where the entire banking ecosystem is built on partnerships that heavily leverage decision sciences, tailored product and service offerings, your Bank has been steadfast in its commitment to serving customers throughout different life stages. This commitment is supported by a well-established and diversified network of branches, an empathy-driven workforce, as well as robust internet and mobile banking platforms. The market for third-party distribution of financial products, including life insurance, general insurance, and mutual funds, is rapidly evolving in response to the progression of customer needs and preferences, as well as regulatory interventions.

To keep pace with the evolving financial needs of customers, your Bank has entered into ecosystem partnerships and built strong synergies with third parties to offer robust product propositions closely tailored to its customers. In addition to the focused products, your Bank has established a strong distribution network for third-party products, both offline through the branch network and online through digital banking platforms.

The focus remains on providing the customers with need-based solutions to manage their financial well-being, reinforcing the values of long-term empowerment and relationship-building.

Non-Life Insurance

The world has witnessed an unprecedented increase in awareness and response to the growing importance of health and financial security following the pandemic. The importance of both comprehensive and specialised health cover benefits is clearly discernible.

Your Bank has strengthened its partnerships with existing insurance providers such as Bajaj Allianz General Insurance Company, Niva Bupa Health Insurance Company and The Oriental Insurance Company Ltd. (OICL). Your Bank has also forged a new partnership with ICICI Lombard General Insurance Company Ltd.

Through these partnerships, your Bank offers a diverse range of general insurance products, including home, health, motor, personal accident, and critical illness insurance. These solutions and offerings help in building a comprehensive proposition for your Bank's customers, offering benefits supporting lifestyle and livelihood. These offerings are designed to help customers manage health-related risks and ensure financial protection against uncertainties.

Furthermore, your Bank's strong focus on providing a safety net around health-related risks has led to a comprehensive array of products and solutions tailored to secure the specific health needs of its customers and protect against unforeseen events.

Life Insurance

The Indian life insurance industry is experiencing robust growth, fuelled by economic progress, increased product awareness, a growing middle class, rising disposable incomes and supportive government policies and actions. Additionally, the industry is benefiting from technological advancements, data-driven decision-making, product and process innovation, and the expansion of distribution networks.

Your Bank, as a trusted corporate agent for leading insurance companies such as Bajaj Allianz Life, HDFC Life, Kotak Life, and Bandhan Life, with whom a corporate-agency relationship was forged in the last financial year, continues to expand access to life insurance. Through its well-stitched partnership model, your Bank provides a wide range of life insurance products. These include protection plans, savings plans, market-linked products like Unit Linked Insurance Plans (ULIPs), and annuity products with both immediate and deferred annuity options.

These products cater to different customer segments and life stages, helping individuals secure their lives and achieve their long-term financial goals. These offerings further reflect your Bank's vision of growing with its customers, deepening trust and reinforcing the *bandhan* that evolves into lasting financial security.

Mutual Funds

The mutual funds industry has witnessed a year of intersecting headwinds and tailwinds as it weathered both global and local geopolitical and macroeconomic factors. Nevertheless, the industry has remained steadfast. Also, steady retail inflows have helped it remain largely rangebound, helping see off major events. Besides, the mutual fund market has witnessed significant participation from retail investors, driven by the widespread availability of digital platforms and comprehensive data.

Furthermore, your Bank has partnered with leading mutual fund companies, including Bandhan, HDFC, ICICI Prudential, UTI, Nippon India, SBI, Aditya Birla Sun Life, Kotak, Franklin, Axis, and Mirae Asset. Through these partnerships, your Bank facilitates a wide variety of mutual fund products across asset classes via its Retail Internet Banking, Mobile Banking, Branch Banking channels. These products are tailored to meet the diverse investment needs of customers, providing benefits such as asset diversification, disciplined savings, and tax advantages in certain products.

Moreover, your Bank focuses on mutual funds to help customers build wealth and achieve their financial objectives through professional management and strategic investment options. With each such offering, your Bank builds confidence and loyalty, furthering trust that grows and cementing a *bandhan* that strengthens with every step in the customer's financial journey.

Information Technology

Fortifying Digital Trust through Scalable Tech

Information Technology (IT) continues to play a pivotal role in redefining the future of banking in the current, dynamic financial landscape. Your Bank remains steadfast in leveraging cutting-edge technologies as part of its commitment to deliver enhanced customer experiences, drive operational excellence, and ensure robust security in an increasingly digital ecosystem, thereby strengthening trust with its customers.

Over the past year, your Bank has made significant strides in its digital transformation journey, through focused investments and strategic initiatives that have not only bolstered efficiency, innovation, and sustainable growth but also reinforced the bandhan with its customers and stakeholders.

Expansion of Digital Banking Services

Your Bank has continued to enhance its digital offerings, ensuring secure and seamless banking experiences for its customers.

Noteworthy advancements of FY25 include:

- Neo FD: Enabled customers to remotely open Fixed Deposit accounts through a video KYC process.
- QR-based Loan Repayment: Introduced unique QR codes facilitating direct loan EMI payments via any UPI app.
- Trade Finance CBS Product Processor (FCY): Launched a comprehensive platform for handling export/import transactions and cross-border remittances.
- Contactless Transactions: Enabled contactless payments on Bandhan Bank POS terminals using Bandhan Bank debit cards.
- Transaction Monitoring: Strengthened real-time digital transaction monitoring.

Robotic Process Automation (RPA)

To streamline operations and reduce manual dependencies, your Bank implemented Robotic Process Automation (RPA) across key functions. This initiative has resulted in faster processing, improved accuracy, and allowed employees to focus on higher-value tasks.

Strengthening Cybersecurity

Cybersecurity remains a top priority for your Bank. Your Bank has rendered substantial enhancements to its security infrastructure, ensuring greater resilience against evolving threats.

Key initiatives undertaken in FY25 included:

- Deployment of advanced anti-malware solutions
- Strengthened access controls for the Core Banking System (CBS) through IDAM (Identity and Access Management)
- Implementation of an application monitoring tool for proactive alerts and issue resolution
- Rollout of Endpoint Detection and Response (EDR) for advanced endpoint protection
- On-premise implementation of DDoS protection to safeguard perimeter security

Customer-Centric IT Initiatives

Your Bank introduced several customer-focused technology solutions in FY25 to improve engagement and expand accessibility:

- Launched QR code-based EMI collections from microfinance customers
- Implemented an Enterprise-Wide Loyalty & Rewards Management Platform (EWLP) to drive customer retention and engagement by centralising reward programmes
- Secured authorisation to open pension accounts for central, civil, and railway retirees, including integration with the Jeevan Pramaan portal for life certificate submissions
- Enabled direct payment of Income Tax and GST through net banking, debit cards, and UPI
- Rolled out regulatory SMS notifications to inform DPD (Days Past Due) customers about credit data submission to Credit Information Companies (CICs)

Operational Excellence

Cementing Trust Through Operational Strength

Your Bank's operations aim to make it future-ready, aligning with the evolving customer preferences and regulatory compliances. By enabling services that are accessible, compliant, and efficient — anytime, anywhere — your Bank ensures convenience without compromise. Your Bank's operational excellence reflects its core belief: trust that grows, bandhan that strengthens, as it integrates its diverse strengths to build deeper connections and deliver trusted experiences to a vast and expanding customer base.

Strengthening Credit Operations for Sustainable Growth

During FY25, your Bank, in pursuit of operational excellence, established the Credit Administration and Asset Operations Department (CAD). The department is a strategic step to oversee and strengthen your Bank's credit processes and lifecycle, reinforcing its commitment to building systems rooted in trust and long-term efficiency.

CAD is a blend of governance, risk management, data analytics, and operational efficiency. Some of the key measures being taken include ensuring regulatory and IRAC compliance, introducing workflow automation tools, tracking drawdowns and usage, validating collateral management systems, utilising EWS to flag deteriorating loans, and conducting regular credit reviews and re-rating exercises. These initiatives collectively reflect your Bank's focus on earning and nurturing trust that grows by embedding transparency, discipline, and control into the credit ecosystem.

Furthermore, a dedicated team is assessing current underwriting policies and procedures for the entire lending business across all verticals. At the same time, your Bank is redefining the approving authority to tighten the approval and delegation framework, thereby strengthening internal structures in alignment with the spirit of *bandhan* to grow together.

Similarly, your Bank believes that CAD will play a significant role in achieving sustainable growth, aligning with its commitment to building stakeholders' trust. Your Bank achieved key milestones in strengthening the operational backbone of the Trade Finance division, reinforcing its position as a reliable partner in global trade.

Through a combination of process reengineering, system upgrades, and strategic investments in technology, your Bank ensured that its operations remained agile, compliant, and customer-centric. These steps support not only operational resilience but also the foundation of strong and enduring relationships with clients.

Moreover, your Bank has adapted to the dynamic changes influencing the current banking landscape, ensuring its operations remained efficient, robust, and customer-focused. This reinforces a *bandhan* that deepens through innovation and responsiveness. With the application of data analytics, there is regular monitoring of portfolio movements and trends in secured advances.

Simultaneously, your Bank is continually engaged in automation projects with a key focus on the quality and accuracy of reporting. Following the migration of the Core Banking System, your Bank has leveraged technology in every aspect of its value proposition, from designing products to streamlining processes that improve delivery and monitoring, building further on the foundation of trust that grows.

Throughout FY25, your Bank appointed various external agencies to evaluate the existing credit processes, identify gaps, and provide solutions. Based on these solutions and identified needs, your Bank has onboarded external vendors and applications to efficiently monitor and improve control over critical credit parameters and day-to-day account operations. This will also help your Bank reduce long-term compliance costs and track asset quality on a regular basis, thereby nurturing trust in your Bank.

Overall, your Bank is confident that the strategic initiatives undertaken through CAD and the related automation efforts will yield long-term benefits. These include improved credit quality, greater process transparency, and enhanced stakeholder confidence.

Operational Excellence: Optimising Service Experience

Operational excellence forms the backbone of any organisation, and is, therefore, of paramount importance. To strengthen operational resilience and ensure seamless management, your Bank is working on many initiatives.

On the strategic front, your Bank is actively pursuing various digital initiatives, such as account opening with automated customer identification solutions and WhatsApp banking services, aimed at delivering a seamless and efficient service experience to its customers.

Similarly, the operations team is working on various initiatives to integrate Robotic Process Automation (RPA) into routine operations as a key step towards enhancing efficiency, reducing human dependency, and ensuring consistency in service delivery. These initiatives are not only pivotal for operational excellence but also align with your Bank's larger goal of contributing to the transformation and digital empowerment of India.

Additionally, your Bank is making significant strides towards a paperless banking system in its operational areas, thereby aligning with its broader 'Go Green' initiative and commitment to environmental sustainability. Your Bank is working on reducing the paper-based processing of account servicing requests and adopting system-based processing by migrating all email-based and paper-based processes to workflow-based systems.

By embedding digital agility and transparency into its operations and management, your Bank is stabilising a system of *trust that grows, bandhan that strengthens*.

Customer Experience

Quality in every Interaction and Delivering Best-in-Class Banking Experience

Your Bank remains steadfast in its commitment to delivering superior customer experiences. Your Bank's Customer Experience Department continues to enhance service delivery and processes that are essential to providing seamless, convenient, and secure banking experiences. Through structured feedback mechanisms, such as the Voice of the Customer and Voice of the Employee, your Bank has actively identified and addressed gaps between customer expectations and service delivery. These insights are instrumental in shaping its robust 'Customer-First' culture and redesigning processes and systems to enhance customer trust and banking experience.

During FY25, your Bank focused on enhancing experiences across every customer touchpoint.

Several strategic initiatives were undertaken to ensure improved access, convenience, and service excellence:

- Your Bank's 24/7 Contact Centre supports multiple regional languages in addition to English and Hindi, managing a wide range of services, including emergency support, grievance resolution, and product-related queries. Additionally, customers can reach out to explore additional products and services. As part of your Bank's omnichannel strategy, the Contact Centre is evolving into a multilingual customer engagement hub across three locations with a frictionless Self-Service IVR system that offers profile-based call routing, including direct access to agents for EEB (Emerging Entrepreneurs Business) customers.
- To elevate the in-branch experience, 50 branches have been redesigned to offer an enhanced ambience, seating arrangements, and visibility of essential banking information. Awareness campaigns and visual cues further enrich the customer experience. The next phase includes upgrading additional 500 branches. Concurrently, branch banking transactions and account opening journeys are being re-engineered to be straight-through and instant, with built-in validations, ensuring faster, error-free and hassle-free banking.
- Recognising the growing importance of digital engagement, your Bank has made digital banking secure and user-friendly, with enhancements to frequently used features. Insights from customer feedback continue to shape your Bank's security roadmap, with particular attention to reducing Unauthorised Electronic Banking Transactions (UEBT) and reinforcing digital trust. Your Bank is also in the process of launching WhatsApp Banking, which will carry all the frequently used functionalities for better accessibility and convenience.
- Your Bank has undertaken an end-to-end revamping of the grievance machinery with more convenience for customers. Some of the features include a comprehensive and well-established policy with improved turnaround times and escalation points. Simultaneously, your Bank is working on an enhanced portal for real-time complaint status tracking, options to attach documents, provide feedback on resolution quality and more.

Further, your Bank continues to strengthen its 'Customer-First' culture through regular engagement. Customers are invited to participate in the Standing Committee on Customer Service and the Customer Service Committee of the Board, enabling direct feedback to senior management. Monthly Branch-Level Customer Service Committee meetings are held, inviting customers from diverse backgrounds, including senior citizens and pensioners, to share their experiences and suggestions. Your Bank has also initiated transaction surveys, wherein feedback is taken from customers within a week of their interaction for the recency effect. In addition, your Bank regularly gathers feedback from its frontline employees, whose insights are invaluable in refining service delivery.

Moreover, your Bank benchmarks its services against industry standards and incorporates findings from ongoing feedback and periodic studies. As a result, continuous improvements are being made to service delivery and customer journeys. Similarly, your Bank's governance framework has been reinforced to monitor performance across all service delivery channels through service quality audits. Your Bank recently concluded a comprehensive Net Promoter Score (NPS) survey covering all product lines. The outcomes of this study will guide large-scale enhancements in product, process, and systems.

Furthermore, your Bank's Customer Experience Department publishes a periodic 'Customer-First' internal newsletter, which highlights best practices in service delivery and features stories of employees exemplifying customer-centric values. This initiative builds a shared understanding of what it means to deliver excellence in every customer interaction.

As part of its broader transformation agenda, your Bank is continuously upgrading its IT infrastructure. It is in the process of rolling out new customer onboarding journeys and have redesigned several transaction processing workflows to make them simple, frictionless and straight-through.

In essence, your Bank endeavours to build a customer-centric organisation focusing on quality in every interaction, thus delivering a superior banking experience. Your Bank acknowledges that customer experience is not just about transactions but about building a long-term *bandhan*, grounded in trust and mutual growth.

Transformation Management Office

The Epicentre of Trust-led Transformation

Transformation

It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is most adaptable to change.

– Charles Darwin

How the drive for survival affects all living beings is understood since the days of Charles Darwin. According to modern-day economic research, this also applies to the corporate world. Your Bank understands that though the parallels between natural and economic transformation are striking, the pace is significantly different.

In nature, it can take centuries or millennia for traits to impact a species' prospects positively or negatively. On the contrary, in a fast-paced economy of the Anthropocene, companies often have mere months or years to adapt to secure their survival.

Businesses are never in a state of equilibrium. Instead, they are characterised by constant competition among companies, products, and systems. As in Darwin's observations on natural selection, only those that adapt to their environment emerge victorious.

Companies must, therefore, navigate this challenge daily by adapting to new regulations, shifting consumer preferences, demographic changes, long-term trends like climate change, and above all, digitalisation. This is achieved through transformational efforts that create new ecosystems or interconnect existing ones, benefiting all.

Transformation and Trust

Your Bank believes that trust and transformation are intrinsically linked, both in personal and professional contexts. Since banking is a business built on trust, any transformation must be rooted in it. Within relationships, a foundation of mutual faith enables vulnerability, open communication, transparency, and collaboration, all of which are vital for positive change and growth.

Trust is also essential for creating a shared commitment to change, where team members feel valued and empowered to contribute their best work. Your Bank's leadership prioritises building trust with their teams, creating a sense of psychological safety that encourages innovation and risk-taking. Your Bank believes in maintaining high ethical standards and showing empathy towards others, paying attention to others' perspectives and showing genuine care to build trust and strengthen relationships. They inspire followers by communicating a compelling vision and demonstrating genuine care for their well-being.

In essence, trust acts as the lubricant that allows transformation to occur smoothly and effectively. A lack of trust can create friction and resistance, while a foundation of trust enables individuals and organisations to navigate change with greater ease and achieve more impactful results. When employees trust their leaders and the organisation's intentions, they are more likely to embrace new strategies, technologies, and processes.

Wise men put their trust in ideas and not in circumstances.

– Ralph Waldo Emerson

Transformation at Your Bank

Transformation is an ongoing process that tends to appear ordinary, when, in fact, something extraordinary is taking place.

– Suzy Ross

Your Bank is at a pivotal stage of its growth journey, and to stay competitive, it has embarked on the Bandhan Bank 2.0 transformation journey encompassing business, channels, operations, digital, and customer experience. To achieve the goal of a syncretic transformation, a Transformation Management Office (TMO) has been established as an extension of the MD and CEO's office.

The TMO oversees and catalyses several transformative initiatives being undertaken at your Bank. It operates under four I's - Initiation, Intervention, Innovation, and Integration, guiding its comprehensive approach to strategic evolution. Presently, TMO is catalysing 29 projects and initiatives involving 16 departments with 129 Bandhanites, reflecting One Bandhan Bank.

Furthermore, your Bank believes that driving transformation requires exuberance, experience and an amalgamation of diverse skill sets and thinking, and the TMO has been staffed accordingly. The TMO has already initiated actions associated with technology modernisation, process improvements, capability evolution, new business model reconfiguration, and more.

Some of the transformative initiatives currently in the pipeline include retail liability sourcing from increased catchments through the banking units (BU), modernising the credit underwriting process with an integrated approach of implementing business rule engines for all rule-based products, and using analytical tool-based scorecards and technology-based PDs, leading to STP digital underwriting. Simultaneously, all digital platforms are being upgraded in accordance with Service-Channel-Customer compatibility mapping to ensure a seamless customer journey.

Moreover, your Bank is working to innovatively utilise emerging technologies such as QR codes, WhatsApp banking, and facial recognition capabilities in various aspects, including customer convenience, operational efficiency, recovery efforts, and fraud risk management. Besides, a culture of agility and continuous improvement underpins these efforts, reflected in workplace transformation initiatives and the alignment of new technologies, such as AEPS, with business objectives aimed at digitalising the working environment.

At its core, the Transformation Management Office embodies your Bank's unwavering commitment to its future. By championing these strategic imperatives and embracing the evolutionary currents of the industry, your Bank is not simply reacting to change but actively shaping for the future.

Your Bank is confident in its ability to build Bandhan Bank 2.0, an agile, innovative, tech-savvy and customer-centric universal bank, ensuring that with growing trust, the *bandhan* with its customers strengthens. Together, they symbolify resilience, deeper engagement, and sustained financial inclusion, reinforcing your Bank's core values of trust, customer-centricity, and long-term empowerment.

The best way to predict the future is to create it.

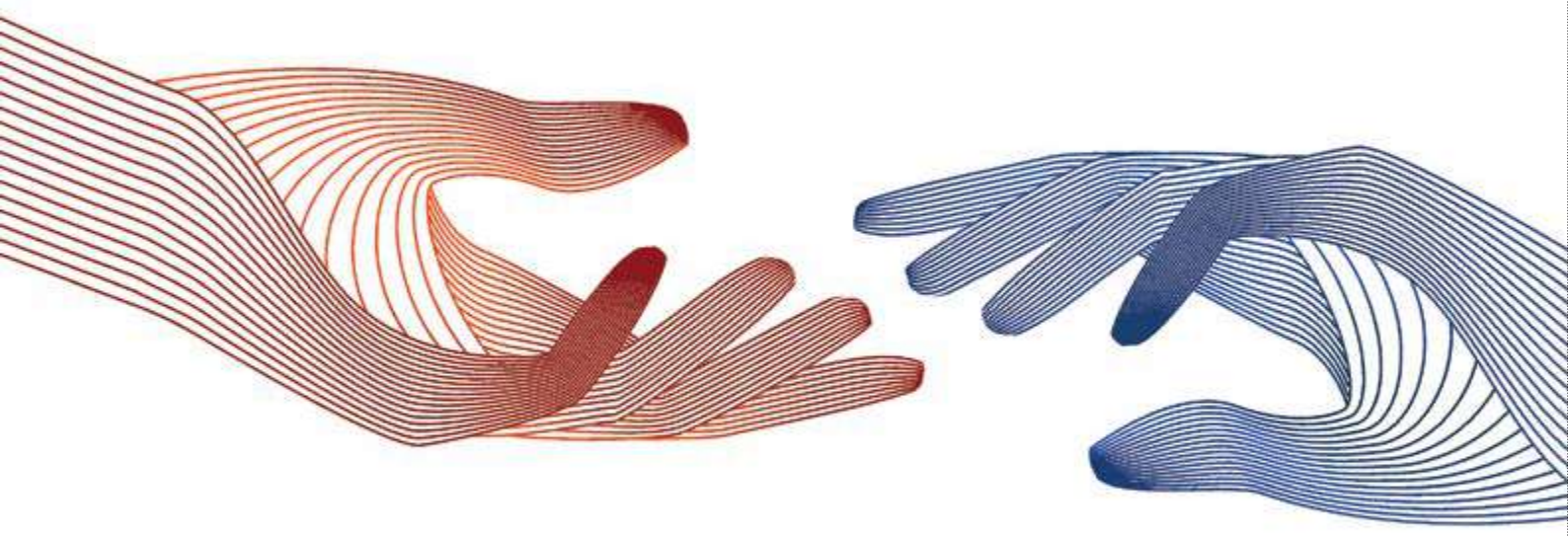
– Peter Drucker

Human Capital

Embedding a Culture of Care, Capability, and Collaboration

Human Resources Business Partner (HRBP)

Your Bank has been focused on building an organisation in a rapidly evolving financial landscape, one that thrives on diversity and inclusivity and builds innovation and community connection. With a strong focus on employee engagement, team collaboration and business expansion, your Bank has laid a powerful foundation for its future growth. Your Bank acknowledges the contribution and importance of Human Capital Management in strategising and strengthening the people infrastructure essential for sustained growth, continuous innovation and long-term success.



FY25 was a transformative year for your Bank, marked by key reforms and strategic initiatives aligning with its organisation values that prioritise a human-centric approach.

Your Bank implemented the following strategic measures, reinforcing the Bank's core values of trust, customer-centricity and long-term empowerment.

- In FY25, your Bank promoted 7,767 employees in recognition of their performance, initiatives and leadership traits demonstrated in their current role and elevated more than 2,000 employees in FY25. Your Bank's strategic investments in leadership, motivation and continuity ensure it continues to build a high-performing and engaged workforce, steadily strengthening the *bandhan* it shares with its people.
- Your Bank doubled down on 'Hire from Within' this year, reflecting its belief that its people are the strongest foundation for growth. Your Bank has scaled up its Internal Job Posting (IJP) platform, enabling staff to apply for new roles and career paths internally. By prioritising promotions and transfers from within, your Bank reduced external lateral hiring and reaped the benefits of employee loyalty and continuity.
- Your Bank forged strong campus-to-career pathways to onboard new talent into the organisation, ensuring a steady influx of skilled individuals. Empowering young professionals to build a stable and rewarding career in the financial field, your Bank visited 34 premier institutes and selected 133 young students, offering them dynamic career opportunities and creating a robust talent pipeline from interns to full-time bankers, aligning with industry insights critical for long-term growth.
- In FY25, your Bank has focused on implementing strategies that build a sense of community and promote a culture of inclusivity with enhanced team collaboration, camaraderie, and overall employee well-being. Your Bank organised football and cricket tournaments engaging more than 2,000 employees across locations.
- In FY24, your Bank conducted a follow-up survey in continuation of the employee engagement survey with Gallup in FY22. The survey revealed your Bank's outstanding performance with an improved score of 4.56 out of 5, accompanied by higher employee participation. Your Bank has also been recognised with the Gallup Exceptional Workplace award 2025 for the second time in a row.

The aforementioned initiatives portray your Bank's commitment to cultivating a resilient, future-ready organisation, anchored in an enduring *bandhan* it shares with its people.

Learning and Development

Learning and Development (L&D)

For FY25, your Bank made a quantum leap in strengthening its Learning and Development (L&D) proposition for employees. It has developed programmes to equip employees with the necessary skillset, mindset and knowledge to enable them to meet the challenges of a rapidly changing banking industry.

This year, your Bank has focused on building employee competencies and key strategic imperatives such as:

- Initiatives on Compliance Adherence and Risk Mitigation
- Initiatives on Customer Service Excellence and Grievance Redressal Mechanisms
- Initiatives on Slippage Control and Recovery Management
- Initiatives on Cross-selling and Portfolio Growth

Apart from the above, the L&D Team has focused on behavioural learning interventions to strengthen the leadership pipeline. These include the following:

- Bespoke leadership development interventions through ISB for its CXO, Senior Management, and other critical role holders
- Leader as a Coach programme for the Senior Management
- Women's Leadership Development journey for DVPs and above
- Several behavioural interventions based on the needs of specific audiences
- A Lean Six Sigma green belt intervention for process excellence was piloted with an impact on multiple ongoing projects

Learning Centres

Human Resources has taken a strategic step to evolve the learning centres from a vendor-managed to a bank-managed setup. Your Bank offers training across 13 locations in the country, which reflects its commitment to invest in the learning and development of its employees.

Succession Planning and Leadership Development

A structured succession planning and leadership development process enables your Bank to identify, groom and develop the next level leaders. Your Bank has a systematic approach to identify the critical role holders who require further development to drive growth and encourage innovation within their team and the organisation at large. Accordingly, your Bank has initiated a roadmap for grooming the senior leaders in specially curated Leadership Development Programmes in collaboration with the Indian School of Business, Hyderabad.

Diversity and Women's Leadership

Your Bank launched the flagship Women's Leadership Development Programme, 'Bandhan For Her', to strengthen gender diversity initiatives. It was initiated with the adoption of a formal DEI Policy. Under this initiative, the major interventions are Women's Leadership Training to strengthen and develop the 45 aspiring senior female leaders over three months. A range of programmes and initiatives will follow to further your Bank's investment in diversity, equity, and inclusion.

Capacity Building and External Training Programmes

Employee capacity building initiatives are the top priorities for your Bank, and during the course of the year, 5,689 employees participated in various external capacity building programmes. These programmes were aimed at enhancing functional skills, technical competencies, leadership capabilities, and industry-specific knowledge.

Your Bank has ensured that employees remain well-equipped to adapt to the evolving industry trends, such as digital banking and cybersecurity in a changing regulatory landscape. Your Bank's strategy focuses on developing talent and empowering its employees for long-term organisational growth, which is reflected in these initiatives.

Digital Learning Initiatives

Your Bank has invested in a world-class e-learning service provider, LinkedIn Learning, to broaden the scope of capacity building for its employees. This will provide senior managers and above, access to over 24,000 learning resources anytime, anywhere. Your Bank has begun the journey with a focus on building AI (Artificial Intelligence) skills, given its significance in the current scheme of things.

Key L&D Metrics to drive learning and development initiatives in your Bank during FY25 are enumerated below:

- 3 million learning hours achieved in FY25, up by 14% from FY24
- Per-employee learning hours stood at 34 hours of training per employee in FY25
- 99.6% of employees participated in at least one training programme in FY25
- Total training coverage across all formats (Internal/External/e-Module) reached 7,67,756 - 71% increase from FY24
- Digital learning penetration among employees grew substantially in FY25. Logins on the Learning Management System (Bandhan Edge) reached 12,60,879 by March 2025, marking a notable increase of 50% from FY24

Special Initiatives were taken during FY25 to augment the regular training strategies aimed at skill development for the employees:

- Productivity improvement programmes were launched for affluent channel, government business, current account and other business units.
- Multi-faceted training interventions covering classroom training, webinars, e-learning courses, quizzes, contests, and more were facilitated for building operational excellence across business functions. Programmes on customer service, First Time Right for the account opening process and employees in Central Processing Units, and Credit Management were also conducted.
- Management Development Programmes to upskill role-elevated employees and Leadership Development Programmes for role-elevated employees from junior to senior management across business functions. These programmes encourage employees to hone new skills and competencies required for the higher role.
- Grow with Bandhan Bank: A new initiative was launched for all employees to self-nominate for continuous learning. These were specially curated, bite-sized training sessions to enhance skill, behaviour, attitude, and mindset for personal and professional growth.
- RISE: A culture-building programme was launched as a part of the organisational development strategy, emphasising areas of Professionalism, Collaboration, Transparency and Speed.
- Multiple learning measures were implemented to improve your Bank's compliance and risk culture. Mandatory training modules on POSH, Information Security, KYC-AML/CFT, Fraud Awareness, and Business Continuity Plan were used to train the majority of employees.

Human Resources Operations

Digitisation in HR

Digitalisation in HR has been a strategic initiative to enhance your Bank's talent acquisition, development, and management capabilities. By adopting advanced technologies, your Bank has been able to improve efficiency, reduce manual administrative tasks, and focus more on strategic initiatives to drive organisational growth. Technological advancement in the HR domain helps your Bank to ensure a better employee experience, given the diverse nature of its workforce.

Through the Human Resource Management System (HRMS), your Bank hosts all significant HR Domain journeys and self-service activities, allowing ease of access for routine transactions such as attendance, leave management, travel, query resolutions, etc. It is also a knowledge base of information related to your Bank's policies, processes and personal records, enabling quick access when needed. Regular workflow approvals on the app have significantly improved. Additionally, greater control and governance could be established.

HR Service Desk

Your Bank has set in place a robust query handling mechanism to ensure that it is accessible to all employees. The HR Service Desk, a centralised and dedicated team, is equipped to handle employee queries and service requests, striving to provide a speedy resolution.

Listening to Employees

Your Bank builds a culture of continuous listening and feedback from its employees through surveys and poll functionalities.

Bandhan Bank Alumni Portal

The Bandhan Bank Alumni Portal is a digital platform that provides ex-staff with a seamless offboarding and access to important documentation after their exit.

Other HR Initiatives

Your Bank launched an organisation-wide Know Your Bank (KYB) and Know Your Customer (KYC), a KYC quiz-based knowledge series through HRMS with the objective of helping employees gain a better understanding of the key business units, their products, processes, policies, and USPs.

Employee Benefits

Your Bank celebrates the gift of parenthood and undertakes several initiatives to support its employees as they take on new responsibilities as parents. In line with the Maternity Benefit Act, female employees are eligible for maternity leave of 26 weeks. Your Bank also provides adoption leave to women employees.

Paternity Leave

Paternity leave of five days was introduced, extended beyond regular privilege leave, to promote gender equality and enable male employees to support their families during childbirth.

Employee Health and Wellness

Your Bank considers its employees as its most valuable assets. Therefore, your Bank has always remained proactive in carefully curating the health and wellness quotient. Your Bank has tie-ups with hospitals in key locations across the country to facilitate quick medical attention for employees in medical emergencies. Your Bank also provides comprehensive insurance coverage for employees across all grades. The Group Insurance facility includes the Group Mediclaim Policy covering hospitalisation expenses of employees and their enrolled dependents sponsored by your Bank, the Group Personal Accidental Insurance Policy and the Group Term Life Insurance Policy with terminal illness rider for the employees.

Employee Health Check-up Policy

As one of the measures to encourage employees to stay healthy and identify health issues, if any, your Bank has a policy on Employee Health Check-up. Your Bank sponsors the health check-up for employees at the senior and top management grades. Other employees can avail of services at discounted rates.

Health Awareness

Your Bank launched several health awareness initiatives to enhance employee wellness. These included regular information letters and health tips, communication to employees on topics such as stress management, promoting mental health, the perils of self-medication, and more. Health awareness programmes and sessions on 'Prevention of Diabetes' and 'Pain and Palliative Care' were also conducted. Additionally, regular health camps and training workshops on first aid and CPR were arranged to promote staff safety.

Wellness Platform

B Well Digi Care Plan is a representation of that commitment with all health benefits under one roof, knit together by state-of-the-art technology and 24/7 customer support. Through this, your Bank provides free online medical consultations and facilitates medicine deliveries and diagnostic services, thereby ensuring accessible healthcare solutions. Other services include discounted dental, eye consultations and procedures, discounted gyms and fitness services including yoga, zumba, etc., fully sponsored IPD Assist for post-discharge online care and doctor consultations, and health assessments. A wealth of online wellness resources and health articles is also available on the wellness platform.

HR Compliance

Your Bank adheres to all applicable statutory and regulatory laws and guidelines in their true spirit and stays updated with the changing dynamics of the laws. It ensures all statutory payments are timely remitted to the respective authorities, and required compliance records are meticulously maintained. All necessary returns and disclosures are furnished to the relevant authorities in a timely manner according to the provisions of law.

Discipline and Ethics Management

The Code of Conduct and Ethics ('Code') articulates your Bank's commitment to conduct business in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations. At your Bank, ethical behaviour is inseparable from honesty, integrity and good judgement. Accordingly, all employees are required to follow the Code and act with a high degree of professional and ethical standards. Employees shall be accountable and responsible for their actions and decisions while performing their day-to-day activities.

As long as the employees discharge their duties efficiently in accordance with systems and laid down procedures and guidelines, policies and regulations in force, they will not attract disciplinary action. However, any breach of the Code, including deviation from the above-mentioned principles, shall be considered a punishable offence and attract disciplinary actions against the erring employee. In case of gross misconduct, your Bank has a Discipline and Ethics Management team, which deals with these disciplinary cases and imposes punishment in line with the decision of its Disciplinary Committee.

Risk Management

Focusing on what Matters: Key Risk Areas

Your Bank prioritises proactive identification and mitigation of potential risks through a robust risk management strategy aligned with industry's best practices. This approach ensures resilience and builds growing trust among stakeholders, strengthening the long-standing relationship they share with your Bank.

Your Bank's holistic approach towards managing risks emphasises four key elements:

1. Developing a corporate risk profile
2. Risk function that manages risk prudently
3. Practicing integrated risk management
4. Ensuring continuous risk monitoring

These practices protect your Bank's long-term stability and reinforce stakeholder confidence, enabling stronger bonds and deeper engagement. They continue to differentiate your Bank, empower decision-making, protect stakeholder interest, and win their trust and loyalty.

The risks managed include credit risk, credit concentration risk, market risk, liquidity risk, interest rate risk in the banking book, operational risk, fraud risk, conduct risk, IT risk, outsourcing risk, compliance and legal risk, information security (InfoSec) risk, reputational risk, strategic risk, business risk and their underlying interlinkages.

Your Bank's strong risk governance strives to nurture enduring relationships, upholding the values of trust, customer-centricity and long-term empowerment, true to the spirit of trust and *bandhan*.

> *The essence of risk management lies not in avoiding risk but in understanding and preparing for it.*
>
> **– Peter L. Bernstein**

Building a Resilient Risk Management Framework

Risk management and resilience are closely intertwined. Effective risk management practices contribute to resilience by reducing the likelihood and severity of adverse events, thereby providing stability and building trust.

In recent years, unexpected global events have disrupted businesses across different parts of the world. The confluence of a global pandemic, massive supply chain disruptions, geopolitical risks, and many other challenges has fueled inflation, escalated the cost of living, and led to large-scale cyber-attack, among other consequences.

Furthermore, the predominant operational risks faced earlier emanated from vulnerabilities related to the increasing dependence and rapid adoption of technology for the provision of financial services and intermediation. However, the growing reliance on third-party providers, exacerbated by COVID-19 with a greater reliance on virtual working arrangements, has highlighted the increasing importance of operational resilience.

Moreover, the landscape is ever-evolving, with frequent changes in regulatory guidelines, technological expectations, and shifting consumer preferences. To stay one step ahead, your Bank has embarked on a forward-looking transformation journey, driving innovation within—through a focus on modernising its technology, optimising processes, evolving capabilities, and innovating its business and operating models. This will ultimately enhance customer convenience, operational efficiency, and risk management.

Your Bank acknowledges the critical need to shape a resilient and robust organisation that can adapt quickly and take informed decisions and actions. Therefore, uniform measures are in place to assess the immediate and potential future effects and proactively map probable corrective actions and mitigation plans.

Accordingly, streamlining of core business is prioritised, which supports critical services and products. A comprehensive Crisis and Business Continuity Plan (BCP), developed in collaboration with key stakeholders, has been put in place and can be quickly activated. Similarly, stress testing, through various extreme but plausible scenarios, is done regularly to prepare your Bank for uncertainties, apart from testing for normal risk scenarios.

> *Success is not final, failure is not fatal: It is the COURAGE to CONTINUE that counts.*
>
> – Winston S. Churchill

Approach to Risk Management

Your Bank's Risk Management framework outlines its approach to risk management, encompassing provisions for risk governance arrangements, appetite and limits for risk exposures, policies for the management of various risk types, risk culture standards, and risk reporting.

The key arrangements and standards for risk management and internal controls that support your Bank's compliance with statutory and regulatory requirements are also clearly defined under this framework. By doing so, your Bank establishes a foundation for institutional trust and responsible growth practices. Simultaneously, risk transparency is built through reporting, disclosure, sharing of information and open dialogue on the risks arising from various activities across your Bank.

Your Bank's risk appetite is dynamic, taking into account changing situations. To assess the potential levels of stress that your Bank may encounter in the current dynamic macroeconomic and microeconomic environment, it conducts additional scenario analysis prudently, beyond what is required by the regulator.

Furthermore, your Bank's robust Risk Appetite Framework ('RAF'), set annually by the Board on the recommendation of the RMCB, aims to align risk-taking with its strategy, business, and capital plans. The RAF is a key governance tool. Hence, clarity regarding risk appetite and knowledge of operational triggers, which act as internal management triggers, is considered essential for risk-aware decision-making.

Moreover, scenarios and measurement approaches for quantifying risk and capital demands are implemented across all material risk types. Systems, processes, and policies are critical components of your Bank's risk management capability. Meanwhile, continuous monitoring, scenario analysis, stress testing tools, and escalation processes safeguard key capital and liquidity levels.

Overall, the lessons from recent uncertainties has helped in strengthening the Risk Assessment Framework. The learnings were incorporated to regulate industry and socio-political risks and conduct risk within the framework, taking them into consideration while formulating your Bank's strategy and business expansion plan.

Your Bank keeps risk appetite as a guiding document while planning for the growth strategy.

> *Risk Management is a more realistic term than safety. It implies that hazards are ever-present, that they must be identified, analysed, evaluated and controlled or rationally accepted.*
>
> **– Jerome F. Lederer**

Risk Governance That Guards Trust

Banks need well-defined roles and responsibilities for managing risks, with robust mechanisms capable of holding individuals and teams accountable for their risk management decisions and actions. This includes establishing risk committees, risk appetite frameworks, and efficient escalation mechanisms to ensure the risks are identified, assessed, and managed at all levels within the organisation.

Furthermore, your Bank believes that considerations of profits or performance evaluation should not influence the role of risk management, but rather should align with regulatory guidelines and international best practices. Accordingly, your Bank's risk governance framework provides guidance on adopting a more holistic approach to managing risk. The detailed roles and responsibilities within your Bank further support the framework.

Your Bank follows three levels of the Risk Governance Framework:

1. Board
2. Committees of the Board
3. Management Committees

Your Bank's Board, through the Risk Management Committee of the Board (RMCB), is regularly updated and as necessary, on special developments in its risk situation, risk management, and risk mitigation.

The Risk Management Committee of the Board (RMCB) deliberates with the Management on the issues of aggregate risk disposition and risk strategy. It also supports the Board in monitoring the implementation of this strategy.

Various risk-related committees at Executive Level, such as Asset Liability Management Committee (ALCO), Credit Risk Management Committee (CRMC), Operational Risk Management Committee (ORMC), Market Risk Management Committee (MRMC), and Information Security Committee (ISC), among others serve as formalised decision-making forums, which enable the views of risk decision takers and risk managers to be taken into account.

The Chief Risk Officer (CRO) is directly responsible for all the risk management functions, such as Credit Risk Management, Market Risk Management, Operational Risk Management, Liquidity Risk Control and Information Security. In addition, the CRO is responsible for monitoring, analysing, and reporting risks on a comprehensive basis.

Meanwhile, the independence of the CRO is ensured through a fixed tenure, reporting structure and periodic reviews by the Board and RMCB.

> *Uncertainty is the only certainty there is, and knowing how to live with insecurity is the only security.*
>
> – John Allen Paulos

Risk Culture

Your Bank believes in the philosophy of 'Setting the Tone from the Top.' The Board and the Management build a strong risk culture within the organisation, further influencing the rest of the employees and driving strong risk resilience across all roles and levels, thereby safeguarding the key capitals and upholding your Bank's reputation.

Risk culture at your Bank is nurtured through:

i. Regular and adequate risk management training for employees, tailored to their profiles and roles within risk management. Every risk taken needs to be approved within the risk management framework.

ii. Issuing weekly or monthly newsletters and publications on various areas of risks.

iii. Issuing directions on measures required for strengthening risk culture, formulation of policies and frameworks, whistle-blower mechanism, risk appetite framework, and more.

iv. Placing emphasis on taking risks within the defined risk appetite. Also, ensuring that the risk taken is adequately compensated in line with risk-adjusted performance measures.

> *You can't mandate culture. It evolves organically, but it can be steered.*
>
> – Satya Nadella

Key Drivers of Risk Culture

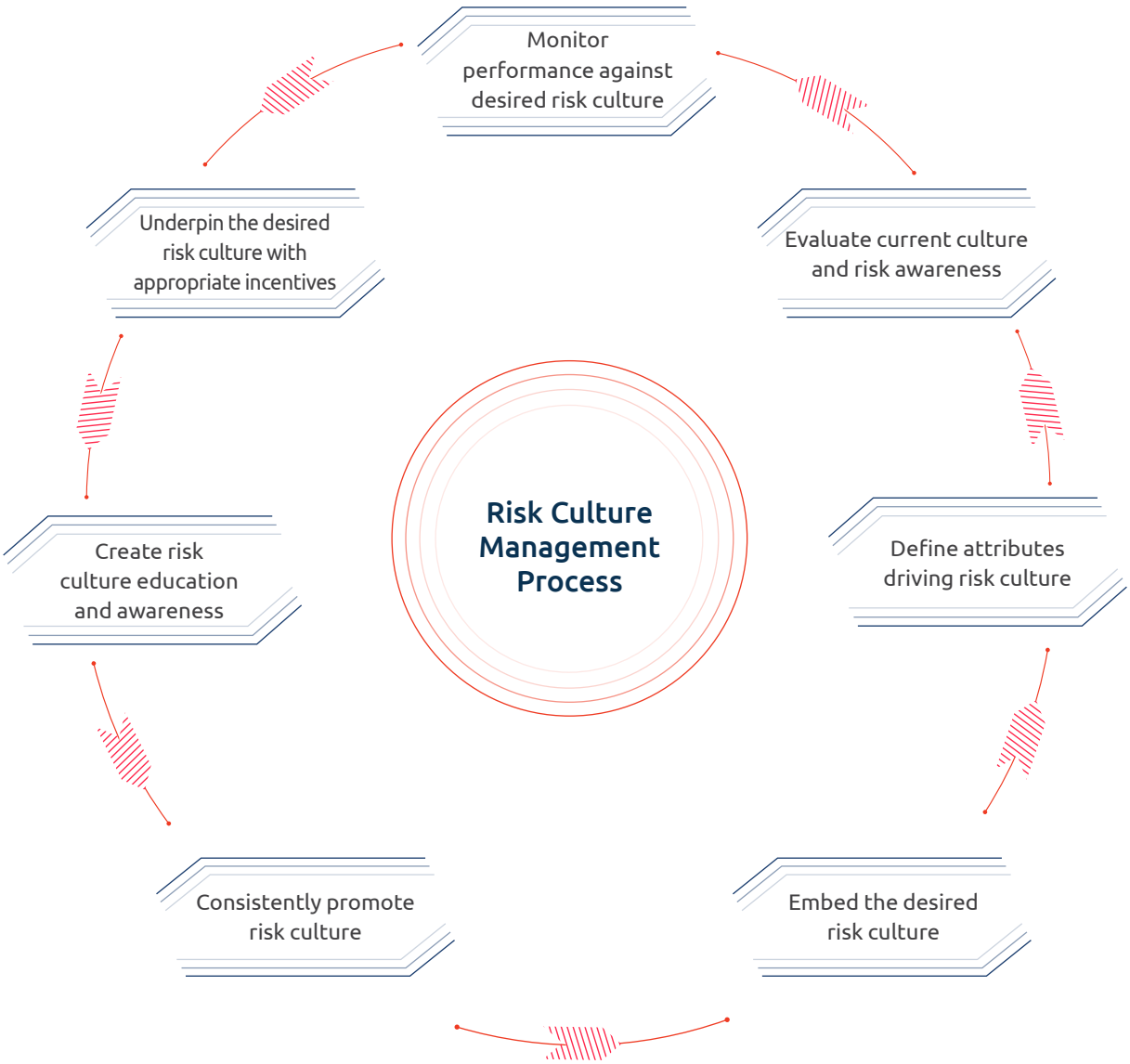
- Leadership and 'Tone from the Top'
- Decision-making
- Risk Governance Structure
- Recruitment, Training and Compliance
- Reward
- Learning Environment

Risk Culture

Strong Risk Culture Demonstrates

- Viable and consistent role modelling from senior leadership; core values practised in daily actions
- Transparent and coordinated decision-making
- Continuous and constructive challenging of preconceptions, decision-making and actions
- High standards of analytical insight and information-sharing at all levels
- Rapid escalation of issues and concerns
- Failures used as critical learning opportunities
- Incentives that encourage all members to 'do the right thing' while considering the overall health and operations of the organisation
- Focus on external stakeholders of risk (e.g., customers, markets, societies)

Your Bank periodically evaluates its existing culture and level of risk awareness through a well-defined Risk Culture Management Process, illustrated below:



Risk Strategy and Capital

Your Bank aims to maintain an adequate capital buffer on an ongoing and forward-looking basis, i.e., internal capital supply to exceed internal capital demand at all times.

Your Bank maintains compliance with the Internal Capital Adequacy Assessment Process (ICAAP) as required under Pillar 2 of Basel III through its robust risk management and governance framework, methodologies, processes and infrastructure.

Your Bank employs a strategic planning process that aligns its risk strategy and appetite with its commercial objectives, a continuous monitoring process covering approved risk, leverage, and capital. This includes regular reporting of these parameters to management and a robust stress testing framework.

The ICAAP, Risk Appetite Framework, and Strategic Document are annually approved by the Board and reviewed on a periodic basis, ensuring alignment among risk, capital, and strategy.

To win without risk is to triumph without glory.

– Pierre Corneille

Risk Awareness and Communication

Your Bank believes that communication plays a pivotal role in building enhanced risk awareness among stakeholders, especially in matters related to risk culture and cybersecurity, and that a risk-aware employee and customer is, in itself, helps mitigate undesired risks.

Your Bank regularly trains staff on risk management through newsletters, circulars, seminars, workshops, and desktop screensavers. To enhance customer awareness of information security, multilingual text messages, emails, and social media posts are also used.

Furthermore, your Bank has a framework in place to gauge the effectiveness of Information Security Awareness. It also employs a Learning Management System (LMS) for employees, featuring curated modules in specialised areas such as information security, business continuity planning, and risk culture.

In the business world, the rear-view mirror is always clearer than the windshield.

– Warren Buffett

Credit Underwriting

Building a Disciplined and Feasible Credit Underwriting Framework

Your Bank's Credit Underwriting oversees credit decision-making across various asset portfolios, including EEB, Housing Finance, Retail Assets, and Wholesale Banking. The credit underwriting framework is governed by a credit policy that aligns with both regulatory guidelines and your Bank's internal risk appetite.

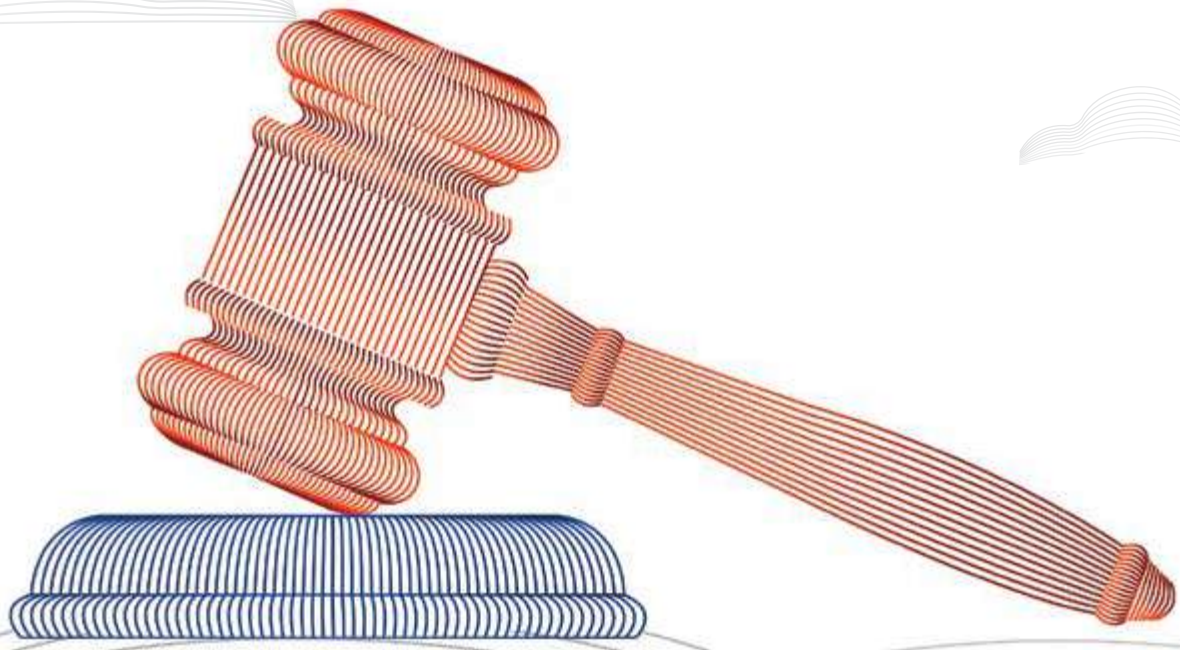
Your Bank follows a philosophy of rule-based credit decision-making for retail and schematic MSME loans, and adopts in-depth financial and sectoral analysis for corporate loans. Additionally, your Bank is working on implementing an API-driven Loan Origination System (LOS) for Housing, Retail, and Corporate asset portfolios, enabling automated checking and faster processing of credit proposals without compromising on credit quality.

By incorporating automation and discipline into its underwriting practices, your Bank is reinforcing a well-governed system of trust and transparency across the credit underwriting framework.

Compliance

Compliance First: Ensuring Integrity, Earning Trust

Your Bank's Compliance Department is a vital component of its corporate governance structure. The Department upholds your Bank's unwavering adherence to compliance, which covers the entire hierarchy of the organisation. This further ensures proactive participation of the Board and the Management in nurturing a strong culture of compliance and risk awareness. Such commitment underpins your Bank's continuous efforts to build and maintain trust with customers, regulators, and the broader public.



Your Bank has stringent compliance standards aligning with regulatory, statutory, and internal requirements. A comprehensive compliance policy, aligned with your Bank's philosophy, clearly defines roles and responsibilities within the Department. With this structured approach, your Bank ensures that its operations remain transparent, responsible, and trustworthy, thereby building trust and deepening *bandhan* in the relationship engagement it shares with all stakeholders.

Additionally, the Compliance Department supports the Board and Management in proactively managing compliance risks, ensuring that your Bank's activities consistently adhere to guidelines issued by the Reserve Bank of India (RBI) and other regulatory and statutory authorities. It also ensures that your Bank complies to the various standards and codes set forth by institutions such as the Indian Banks' Association (IBA), the Foreign Exchange Dealers' Association of India (FEDAI), and the Fixed Income Money Market and Derivatives Association of India (FIMMDA).

Moreover, the Department serves as the primary liaison with regulatory bodies, staying updated with evolving regulations, providing expert interpretation to senior management, and actively monitoring for potential gaps or deviations.

In line with your Bank's values of collaboration and resilience, the Department works closely with other departments to ensure a clear understanding and implementation of regulatory requirements. It also partners with the Risk and Internal Audit departments to enhance risk management practices and strengthen internal controls.

Further, your Bank has implemented a comprehensive, risk-based Anti-Money Laundering (AML) programme to address risks associated with money laundering and terrorism financing.

This entails a well-defined AML Policy, comprehensive customer due diligence protocols, continual risk assessments, and effective monitoring tools for detecting and reporting suspicious activities. Simultaneously, regular training sessions are conducted to equip staff with the knowledge required for ongoing compliance and proactive risk mitigation.

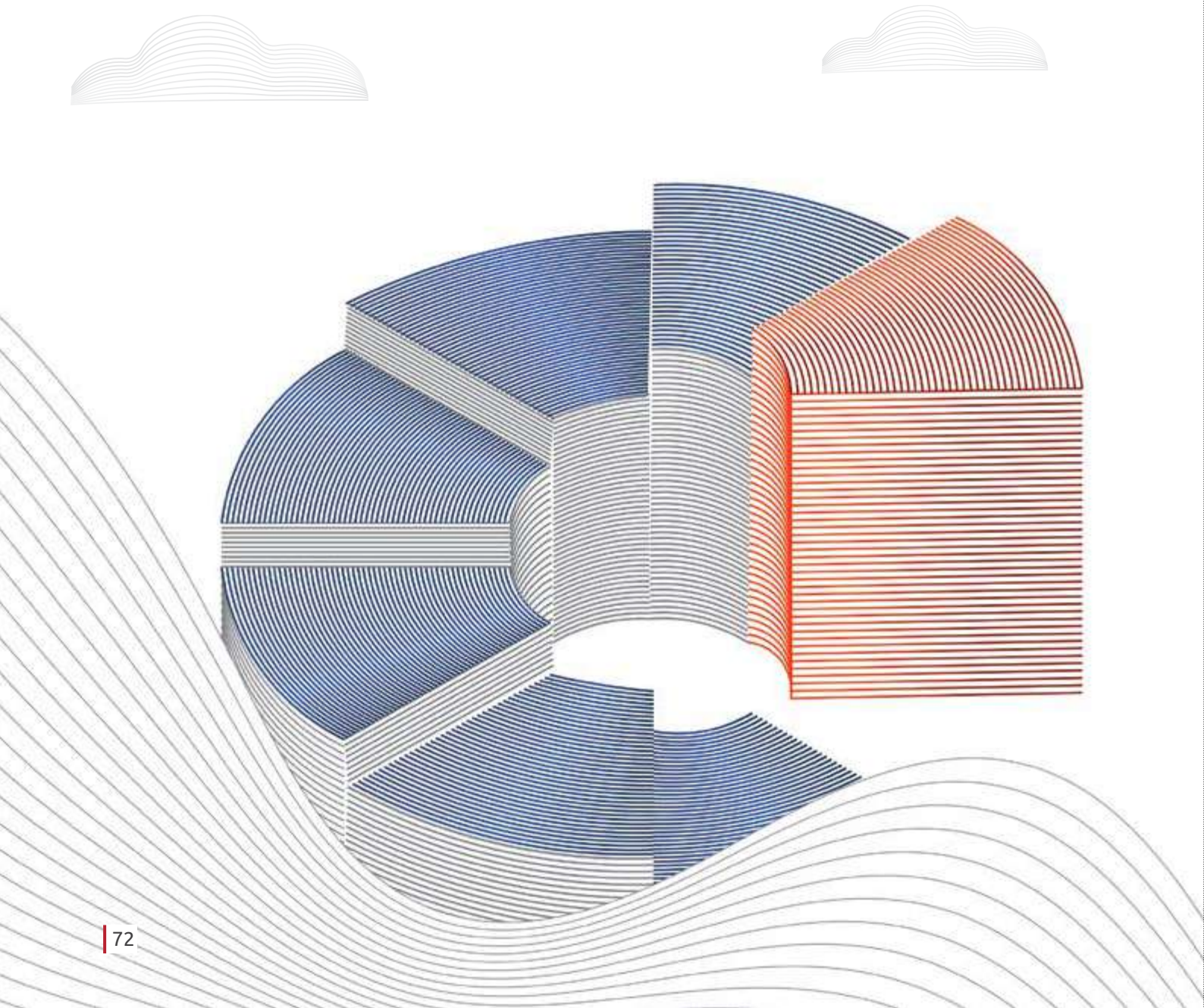
Moreover, the Compliance Department submits regular updates to the Board, the Audit Committee of the Board (ACB), and Senior Leadership regarding your Bank's compliance status, particularly in response to regulatory changes. Subsequently, the ACB periodically reviews the Department's performance and your Bank's overall compliance with applicable regulations.

On the whole, your Bank reinforces its core values, ensures data security, prevents fraud, and maintains a stable and trustworthy financial environment through strict adherence to regulatory standards. This not only deepens the confidence of customers and stakeholders but also strengthens your Bank's foundation.

Data Analytics

Data-Driven Approach: Fostering Trust Through Analytics

Trust forms the foundation of the banking industry, serving as the cornerstone of customer relationships and organisational reputation. Time and again, regulators worldwide are working to protect all customers' data.



With the advent of data science and analytics, your Bank has begun transforming its services and building greater trust among its customers. It is committed to protect its customers' information at all costs. Your Bank has heavily invested in Big Data Lake to enable the organisation to process vast amounts of information to uncover actionable insights. Similarly, it has created a comprehensive Data Governance Framework to secure data and address vulnerabilities.

Furthermore, one-size-fits-all approaches are rapidly becoming obsolete in modern banking. For an improved customer experience and customer centricity, your Bank has developed several in-house solutions like NEEV (in-house CRM Solution).

Based on AI-ML models, your Bank has tailored services to meet individual customer needs:

- Customer Segmentation: Banks use clustering techniques to categorise clients based on demographic profiles, preferences, and behaviours.
- Recommendation Engines: Predictive analytics design customised offers for lending products, savings plans, etc.
- Internal Chatbots and Virtual Assistants: Gen-AI-based personalised support, ensuring swift and accurate responses to customer queries, and knowledge institutionalisation.

Further, personalisation not only enhances customer satisfaction but also demonstrates your Bank's commitment to understanding and meeting individual needs. Simultaneously, transparency is crucial for building trust.

With the help of near-real-time data and analytics, your Bank has implemented:

- Transactions and Operations Monitoring: To prevent fraud, regulatory breaches, and revenue losses.
- Regulatory Compliance: Utilise algorithms to ensure adherence to laws and regulations, minimising errors and promoting fairness.

Data-driven risk management is another avenue where analytics reinforce trust. Predictive models assess the creditworthiness of customers, their income and asset wealth, and provide early warning signals for new borrowers. Forecasting and stress testing models further predict future financial trends.

Data analytics is thus redefining trust in banking services. Through enhanced security, transparency, personalisation, and predictive management, your Bank is strengthening its *bandhan* with its customers. As these technologies evolve, they will continue to play a pivotal role in ensuring the reliability and integrity of this institution, thereby building trust that grows with every transaction.

Enterprise Data Lake (EDL): Centralising Data for Smarter Decisions

Your Bank's Enterprise Data Lake (EDL) acts as a Single Source of Truth, centralising data across bank systems and breaking down silos to enable seamless access and collaboration. It ensures the reusability of data across analytical, business, regulatory, and operational use cases, thus ensuring trust, consistency, and transparency. Privacy and security are enforced through encryption, Active Directory (AD) integration, masking, and access controls, thereby empowering secure data-driven analysis.

Marketing

Championing Bandhan: Marketing that Connects, Messaging that Endures

Your Bank has established itself as a trusted universal Bank, backed by a wide-reaching network and guided by the principle of inclusive banking. With a presence across 35 out of 36 states and union territories and over 6,300 banking outlets, your Bank serves millions across major metros and regional centres, supported by more than 75,000 employees.

Your Bank's performance over these years reflects balanced and sustainable growth, underpinned by strong governance, sound risk management practices, and the continued trust of its stakeholders. With a digital-first, customer-centric approach and a growing network, your Bank is well-positioned to deliver lasting value through products tailored to evolving financial needs. Guided by the philosophy of ***Aapka Bhala, Sabki Bhalai*** and rooted in trust, transparency, and service, your Bank continues to empower individuals and strengthen its relationships with communities.

Sourav Ganguly has served as the Brand Ambassador since 2022, consistently representing the principles of dedication, progress, and leadership that resonate with your Bank's foundational values and ongoing vision.

Campaigns focused on building trust with diverse offerings

Your Bank carried out product-centric campaigns with a focus on establishing itself as a universal Bank, with its pan-India presence, offering a diverse product portfolio, and a consumer-centric approach. These focused marketing initiatives reflected your Bank's commitment to inclusive growth across the country.

Safe Bhi, Sahi Bhi

Your Bank launched a Fixed Deposits campaign, ***'Safe Bhi, Sahi Bhi'***, as part of its strategic objective of promoting the fixed deposit offerings. The campaign aimed to highlight the safety, attractive interest rates, and assured returns associated with your Bank's Fixed Deposit products, while also enhancing brand awareness. It was executed across a vast network of outdoor sites in multiple cities, featured prominently on national and regional television channels in various other vernacular languages, and was further amplified through an extensive radio presence across the country, ensuring widespread media visibility and impactful outreach. On the digital front, the campaign garnered massive traction, reaching a vast audience across multiple platforms and significantly amplifying its overall impact.

Har Sapna Possible Hai

Your Bank rolled out ***'Har Sapna Possible Hai'***, a pan-India high-impact product bouquet campaign. The campaign embeds your Bank's positioning as a dependable financial partner, empowering individuals to turn their dreams into fulfilment through the range of products offered by your Bank. It centred around cementing your Bank as a universal Bank. This expansive multilingual and multimedia campaign was carried out across various offline and online mediums. To ensure deeper connection with consumers the campaign was also covered in different vernacular languages. Simultaneously, the digital amplification of the campaign delivered an impressive footprint, reaching a vast audience across multiple platforms and effectively reinforcing your Bank's message at scale.

And more such initiatives...

Your Bank undertook several on-ground initiatives to enhance visibility across key locations and platforms through various media.

These initiatives led to an increase in total brand awareness, indicating stronger recall and recognition among its target audience.

Product Marketing: Building Trust-Backed Products

Your Bank's marketing efforts for the year saw several key launches with business priorities, ranging from cross-border transactions to convenient post-retirement banking.

Your Bank places strategic emphasis on promoting its suite of liability products, reinforcing its commitment to a strong marketing approach aimed at deepening customer engagement and trust.

Key FY25 launches through Strategic Marketing

avni Savings Account for Women	An exclusive, tailored savings account for women, offering lifestyle benefits
Delights	An enterprise-wide Loyalty Rewards Programme
Bharat QR	A QR-based solution enabling seamless and secure merchant payments
Pension Savings Account	A dedicated account offering stress-free, convenient banking for retired government and PSU employees
Transaction Banking	International Trade Finance products now offer efficient global solutions, including Letters of Credit, Collection Bills, and enhanced foreign remittance services.

These efforts closely align with generating business for on-ground teams through focused messaging that fosters customer engagement, deepens trust, and reinforces the *bandhan* your Bank shares with its customers.

Expanding Digital Reach and Engagement

In FY25, your Bank enhanced its digital footprint through targeted and data-driven campaigns to engage a wider audience. Extensive awareness was created through films, creative social media posts, CGI content, and collaborations with illustrators, while product-specific visibility was achieved through focused campaigns. Efforts in content marketing, search engine optimisation (SEO), and performance marketing significantly improved both organic and paid reach.

Social media followers grew at a 32% CAGR, strengthening connections with existing and prospective customers. On YouTube, your Bank reached a significant milestone by earning its first Silver Play Button. Website performance also improved, with user traffic increasing by 23%. Going forward, your Bank remains committed to leveraging social media as a key platform to engage users and share timely updates and offerings.

Fighting Fraud with Awareness and Vigilance

Your Bank further strengthened its commitment to safeguarding its customers by raising awareness about fraud and cybersecurity risks. Through SMS alerts, emailers, and social media campaigns, the customers were informed about common fraud tactics, precautionary measures, and steps to take upon encountering suspicious activity. These initiatives reinforced the importance of vigilance and safe banking practices, helping its customers stay prepared and protected against cyber threats and fraud.

Foundation Day: Reaffirming your Bank's Commitment

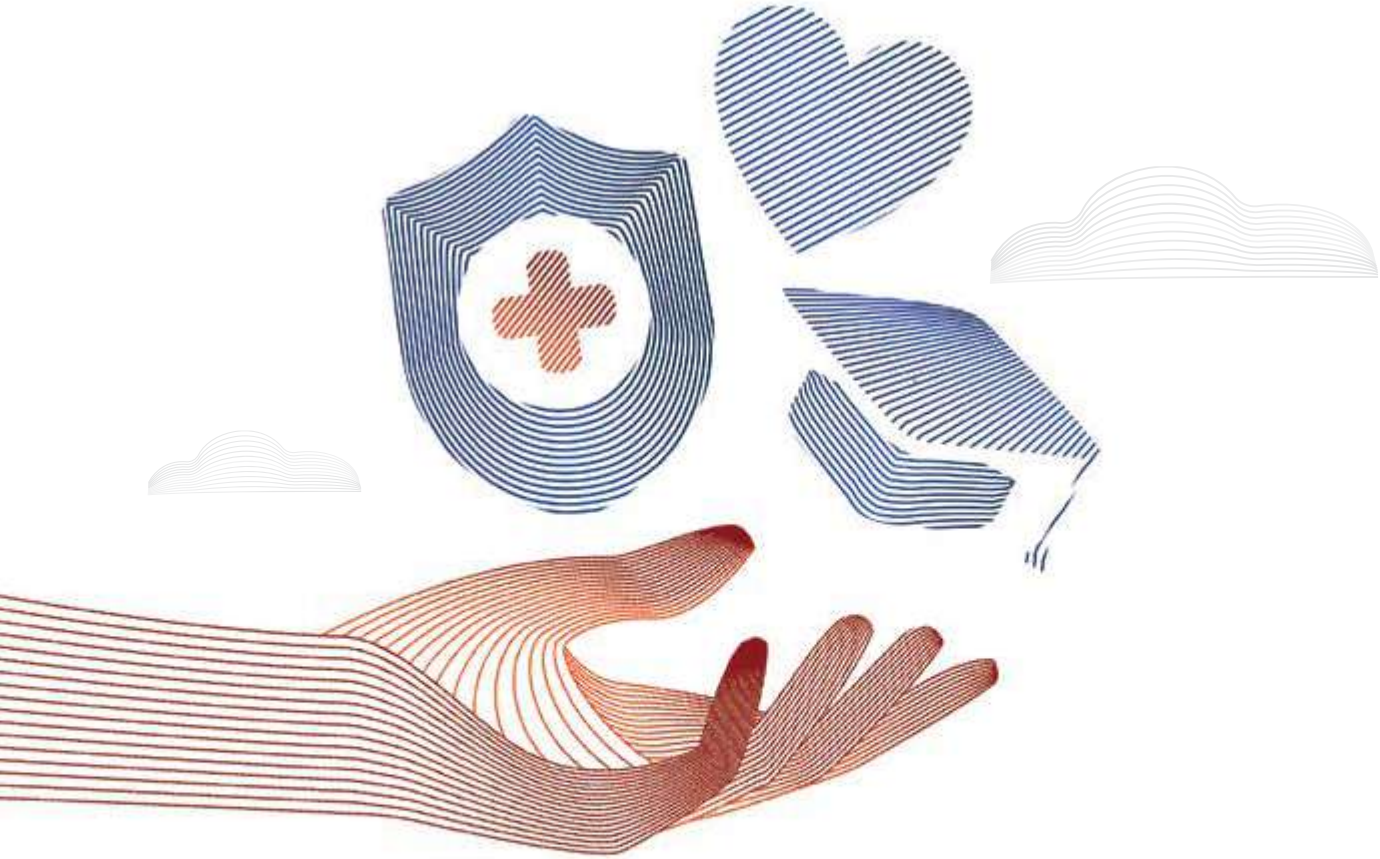
Your Bank celebrated its ninth Foundation Day on August 23, 2024, at JW Marriott, Kolkata. The occasion was graced by Mr. S. S. Mundra, former Deputy Governor of the RBI, who delivered a thought-provoking Anniversary Lecture on 'Indian Banks – Path to D-R-I-V-E' (Digitalisation, Risk and Regulation, Innovation and Inclusion, Value-based Banking, Environment).

To honour excellence, your Bank recognised its top-performing branches, banking outlets, and home loan centres, with awards presented by Mr. Sourav Ganguly. The celebration concluded with a soulful performance by renowned singer Javed Ali, leaving the audience captivated. The event marked another milestone in your Bank's journey and reaffirmed its commitment to customers and stakeholders.

Corporate Social Responsibility

Driven by Values, Defined by Impact

Your Bank's journey is a testament to its unwavering commitment to empowering communities and building inclusive, sustainable development. Guided by the values of trust and strong relationships, your Bank works to uplift marginalised populations and drive holistic progress. Through its CSR initiatives, implemented in collaboration with multiple partners across India, your Bank has positively impacted approximately 25.81 lakh families across 82 districts in 14 states. These initiatives make meaningful contributions to 14 of the 17 United Nations Sustainable Development Goals (SDGs), reinforcing your Bank's role as a catalyst for long-term change. This mission reflects your Bank's expanding reach, lasting bandhan and the strengthening relationships built on trust, care, and shared progress with the communities it serves.



25.81 lakh
Families Uplifted

14/17
UN SDGs Met

Some of the key CSR initiatives undertaken by your Bank during FY25 are highlighted below:

Targeting The Hardcore Poor Programme

The Targeting the Hardcore Poor (THP) programme is a flagship CSR initiative implemented by Bandhan Konnagar, targeting the most vulnerable women-headed households. It adopts a holistic approach, providing not only free assets but also enabling them to generate income and improve their livelihoods. Over the course of 24 months, participants undergo a transformative journey through continuous counselling and mentoring support, lifting themselves out of extreme poverty and integrating into the broader community. To ensure that the women's basic household needs are met during the initial phase, a weekly consumption stipend is also provided, ensuring financial stability as they integrate into mainstream socio-economic activities.

The THP programmes adopt a holistic 360° approach to developing the required competencies to run a successful enterprise. It starts with confidence-building measures, and thereafter, these women undergo a series of training, including basic literacy skills, financial literacy, enterprise-specific skill development, health and sanitation awareness, vulnerability mapping, and risk mitigation strategies, among others. Such a rigorous approach empowers these marginalised women to make informed decisions, while education on social issues enhances their awareness and well-being.

Over the years, this intervention has positively impacted 52,500 women, enabling them to secure a stable monthly income, improve their health and education, and better support their families.

Health Programme

The health programme aims to improve access to healthcare and enhance the well-being of underprivileged women. It focuses on essential maternal and child healthcare services, including antenatal care (ANC), postnatal care (PNC), institutional deliveries, nutritional support, and child health evaluations. The programme also emphasises generating awareness on sanitation and hygiene, complete nutrition, complete immunisation, and periodical health check-ups, especially for children under five, pregnant women, lactating mothers, and adolescent girls.

As a part of this initiative, local women volunteers are trained as Swastha Sahayikas (SS). These volunteers play a key role in raising health awareness, organising health forums, and providing health education. The programme also includes the distribution of kitchen garden seed kits, sanitation and health kits, linkage to healthcare services, and the establishment of water treatment plants to ensure access to safe drinking water.

The programme has had a significant impact, reaching over 1.37 million households across various districts. An Impact Assessment Study revealed that the programme successfully provided 100% access to health services for the beneficiaries, compared to just 78% prior to the programme. Additionally, it ensured that all adolescent girls received menstrual health education and hygiene products and that all respondents had access to safe drinking water.

In addition to these efforts, your Bank has contributed to enhancing healthcare infrastructure. Through the donation of 18 advanced life-saving ambulances across key regions in India, the programme significantly improves access to emergency medical care, providing critical, life-saving interventions.

Furthermore, your Bank has supported the Assam Cancer Care Foundation, a collaboration between the Government of Assam and Tata Trusts, to improve cancer care in Assam. This initiative aims to enhance cancer treatment, offer medical support, and provide vital resources to those affected by cancer, making a meaningful impact on the lives of individuals battling cancer in the region.

100%

Access to Health Services
22% ▲ from FY24

Education Programme

The education programme is committed to providing quality education to children from marginalised communities, with a special focus on improving learning outcomes, particularly in STEM subjects. The programme aims to enhance student retention, classroom engagement, and overall educational performance while also offering comprehensive teacher training in local communities, government schools, and schools operated by charitable trusts. This training focuses on transforming teaching methodologies, integrating innovative learning tools, and ensuring continuous, holistic assessment of each child's progress.

To further support education in rural areas, Bandhan Education Centres and Bandhan Academy have been established to provide quality education to pre-primary and primary students. These centres prioritise the education of girls and offer free reading materials and school kits to ensure that children have the necessary resources for learning.

Moreover, the programme adopts a cost-effective and unique model that ensures access to education, equipping children with the skills and knowledge needed for future success. In addition, Bandhan Academy schools focus on the holistic development of students by combining academic learning with extracurricular activities.

Skill Development Programme

Bandhan Skill Development Centres

The Bandhan Skill Development Centres have been established to provide vocational training in a wide range of sectors, including sales, hospitality, ITeS-BPO, computerised accounting, refrigeration and air conditioning repair, and more. This programme specifically targets unemployment in India by equipping unemployed youth with practical, job-ready skills.

Upon completing their training, candidates are given the opportunity to either pursue entrepreneurial ventures or secure employment with established companies. By combining skill development with job placement support, the programme empowers youth to become self-sufficient, contribute to the economy, and build a brighter future for themselves and their communities.

Skill Development and Education Programme – Support to Ramakrishna Mission Centre For Human Excellence and Social Sciences (Viveka Tirtha):

During FY25, your Bank contributed towards the Ramakrishna Mission Centre for Human Excellence and Social Sciences (Viveka Tirtha) as part of its ongoing commitment to education and skill development. This initiative aligns with your Bank's vision of fostering human development and social well-being.

Skill Development and Education Programme – Support to Nivedita Institute of Human Advancement and Research (NIHAR) Centre Ramakrishna Sarada Mission:

During FY25, your Bank contributed towards the Skill Development and Education Programme in partnership with the Ramakrishna Sarada Mission, aligning with its commitment to building growth and empowerment. This significant contribution was directed towards NIHAR's development. The funds will support initiatives aimed at enhancing educational opportunities and skill development, ultimately contributing to the overall advancement of human potential. By investing in such transformative initiatives through the Ramakrishna Sarada Mission, your Bank continues to play an active role in shaping a brighter future through education, skill-building, and research. This partnership highlights your Bank's dedication to social responsibility and sustainable development.

Financial Literacy Programme

The programme aims to raise financial awareness among rural populations, particularly disadvantaged women, and empower them to take control of their personal finances. By focusing on financial literacy and inclusion, it addresses the crucial need for financial knowledge and access to services as key drivers for sustainable growth within rural communities.

This initiative places a strong emphasis on building participants' financial awareness and confidence. It aims to equip them with the essential knowledge and skills to navigate various banking services, including insurance and pension schemes, enabling them to make informed financial decisions that promote their well-being and future security.

Bandhan Sustainable Livelihood Programme

As part of its corporate social responsibility (CSR) initiatives, your Bank has launched a pioneering programme to empower underprivileged entrepreneurs by providing them with the tools and knowledge to establish and manage small businesses. The programme offers professional business incubation, including guidance on securing statutory licenses, obtaining business loans, and developing key business skills. Participants receive comprehensive training in areas such as marketing, customer relationship management, financial planning, business development, and tax filing.

This initiative is designed to transform job seekers into job creators, fostering entrepreneurship within disadvantaged communities. Till date, 200 youth have been successfully incubated and are now managing their own enterprises, with an additional group currently undergoing training to launch their own ventures.

Climate Action Programme

Recognising the interconnection between climate action and Goal 16 of the Sustainable Development Goals, your Bank has initiated the Climate Action Programme, which contributes to this goal through the following strategies:

Reducing Atmospheric Carbon

- Carbon sequestration through plantation and agroforestry
- Reducing GHG emissions through clean development practices and technologies in energy, agriculture and allied sectors

Climate Change Adaptation

- Building resilience to climate change and extreme weather conditions among vulnerable communities by addressing the interrelated SDGs
- Mitigating climate change impacts

The Intergovernmental Panel on Climate Change (IPCC) 2021 states the agricultural sector in India faces high vulnerability towards drastic weather events due to poor climate-resilient agricultural practices, poor water management, over-dependence on conventional sources of energy, high chemical dumping destroying soil health, loss of soil quality and topsoil, high dependency on groundwater, destruction of bio-diversity including natural balance with the ecosystem and overall high GHG emission.

Considering the vulnerabilities in the agricultural sector, this year, your Bank launched a new initiative, Climate Smart Villages (CSV), under its Climate Action Programme. This programme aims to develop a holistic climate action approach for a village to make it climate resilient. This includes water security and protection from erratic rainfall patterns through water conservation, which helps safeguard rain-fed agriculture, as well as the adoption of climate-resilient varieties. The Climate Action Programme continues to focus on its earlier commitment to carbon sequestration through afforestation, especially mangrove plantation, and greening of urban spaces.

Your Bank also contributed to biodiversity conservation at Jambusar, funding a mangrove biodiversity assessment and the development of a Nature Interpretation Centre to educate the public about mangrove ecosystems. Furthermore, a Nature Education Programme, Mud-Flat Dhuleti, raised funds and provided 20 participants with an immersive learning experience about the local ecosystem. In Gujarat's Jambusar Taluka, 25 marginalised tribal farmers were supported with solar-powered drip irrigation systems.

Furthermore, your Bank has installed solar-powered high-mast streetlights in the vicinity of Vittal Temple, Pandharpur. The initiative has helped enhance safety while contributing to long-term environmental sustainability. These initiatives are a testament to your Bank's commitment to environmental sustainability and community empowerment.

Mangrove Conservation and Agroforestry Plantation

Your Bank has undertaken the plantation of 4,34,046 saplings in 511 hectares through agroforestry plantations in Purulia district and mangrove conservation in the Sundarbans, West Bengal, and Jambusar, Gujarat. The estimated carbon sequestered through the plantation initiatives is approximately 3,968 metric tons of CO_2 per year.

4,34,046

Saplings Planted

Water Conservation

Your Bank promotes water conservation in some of the highly moisture-stressed regions of India. To date, 72 rainwater harvesting structures have been constructed with a storage capacity of 1,45,318 kilolitres. These structures provide critical irrigation support and drinking water in the rural areas.

72

Rainwater Harvesting Structures Constructed

Biodiversity Conservation and Education at Jambusar

During FY25, your Bank contributed towards a comprehensive Biodiversity Assessment of Mangroves and the design proposal for a Nature Interpretation Centre at Jambusar, Gujarat. A team of experts, including a marine ecologist, an architect, and a social worker, conducted a field visit to assess the region's biodiversity. This evaluation identified vulnerable species such as the Sarus Crane, Lesser Flamingo and Indian Flap Shell Turtle, highlighting the ecological importance of the area. As a result, the proposal for a Nature Interpretation Centre was put forward to educate the public, especially school students, about mangroves and their conservation.

Additionally, a pilot Nature Education Programme, Mud-Flat Dhuleti, was organised in March 2025. The event offered 20 participants an immersive and experiential learning opportunity to explore the mangrove ecosystem, local biodiversity, and coastal life. The event raised ₹14,500 in donations, supporting the region's ecotourism and biodiversity conservation efforts.

Solar Irrigation with Drip and Farm Pond for Water Conservation and Renewable Energy

Your Bank's commitment to sustainable farming practices is reflected in the support of the Solar Irrigation with Drip and Farm Pond project in Jambusar Taluka, Gujarat.

As part of this initiative, 25 marginalised farmers were provided with solar-linked drip irrigation systems to enhance water conservation and improve agricultural productivity.

The project, implemented through the VIKAS Centre for Development, included the establishment of two demonstration sites to demonstrate the system's effectiveness, with refinements incorporated to improve durability and ease of operation.

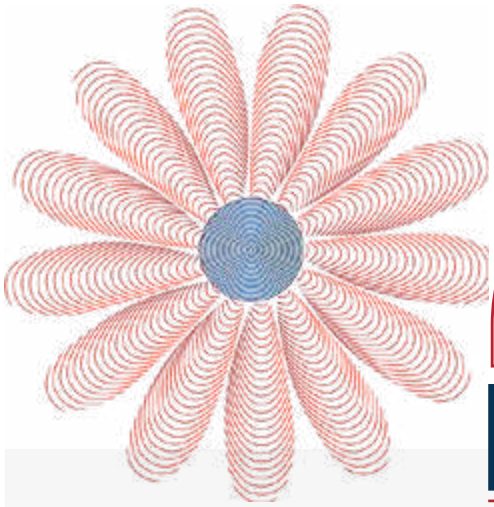
Solar-powered Streetlights

During FY25, your Bank contributed towards the installation of solar-powered high-mast streetlights in the vicinity of Vitthal Temple, Pandharpur, as part of its Climate Action Programme. This initiative will provide sustainable, renewable energy for the temple, enhancing lighting throughout the temple complex and its surrounding areas.

The solar-powered streetlights will not only reduce the carbon footprint but also enhance safety and accessibility for the thousands of devotees and visitors who frequent the temple. Additionally, by using clean energy, the project will contribute to long-term cost savings and promote environmental awareness within the community. This initiative reflects your Bank's ongoing commitment to environmental sustainability and community well-being.

Stories of Transformation

Bandhan in Action: Lending Vision, Transforming Lives



Manjula
Dairy and floral business owner

Manjula hails from a modest background, where daily life was a constant challenge. She lives with her husband, Ningappa, and their son. Until recently, the family's only source of income came from a single cow, and though they owned a small piece of land, they lacked the capital to utilise it productively.

Everything began to change when Manjula learned about Bandhan Bank. Recognising an opportunity to improve her family's livelihood, she approached Bandhan Bank for support. A year ago, she received her first loan of ₹1,70,000.

With careful planning and determination, Manjula and her husband used the funds to expand their dairy business by purchasing two additional cows. They also invested in their farmland to increase agricultural output. Within a year, their efforts started yielding results. The family's income grew significantly, enabling them to lead a more secure and dignified life.

What began as a modest 1-acre plot soon transformed into a flourishing 2.5-acre stretch of growth and opportunity. The land was thoughtfully segmented. One portion now blooms with a variety of flowers, while another is solely dedicated to cultivating roses. To safeguard their crops, the family planted 50 coconut trees along the boundary, which have since created an additional stream of income.

Today, Manjula and her family are thriving. From once relying solely on dairy farming and struggling to make ends meet, they now earn over ₹1,00,000 every month from flower farming alone. Their dairy business continues to provide a steady and reliable income too.

With timely financial support from Bandhan Bank, the family has not only improved their standard of living but also expanded their livelihood with confidence. Manjula's journey stands as a powerful testament to what determination, the right opportunities, and trusted support can achieve.

Biplab
Rubber plantation and manufacturing business

Biplab grew up in a modest mud house with his mother, Amina, and their family, where each day was a battle for survival. Their only asset was a tiny plot of land, barely enough to sustain them. Life was uncertain, and opportunities were few. But everything began to change when Bandhan Bank opened its first branch in their village.

With courage and unwavering hope, Amina approached Bandhan Bank for a loan of ₹5,000. It may have seemed like a small sum to many, but for their family, it was a lifeline and a chance to dream again. She invested the amount into farming, planting the first seeds of what would become a story of resilience and growth.

Over the years, with every loan repaid and every crop harvested, Amina continued to borrow and reinvest, slowly expanding the farm and laying the foundation for something greater. By her side stood her son, Biplab, who shared her vision and worked tirelessly to support her efforts.

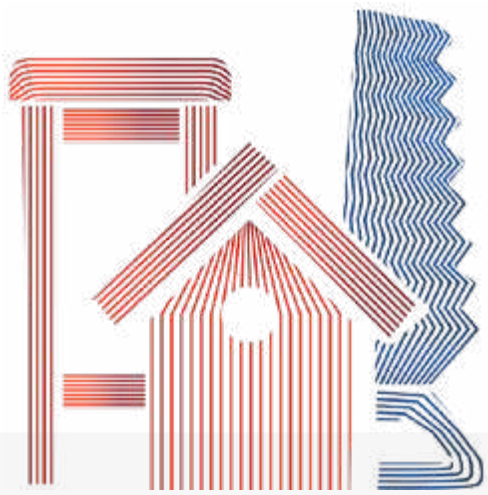
Their big break came when they discovered the potential of rubber cultivation. Supported once again by Bandhan Bank, they turned fallow land into flourishing green stretches. What began as subsistence farming slowly transformed into a thriving agri-business. Today, they cultivate nearly 75 kani, approximately 13,00,000 sq. ft., with over 3,000 rubber trees covering 50 kani, and the remaining used for mixed farming.

But Biplab was not content with mere cultivation – he envisioned something greater. With additional financial backing from Bandhan Bank, he established his first rubber processing unit, a move that significantly boosted their income and expanded their reach. As demand continued to rise, Biplab scaled the business further by setting up a second factory. His vision and drive transformed their family enterprise into a robust operation that added value at every step, from plantation to production.

Today, Biplab's business stands as a thriving enterprise. His factories employ 14 permanent staff and 10 seasonal workers, providing livelihoods to others in the community, something he once struggled to secure for himself.

Despite limited formal education, Biplab's resolve, vision, and the unwavering support of his wife, who, alongside serving as a police officer, helps manage the paperwork and logistics, have propelled the business to new heights. Together, they are building a secure future for their children, ensuring access to quality education and a life of dignity.

From a humble ₹5,000 loan to business loans totalling nearly ₹20,00,000 the journey of Amina and Biplab is a powerful example of how access to finance, combined with determination and purpose, can transform lives. Their story reflects not just financial progress, but the enduring spirit of entrepreneurship and the belief that even the smallest beginning can lead to a future beyond imagination.



Hardeep
Furniture and boutique business

Hardeep and her husband once ran a modest furniture-making business from a small, rented room. With just one worker and limited means, they struggled to grow. Their monthly profit barely reached ₹25,000, and despite their hard work, they had little scope to expand. Life was tough, and the future felt uncertain.

It was during this time of challenge that Hardeep first heard about Bandhan Bank through a friend. Driven by hope and the desire to uplift their business, she and her husband approached Bandhan Bank to understand how a loan might help them move forward. That visit marked the beginning of a new chapter in their journey.

Around six years ago, Hardeep took her first group loan of ₹30,000. With thoughtful planning, they invested the money into their business. The results were encouraging, and over the next few years, they continued to take loans, each one used carefully to fuel their steady progress.

Their growth was remarkable. From just one worker, they expanded to a team of six. Their services grew beyond furniture-making to include interior design, attracting a wider clientele. As their earnings increased, they were able to move out of the cramped rented space and recently purchased a 3,000 sq. ft. flat, where they now plan to shift their entire business operations.

Alongside the family venture, Hardeep followed her own passion and opened a boutique, supported once again by a loan from Bandhan Bank. With hard work and consistent support, both businesses began to thrive. Their children are now enrolled in private English-medium schools, once a distant dream, now a reality.

Today, their businesses earn over ₹1,50,000 in monthly profit, a sixfold increase from where they began. More than just transforming Hardeep's family, this success story has positively impacted others. Each of their employees now earns ₹12,000 per month, creating stable livelihoods for more families in their community.

Bandhan Bank's support came at a time when it was needed most. For Hardeep and her family, it was not just about financial assistance, but about dignity, growth, and belief in their potential. Their journey reflects how consistent effort, guided by the right opportunities, can truly change the course of life.

Board's Report

To
The Members,

Your Board of Directors present the Eleventh Annual Report on the business and operations of your Bank, together with the Audited Financial Statement for the Financial Year ('**FY**') ended March 31, 2025 ('**FY 2025**').

Financial Performance of the Bank

The financial highlights for the FY under review, are presented below:

(Figures in ₹ crore)

Particulars	For the FY ended	
	March 31, 2025	March 31, 2024
Deposits:	**1,51,212.50**	**1,35,201.99**
- Savings Bank Deposits	39,348.29	40,486.15
- Current Account Deposits	8,088.62	9,664.55
- Term Deposits	1,03,775.59	85,051.29
Advances (Net):	**1,31,987.32**	**1,21,136.78**
- Bills Purchased and Discounted	17.27	-
- Cash Credits, Overdrafts and Loans repayable on demand	20,616.16	22,844.68
- Term Loans	1,11,353.89	98,292.10
Total Assets/Liabilities	**1,91,476.29**	**1,77,841.66**
Net Interest Income	11,490.58	10,318.84
Non-Interest Income	2,966.60	2,171.42
Less: Operating Expenses (excluding Depreciation)	6,789.29	5,613.20
Profit before Depreciation, Provisions and Tax	**7,667.89**	**6,877.06**
Less: Depreciation	279.20	237.58
Less: Provisions	3,765.41	3,696.57
Profit Before Tax (PBT)	**3,623.28**	**2,942.91**
Less: Provision for Tax	877.98	713.35
Profit After Tax (PAT)	**2,745.30**	**2,229.56**
Balance in Profit & Loss Account brought forward from previous year	**8,679.13**	**7,453.78**
Appropriations:		
Transfer to Statutory Reserves	686.32	557.39
Transfer to Statutory Reserve u/s 36(1)(viii) of the Income-tax Act, 1961	123.66	98.41
Transfer to Capital Reserve	9.80	4.18
Transfer to Investment Reserve	-	153.28
Transfer to Investment Fluctuation Reserve	135.49	-50.68
Dividend pertaining to previous FY paid during the FY	241.65	241.63
Balance carried over to Balance Sheet	**10,227.51**	**8,679.13**
EPS (Basic) (in ₹)	**17.04**	**13.84**
EPS (Diluted) (in ₹)	**17.04**	**13.84**

State of Affairs of the Bank

While your Bank completed nine years of its operations during the FY under review, it has continued to demonstrate steady growth both on the liability as well as the assets sides. During the FY, total deposits grew from ₹1,35,201.99 crore as on March 31, 2024 to ₹1,51,212.50 crore as on March 31, 2025 registering a growth of 11.8 per cent. whereas total advances (net) grew from ₹1,21,136.78 crore as on March 31, 2024 to ₹1,31,987.32 crore as on March 31, 2025 registering a growth of 9.0 per cent. Total Business of your Bank increased to ₹2,88,207 crore, an increase of 10.9 per cent. over ₹2,59,923 crore as on March 31, 2024, whereas the size of Balance Sheet reached to ₹1,91,476.29 crore. The steady growth of your Bank reflects the trust of millions of customers and their continued association over the years with your Bank. Your Bank stayed on the path of building on faith reposed by its customers, which is reflected in its strong customer base of 3.16 crore as on March 31, 2025.

Your Bank had continued its focus on rural and unbanked population. During the FY under review, your Bank has added 12 new banking outlets taking the total count of banking outlets to 6,309 as on March 31, 2025 spread across 35 States and Union Territories. Out of the total banking outlets, 34 per cent. are in rural, 37 per cent. in semi-urban, 18 per cent. in urban and 11 per cent. in metro locations.

During the FY under review, your Bank has been on the course with its strategic priorities of portfolio diversification. As on March 31, 2025, EEB portfolio comprising of Group Loan and SBAL has reduced to 41.3 per cent. of the total loan book from 49.9 per cent. as on March 31, 2024 whereas Wholesale Banking portfolio was at 26.5 per cent., Housing portfolio at 24.2 per cent., Retail portfolio at 8.0 per cent. of the total loan book of your Bank as on March 31, 2025. With regard to geographical diversification, 61.2 per cent. of the portfolio of your Bank was outside of the core markets of Eastern India. The secured portfolio of your Bank increased to 50.5 per cent. of its total portfolio as on March 31, 2025.

During the FY under review, the total income (net) of your Bank has increased by 15.7 per cent. to ₹14,457.18 crore as against the total income (net) of ₹12,490.26 crore for FY 2024. Net Interest Income for the FY 2025, stood at ₹11,490.58 crore compared to ₹10,318.84 crore for FY 2024, representing a growth of 11.4 per cent. NIM for the FY 2025 was 7.1 per cent. The PAT stood at ₹2,745.30 crore for the FY 2025, an increase of 23.1 per cent. as compared to ₹2,229.56 crore for the FY 2024. Consequently, Return on Average Equity ('**ROAE**') increased from 10.7 per cent. to 11.6 per cent. whereas Return on Average Asset ('**ROAA**') increased form 1.4 per cent. to 1.5 per cent. Correspondingly, basic as well as diluted Earnings Per Share ('**EPS**') increased from ₹13.84 to ₹17.04 as at the end of FY 2025 in comparison to FY 2024. The GNPA as on March 31, 2025 was 4.71 per cent. whereas net NPA was 1.28 per cent.

Your Bank continues to focus on financial inclusion by providing various financial services to the underserved. The Reserve Bank of India ('**RBI**') has mandated Priority Sector Lending ('**PSL**') of a minimum 40 per cent. of advances for all banks. Your Bank's PSL was ₹72,106.54 crore (net) as on March 31, 2025, and PSL as a proportion of preceding year's Adjusted Net Bank Credit ('**ANBC**') of ₹1,31,191 crore was 54.96 per cent.

Highlights of segment wise performance of your Bank during the FY under review are mentioned below:

Emerging Entrepreneurs Business

The Emerging Entrepreneurs Business ('**EEB**') of your Bank has been serving borrowers at the bottom of the pyramid with affordable and convenient loans to help them develop into entrepreneurs and transform their lives. Your Bank's EEB strategy is guided by its long-held philosophy of financial inclusion and economic empowerment of the disadvantaged sections of the society. The endeavour of your Bank is to nurture these entrepreneurs and help them move up the socio-economic hierarchy. In their movement upwards, your Bank is by them to support with whichever financial service they may require in the journey.

Your Bank offers a wide array of loans through its Banking Unit ('**BU**') outlets under EEB vertical to benefit small business owners in need of financial assistance. Your Bank operates its Group Loans and Small Business & Agri Loans ('**SBAL**') business channels from its BU outlets.

Each BU is linked to a bank branch for operational convenience. BUs are self-sufficient and empowered to open deposit accounts using TABs and also open loan accounts after necessary credit checks. The highlight of the BUs' operations is the TABs that are connected to the Core Banking System ('**CBS**') through cellular data. Relationship Officers ('**RO**') carry these TABs to their group meetings, and the entire instalment reconciliation for the customer happens through these TABs on real-time basis. To ensure timely and effective support to the BUs in their day-to-day functioning, your Bank has a structure comprising Circles, Territories, Divisions, Areas and BU Catchments. A central operation team maintains oversight of the quality of the operations and adherence to prevalent guidelines at all times. Your Bank lays significant emphasis on processes and controls to help maintain uniform and consistent standards in transaction processing and service delivery, as well as compliance with regulatory and statutory guidelines.

During the FY under review, your Bank's commitment towards financial inclusion is also reflected in the fact that it offered loans to 15.17 lakhs new borrowers under Group Loan and SBAL during the FY 2025. The portfolio for Group Loans stood at ₹36,088 crore whereas SBAL portfolio stood at ₹20,456 crore respectively, at the end of FY 2025, as your Bank worked towards bringing additional measures in credit control in order to improve the quality of its portfolio.

Your Bank now has several loan products under its Group Loans and SBAL, which are provided from BU outlets to cater better to the varied demands and needs of its customers:

Group loans

1. **Srishti Loan:** Timely funds to start a new business or grow an existing one. Loan size is from ₹15,000 to ₹1,50,000.

2. **Suraksha Loan:** Loan size is up to ₹15,000 and is sanctioned to help existing customers meet their emergency expenses, e.g. medical, drinking water and sanitation.

3. **Sushiksha Loan:** Loan size is up to ₹10,000 and is sanctioned to help customers meet expenses towards the education of their children.

Small Business and Agri Loans

1. **Sahayata Loan:** Loan to fund growing business needs of individuals involved in an array of income generation activities. Loan amount is from ₹50,001 to ₹5,00,000.

2. **Baazar Loan:** With a loan size from ₹26,000 to ₹1,50,000, this product is for small entrepreneurs, who have an existing super-saver account with your Bank. This loan provides financial support to deposit customers for their working capital needs.

During the FY under review, your Bank has taken the following initiatives:

- Your Bank has taken several initiatives to sharpen the underwriting process for Group Loans and SBAL loans in order to have a better portfolio.
- Your Bank has implemented Guardrails for Microfinance loans to further strengthen customer selection and portfolio quality in the longer run, including: limitations in lender cap, limitations in total outstanding per borrower and restrictions in lending to customers having more than 60 days past due across microfinance lenders.
- Your Bank has delved into digital repayment modules such as QR based channels to make repayments easier and hassle-free.
- Your Bank has a dedicated, independent sanctioning team to ensure that loans are based on eligibility and credit-worthiness.
- Your Bank also has a separate Recovery Team aligned under EEB vertical to have improved recovery collections from delinquent customers where the business team will focus on collections from standard accounts to restrict slippages while the recovery team will have a focused approach to collection from delinquent accounts turned into NPA.
- Your Bank has deployed several analytics-driven models to improve both, sourcing and recovery. Some of the key initiatives in this regard are: the identification of good borrowers for a higher ticket loan based on a data-driven renewal base, identification of potential borrowers for graduating to individual loan, categorisation of delinquent borrowers based on their propensity to repay and prioritising collections accordingly, etc.
- Awareness about using digital solutions, like smartphone-based transactions and use of credit/debit cards for online transactions are still persistent issues to the customers under the EEB vertical. To overcome these challenges, your Bank is imparting training to make the customers aware about the benefits of digital payments and various other aspects, such as seeding bank accounts with mobile number and Aadhaar, using digital mode of payments of instalments, etc. Your Bank has also taken initiative by informing the customers to pay through online transactions.

Wholesale Banking

Mid-Market Group

The Mid-Market Group ('**MMG**') offers loan products to Small, Medium & Large Enterprises for meeting their working capital and capital expenditure requirements, including non-fund based facilities. These are generally secured loans extended to businesses involved in manufacturing, trading, services, etc. The MMG vertical offers both fund-based and non-fund based facilities including term loan, cash credit, overdraft, loan against property, construction/project finance, lease rental discounting, Letter of Credit ('**LoC**'), Bank Guarantee ('**BG**'), etc. While, the Cash Management Services ('**CMS**') and Trade Finance have already been launched, the implementation of Supply Chain Finance is in process. The MMG vertical has presence Pan India with teams sitting across large Business Centres.

The Total Advances of the segment stood at ₹12,243 crore as on March 31, 2025 as compared to ₹6,701 crore as on March 31, 2024, a growth of 82.7 per cent. during FY 2025.

Financial Institution Group (FIG), Healthcare and Education

Your Bank continuously strives to meet the diverse credit needs across sectors, with a dedicated focus on Institutional Lending catering to Non-Banking Financial Companies ('**NBFCs**') and Housing Finance Companies ('**HFCs**') to Public Financial Institutions. In FY 2025, your Bank has forayed into the financial requirements of Education & Healthcare Institutions through its existing product suite, which includes term loans, working capital limits (fund-based and non-fund based), cash credit and overdraft facilities. Your Bank also has credit exposure through Direct Assignments and Investment exposure through Pass through Certificates ('**PTCs**') and Non-Convertible Debentures ('**NCDs**'). In the NBFCs segment, your Bank's primary focus is secured financing through housing loan, loan against property, gold loan, business purpose loan, commercial & vehicle financing, etc. In the NBFC-MFI (Microfinance institutions) segment, the focus is to cater primarily for the priority segment funding.

FIG segment has a diverse portfolio with geographical presence across the country. The Total Advances of the segment (including Financial and Non-financial institutions) stood at ₹16,005 crore as on March 31, 2025 as compared to ₹12,815 crore as on March 31, 2024, a growth of 24.9 per cent. during FY 2025, including the Healthcare & Education vertical which has built a book of ₹232 crore as on March 31, 2025.

Commercial – LAP

This segment caters primarily to proprietorships, partnerships and private limited companies for Loans Against Property ('**LAP**'). This is in line with your Bank's overall objective of increasing the secured lending portfolio. The segment is leveraging your Bank's distribution

network of more than 625 branches as of March 2025, besides sourcing from the open market, along with an objective to meet various financial requirements of your Bank's customers. As we move along, your Bank will use technology for better turnaround time that is essential for scaling up the business volume in this space. The segment offers a bouquet of income-linked programs to cater to most of the business segments in the market.

The Total Advances of the segment stood at ₹1,118 crore as on March 31, 2025 as compared to ₹516 crore as on March 31, 2024, a growth of 116.9 per cent. during FY 2025.

Business Banking Group

The Business Banking Group ('**BBG**') offers loan products for the needs of Micro, Small and Medium Enterprises ('**MSMEs**') to meet their working capital and/or capital expenditure requirements. These are secured loans generally between ₹25 lakh to ₹30 crore extended to businesses involved in manufacturing, trading, and services. These loans are extended in the form of secured credit facilities including term loan, cash credit, overdraft or lease rental discounting or as non-fund-based facilities like letter of credit or bank guarantee. Some of the schematic loan products offered by the segment are as follows:

- **SME Business Connect**

  These loans help entrepreneurs in financing their working capital and capital expenditure requirements against primary security of current and/or fixed assets and collateral security including residential or commercial property or liquid securities. These loans, ranging from ₹25 lakh to ₹5 crore, are provided as fund-based facilities like overdraft, cash credit, or term loan and non-fund-based facilities like letter of credit or bank guarantees.

- **SME GST Connect**

  These loans, for financing entrepreneurs' working capital needs, are provided as an overdraft or fund-based facilities. These loans are offered against collateral security, which can be in the form of current assets, property and/or liquid securities. The loan quantum ranges from ₹25 lakh to ₹3 crore.

- **Bandhan CGTMSE Loan**

  Your Bank offers loans to finance the working capital and capital expenditure of Micro and Small Enterprises ('**MSEs**'). These loans are provided as fund-based and non-fund-based facilities, without any collateral security or third-party guarantee. Collateral security for the remaining uncovered portion of the credit facility can be obtained under "Hybrid/Partial Collateral Security" product, introduced by CGTMSE. The loan quantum ranges from ₹25 lakh to ₹5 crore.

  The BBG fund-based Advances was at ₹1,703 crore as on March 31, 2025 as against ₹1,010 crore as on March 31, 2024, registering a growth of 68.7 per cent. during FY 2025.

Agri-business Loans

Providing credit for agricultural activities not only helps increase crop production but also empowers farmers, and supports the backbone of the Indian economy – the agricultural sector. Your Bank recognises the importance of this sector and offers a wide range of credit facilities to provide financial support to all participants in the Agri value-chain system. Currently, the segment provides Kisan Cash Credit (KCC) loans to borrowers engaged in farming & allied activities, including animal husbandry, horticulture, pisciculture, etc. with competitive interest rates and minimal documentation. By doing so, your Bank is making it easier for farmers to access credit and invest in their farms to increase productivity.

The segment is expanding its footprint by offering working capital and term loan credit facilities (i.e. both fund-based and non-fund-based) to entities involved in agri-ancillary products and services. The segment also extends its foray towards financing of agricultural infrastructure, commodity Pledge finance, etc. to various agri-processors, agri-input dealers & agri-corporates, etc.

The Total Advances of the segment stood at ₹749 crore as on March 31, 2025 as compared to ₹268 crore as on March 31, 2024, a growth of 179.6 per cent. during FY 2025.

Small Enterprise Loan

Small Enterprise Loan ('**SEL**') offers Term Loan & Working Capital products to small enterprises who rely on accessible and dependable financial solutions to sustain and expand their operations. The SEL vertical stands as a trusted financial partner, committed to empowering businesses with tailored funding solutions. With SEL, businesses gain more than just financial assistance - they build a relationship rooted in trust, security, and sustained growth.

Trusted Financial Products Under SEL include:

- **SEL Term Loans (₹3 lakh to ₹10 lakh):** Designed to support small businesses in their journey, these term loans offer flexible tenures of one to three years, ensuring access to working capital and asset creation with reliability and ease.
- **SEL Max Loans (₹10.01 lakh to ₹25 lakh):** Built for enterprises with greater business aspirations, SEL Max Loans extend higher-value funding, offering businesses a dependable avenue for expansion.
- **SEL Cash Credit (₹5 lakh to ₹25 lakh):** A trusted revolving credit facility that provides businesses the flexibility to access funds as needed, with interest applicable only on the utilised amount. Limits are renewed yearly, ensuring continuous financial support.

- **SEL Secured Overdraft Loans (₹10.01 lakh to ₹25 lakh):** Introduced in FY 2023 to cater to MSME borrowers, this overdraft solution strengthens financial resilience. Businesses can secure working capital while pledging assets, reaffirming the foundation of trust in financial partnerships.

The Total Advances of the segment stood at ₹4,526 crore as on March 31, 2025 supporting over 1.13 lakh valued small and growing businesses.

Transaction Banking

During FY 2025, your Bank continued to strengthen its transaction banking proposition across Cash Management Services (CMS), Trade Finance, and Supply Chain Finance, with a focus on product expansion and digital enablement.

During the FY, the cash pick-up offering was further scaled and enhanced. Several new initiatives were also undertaken to broaden the CMS suite, including eNACH for external corporates, a centralised escrow platform, cheque printing and collection services, host-to-host integration, API banking, and virtual account solutions.

These offerings are currently under development and are expected to be launched during the current FY, with the objective of building a comprehensive and future-ready CMS platform to meet the evolving needs of corporate and institutional clients.

On the Trade Finance front, your Bank's non-fund-based trade book crossed ₹2,100 crore. The first foreign currency import letter of credit (LC) and the first Letter of Credit Bill Discounting (LCBD) transactions were executed, alongside steady growth in cross-border remittances averaging over USD 2.2 million per month.

Your Bank is also in the process of developing a Supply Chain Finance platform to complement its existing trade and CMS offerings. CMS and Trade continue to be key pillars within the Wholesale Banking business, supported by ongoing investments in product development and service delivery.

Housing Finance

During FY 2025, your Bank's Housing Finance business continued to align with its long-term strategic roadmap, delivering strong performance despite a challenging macro-economic environment. Your Bank's commitment to inclusive housing credit, prudent risk management, and operational agility had translated into resilient growth across disbursements, portfolio size, borrower quality and geographic reach.

The total housing loan book expanded by 10.6 per cent. reaching ₹33,086 crore, up from ₹29,916 crore in FY 2024. Disbursements during the year stood at ₹9,357 crore, registering a 26 per cent. year-on-year increase. This performance was supported by the introduction of a Prime Lending Channel during the said fiscal year. This new channel significantly enhanced disbursement volumes and contributed to a healthier asset quality by targeting stronger borrower profiles and reducing delinquency risk.

The share of the salaried borrower segment in your Bank's Housing Finance portfolio grew to 48 per cent., up from 43 per cent. during the FY 2024, and 71 per cent. of disbursals were made to customers with CIBIL scores above 725, reinforcing a strategic shift towards more creditworthy borrowers. Disbursal productivity rose 17 per cent. year-on-year and the average ticket size was ₹21 lakhs.

In line with its financial inclusion goals, your Bank operated its housing loan network through over 450 branches offering home loans and over 300 banking units delivering micro-home loans across 18 states and 3 union territories. This expansion enabled deeper market penetration and better customer access, particularly in underserved regions.

The portfolio remained predominantly Affordable Housing, contributing approximately 80 per cent. of the book. Regional diversification continued with strong performances across all zones.

Retail Assets

In its pursuit of broadening the product suite, your Bank has consistently worked to introduce and strengthen its Retail Asset product portfolio. This has ensured the availability of a diverse range of loan products designed to address varying customer needs. Among these are secured lending options such as Gold Loans, Car Loans, Commercial Vehicle & Construction Equipment ('**CVCE**') Loans, Two-Wheeler Loans as well as unsecured Personal Loans. This strategic focus aligns with your Bank's commitment to catering to a broader demographic while maintaining a sound risk profile.

- **Gold Loan:** Crafted to meet customers' urgent financial needs with efficiency and simplicity. Offering loan amounts from ₹10,000 to ₹80,00,000, flexible tenure options of up to 3 years, and competitive interest rates, this product ensures accessibility and value for your Bank's customers. To further enhance service delivery and reach, your Bank is actively expanding its branch network, thus enabling greater access to Gold Loan facilities. This strategic move underscores your Bank's commitment to strengthening its presence, fostering trust, and driving business growth across wider geographies.
- **Car Loan:** Designed to meet the needs of a diverse customer base, your Bank's Car Loan product offers financing for both new and pre-owned vehicles. Loan amounts range from ₹1 lakh to ₹1.5 crore, backed by competitive interest rates and flexible repayment plans. The emphasis on Used Car Loans reflects your Bank's commitment to this expanding market segment. With a streamlined digital application process and an extensive

dealer network, your Bank continues to deliver value-driven solutions that make car ownership hassle-free and rewarding.

- **CVCE Loan:** Committed to fostering growth in transport and construction, your Bank offers Commercial Vehicle & Commercial Equipment (CVCE) Loans with flexible amounts from ₹1 lakh to ₹25 crore. With a strategic segment emphasis on CVCE loans, the single-unit loan limit has been enhanced to meet the evolving requirements of businesses. Additionally, your Bank is expanding its reach into the used CVCE segment, delivering customised financial solutions for this growing market. Leveraging its branch network and collaborations with dealers and manufacturers, your Bank continues to ensure a seamless and rewarding customer experience.
- **Two-Wheeler Loans:** In its journey to empower mobility, your Bank has crossed the noteworthy figure of 190,000 customers in the Two-Wheeler Loan segment, with 90 per cent. being new-to-bank customers. This achievement underscores our commitment to providing a seamless loan experience with financing options available up to ₹5,00,000. To meet evolving demands, your Bank has introduced loans for electric vehicles (EVs) and super bikes, ensuring relevance in emerging niches. Supported by a dealer/channel-based distribution framework, your Bank is further enhancing accessibility and expanding its footprint across wider geographies.
- **Personal Loan:** Your Bank pursued a strategic and adaptable approach to Personal Loans during FY 2025, ensuring alignment with market shifts and customer expectations. Through the efforts of a dedicated sales team, your Bank continued to cater to key markets and diverse customer needs. Personal Loans, offered at competitive interest rates, are available for amounts between ₹50,000 and ₹25,00,000 with flexible tenures of up to 5 years.

The Total Advances of the segment stood at ₹11,021 crore as on March 31, 2025 as compared to ₹5,578 crore as on March 31, 2024, a growth of 97.6 per cent. during FY 2025.

Branch Banking

Your Bank provides an array of retail liability products designed to promptly and effectively cater to diverse banking requirements across various customer segments. Prioritising customer satisfaction, your Bank consistently innovates and offers convenient banking solutions to meet its customers' needs.

During FY 2025, your Bank's deposit portfolio witnessed a growth of 11.8 per cent. with a total deposit base of ₹1,51,212 crore as of March 31, 2025. The growth in deposits was primarily driven by the varied liability products of term, savings and current account deposits with the total retail deposit book growing by 11.0 per cent.

Your Bank strengthened its Savings product proposition through a strategic focus on diverse customer segments. In addition to reinforcing the Affluent segment with premier offerings like Elite and Premium Savings Accounts, your Bank launched four new segment-specific savings products: the AVNI Women's Savings Account, tailored for women customers; the Pension Savings Account, designed for pensioners; the PMJDY Savings Account, promoting financial inclusion; and the Classic Savings Account, offering affordable savings solutions to regular customers. These introductions reflect your Bank's commitment to deepening financial access and addressing the unique needs of customer-centric banking. To complement these initiatives, your Bank has enhanced communication efforts through targeted, product-focused campaigns aimed at informing customers about key features, interest rates, and technology-enabled services.

During FY 2025, your Bank introduced new Debit Card variants such as Bandhan Bank Platinum Plus, Titanium, PMJDY and AVNI Debit Card, thereby remaining committed to providing customers better card value proposition, features and benefits along with a diverse selection of debit card choices. The entire collection of Debit Cards had garnered a total card fee income amounting to approximately ₹88 crore in FY 2025. The card fee income consists of Issuance Fee, Annual Fee and Re-issuance Fee.

The Current Account segment showcased remarkable resilience in FY 2025, highlighting the success of well-executed strategic initiatives. Key growth drivers included the launch of the new Collection Account product, increased penetration of EDC and QR code solutions, proactive re-engagement with the existing customer base, and robust development of the Current Account Manager channel. These achievements were further bolstered by a sharper focus on granular customer segmentation, enabling more personalised engagement and customised product offerings. Additionally, the expansion of digital services, combined with process automation, significantly reduced turnaround times, enhancing overall customer experience. Sustained momentum in opening new branches in high-potential catchment areas, along with targeted acquisition campaigns aimed at key business clusters, further broadened market coverage and solidified the segment's performance.

The Merchant Acquiring Business ('**MAB**') continues to play a pivotal role in strengthening current account relationships. FY 2025 had marked a period of remarkable progress, strategic innovation, and consistent growth. Your Bank has seen significant traction in merchant acquisition through POS/Bharat QR deployments, along with the expansion of its Payment Gateway (PG) services across diverse merchant categories. Key highlights include:

- 127 per cent. year-on-year growth in merchant acquisitions
- 68 per cent. year-on-year increase in transaction throughput
- 21 per cent. year-on-year growth in revenue, driven by increased balances in associated current accounts

These achievements reinforce MAB's contribution not only as a transaction facilitator but also as a strong lever for liability growth and income generation for your Bank.

Your Bank's expansive branch network had been instrumental in its achievements. Throughout the FY 2025, a total of 15 branches were added (including conversion of three Housing Finance centres into branches), elevating your Bank's overall presence to 1,715 branches, spanning diverse locations nationwide.

To fortify its relationship with customers, your Bank is engaging in communication through marketing campaigns, social media outreach, and branch-level initiatives. Your Bank will continue to harness technology to provide innovative digital solutions that prioritise security, convenience, and user-friendliness. Your Bank is dedicated to delivering top-notch banking solutions to its customers and eagerly anticipates serving them with unwavering zeal and commitment in the years ahead.

Third Party Products

Your Bank currently distributes mutual funds, life insurance and general insurance, including health insurance and 3-in-1 online trading product to its customers. FY 2025 had been a year of synergy and aspiration. Your Bank continues to build and demonstrate a determined focus on offering a value-driven, need encompassed, robust and comprehensive product proposition to its customers. In the life insurance business, your Bank has a proposition offering of a wide bouquet of products to cater to the different stories and junctions of its customer's life. Your Bank had also been continuously engaged in building a strong distribution ecosystem with carefully crafted synergy and partnership with analytics and technology functions to offer the best in class insurance solutions to its customer base. In the General Insurance business, your Bank continued to serve its customers as they build a disciplined habit towards healthy living and coverage for unforeseen exigencies, by offering them a wide variety of health insurance and general insurance solution-based product propositions. Your Bank aims to extend the benefits of general and health insurance to all its customer segments. In mutual funds distribution, your Bank continues to focus on a research-driven distribution strategy with a vision of providing its customers ease and flexibility while planning for investments. Your Bank continues to offer a research driven distribution of Mutual Funds through its Mobile Banking ('**mBandhan**') platform and the Retail Internet Banking ('**RIB**') platform, which demonstrates your Bank's continuous efforts towards offering customers further convenience and benefits.

Your Bank had entered into partnerships with Bandhan Life Insurance Limited and ICICI Lombard General Insurance Company Limited to offer their products to its customers. This will further strengthen your Bank's products proposition offering and enhance its commitment towards its customers.

Your Bank continues to invest towards building a customer value-centred, segment-driven, data-led, analytics and research-based, and technology embedded, product distribution propositions, across all Third-Party Products and continues to seek out opportunities to add new product suites to serve customers' financial needs holistically.

The total mutual fund AUM managed under your Bank's code during the FY under review was ₹1,422.33 crore, on which your Bank earned an income of ₹10.94 crore.

A total of ₹135.87 crore and ₹653.17 crore of general and retail life insurance business, respectively, were garnered through the retail network during the FY 2025, earning a fee income of ₹23.56 crore and ₹265.80 crore, respectively. During the FY under review, the life insurance business and general insurance through all asset verticals amounted to ₹456.82 crore and ₹74.61 crore, respectively, earning an income of ₹84.64 crore. The insurer wise segmented commission income is as follow: Bajaj Allianz Life Insurance: ₹159.65 crore; HDFC Life Insurance: ₹111.76 crore; Kotak Life Insurance: ₹26.68 crore; Bandhan Life Insurance: ₹43.87 crore; Bajaj Allianz General Insurance: ₹7.12 crore; Niva Bupa Health Insurance: ₹20.78 crore; Oriental General Insurance: ₹3.98 crore and ICICI Lombard General Insurance: ₹0.16 crore.

Your Bank had also earned ₹0.72 crore as commission for the distribution of Atal Pension Yojana, NPS Lite Swavalamban schemes of PFRDA and others during the FY 2025.

Digitising @Bandhan

Bandhan Bank aspires to become a digitally enabled bank by continually expanding its offerings focusing on the customer's life cycle. The emphasis on digital adoption has helped increase penetration, streamline processes, and enhance customer experience. Your Bank is focused on building product-led technology solutions to build strong value proposition for its micro, retail, wholesale, and commercial banking customers.

Your Bank has created a digital and transaction excellence unit ('**DTEU**') to enhance focus, efficiency, and expertise. This unit will be responsible for Corporate Transactions and Solutions, Government Solutions, Payment products and Platform, Retail Digital Banking and Fintech partnerships. It will also help in augmenting granular deposits and fee-based income through various capabilities. DTEU team will build expertise, combining technical, functional, and commercial solutions catering to the corporate and consumer segment.

Your Bank stays committed to always delivering customer value while ensuring requisite systems and controls are in place for a safe and convenient digital banking experience for its valued customers.

Data Science and Analytics

The Data Science and Analytics function is one of the most critical areas for your Bank. The Analytics team began its journey in FY 2023. All members have trained in data science and data engineering from Tier 1 premier institutes. The objective of this team is to provide accurate and timely intelligence by utilising internal and external data. The team develops multiple scorecards using AI-ML capabilities to estimate the creditworthiness and payment capabilities of borrowers, as well as to identify potentially fraudulent accounts and transactions. The team helps to issue early warnings about emerging risks and suggests a risk mitigation plan. The team continuously works to enhance operational efficiency. It also provides a strategic roadmap for your Bank to increase its reach to new customers using both physical and digital footprints. This team supports all business verticals at every stage of customers' lifecycle journey through the right customer contact strategies and appropriate product and service offerings.

Corporate Social Responsibility

Your Bank remains deeply committed to fostering inclusive growth, a principle that underpins all its Corporate Social Responsibility ('**CSR**') initiatives. These efforts are thoughtfully directed towards empowering marginalised communities, particularly those residing in areas surrounding your Bank's operations. Recognising the complex and multi-dimensional vulnerabilities these communities face most notably, the persistent challenge of achieving sustainable livelihoods, your Bank's CSR interventions are strategically designed to enhance their capabilities and resilience. By focusing on capacity building and long-term empowerment, your Bank aims to create a meaningful, lasting impact that contributes to the broader goal of social and economic inclusion.

To address its societal commitments, your Bank has adopted a comprehensive CSR policy that aligns with Schedule VII to the Companies Act, 2013 ('**the Companies Act**'). The Bank's CSR programmes, guided by this policy, are primarily implemented in communities located near its operational areas.

To ensure the effective implementation and oversight of its CSR programme, your Bank has established the Corporate Social Responsibility and Sustainability Committee of the Board ('**CSR&SCB**'), in compliance with Section 135 of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('**CSR Rules**'). In addition to guiding your Bank's CSR initiatives, the CSR&SCB is also responsible for monitoring the execution of Business Responsibility and Sustainability Reporting ('**BRSR**') initiatives. Details regarding the composition of the CSR&SCB are provided in the Corporate Governance Report, which forms part of this Annual Report.

Total CSR obligation for your Bank for FY 2025 was ₹39.89 crore, which was allocated towards 14 CSR programmes. Out of the total ₹39.89 crore, ₹23.25 crore spent towards various CSR programmes during FY 2025 whereas ₹16.64 crore was transferred to Unspent CSR account towards the ongoing projects, in terms of the provisions of Sections 135(5) and 135(6) of the Companies Act, reasonable justification towards the same is provided in the CSR Annual Report forming part of this Report. These programmes were implemented through various Project Implementing Agencies ('**PIAs**') in alignment with the activities outlined under Schedule VII of the Companies Act. One of the PIAs, Bandhan Konnagar ('**BK**'), promoter group entity, is a related party of your Bank. Accordingly, all CSR expenditures through BK, being related party transactions, were done with the approval of the Audit Committee of the Board, in addition to receiving necessary approvals from the CSR&SCB and the Board of Directors. During the FY, the CSR coverage reached out to 1,33,540 families spread across 273 project locations covering 5,240 villages in 47 districts across seven states of India, thereby taking the cumulative reach since inception to 25,80,996 families in 82 districts across 14 states.

In terms of the provisions of Rule 8(3) of the CSR Rules, your Bank appointed Ernst and Young LLP ('**EY**') to carry out an independent Impact Assessment of its CSR Programmes. Further, in terms of the General Circular No. 14/2021 dated August 25, 2021, issued by the Ministry of Corporate Affairs, Government of India, the Impact Assessment Report is available at the Bank's website https://bandhanbank.com/beyond-banking, and the programme wise summary of the same is mentioned in the subsequent sections.

The details of CSR programmes undertaken pursuant to the provisions of the Companies Act and in accordance with the Annual Action Plan, during the FY under review are given as **Annex – 1** and forms part of this Report. The CSR Policy of your Bank is available on its website: https://bandhanbank.com/sites/default/files/2025-02/CSR-Policy-03022025.pdf.

Some of the key programmes of your Bank's CSR initiatives are:

Targeting the Hard-Core Poor Programme

During the FY under review, your Bank had contributed ₹6.26 crore (₹10.90 crore in FY 2024) towards Targeting the Hard-Core Poor ('**THP**') programme. The programme is designed for ultra-poor women-headed households, providing them with a range of gainful micro-enterprises in the form of farm, non-farm and mixed assets, along with handholding support and training on confidence building, enterprise skills, consumer interaction, marketing and financial skills. They are also provided with sustenance allowance to meet their daily needs until they generate substantial income from the provided assets. Within a period of 24 months, these ultra-poor women start

graduating, uplifting themselves from extreme poverty[1] and getting linked to mainstream society[2].

During the FY under review, 2,000 ultra-poor women were provided farm, non-farm and mixed assets to sustain their livelihoods, thereby cumulatively taking the total women-headed households to be impacted through the programme since its inception to 52,500 women. In the current FY, the programme covered 5 districts of Uttar Pradesh and West Bengal.

The Impact Assessment Study carried out by EY indicated that 18,000 ultra-poor women-headed households were alleviated from below the poverty line to above the national poverty line[1] (₹1,059.42 for rural and ₹1,286 for urban areas[1]) with a significant increase in their business assets and household income having an average monthly income of ₹7,200. Additionally, these households had improved savings habits and had access to safe sanitation, social security schemes and health schemes.

Bandhan Health Programme

During the FY under review, your Bank has contributed ₹2.51 crore (₹7.01 crore in FY 2024) towards seven health programmes covering nine districts across three states of India. These health programmes covered 29,052 new beneficiaries during the FY, thereby taking the cumulative coverage to 13,73,610 beneficiaries.

The Impact Assessment Study conducted by EY indicated that the programme contributed to the achieving 100 per cent. access to health services after the implementation of the programme compared to 78 per cent. respondents who did not have access to health services. The health services included Antenatal Care ('**ANC**'), institutional delivery, Postnatal Care ('**PNC**'), nutritional support and child health evaluation, thereby leading to a change in behavioural practices and 100 per cent. of the respondents noticed an improvement in their health and health-seeking behaviour.

The Impact Assessment Study indicated that 100 per cent. of the adolescent girl respondents have received menstrual health and hygiene awareness and access to menstrual hygiene products. The study also indicated that 100 per cent. of the respondents received access to safe drinking water.

Empowering Cancer Care: Contribution to Assam Cancer Care Foundation

As part of its ongoing commitment to improving healthcare access and supporting communities in need, your Bank had contributed ₹4 crore towards comprehensive cancer care in Assam. This initiative is being implemented through the Assam Cancer Care Foundation, a strategic partnership between the Government of Assam and Tata Trusts. The contribution will help enhance cancer treatment and provide vital medical care, support, and resources to those affected by cancer. By collaborating with this esteemed foundation, your Bank reaffirms its dedication to advancing healthcare and making a meaningful impact on the lives of individuals battling cancer in Assam.

Healthcare Accessibility: Donation of 18 Advanced Life-Saving Ambulances

Your Bank remains steadfast in its commitment to community development, with healthcare being a central focus of its CSR initiatives. As part of this commitment, your Bank is enhancing healthcare infrastructure and improving emergency medical response across India. This initiative, with an investment of ₹6.20 crore, aims to expand access to critical care, supporting hospitals and organisations dedicated to emergency healthcare and community well-being. By enabling timely, life-saving interventions, this donation significantly contributes to improving healthcare accessibility across the country.

Bandhan Education Programme

Your Bank's education programme provides quality education to children belonging to the marginalised section of our society in its catchment area. The programme also provides training to the teachers belonging to the communities, government schools and schools run by the various charitable trusts that are providing free education to transform their pedagogy and integrate various teaching and learning tools in their lesson plans and track the comprehensive continuous assessment of each child.

Your Bank contributed ₹4.24 crore (₹9.78 crore in FY 2024) towards the education programme enrolling 246 new students, thereby taking the cumulative outreach to 1,14,637 marginalised children across 32 districts of five states of India.

The Impact Assessment Study conducted by EY indicated that 100 per cent. of the children received free books and school kits to facilitate their learning. 100 per cent. of the students who completed class 3 were able to identify numbers and alphabets, could read text and perform basic calculations to meet the learning goals of Foundational Literacy and Numeracy[3] ('**FLN**').

[1]Poverty Line benchmarked according to the Suresh Tendulkar Committee Poverty Lines per capita monthly expenditure, 2011-12, Niti Aayog, Government of India
[2]India SDG Index Score for Goal 1 – No Poverty; Goal 2 – Zero Hunger and SGD 5 – Gender Equality
[3]Foundational Literacy and Numeracy refers to basic skills in reading, writing, and mathematics. It is the ability to read and understand a basic text write and perform simple mathematical operations as adopted by Ministry of Education, Government of India.

Skill Development Programme

Your Bank's skill development initiatives provide market-linked and job-ready employable skills to the youths from marginalised sections of society in various domains. This initiative not only provides on-the-job training and job placement facilitation in the organised sector but also a follow-up of the placements so that the youths are settled in their job post-training.

During the FY under review, your Bank contributed ₹4.08 crore (₹3.69 crore in FY 2024) towards the skill development initiatives in eight districts across three states of India. The PIAs operated 12 skill development centres in domains like Warehousing and Logistics, Retail and Customer Care, Sales and Marketing, ITeS and BPO, Refrigeration and Air Conditioning, Computer Accounting, Hardware and Networking, BFSI, etc.

During the FY 2025, 2,710 candidates were enrolled, thereby taking the total to 19,824 youths who have been trained under this programme till date.

The impact assessment indicated that 85 per cent. of the respondents secured their first job after the completion of the training provided under the Employing the Unemployed Programme ('**EUP**'). The EUP provided them with job readiness skills, career counselling, job placement assistance and other resources to enhance their employability.

Skill Development and Education Programme – Support to Ramakrishna Mission Centre For Human Excellence and Social Sciences (Viveka Tirtha):

During the FY 2025, your Bank has contributed ₹4 crore towards Ramakrishna Mission Centre for Human Excellence and Social Sciences (Viveka Tirtha) as part of its ongoing commitment to education and skill development. This initiative is aligned with your Bank's vision of fostering human development and social well-being.

Skill Development and Education Programme – Support to Nivedita Institute of Human Advancement & Research (NIHAR) Centre Ramakrishna Sarada Mission:

During the FY 2025, your Bank had contributed ₹1.4 crore towards the Skill Development and Education Programme, in partnership with the Ramakrishna Sarada Mission in line with your Bank's commitment to fostering growth and empowerment. This significant contribution had been directed towards the development of the Nivedita Institute of Human Advancement & Research Centre. The funds will support initiatives aimed at enhancing educational opportunities and skill development, ultimately contributing to the overall advancement of human potential. By investing in such transformative initiatives through the Ramakrishna Sarada Mission, your Bank continues to play an active role in shaping a brighter future through education, skill-building, and research. This partnership highlights your Bank's dedication to social responsibility and sustainable development.

Bandhan Financial Literacy Programme

Your Bank has spent ₹3.40 crore to impart financial literacy to underprivileged women to raise awareness regarding better financial planning and accessing Banking, Financial Services and Insurance ('**BFSI**') related products and services, including digital banking. Your Bank recognises the fact that imparting financial knowledge is vital to the financial inclusion agenda and to addressing the sustainable development of rural communities.

Through this initiative, your Bank has financially empowered 5,75,443 women in the states of Assam, Tripura, Bihar, Jharkhand, Madhya Pradesh, Odisha and West Bengal to improve their savings and access banking services. According to the EY Impact Assessment Report, 100 per cent. of the women, after completing the training, feel that they are more confident in taking independent financial decisions and can also do digital banking.

Bandhan Sustainable Livelihood Programme

Your Bank under its CSR initiatives, has piloted a unique initiative to empower underprivileged entrepreneurs to set up small businesses. These entrepreneurs are imparted with professional business incubation training and facilitation for accessing statutory licenses and business loans. They are also trained in various aspects of marketing, customer relationships, financial planning and management, business development plans, filing of various tax returns, etc.

Through this initiative, your Bank aims to convert the job-seeking to job-creators. To date, 200 youths have been successfully incubated to independently manage their enterprises.

Climate Action Programme

The Climate Action Programme focuses on climate change adaptation and carbon sequestration. The Major initiatives under this programme were in the areas of Water conservation, Afforestation and Solar energy, as mentioned below:

Water Conservation

The water conservation initiative aims at water security and drought-proofing in some of the high moisture-

stressed regions of India, thereby providing a safety net to agriculture and livestock-based livelihoods. These initiatives facilitate participatory watershed management by empowering the communities to participate in the planning and implementation of local water resource development. Measures such as building, reviving and maintaining water-harvesting structures, prioritisation and judicious use of water for every community member, crop planning and water-efficient farming, use of drought-resistant varieties, cultivation of high-value crops requiring less water, etc., create a multiplier effect in drought-proofing and climate change adaptation measures and higher income generation.

During the FY under review, 22 water harvesting structures, with a storage capacity of 11,818 kilolitres, in the form of farm ponds, were constructed in the farmers' fields to provide them critical irrigation support.

Cumulatively, the programme has supported the construction of 72 water harvesting structures with a storage capacity of over 1,45,318 kilolitres of water in three states. These structures not only provide drinking water to over 1,958 families but also support participatory irrigation of various crops.

Afforestation

Your Bank's afforestation initiatives have contributed towards the project of establishing a "Bio-shield" to save the mangroves in the Bharuch district of Gujarat. Over the years, mangrove plantation of 1,50,000 saplings were carried out on 20 Hectares in a stretch of one kilometre of coastline along with plantation of other medical plant species and fodder species. A fodder bank was created to offset the biotic pressure from the mangrove area.

Additionally, during the FY 2025, the plantation of 16,521 saplings under agroforestry and mangrove plantation was done in West Bengal. This took the cumulative plantation to 4,34,046 saplings in 41 districts across seven states in India. These plantations helped your Bank to off-set 3,968 MT/year of CO_2.

Biodiversity Conservation and Education at Jambusar

During the FY 2025, your Bank contributed ₹25 lakhs towards a comprehensive Biodiversity Assessment of Mangroves and the design proposal for a Nature Interpretation Centre at Jambusar, Gujarat. A field visit was conducted by a team of experts, including a marine ecologist, an architect, and a social worker, to assess the region's biodiversity. This evaluation identified vulnerable species such as the Sarus Crane, Lesser Flamingo and Indian Flap Shell Turtle, highlighting the ecological importance of the area. As a result, the proposal for a Nature Interpretation Centre was put forward to educate the public, especially school students, about mangroves and their conservation.

Additionally, a pilot Nature Education Program, Mud-Flat Dhuleti, was organised in March 2025. The event provided 20 participants with an immersive, experiential learning opportunity to explore the mangrove ecosystem, local biodiversity, and coastal life. The event raised ₹14,500 in donations, supporting the region's ecotourism and biodiversity conservation efforts.

Solar Irrigation with Drip and Farm Pond for Water Conservation and Renewable Energy

Your Bank's commitment to sustainable farming practices is reflected in the support of the Solar Irrigation with Drip and Farm Pond project in Jambusar Taluka, Gujarat, with an investment of ₹1.38 crore. As part of this initiative, 25 marginalised farmers were provided with solar-linked drip irrigation systems to enhance water conservation and improve agricultural productivity. The project, implemented through the VIKAS Centre for Development, included the establishment of two demo sites to demonstrate the system's effectiveness, with refinements incorporated for improved durability and ease of operation.

Solar-powered streetlights

During the FY 2025, your Bank has contributed ₹50 lakh towards the installation of solar-powered High mast streetlights in the vicinity of Vitthal Temple, Pandharpur as part of its Climate Action Programme. This initiative will provide sustainable, renewable energy for the temple, improving lighting around the temple complex and surrounding areas. The solar-powered streetlights will not only reduce the carbon footprint but also enhance safety and accessibility for the thousands of devotees and visitors who visit the temple. Additionally, by using clean energy, the project will contribute to long-term cost savings and promote environmental awareness within the community. This initiative reflects your Bank's ongoing commitment to environmental sustainability and community well-being.

Dividend

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**SEBI LODR**'), the Board of Directors of your Bank has adopted a Dividend Distribution Policy that, *inter-alia*, balances the objectives of appropriately rewarding shareholders and retaining capital to maintain a healthy capital adequacy ratio. In addition to the Dividend Distribution Policy, the dividend payout ratio of your Bank is also guided by the Circulars on dividend issued by RBI, from time to time. Policies of the Bank are reviewed at least once a year and accordingly, Dividend Distribution Policy was reviewed by the Board during the FY, with certain amendments with regard to parameters for dividend distribution including regulatory

requirements. The Policy is available on the website at https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-07/Dividend-Distribution-Policy.pdf

In line with this policy and in recognition of the financial performance during the FY 2025, while retaining capital to maintain a healthy capital adequacy ratio to meet growth requirements, your Board of Directors has recommended a dividend of ₹1.50 per equity share of ₹10 each fully paid-up (15%) for the FY 2025, similar to previous FY, for approval of the shareholders at the 11th Annual General Meeting ('**AGM**') of the Bank.

Pursuant to the provisions of Income-tax Act, 1961 ('**IT Act**'), dividends paid or distributed by your Bank shall be taxable in the hands of the shareholders and your Bank shall be required to deduct tax at source ('**TDS**') at the prescribed rates from the dividend to be paid to shareholders, subject to the approval of dividend by the shareholders in the ensuing AGM. Further details are available in the notice of the 11th AGM of the Bank. An email communication in this regard has also been sent to the shareholders.

Transfer to Reserves

In line with the RBI regulations, your Bank has transferred an amount of ₹686.32 crore to the statutory reserve during the financial year ended March 31, 2025. Amount transferred to other reserves during the FY are provided under the head 'Financial Performance of the Bank' of this Report.

Issuance of Equity Shares & Capital Adequacy Ratio

During the FY under review, your Bank has allotted 1,657 equity shares of ₹10 each fully paid-up, pursuant to exercise of stock options by the eligible Employees of your Bank, aggregating to ₹16,570.

Post allotment of aforesaid equity shares, the issued, subscribed and paid-up equity share capital of your Bank stood at ₹16,10,97,14,050, comprising 1,61,09,71,405 equity shares of ₹10 each fully paid-up as on March 31, 2025.

Your Bank has not issued any equity shares with differential voting rights during the FY under review.

The authorised share capital of your Bank was ₹32,00,00,00,000, comprising 3,20,00,00,000 equity shares of ₹10 each, as on March 31, 2025.

Your Bank's Capital Adequacy Ratio ('**CAR**'), calculated in line with the RBI Circular on Capital Adequacy Framework, stood at 18.71 per cent. as on March 31, 2025, well above the minimum regulatory requirements, out of which Tier 1 CAR was 17.86 per cent. and Tier 2 CAR was 0.85 per cent.

Performance and Financial Position of the Subsidiaries, Associates or Joint Venture

Your Bank did not have any subsidiary, associate or joint venture company during the FY 2025. Accordingly, no statement is required to be reported in Form AOC-1.

Awards and Recognitions

Your Bank has received several prestigious awards and recognitions from various revered institutions during the FY under review, which are as under: –

Gallup Exceptional Workplace Award:

Your Bank received the 2025 Gallup Exceptional Workplace Award for the second time, recognising its commitment to fostering an engaged and high-performing workforce. Your Bank was among only 62 organisations worldwide to receive this recognition in the Engagement category.

Assam Rising CSR Award:

Your Bank has been awarded the 'Assam Rising CSR Award 2024-25' for its Corporate Social Responsibility initiatives across Assam. The award was presented at the 15th Assam Rising Youth Conclave at Dibrugarh University.

BSE Best Performer in Bank Category Award:

Your Bank has been awarded the 'Best Performer in Bank Category' by the BSE for its outstanding performance in the Mutual Funds distribution business. This recognition highlights your Bank's customer-centric approach and dedication to supporting customers' financial growth and well-being.

DSCI Customer Excellence Award: Best Mobile App Security (Large Bank Category)

Your Bank has been awarded the 'Customer Excellence Award', specifically the 'Best Practices in Mobile App Security Award (Large Bank Category)'. This recognition from the Data Security Council of India (DSCI) highlights your Bank's commitment to robust mobile app security.

ET Edge and ET Now Award

Your Bank has been honoured with the ET NOW Best BFSI Brands Award 2025, recognising its leadership, innovation, and commitment to transforming the banking industry. This award highlights your Bank's efforts in enhancing customer experience, fostering sustainability, and empowering underserved communities.

Rating of Various Debt Instruments

Details of rating of various debt instruments of your Bank as on March 31, 2025 are as under:

Instruments	Rating	Rating Agency	Amount (₹ in crore)

Non-Convertible Debentures#	CRISIL AA- / Stable	CRISIL	1,295@
	[ICRA] AA- (Stable)	ICRA	
Certificate of Deposit	CRISIL A1+	CRISIL	6,000*
	[ICRA] A1+	ICRA	

@Rating of ICRA is for ₹75 crore only
**Rating of ICRA is for ₹3,000 crore only*
#Transferred from erstwhile GRUH Finance Ltd pursuant to the effectiveness of the Scheme of Amalgamation

During the FY, CRISIL has reaffirmed the rating and outlook of both the instruments. ICRA has revised the rating of Non-Convertible Debentures to [ICRA]AA- (Stable) from [ICRA]AA (Negative) and revised the outlook to Stable from Negative; while reaffirming the rating of Certificate of Deposit.

Board of Directors

The composition of the Board of Directors of your Bank ('**Board**') is governed by the provisions of the Companies Act, the Banking Regulation Act, 1949 (the '**BR Act**'), the SEBI LODR, other applicable laws and its Articles of Association. At the end of March 31, 2025, the Board of your Bank had fourteen Directors, out of which nine were Independent Directors, two were nominee Directors i.e. one Nominee of Bandhan Financial Holdings Limited ('**BFHL**') and an Additional Director appointed by the RBI, and the Managing Director & CEO and the two Executive Directors.

Appointments

Mr. Partha Pratim Sengupta (DIN: 08273324)

The Board of your Bank, at its meeting held on October 25, 2024, on the basis of the recommendation of the Nomination and Remuneration Committee ('**NRC**') and as per the approval granted by the RBI, had approved the appointment of Mr. Partha Pratim Sengupta as the Managing Director and Chief Executive Officer ('**MD&CEO**') and Key Managerial Personnel ('**KMP**') of the Bank, for a period of three years, not liable to retire by rotation, with effect from November 01, 2024, subject to Shareholders' approval. Accordingly, the Shareholders of the Bank, on December 26, 2024, have accorded their approval, via Postal Ballot process, for appointment of Mr. Sengupta as the MD&CEO and KMP, for a period of three years, with effect from November 01, 2024 up to October 31, 2027, not liable to retire by rotation.

Mr. Partha Pratim Sengupta is an experienced banker, having four decades of experience in the banking industry. He has worked in different geographies, across both retail and corporate banking. He has been groomed at State Bank of India (SBI), where he rose to the role of Deputy Managing Director and Chief Credit Officer of the Bank. He then took over as Managing Director & CEO of Indian Overseas Bank (IOB).

Mr. Sengupta is a resilient and outcome-oriented leader who has demonstrated consistent achievement of goals. In both his stints, at SBI and at IOB, he has leveraged technology and innovation for achieving business results. Mr. Sengupta has spent his career in a range of retail and corporate branches and business. His postings included Branch Manager roles at retail and commercial branches, Forex, Trade Finance and Credit Officer roles, Regional Manager, Deputy General Manager in Corporate Centre Internet Banking Department, General Manager Mid Corporate, etc.

Between 2016 to 2018, Mr. Sengupta served as Chief General Manager, SBI Kolkata Circle, which included the states of West Bengal and Sikkim and also the Union Territory of Andaman and Nicobar Islands. In 2018, Mr. Sengupta was elevated to the rank of Deputy Managing Director and Chief Credit Officer of State Bank of India. He was the Chairman of the Corporate Centre Credit Committee, the highest sanctioning committee of the Bank just below the Board. He was a member of the Investment Committee, Fraud Management Committee, NPA Management Committee and Operational Risk and Marketing Risk Management Committees of the Bank. At SBI, he was a permanent invitee in the Board of SBI as DMD & Chief Credit Officer of the Bank. He has also been a non-executive director on the board of SBI's investments (YES Bank, ARCIL, among others) and IOB's joint venture (Universal Sompo Life Insurance). In 2020, Mr. Sengupta was selected as Managing Director and Chief Executive Officer of Indian Overseas Bank and led the bank until December, 2022.

Mr. Ratan Kumar Kesh (DIN: 10082714)

Mr. Chandra Shekhar Ghosh, former MD&CEO of the Bank, vide letter dated April 05, 2024, informed the Board that he would retire from the services of the Bank as the MD&CEO upon completion of his current tenure on July 09, 2024, which was noted by the Board at its meeting held on April 05, 2024. Accordingly, pursuant to the approval of the RBI and on the basis of the recommendation of the NRC, the Board, at its meeting held on July 06, 2024, had approved the appointment of Mr. Ratan Kumar Kesh, Executive Director & Chief Operating Officer ('**ED&COO**'), as Interim MD&CEO and KMP of the Bank, with effect from July 10, 2024, for a period of three months or till new MD&CEO takes charge, whichever is earlier, subject to approval of Shareholders at the ensuing AGM of the Bank. Accordingly, the Shareholders of the Bank at the 10th AGM held on August 20, 2024 approved the appointment of Mr. Kesh as Interim MD&CEO and KMP of the Bank, with effect from July 10, 2024, for a period of three months or till new MD&CEO takes charge, whichever is earlier. Further, pursuant to approval of RBI and recommendation of the NRC, the Board at its meeting held on October 05, 2024 approved the extension of term of Mr. Kesh as the Interim MD&CEO and KMP, for a period of one month with effect from October 10, 2024 or till a new MD&CEO takes charge, whichever is earlier, subject to approval of Shareholders. Subsequently, the Shareholders of the Bank on December 26, 2024, have accorded their approval, via Postal Ballot

process, for extension of term of Mr. Kesh as the Interim MD&CEO and KMP, with effect from October 10, 2024 up to October 31, 2024, not liable to retire by rotation. Effective November 01, 2024, Mr. Kesh ceased to be the Interim MD&CEO and continued in his role as the ED & COO of the Bank, in terms of the previous approvals of the RBI, the Board of Directors and the Shareholders of the Bank.

Mr. Arun Kumar Singh (DIN: 09498086)

The RBI vide its letter dated June 24, 2024, had appointed Mr. Arun Kumar Singh, Chief General Manager (retired), RBI, as an Additional Director on the Board of the Bank, in exercise of powers conferred to it under Section 36AB of the BR Act, for a period of one year from June 24, 2024 to June 23, 2025 or till further orders, whichever is earlier. Further, the RBI vide its letter dated June 20, 2025 extended the term of appointment of Mr. Singh for a further period of one year from June 24, 2025 to June 23, 2026 or till further orders, whichever is earlier.

Dr. Anup Kumar Sinha (DIN: 08249893)

The Shareholders of the Bank, at its 7th AGM held on August 06, 2021, had approved the re-appointment of Dr. Anup Kumar Sinha as an Independent Director as well as Non-Executive (Independent) Chairman of the Bank, for the second term from January 07, 2022 up to July 04, 2026, i.e., up to the date of his attaining 75 years of age. However, the RBI had approved Dr. Sinha's re-appointment as Non-Executive (Independent) Chairman of the Bank for a period of three years from January 07, 2022 up to January 06, 2025. Subsequently, during the FY under review, pursuant to the recommendations of the NRC and the Board, the RBI has approved the re-appointment of Dr. Sinha as the Non-Executive (Independent) Chairman on the Board of the Bank from January 07, 2025 till July 04, 2026.

Ms. Veni Thapar (DIN: 01811724)

Pursuant to the recommendations of the NRC, the Board at its meeting held on June 27, 2025, has approved the appointment of Ms. Veni Thapar as an Additional Director of the Bank, effective June 27, 2025 and as an Independent Director of the Bank, for a term of three consecutive years, with effect from June 27, 2025, not liable to retire by rotation, subject to approval of Shareholders at the ensuing AGM, after ascertaining her fit and proper status and independence from the management of your Bank. Pursuant to the provisions of Section 161 of the Companies Act, read with Regulation 17(1C) of the SEBI LODR, she will continue to hold office as an Additional Director of the Bank, up to the date of the ensuing AGM or upto three months from the date of her appointment, whichever is earlier. Your Bank has received a notice in writing from a member proposing her candidature as Director on the Board of the Bank. Further, the Board has also recommended her appointment as an Independent Director, not liable to retire by rotation, to the Shareholders at the ensuing AGM, for a period of three years, effective June 27, 2025, by way of Special Resolution.

Ms. Thapar, a qualified Chartered Accountant, has over 29 years of extensive knowledge and experience in the fields of Statutory and Internal Audits, Bank Audits, Government Audits, Information Systems Audit, Consultancy in Company Law, Indirect Taxes, FEMA and RBI Matters with an ability to handle complex and challenging assignments in the field of Audit, Taxation and International Taxation as a Senior Partner in the firm, M/s. V K Thapar and Company, a well-recognised Chartered Accountants firm established in 1965, which she had joined in April 1996, after completing her training with Price WaterHouse.

She is also serving as Independent Director on the boards of other listed and unlisted companies and is a member on the Board of Investor Education and Protection Fund Authority. She has been an Independent Director on the Boards of Bank of India for two terms, HLS Asia Limited and Yokogawa India Limited, both Public Limited Companies and has been a member on the Board of Governors of Indian Institute of Corporate Affairs also for two terms.

She has excellent communication skills and has been a speaker at various forums and a part of various round table and fire side deliberations, covering topics related to Indian Banks, their challenges, solutions and way forward; Reforming Financial Institutions, preparing NBFCs for Future Challenge; Employability Matrix and Skilling New India; Roadmap for $5 Trillion Economy; Technology & Ease of Living in Urban India; Challenges to brick and mortar in an online model; Auditors contribution to the financial sector and economy as a whole; Chartered Accountants Profession in the Artificial Intelligence Era; Role of Independent Directors; Presence and upliftment of women in board positions; Work life balance for women among other related areas with a firm conviction that learning is a continuous process and imagination and creativity have no boundaries while endorsing responsible adaptability and compliance.

Ms. Thapar is a qualified Chartered Accountant, a Cost Accountant from ICMA, a qualified Certified Information Systems Auditor from ISACA (USA) and a qualified Diploma holder in Information Systems Audit from ICAI. She is a certificate holder in International Taxation from ICAI, has completed the certificate programme in IT and Cyber Security for Board Members from the IDRBT, has successfully completed the Online Proficiency Self-Assessment Test for Independent Director's Database from IICA, a certification in the IICA Valuation Certificate Programme from IICA, and has a certification of successfully completing the Directors Development Program from Harvard Business Publishing and EgonZehnder.

Re-appointments

Mr. Ratan Kumar Kesh (DIN: 10082714)

In terms of the provisions of Section 152 of the Companies Act, Mr. Ratan Kumar Kesh, ED&COO, being longest in office, shall retire at the ensuing AGM and being eligible, offers himself for re-appointment.

The resolution(s) in respect of appointment(s) / re-appointment(s) of the Directors, as aforesaid, have been included in the Notice convening the 11th AGM of the Bank. Brief profiles of these Directors, together with other requisite disclosures/details, have been annexed to the said Notice. None of the Directors proposed for appointment/ re-appointment, would attain the age of 75 years (for Non-Executive Directors) / 70 years (for Executive Directors), during the continuation of their tenure on the Board of your Bank.

Shareholders approved appointments/ re-appointments

During the FY under review, following appointments/ re-appointments were approved by the Shareholders by Postal Ballot process on April 21, 2024, and December 26, 2024, and at the 10th AGM of the Bank held on August 20, 2024:

- By way of Postal Ballot approved on April 21, 2024:
  - (i) Appointment of Mr. Pankaj Sood (DIN: 05185378) as a Non-Executive Non-Independent Director (Nominee of Caladium Investment Pte. Ltd.) of the Bank, with effect from February 12, 2024, liable to retire by rotation.
  - (ii) Appointment of Mr. Rajinder Kumar Babbar (DIN: 10540386) as Director of the Board.
  - (iii) Appointment of Mr. Rajinder Kumar Babbar (DIN: 10540386) as Whole-time Director, designated as Executive Director & Chief Business Officer ('**ED&CBO**') and KMP of the Bank, for a period of three years, with effect from March 08, 2024 up to March 07, 2027, liable to retire by rotation.
- At the 10th AGM of the Bank held on August 20, 2024:
  - (i) Re-appointment of Ms. Divya Krishnan (DIN: 09276201) as a Non-Executive Non-Independent Director of the Bank (Nominee of BFHL), being longest in office and liable to retire by rotation, retired at the 10th AGM of the Bank, and who, being eligible, had offered herself for re-appointment.
  - (ii) Appointment of Mr. Ratan Kumar Kesh (DIN: 10082714) as the Interim MD&CEO, and designated KMP of the Bank, not liable to retire by rotation, with effect from July 10, 2024, for a period of three months or till new MD&CEO takes charge, whichever is earlier.
- By way of Postal Ballot approved on December 26, 2024:
  - (i) Extension of term of appointment of Mr. Ratan Kumar Kesh (DIN: 10082714) as the Interim MD&CEO, and designated KMP of the Bank, not liable to retire by rotation, with effect from October 10, 2024 till October 31, 2024.
  - (ii) Appointment of Mr. Partha Pratim Sengupta (DIN: 08273324) as a Director of the Bank.
  - (iii) Appointment of Mr. Partha Pratim Sengupta (DIN: 08273324) as the MD&CEO and KMP of the Bank, including remuneration, for a period of three (3) years, with effect from November 01, 2024 up to October 31, 2027, not liable to retire by rotation.

Cessations

Mr. Chandra Shekhar Ghosh (DIN: 00342477)

Mr. Chandra Shekhar Ghosh, former MD&CEO of the Bank, vide letter dated April 05, 2024, informed the Board that he would retire from the services of the Bank as the MD&CEO upon completion of his current tenure on July 09, 2024, which was noted by the Board at its meeting held on April 05, 2024. Accordingly, Mr. Ghosh retired as the MD&CEO of the Bank at the close of business hours on July 09, 2024.

Mr. Pankaj Sood (DIN: 05185378)

Mr. Pankaj Sood, Non-Executive Non-Independent Director (Nominee of Caladium Investment Pte. Ltd.), vide letter dated December 13, 2024, informed the Board his decision to step down from the position of Non-Executive Nominee Director on the Board of the Bank and from any associated committees, effective immediately. Accordingly, Mr. Sood ceased to be the Director of the Bank with effect from December 14, 2024.

Mr. Philip Mathew (DIN: 09638394)

Mr. Philip Mathew, Independent Director, has completed his term of three years as an Independent Director of the Bank on June 14, 2025. Accordingly, Mr. Mathew ceased to be the Director of the Bank with effect from June 15, 2025.

Dr. A S Ramasastri (DIN: 06916673)

Dr. A S Ramasastri, Independent Director, vide email dated June 30, 2025, has informed his decision to resign as an Independent Director of the Bank, with effect from the close of business hours on June 30, 2025. Accordingly, Dr. Ramasastri ceased to be the Director of the Bank with effect from July 01, 2025. Reason for resignation provided by Dr. Ramasastri vide his email dated June 30, 2025, is - 'As activities of our Trust (allamrajutrust.org) are demanding more time from me, I will not be able to continue as an independent director in the board of Bandhan Bank. I feel I am not in a position to devote necessary time to the role of independent director.'. He also confirmed that there are no other material reasons for his resignation other than provided in his email, as mentioned above.

Dr. Aparajita Mitra (DIN: 09484337)

Dr. Aparajita Mitra, Independent Director, has completed her term of three years as an Independent Director of the

Bank on July 12, 2025. Accordingly, Dr. Mitra ceased to be the Director of the Bank with effect from July 13, 2025.

The Board places on record its sincere appreciation for the contributions made by Mr. Ghosh, Mr. Sood, Mr. Mathew, Dr. Ramasastri and Dr. Mitra during their tenure as Directors of the Bank.

Necessary disclosures with regard to the above appointments/ re-appointments/ cessations have been made to the Stock Exchanges, the RBI and the Ministry of Corporate Affairs.

Key Managerial Personnel

During the FY under review, Mr. Partha Pratim Sengupta was appointed as MD&CEO and KMP for a period of three years effective November 01, 2024.

Further, Mr. Chandra Shekhar Ghosh ceased to be MD&CEO and KMP of the Bank on the close of business hours on July 09, 2024, upon completion of his tenure, and Mr. Ratan Kumar Kesh, ED&COO, held the office of interim MD&CEO and KMP of the Bank from July 10, 2024 till October 31, 2024.

Accordingly, as on March 31, 2025, Mr. Partha Pratim Sengupta, MD&CEO; Mr. Ratan Kumar Kesh, ED&COO; Mr. Rajinder Kumar Babbar, ED&CBO; Mr. Rajeev Mantri, Chief Financial Officer; and Mr. Indranil Banerjee, Company Secretary of the Bank were the KMPs of the Bank, as per the provisions of the Companies Act and rules made thereunder.

Meetings of the Board and Board Committees

The Board met twenty-three times during the FY under review i.e., on April 05, 2024; April 06, 2024; May 15, 2024; May 17, 2024; June 26, 2024; July 06, 2024; July 15, 2024; July 24, 2024; July 26, 2024; August 23, 2024; September 20&21, 2024; September 26, 2024; October 05, 2024; October 22, 2024; October 23, 2024; October 25, 2024; November 19, 2024; December 24, 2024; January 29, 2025; January 31, 2025; February 27, 2025; February 28, 2025 and March 01, 2025. The details of the Board meetings held during the FY, attendance of Directors at the meetings, and other details have been provided separately in the Report on Corporate Governance forming part of this Report, enclosed as **Annex - 4**.

Your Bank currently has the following ten Board Committees:

1. Audit Committee of the Board (ACB);
2. Nomination & Remuneration Committee of the Board (NRC);
3. Stakeholders' Relationship Committee of the Board (SRCB);
4. Risk Management Committee of the Board (RMCB);
5. IT Strategy Committee of the Board (ITSCB);
6. Customer Service Committee of the Board (CSCB);
7. Corporate Social Responsibility and Sustainability Committee of the Board (CSR&SCB);
8. Committee of Directors (COD);
9. Special Committee of the Board for Monitoring and Follow up of cases of Frauds (SCBMF) [formerly named Special Committee for Monitoring High-Value Frauds];
10. Review Committee of the Board for Declaration of Wilful Defaulters.

The details with respect to the composition, terms of reference, numbers of meetings held, attendance of members, etc., of these Board Committees are provided in the Report on Corporate Governance forming part of this Report.

Additionally, meeting(s) of Independent Directors, without the attendance of non-independent directors and members of management, were also held during the FY under review. The details of such meeting(s) have been provided separately in the Report on Corporate Governance forming part of this Report.

Declaration from Independent Directors

The Bank has received necessary declarations from all the Independent Directors under Section 149(7) of the Companies Act and Regulation 25(8) of the SEBI LODR that they meet the criteria of independence laid down under Section 149(6) of the Companies Act read with allied Rules, and Regulation 16(1)(b) of the SEBI LODR, respectively. The Board has reviewed the disclosures of independence submitted by Independent Directors and is of the opinion that the Independent Directors of the Bank fulfil the conditions specified in the Companies Act and the SEBI LODR, and are independent of the management. In the opinion of the Board, all the Independent Directors possess requisite expertise, experience, integrity and proficiency as required under the applicable laws and policies of the Bank.

Familiarisation Programmes for Independent Directors

The details of the familiarisation programme(s) for the Independent Directors of the Bank have been provided separately in the Report on Corporate Governance forming part of this Report.

Board Evaluation

Pursuant to recommendation of the NRC, the Board has framed the 'Performance Evaluation Policy for the Board, Committees, Non-Independent/ Whole-time Directors and Independent Directors' (the '**Board PE Policy**'), in

accordance with the relevant provisions of the Companies Act, the SEBI LODR and SEBI Guidance Note on Board Evaluation. In terms of the Board PE Policy, performance evaluation of the Board and its Committees, Chairman and individual Directors are done on various parameters. Parameters for the Board include various aspects, such as, structure, meetings, appointments, agenda, discussions, evaluation of risks, strategy, governance and compliance, conflict of interest, etc.

Parameters for Board Committees include various aspects, such as, meetings, effectiveness, agenda, discussion and dissent, minutes, etc.

Parameters for the Directors include various aspects, such as, knowledge and competency, integrity, functioning, commitment, contribution, attendance, initiative, teamwork, communication, corporate governance, updates, etc., and in case of Independent Directors, additional parameters include fulfilment of the independence criteria and their independence from the management.

The evaluation process has been carried out electronically. The Board of Directors have undertaken the evaluation of Independent Directors, excluding the Independent Director being evaluated. Similarly, Independent Directors have done the evaluation of the Board as whole, Non-Executive Chairman and Non-Independent Directors including the MD & CEO and Executive Directors. The members of respective Board Committees have done performance evaluation of respective Committees. Thereafter, the Independent Directors at their meeting held on July 16, 2025, based on the performance evaluation carried out electronically, reviewed the performance of Non-Independent Directors, Non-Executive Chairman, Managing Director & CEO, Executive Directors and Board as a whole. Further, the Board at its meeting held on July 18, 2025, based on the summary report of performance evaluation carried out electronically for Directors, assessed the performance of the Directors including Chairman, Managing Director & CEO, Executive Directors, Board Level Committees and Board as a whole and forwarded the summary report of evaluation to the NRC for reviewing the implementation of performance evaluation.

Based on the feedback from the performance evaluation process, Non-Executive Chairman of the Board discusses the same with respective Directors whereas the Lead Independent Director discusses the same with the Non-Executive Chairman for necessary action. The Board evaluation provides inputs for optimising the roles and responsibilities, quality, quantity and timeliness of flow of information between the Bank's management and the Board. The Directors have been discharging their roles and responsibilities as expected by the Board and as required under the applicable regulatory provisions. The Board continues to be duly constituted representing various expertise, skill sets, knowledge and qualification required for the banking business. There was no observation during the performance evaluation of the previous years; and so is the case with the current year.

In addition to internal evaluation, in terms of the Board PE Policy of the Bank and in order to have independent assessment, with the concurrence of the Board, the NRC has approved the engagement of the Indian Institute of Corporate Affairs ('**IICA**'), an external agency, to conduct a comprehensive performance evaluation of Directors, Committees and the Board as a whole. The outcome of the overall performance evaluation exercise will be placed before the NRC / Board.

Policy on Appointment of Directors

Appointment of Directors on the Board is guided by the provisions of the BR Act and the guidelines/ circulars issued by the RBI, from time to time, the Companies Act and the SEBI LODR. In view of these provisions, your Bank has adopted a 'Policy on Appointment and Fit & Proper Criteria for Directors'. In terms of this Policy, while appointing directors, the NRC/ Board considers fit and proper criteria, various skill sets, professional knowledge, practical experience, integrity, gender diversity and additionally, status of independence in case of Independent Directors. The details of the same have been included in the Report on Corporate Governance forming part of this Report. The Policy on Appointment and Fit & Proper Criteria for Directors is reviewed on an annual basis and accordingly, the Policy was reviewed by the Board on the recommendations of the NRC during the FY, and certain changes with regard to sourcing of candidates has been made. The Policy is available on your Bank's website at: https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-01/Policy-on-Appointment-and-Fit-Proper-Criteria-for-Directors.pdf.

Remuneration Policy

Your Bank has formulated and adopted a comprehensive 'Compensation Policy' for its Directors, Key Managerial Personnel and Employees, in terms of Section 178 of the Companies Act, read with the relevant Rules made thereunder, Regulation 19 of the SEBI LODR and the guidelines/ circulars issued by the RBI, in this regard, from time to time. The details of the same have been included in the Report on Corporate Governance forming part of this Report. The Compensation Policy is reviewed on an annual basis and accordingly, the Policy was reviewed by the Board on the recommendation of the NRC with one addition relating to deferred variable cash pay. The updated Compensation Policy of your Bank is available on your Bank's website at: https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-01/Compensation-Policy.pdf.

Employees Remuneration

As on March 31, 2025, your Bank had 75,032 employees. The information with regard to the remuneration of directors and employees of the Bank, as required under Section 197(12) of the Companies Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report as **Annex - 2**.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Companies Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forming part of this report, is available for inspection during business hours up to the date of the ensuing AGM in terms of Section 136 of the Companies Act and any member interested in obtaining a copy of the same may send request to the Company Secretary.

Employee Stock Options

Your Bank has instituted Employees Stock Option Scheme ('**ESOP**'), i.e., Bandhan Bank Employee Stock Option Plan Series 1 ('**ESOP Scheme**') to enable its employees to participate in your Bank's future growth and financial success. Your Bank provides its employees with a platform for participating in important decision making and instilling long-term commitment towards the future growth of your Bank by way of rewarding them through stock options. ESOP Scheme of your Bank is in compliance with the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('**SEBI SBEBSE**') and no change has been made therein during the FY under review. The ESOP Scheme is administrated by the NRC. In terms of the ESOP Scheme, the Options would vest not earlier than one year and not later than four years from the date of grant as decided by the NRC/ Board. The Options granted shall be equally vested over four years. The exercise period shall be a maximum of five years from the date of the respective vesting of Options. Since your Bank has been allotting fresh equity shares upon exercise of Options, the source of the shares is of primary issuance.

In terms of the Compensation Policy of your Bank and the Shareholders' approved ESOP Scheme, fresh grants have been made during the FY under review to the eligible employees. Except the Whole-time Directors, none of the Directors were granted stock options under the ESOP Scheme during the FY under review. The information pertaining to the ESOP Scheme as prescribed under the SEBI SBEBSE is available on the website of your Bank at https://bandhanbank.com/annual-reports.

Further, as required under the SEBI SBEBSE, a certificate from the Secretarial Auditor of the Bank certifying that your Bank has implemented the ESOP Scheme in accordance with the applicable provisions of the SEBI SBEBSE and resolution(s) passed by Shareholders, will be made available electronically during the AGM.

Deposits

Being a banking company, the disclosures required as per Rule 8(5)(v) & (vi) of the Companies (Accounts) Rules, 2014, read with Sections 73 and 74 of the Companies Act, are not applicable to your Bank. The details of the deposits received and accepted by your Bank, as a banking company, are enumerated in the Financial Statement for the Financial Year ended March 31, 2025, and forms part of this Annual Report for FY 2025.

Compliance and Audit

Your Bank has put in place extensive internal controls and processes that are commensurate with the size and scale of the Bank to mitigate Operational and other allied risks, including centralised operations and 'segregation of duty' between the front and back-office. The front office units usually act as customer touchpoints and sales and service outlets while the back-office carries out the entire processing, accounting and settlement of transactions in your Bank's core banking system. The policy framework, definition and monitoring of limits is carried out by various mid-office and risk management functions.

Your Bank has set up various executive-level committees with participation from various business and control functions that are designed to review and oversee matters pertaining to capital, assets and liabilities, business practices and customer service, operational risk, information security, business continuity planning and internal risk-based supervision among others.

The second line of defence functions set standards and lay down policies and procedures by which the business functions manage risks, including compliance with applicable laws, compliance with regulatory guidelines, adherence to operational controls and relevant standards of conduct. At the ground level, your Bank has a mix of preventive and detective controls implemented through systems and processes, ensuring a robust framework in your Bank to enable correct and complete accounting, identification of outliers (if any) by the management on a timely basis for corrective action and mitigating operational risks.

Your Bank has a Compliance Department, which independently tracks, reviews and ensures compliance

with regulatory guidelines and promotes a compliance culture in the Bank. The Compliance Department assists the Board and Top/ Senior Management in managing the compliance risk of your Bank. The Compliance Department ensures that overall business of your Bank is conducted in strict adherence to the guidelines issued by the RBI and other regulators, various statutory provisions, standards and codes prescribed by FEDAI, FIMMDA, etc., by evaluating the products/ processes, guiding business departments on the various regulatory guidelines with a special emphasis on better understanding of the perspective. It closely works with operational risk and internal audit functions and monitors various activities of your Bank with more emphasis on active risk management.

As the focal point of contact with the RBI and other regulatory entities, the Compliance Department evaluates the adequacy of internal controls and examines any systemic correction that is required, based on its analysis and interpretation of regulatory guidelines and deviations observed during monitoring and testing. Your Bank has a robust Anti Money Laundering (AML) framework and tools to manage the AML risk. It periodically apprises Top/ Senior Management, the ACB and the Board on compliance levels, based on the changes in the external regulatory environment. The Compliance Department submits the compliance report to the ACB at regular intervals providing the compliance status with the laws/rules and regulations applicable to your Bank.

Your Bank has an Internal Audit Department ('**IAD**') that acts as a third line of defence and is responsible for independently evaluating the adequacy and effectiveness of internal controls, risk management, governance systems and processes and is manned by appropriately qualified and experienced personnel.

This department adopts a risk-based audit approach and carries out internal and concurrent audit of various functions in your Bank, in order to independently evaluate the adequacy and effectiveness of internal controls on an ongoing basis and proactively recommending enhancements thereof. The IAD, during the course of audit, also ascertains the extent of adherence to regulatory guidelines, legal requirements and operational processes and provides timely feedback to the management for corrective actions. A strong oversight on the operations is also kept through off-site monitoring by use of data analytics and to detect outliers (if any) and alert the management for due corrective action, wherever warranted.

IAD further ensures that independent checks and balances are in place, and that laid down policies and procedures are followed and recommendations for improvements in processes and systems controls are suitably adhered to.

For review of effectiveness of controls, significant audit findings along with corrective and preventive action taken by your Bank are placed before the ACB periodically and directions, if any, given by the ACB are tracked closely for suitable closure in a time bound manner.

The Internal Audit team and the Compliance team undergo regular training both in-house and external to equip them with the necessary knowhow and expertise to carry out the function.

To maintain the independence of these departments, the performance evaluation of the Chief Compliance Officer ('**CCO**') and the Chief Audit Executive ('**CAE**') are carried out by the ACB. The Audit function is also subject to periodic external assurance reviews. Your Bank has always adhered to the highest standards of compliance and has put in place appropriate controls and risk measurement and risk management tools to ensure a robust compliance and governance structure.

Internal Financial Control

Your Bank also engages external auditors/ firms to carry out independent review of internal controls, processes, reporting, etc., and accordingly recommendations, if any, are made by them to your Bank/ the ACB for improvement. Considering the internal financial controls of the Bank, and the work performed by the auditors, including the audit of internal financial controls over financial reporting by the auditors and the reviews performed by management under the supervision of the ACB, the Board of Directors is of the opinion that the internal financial controls established and maintained by your Bank are adequate.

Related Party Transactions

Related Party Transactions that were entered, during the FY under review, were on an arm's length basis and were in the ordinary course of business, pursuant to the approval of the ACB. There were no materially significant related party transactions during the FY, which could lead to potential conflicts with the interests of your Bank. Omnibus approval is obtained from the ACB for the related party transactions, which are of repetitive in nature as well as for the normal banking transactions that cannot be foreseen. Further, approval of the ACB is sought for all the related party transactions, as applicable, except two related party transactions for renewal of lease amounting to less than ₹15 lakhs, which were ratified by the ACB during the FY. The quarterly updates on the details of transactions with the related parties, are placed before the ACB. In terms of the provisions of Regulation 23 of the SEBI LODR, the approval of Shareholders was obtained at the 10th AGM of the Bank for material related party transactions with the promoter entities, i.e., Bandhan Financial Holdings Limited, Bandhan Financial Services Limited, Financial Inclusion Trust, and North East Financial Inclusion Trust for the FY 2025 and up to the 11th AGM of the Bank for banking transactions at arm's length and in the ordinary course of the banking business of the Bank. However, in terms of the amended provisions of Regulation 23 of the SEBI LODR, acceptance

of current account deposits and saving account deposits by banks in compliance with the directions issued by the RBI has been exempted from related party transactions, in addition to acceptance of fixed deposits.

In terms of the definition of Related Party under the SEBI LODR, the promoter and members of the promoter group of the Bank are considered as Related Parties. Accordingly, the following entities forming part of the promoter and promoter group, are related parties of the Bank:

(a) Bandhan Financial Holdings Limited (Promoter entity)

(b) Bandhan Financial Services Limited (Promoter entity)

(c) Financial Inclusion Trust (Promoter entity)

(d) North East Financial Inclusion Trust (Promoter entity)

(e) Bandhan Konnagar (Promoter Group)

(f) Bandhan Mutual Fund (Promoter Group)*

(g) Bandhan AMC Limited (Promoter Group)

(h) Bandhan Mutual Fund Trustee Limited (Promoter Group)

(i) Bandhan Investment Managers (Mauritius) Limited (Promoter Group)

(j) Quadra Medical Services Private Limited (Promoter Group)

(k) Quadra Hospital And Medical Services Private Limited (Promoter Group)

(l) Gamma Spect - Imaging & Diagnostic Centre Private Limited (Promoter Group)

(m) Quadramedical Research & Foundation Private Limited (Promoter Group)

(n) Bandhan Life Insurance Limited (Promoter Group)

(o) Genisys Information Systems (India) Private Limited (Promoter Group)

(p) Genisys Software Ltd, UK (Promoter Group)

(q) Genisys Software Ltd., USA (Promoter Group)

(r) Unnayan Enterprises Private Limited (Promoter Group)**

**The RBI vide letter dated April 15, 2025, advised that Bandhan Mutual Fund is considered to be a part of the Promoter Group of the Bank and the holding of Bandhan Mutual Fund in the Bank will be part of the "aggregate holding" of Bandhan Financial Holdings Limited in the Bank.*
***Since May 14, 2025.*

There were no Related Party Transactions required to be reported in Form AOC-2. However, necessary disclosure as required under the Accounting Standards (AS 18) read with RBI's Master Direction No.: RBI/DOR/2021-22/83 DOR. ACC.REC.No.45/21.04.018/2021-22 dated August 30, 2021, as may be updated from time to time, has been made in the note no. 18.12 to the Annual Financial Statement for the FY 2025. Your Bank has a Policy on dealing with Related Party Transactions, which is reviewed on an annual basis and the Policy was reviewed by the Board on the recommendation of the ACB, with certain amendments including amendments to align with the regulatory changes in SEBI LODR. The Policy is available on your Bank's website: https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-02/Policy-on-Dealing-With-Related-Party-Transactions.pdf.

Particulars of Loans, Guarantees or Investments

In terms of the provisions of Section 186(11) of the Companies Act, nothing contained in Section 186 of the Companies Act, except sub-section (1) thereof, shall apply to any loan made, any guarantee given or any security provided or any investment made by a banking company in the ordinary course of its business. However, the particulars of investments made by your Bank are disclosed in the Financial Statement for the FY 2025, as per the applicable provisions of the BR Act.

Whistle Blower Policy/ Vigil Mechanism

Your Bank has adopted the Board approved Vigilance Policy and Whistle Blower Policy, as required under Section 177 of the Companies Act, Regulation 22 of the SEBI LODR and applicable circulars issued by the RBI. The policies aim at putting in place a detailed Protected Disclosure Mechanism based on RBI directions ("Protected Disclosures Scheme for Private Sector and Foreign Banks").

These Policies aim to provide an avenue to raise concerns on Ethical, Legal or Regulatory violations and promptly addressing them while assuring the confidentiality and protection of the Whistle Blower against any form of retaliation. Your Bank is committed to conduct all its business operations and transactions by maintaining highest ethical, moral and legal standards. The complaints/ disclosures under the Scheme covers the areas such as corruption / malpractices, misuse of office, criminal offences, suspected/ actual fraud, failure to comply with existing rules and regulations, where such acts result in financial loss/ operational risk, loss of reputation, etc., which may be detrimental to the interest of your Bank, its depositors and the public.

Your Bank promotes and makes available at all times, a Clean, Open and Transparent workplace, wherein business transaction, professionalism and productivity are seen as hallmarks of business practice. Your Bank is also committed to conduct all its business operations and transactions by maintaining highest ethical, moral and legal standards.

Your Bank encourages its employees, all stakeholders and members of general public, who have concerns about suspected misconduct, to come forward and express these concerns without fear of retaliation or unfair treatment. The Whistle Blower Policy provides adequate safeguards

against the victimisation of the Directors and employees who avail this mechanism and ensures that the personnel get direct access to the Chairman of the ACB. None of the Bank's personnel has been denied access to the ACB.

The said Policies are available on your Bank's website at https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-07/Whistle-Blower-Policy-22072025.pdf and https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-07/Vigilance-Policy-22072025.pdf.

Significant and Material Orders passed by Regulators or Courts or Tribunals

During the FY 2025, no significant or material orders were passed by any Regulators or Courts or Tribunals against your Bank impacting its going concern status and operations in future.

Statutory Auditors and their Report

In terms of the 'Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs)' dated April 27, 2021 ('**RBI Guidelines on Auditors**') issued by the RBI, banks shall appoint the Statutory Auditors for a continuous period of three years, subject to the audit firms satisfying the eligibility norms each year and the approval of the RBI on an annual basis. Further, in terms of the RBI Guidelines on Auditors and your Bank's Policy for Appointment of Statutory Auditors, it is required to appoint two Statutory Auditors. Accordingly, the Members of the Bank, at the 10th AGM held on August 20, 2024, had approved the appointment of M/s. V Sankar Aiyar & Co., Chartered Accountants (ICAI Firm Registration No. 109208W), as the Joint Statutory Auditors of the Bank for a period of three years, to hold office from the conclusion of the 10th AGM until the conclusion of the 13th AGM of your Bank to be held in 2027. M/s. V Sankar Aiyar & Co., Chartered Accountants is holding the office of Statutory Auditors along with M/s. Singhi & Co., Chartered Accountants (ICAI Firm Registration No. 302049E), who will hold office till the conclusion of the 11th AGM.

Therefore, your Bank is required to appoint one more audit firm to act as its Joint Statutory Auditors in place of retiring auditors, M/s. Singhi & Co., Chartered Accountants. Accordingly, on the basis of recommendation of the ACB, the Board of Directors has recommended the appointment of M/s. V. Singhi & Associates, Chartered Accountants (ICAI Firm Registration number 0311017E), as Joint Statutory Auditors of the Bank, for a period of three years to hold office from the conclusion of the 11th AGM until the conclusion of the 14th AGM of the Bank, for the approval of the shareholders at the ensuing AGM, subject to approval of RBI on an annual basis. Approval of RBI has been received for appointment of M/s. V Sankar Aiyar & Co., Chartered Accountants and M/s. V. Singhi & Associates, Chartered Accountants as the Joint Statutory Auditors of the Bank for the FY 2026 for their second year and first year, respectively.

The Independent Auditor Report, given by the Joint Statutory Auditors on the financial statement of your Bank for the financial year ended March 31, 2025, forms part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Joint Statutory Auditors in their Report. Also, no offence of fraud was reported by the Joint Statutory Auditors of your Bank under Section 143(12) of the Companies Act read with Rule 13(3) of the Companies (Audit and Auditors) Rule, 2014.

Secretarial Auditor and its Report

Pursuant to the provisions of Section 204 of the Companies Act and Regulation 24A(1) of the SEBI LODR, the Board had appointed CS Hansraj Jaria, Practising Company Secretary (FCS No.: 7703, C.P. No.: 19394), as the Secretarial Auditor to conduct Secretarial Audit of the Bank for FY 2025. Accordingly, the Secretarial Audit Report for FY 2025 is enclosed to this Report as **Annex – 3**. There is no qualification, reservation, adverse remark or disclaimer in the Secretarial Audit Report. Further, no offence of fraud was reported by the Secretarial Auditor of your Bank under Section 143(12) of the Companies Act read with Rule 13(3) of the Companies (Audit and Auditors) Rule, 2014.

Further, pursuant to the recommendation of the ACB, the Board of Directors of the Bank has approved and recommended the appointment of M/s. Makrand M. Joshi & Co., Company Secretaries (ICSI Firm Registration Number: P2009MH007000), as Secretarial Auditor of the Bank, for a period of five consecutive years, i.e., with effect from April 01, 2025 to March 31, 2030 for the approval of the shareholders at the ensuing AGM, in terms of the provisions of the Regulation 24A of the SEBI LODR and Section 204 of the Companies Act.

The resolution in this regard is being proposed at ensuing AGM for approval of the Members.

Cost Records

In terms of the provisions of Section 148(1) of the Companies Act read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014, your Bank is not required to maintain cost records and accordingly, is not required to undergo cost audit.

Corporate Governance

Corporate Governance is based on the principles of conducting business with integrity, fairness and being transparent in all transactions, making necessary disclosures. Decisions are made in compliance with the laws of the land, with full accountability and responsibility towards the stakeholders, and a commitment to conducting all business in an ethical manner. Your Bank is committed to achieving the highest standards of Corporate Governance and adhering to the Corporate Governance requirements

set by the regulators. A separate section on Corporate Governance standards followed by your Bank and the relevant disclosures, as stipulated under the SEBI LODR, the Companies Act and rules made thereunder, forms part of this Report as **Annex – 4**.

A Certificate from CS Anjan Kumar Roy, Practising Company Secretary (FCS No.: 5684/CP No.: 4557), regarding compliance with the conditions of Corporate Governance, as stipulated in the SEBI LODR, is annexed to the Report on Corporate Governance, which forms part of this Report.

Annual Return

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Companies Act, the draft Annual Return of your Bank, in Form No. MGT-7, as on March 31, 2025, is available on your Bank's website at https://bandhanbank.com/annual-reports. Further, the final Annual Return of your Bank, as on March 31, 2025, will be available on your Bank's website at the said link, upon filing of the same with the Registrar of Companies under Section 92(4) of the Companies Act.

Management Discussion & Analysis

The Management Discussion & Analysis Report for the FY 2025, as prescribed under the SEBI LODR, forms part of this Report and is enclosed as **Annex – 5**.

Business Responsibility and Sustainability Report

In terms of the provisions of Regulation 34(2)(f) of the SEBI LODR read with relevant SEBI circular, the Business Responsibility and Sustainability Report ('**BRSR**') of your Bank providing its performance against the nine principles of the 'National Guidelines on Responsible Business Conduct' ('**NGRBCs**'), formulated by Ministry of Corporate Affairs, Government of India, forms part of this Report and, is enclosed as **Annex – 6**.

Compliance with Secretarial Standards

The Board of Directors affirms that your Bank has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India, viz., **SS-1** relating to Meetings of the Board and its Committees; and **SS-2** relating to General Meetings.

Information under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Bank has adopted zero tolerance towards any action on the part of any of its employees, which may fall under the ambit of 'sexual harassment' at workplace and is fully committed to uphold and maintain the dignity of every woman constituent associated with your Bank. It takes all necessary measures to ensure a harassment free workplace and has instituted an Internal Committee for redressal of complaints and to prevent/ prohibit sexual harassment, in compliance with the guidelines enumerated in the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. At the beginning of the FY under review, four complaints were pending, which were resolved during the FY. Further, thirty-one complaints were received during the FY, out of which twenty-three complaints had been closed during the FY whereas eight complaints were pending at the end of the FY, which have since been closed. None of the complaints received during the FY were pending for more than 90 days and all statutory timelines were duly adhered to for the inquiries conducted by the Internal Committee during the FY.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Driven by its commitment to reduce carbon footprints, energy conservation is integral to your Bank's vision and operations. Your Bank mandates the use of BEE Standard Energy Efficient equipment and promotes Energy Efficient Building Design, adhering to the Energy Conservation Building Code (ECBC), in all new projects. Some of the steps undertaken by your Bank towards conservation of energy are as under:

Smart building systems implementing energy-efficient glass facades and advanced building management systems to optimise energy consumption and enhance sustainability.

At banking outlets, the focus is on strict segregation and zoning critical and non-critical areas for improving HVAC efficiency, use of high-performance glass reducing glare and heat gain, optimised window-to-wall ratios, strategic building orientation, and equipment retrofitting.

- Tracking of energy usage across all levels, benchmarking against international best practices at all levels and comparing with the best international benchmarks.
- Incorporation of smart meters for energy use monitoring and engagement with key stakeholders, at regular intervals, to drive energy conservation in the organisation culture;
- Adoption of cutting-edge technologies in HVAC and inductive equipment, such as variable frequency drives (VFDs) and systems with improved IKW (input kilowatt per ton), to enhance energy efficiency;
- **Lighting:** Incorporation of 100 per cent. LED for lighting, daylight harvesting, timed illumination of signage through central monitoring system. Natural daylight utilisation is encouraged in your Bank's premises;
- **Daily operations and usage:** Implementing energy-saving practices through basic hygiene practices on energy usage through occupancy sensors, zoning of electrical circuits and master switches for premises.

In the recent past, your Bank has put up three mega Currency Chests with five-star energy ratings;

- **Water Conservation:** Implementing ground water recharge through rain water harvesting in upcoming projects, volume flow controls at sinks, water recycling through STPs;
- **Employee Awareness:** Increased employee training and awareness programs related to energy conservation.

Feasibility studies are being done for commencing the installation of solar panels on the rooftops of select branches and administrative buildings, with a target of achieving a significant percentage of your Bank's energy needs from solar power by the end next FY.

Information Technology at the Bank

In today's rapidly evolving financial landscape, Information Technology (IT) continues to play a pivotal role in redefining the future of banking. Your Bank remains steadfast in its commitment to leverage cutting-edge technologies to deliver enhanced customer experiences, drive operational excellence, and ensure robust security in an increasingly digital ecosystem. Over the past year, your Bank had made significant strides in its digital transformation journey, with focused investments and strategic initiatives that have bolstered efficiency, innovation, and sustainable growth.

Expansion of Digital Banking Services

Your Bank had continued to enhance its digital offerings, ensuring secure and seamless banking experiences for its customers. Noteworthy advancements during the FY include:

- **Neo FD:** Enabled customers to remotely open Fixed Deposit accounts through a video KYC process.
- **QR based Loan Repayment:** Introduced unique QR codes facilitating direct loan EMI payments for EEB customers via any UPI app.
- **Trade Finance CBS Product Processor (FCY):** Launched a comprehensive platform for handling export/import transactions and cross-border remittances.
- **Contactless Transactions:** Enabled contactless payments on Bandhan Bank POS terminals using its debit cards.
- **Transaction Monitoring:** Strengthened real time digital transaction monitoring.

Robotic Process Automation (RPA)

To streamline operations and reduce manual dependencies, your Bank implemented Robotic Process Automation across key functions. This initiative had resulted in faster processing, improved accuracy, and allowed employees to focus on higher-value tasks.

Strengthening Cybersecurity

As cybersecurity remains a top priority, your Bank had made substantial enhancements to its security infrastructure, ensuring greater resilience against evolving threats. Key initiatives included:

- Deployment of advanced anti-malware solutions.
- Strengthened access controls for the Core Banking System (CBS) through Identity and Access Management (IDAM).
- Implementation of an application monitoring tool for proactive alerts and issue resolution.
- Rollout of Endpoint Detection and Response (EDR) for advanced endpoint protection.
- On-premise implementation of DDoS protection to safeguard perimeter security.

Customer-Centric IT Initiatives

Your Bank introduced several customer-focused technology solutions to improve engagement and expand accessibility:

- Launched QR code-based EMI collections from microfinance customers.
- Implemented an **Enterprise-Wide Loyalty & Rewards Management Platform (EWLP)** to drive customer retention and engagement by centralising reward programs.
- Secured authorisation to open pension accounts for central civil and railway retirees, including integration with the Jeevan Pramaan portal for life certificate submissions.
- Enabled direct payment of Income Tax and GST through net banking, debit cards, and UPI.
- Rolled out regulatory SMS notifications to inform DPD (Days Past Due) customers about credit data submission to credit information companies (CICs).

During the FY 2025, total foreign exchange earned by your Bank was ₹33.51 crore (on account of net gains arising on all exchange / derivative transactions) and the total foreign exchange outgo was ₹9.59 crore towards the operating and capital expenditure requirements.

Development in Human Resources

Human Capital Management

In a rapidly evolving financial landscape, your Bank has been focused towards building an Organisation that thrives on diversity, inclusivity, fostering innovation and community connection. This is reflected in the wide base of 75,032 employees based across 6,351 banking outlets and offices as on March 31, 2025.

FY 2025 has been a transformative year for your Bank, marked by implementing key reforms and strategic initiatives aligned with its Organisation Values that prioritise on a human- centric approach.

- Your Bank in FY 2025 has promoted 7,767 employees in recognition of their performance, initiative and

leadership demonstrated in their current role and elevated more than 2,000 employees.

- Your Bank doubled down on "Hire from within" this year, reflecting its belief that its people are the strongest foundation for growth. Your Bank scaled up its Internal Job Posting (IJP) platform, inviting staff to apply for new roles and career paths internally.
- Your Bank forged strong campus-to-career pathways to bring fresh talent into Bandhan Bank ensuring a steady influx of skilled professionals. Empowering young professionals to build a stable and rewarding career in the financial field, your Bank visited 34 top Premier institutes and selected 133 young students offering dynamic career opportunities and creating robust talent pipeline – from interns to full-time bankers.
- Your Bank in FY 2025 has focused in implementing strategies fostering a sense of community, promoting a culture of inclusivity with enhanced team collaboration, camaraderie, and overall employee well-being. During the FY under review, your Bank organised Football and Cricket tournaments across 10 and 5 states respectively engaging 2000+ employees who participated across locations.
- Your Bank in FY 2025, conducted a follow up survey in continuation to the employee engagement survey with Gallup in 2022. In 2024 survey, your Bank has outperformed with an even better score of 4.56 out of 5 with an improved level of employee participation. Your Bank has also been recognised with the Gallup Exceptional Workplace award 2025.

The above implemented initiatives portray your Bank's commitment to cultivate a resilient, future-ready organisation built on strong internal bonds.

Learning and Development

Employees' Learning and Development ('L&D'):

For the FY 2025, your Bank has taken a quantum leap in building the Learning and Development proposition for its employees. Your Bank has developed programs to equip employees with the necessary skillset, mindset and knowledge to enable them to meet the challenges of a rapidly changing banking industry.

This year, your Bank has focused on building employee competencies and focused on key strategic imperatives such as:

- Initiatives on Compliance adherence and risk mitigation
- Initiatives on Customer service excellence and grievance redressal mechanisms
- Initiatives on Slippage control and recovery management
- Initiatives on Cross Selling and portfolio growth.

Apart from the above, the L&D team has focused on behavioral learning interventions to strengthen the Leadership pipeline. These include the following:

- Bespoke Leadership development interventions through ISB (Indian School of Business) for our CXO's/ Top and Senior management critical role (80) holders.
- Leader as a Coach for 85 of Senior management employees
- Women Leadership development journey, called 'Bandhan for Her' for 44 DVPs and above. This is in line with our focus on Diversity Equity and Inclusion.
- Several behavioral interventions based on the needs of specific audiences- Leading Self for Junior management/ Leading Others for Middle and Leading Managers for Top management.
- A lean six sigma green belt intervention for process excellence was also piloted with impact on multiple ongoing projects.

Capacity Building and External Training Programs:

Employee capacity building initiatives are the top priorities for your bank, and during the course of the FY, 5,689 employees participated in various external capacity building programs.

Digital Learning Initiatives

In order to broaden the scope of capacity building for its employees, your Bank has invested in a world class E-learning service provider called Linkedin Learning. This will provide Senior Managers and above access to over 24,000 learning resources at the comfort of their workstations.

Key L&D Metrics to drive learning & development initiatives in your Bank during the FY under review are enumerated below:

- 3 million learning hours achieved during the FY, a growth of 14 per cent. from the previous FY.
- Per employee learning hour stood at 34 hours of training in this FY.
- During FY 2025, 99.6 per cent. employees participated in at least one training program
- Total training coverage across all formats (Internal/ External/E-Module) reached 7,67,756 hours, which is a 71 per cent. increase from the previous year.
- Digital learning penetration among employees grew substantially in FY 2025. Logins on the Learning Management System (Bandhan Edge) reached 12,60,879 by March 2025, marking a notable increase of 50 per cent. from the previous year.

Digitisation in HR

Digitalisation in HR has been a strategic initiative aimed at enhancing our talent acquisition, development, and management capabilities. This has enabled your Bank to improve efficiency, reduce manual administrative tasks, and focus more on strategic initiatives that drive organisational growth.

Through HRMS, your Bank hosts all employee life cycle journeys and self-service activities allowing ease of access for routine transactions such as attendance, leave management, travel, performance management, query resolutions, alumni portal, etc. It is also a knowledge repository on your Bank's policies, processes and personal records.

Employee Benefits

Employee Health and Wellness

Your Bank considers its employees as its most valuable assets and has therefore always remained proactive in carefully reviewing the Health & Wellness quotient. To facilitate quick medical attention for employees in medical emergencies, your Bank has tie-ups with hospitals in key locations across the country. Various Health awareness programs were planned like Prevention of Diabetes, Pain & Palliative Care, etc. Additionally, to promote Staff Safety, regular health camps and training workshops on First Aid & CPR were also arranged.

Compliance with the Maternity Benefit Act, 1961

Your Bank celebrates the gift of parenthood and undertakes several initiatives to support its employees as they take on new responsibilities as parents. In line with the Maternity Benefit Act, 1961, female employees are eligible for maternity leave of 26 weeks. Your Bank also provides adoption leave to women employees. Your Bank is in compliance with the provisions of the Maternity Benefit Act, 1961.

Paternity leave of 5 days was introduced beyond regular privilege leave to promote gender equality and enable male employees to support during childbirth.

Employee Health Check-up Policy

As one of the measures to encourage employees to stay healthy, your Bank has a policy on Employee Health Check-up. Your Bank sponsors the health check-up for employees at senior and top management grades. Other employees can avail the services at discounted rates.

Wellness Platform

B Well Digi Care Plan is an assimilation of all health benefits offered to employees under one roof, knit together by state-of-the-art technology and 24/7 customer support. The platform offers free online medical consultations and facilitates medicine deliveries, diagnostics services, thereby ensuring accessible healthcare solutions. Other services include discounted Dental/Eye Consultations & Procedures, Discounted Gyms and Fitness Services including Yoga, Zumba, etc., fully sponsored IPD Assist - Post Discharge online care & doctor consultations and Health Assessment. A wealth of online wellness resources & health articles is also available in the Wellness Platform.

HR Compliance

Your Bank adhere to all applicable Statutory and Regulatory laws and guidelines in their true spirit and stay updated with the changing dynamics of the laws. Your Bank ensures all statutory payments are timely remitted to the respective authorities and required compliance records are meticulously maintained. All necessary returns and disclosures are furnished to the relevant authorities in a timely manner according to the provisions of law.

Discipline & Ethics Management

The Code of Conduct and Ethics ('**Code**') articulates your Bank's commitment to conduct business in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations. At Bandhan Bank, ethical behaviour is inseparable from honesty, integrity and good judgment. Accordingly, all employees are required to follow the Code and act with a high degree of professional and ethical standards.

Your Bank has a Discipline & Ethics Management team, which takes multiple initiatives to foster ethical business standards, such as dissemination of circulars sensitising employees, awareness on the consequences of indulging in misconducts/malpractices, releasing various posters, emailers, HRMS campaigns, sharing of case studies, etc.

Risk Management

Your Bank has an independent and robust risk management framework which effectively addresses both financial and non-financial risks. Risk Management at your Bank includes risk identification, risk assessment, risk measurement and risk mitigation which stands at its core to create maximum value for shareholders, clients, employees, and communities. Your Bank has policies and procedures to systematically measure, assess, monitor, and manage risks across all its portfolios.

Your Bank is committed to creating an environment of risk awareness at all levels. Your Bank's view on risk is dynamic and it aims at constantly upgrading controls and security measures, including cyber security measures, to avoid or mitigate various risks. The ability to manage risk is strongly supported by a strong risk conduct and risk aware culture. Further, Risk transparency is fostered through reporting, disclosure, sharing of information and open dialogue on the risks arising from various activities across the Bank.

Your Bank has an independent Risk Governance Structure, which is in line with industry best practices, that has been put in place to separate duties and ensure the independence of Risk Measurement, Monitoring and Control functions. This framework visualises the empowerment of Business Units at the operating level, with technology being the key driver, enabling the identification and management of risk at the place of origination. Your Bank's Risk Management Department is responsible for setting up the appropriate

risk control mechanism to quantify and monitor risks in timely manner.

Risk Appetite

To address various risks that your Bank faces in its business, it has established a risk appetite framework which defines the levels and types of risk that are acceptable and within its defined risk capacity. The framework is defined with the goal of aligning risk taking with your Bank's strategy, business and capital plans. Furthermore, risk-specific policies, limits and triggers are implemented to operationalise the appetites at enterprise level for enabling effective monitoring and providing cushion for initiating a timely risk mitigation plan.

The risk appetite framework is approved on an annual basis and is a pre-cursor to the strategy of your Bank. A comprehensive dashboard that shows all the risks that your Bank carries at any given time is provided by the Risk Profile, which is a component of the Risk Appetite Framework. It links goals and priorities to risk management in a way that empowers employees to serve customers well and meet financial targets. Your Bank has a quarterly risk appetite and annual risk appetite with defined quarterly glidepath for effective monitoring along with a well-defined Governance framework for better efficacy.

Risk Culture

Risk culture is a set of norms, and behaviours related to awareness, management, and controls of risks. In your Bank, risk culture is at the centre of both the risk management framework and risk management practice. The desired risk culture behaviours are aligned to your Bank's core values thus forming an effective basis for risk culture since these are used for performance management, recruitment, and development.

The Board and Senior Management sets the "tone at the top" and has a trickle-down effect on all employees. Thus, it supports a strong culture, which is defined by your Bank's expectations, thereby guiding how employees conduct themselves, work with colleagues, and make decisions. Your Bank has a well-defined Whistle Blower Policy in place.

As part of its awareness campaigns, your Bank circulates and promotes information security awareness contents and materials through several mediums (SMS, Email, Screensaver, Circular, etc.) to cover its Board members, employees, customers, and vendors. Your Bank educates its staff on risk management through periodic newsletters, circulars, floor-level awareness seminars, trainings, workshops, and innovative desktop screensavers.

Stress Testing

Your Bank recognises the importance of stress testing as an integral risk management tool. Your Bank's Stress testing includes Scenario testing, which examines the impact of a hypothetical future state to define changes in risk factors as also Sensitivity testing, which examines the impact of an incremental change to one or more risk factors. In addition to standard stress scenarios, your Bank conducts stress testing based on various themes driven by climate, macroeconomic, etc. Your Bank carries out reverse stress testing, in order to identify circumstances that may lead to specific, defined outcomes.

Internal Capital Adequacy Assessment Process ('ICAAP')

Your Bank conducts a comprehensive ICAAP exercise on a yearly basis with respect to the adequacy of Capital under normal and stressed conditions. The examination of capital requirements under normal economic and adverse market conditions enables your Bank to determine whether its projected business performance meets internal and regulatory capital requirements. The assessment is to identify, assess, and manage all risks that could potentially have a significant negative impact on its business, financial position, or capital adequacy.

The ICAAP comprises of a point-in-time assessment of exposures and risks at the end of the FY, along with a forward-looking stress capital assessment. Your Bank also conducts back-testing assessments as part of ICAAP process to assess its stress scenarios.

Risk Management Framework

Your Bank's Risk Management Framework sets forth the core principles on how it seeks to manage and govern the risk. Your Bank's comprehensive risk management is overseen by its Board of Directors who has the overall responsibility for your Bank's Risk Management, including culture and governance framework. The Risk Management Committee of the Board ('**RMCB**') assists the Board in discharging these responsibilities effectively. The RMCB annually reviews and approves your Bank's risk management framework. The RMCB plays a crucial role in guiding the development of policies, procedures, and systems, and continuously evaluates their suitability and relevance to the evolving business landscape. The RMCB also oversees the Risk Management Department ('**RMD**') and the Chief Risk Officer ('**CRO**') reports functionally to the RMCB. The RMCB meets the CRO on one-to-one basis, without the presence of the Whole-time Directors including MD&CEO, on quarterly basis.

Major Risks

Your Bank's risk management approach is to ensure that major risks and emerging risks, as they evolve, are identified, managed, and incorporated into its existing risk management assessment, measurement, monitoring and escalation processes. By adhering to these protocols, management can be sure of growing the business in a risk-controlled manner and fulfilling their ongoing responsibilities for risk supervision. The Board and senior management deliberate top and emerging risks on a regular basis.

Asset/ Liability Management (ALM)

Asset/ Liability Management involves evaluating, monitoring, and managing interest rate risk, market risk, liquidity, and funding. Your Bank has a well-defined Asset Liability Management policy that outlines the framework for liquidity and interest rate risk management. As a part of assurance towards sound Risk Management practices, your Bank regularly reviews its Internal Policies to adapt to changes in market conditions.

Your Bank's Asset Liability Management Committee ('**ALCO**') monitors and manages Liquidity and Interest Rate risks. Your Bank actively assesses ALM Risk, which involves evaluating, monitoring, and managing interest rate risk, market risk, liquidity, and funding, which potentially can have a significant earnings impact. Your Bank has implemented a robust mechanism to monitor critical ratios and has always maintained healthy Liquidity ratios; Liquidity Coverage Ratio ('**LCR**'), much above the regulatory minimum LCR requirement by having significant High-Quality Liquid Assets ('**HQLA**') as also the Net Stable Funding Ratio ('**NSFR**'), which is measured as the proportion of long-term assets that are funded by stable sources.

Climate-related Financial Risks

Your Bank has incorporated climate risk in its risk management framework. Your Bank has incorporated provision in its Credit Policy to support green financing and considering proposals from such segments to encourage green financing. As part of the stress testing policy, scenarios related to climate risk have been incorporated.

Credit Risk

Your Bank defines credit risk as the risk of loss associated with a borrower or counterparty default (failure to meet obligations with agreed upon terms). Your Bank has established robust credit appraisal and risk management frameworks for identifying, measuring, monitoring, and controlling the risks in credit exposures.

Your Bank balances the risk and return by setting certain objectives, e.g., ensuring credit quality is not compromised for growth; mitigating credit risk in transactions, relationships and portfolios; using its credit risk rating and scoring systems or other approved credit risk assessment or rating methodologies, policies and tools; appropriate pricing based on credit risk taken; systems and controls for detecting and preventing inappropriate credit risk; applying consistent credit risk exposure measurements; ongoing credit risk monitoring and administration; and avoiding activities that are inconsistent with its values, code of conduct or policies. Your Bank undertakes studies to identify trends in the movement of NPAs, SMAs etc., to keep track of the asset quality.

Information Security and Cyber Risks

Cyber security in banks has gained paramount importance, as banks are investing extensively in IT platforms enabling them to move towards digitisation, enhance customer experience, reduction of transaction cost, compete with peers etc. Across banks in India, large amounts of confidential data reside in bank's Data Centres and flows through bank's servers and various networks and devices. To protect your Bank's IT systems, confidential data of both your Bank and its customers, either in rest or in motion, and to ensure continuity of business, your Bank has policies and frameworks in place for Information security and Cyber risks.

Banks are exposed and susceptible to various types of cybercrime. Cyber-attacks have become more sophisticated and organised and they are continuously carrying attacks in volume, frequency, and severity. Malware perpetrators are inventing and inflicting various types of malware attacks. Distributed Denial of Service ('**DDOS**') activity is ever-increasing and evolving as they are using Internet of Things ('**IOT**') devices as platform to conduct such attacks. Your Bank has not experienced any material loss relating to these or other types of cyber-attacks.

Cybersecurity risk is a priority for your Bank, and it continues to develop and enhance its controls, processes, and systems in order to protect its networks, computers, software, and data from attack, damage, or unauthorised access. Your Bank has its own independent 24x7 C-SOC (Cyber Security Operations Centre) for a state-of-art centralised and consolidated cybersecurity incident prevention, security event monitoring, detection, and response which is backed by data and tools for sound analytics. Your Bank is also ISO 27001:2013 certified, for its information security management. Your Bank is also proactively involved in industry cybersecurity efforts and working with other parties, including its third-party service providers and governmental agencies, to continue to enhance defences and improve resiliency to cybersecurity threats.

Operational Risk & Resilience

Your Bank actively manages the Operational risk, which is the risk resulting from inadequate or failed internal processes, people and systems, or external events. Your Bank has a Board approved Operational Risk Management & Operational Resilience Policy, which outlines the governance structure and processes for managing operational risk as well as Operational Resilience. Your Bank has also put in place robust Fraud Risk, Outsourcing Risk, Resilience Risk encompassing Business Continuity Risk, Compliance Risk and Legal Risk Frameworks within its Operational Risk Management. Your Bank also has an effective IT Risk, Change Management and Incident Management frameworks in place to effectively take

care of any incidents resulting in adverse effect on its critical operations.

Your Bank is committed to provide uninterrupted services to customers. As such, it is essential to protect the critical infrastructure in your Bank from natural and man-made disasters / events and ensure business continuity of the various operational units. Your Bank has a Business Continuity Risk Management framework within its Operational Risk Management & Operational Resilience Policy in place with the objective to recover critical activities and systems within defined timelines; safety of people and its assets; to communicate with stakeholders during emergency, etc. Business continuity risks are reviewed and regular updates are given to Operational Risk Management Committee ('**ORMC**') and the RMCB.

Outsourcing Risk

Outsourcing risk refers to potential losses from relying on third-party service providers for delivering banking operations for your Bank, which would be undertaken by it in future, with risk factors including service failures, data breaches, regulatory non-compliance, and lack of control. Your Bank identifies these risks by evaluating outsourced functions and vendor reliability at the time of empanelment by assessing risk through due diligence and compliance reviews, and monitoring performance via regular reviews and audits. Your Bank has implemented comprehensive outsourcing risk management framework with roles and responsibilities for identification, measurement, mitigation, management, and reporting of risks associated with Outsourcing activities.

Market Risk

Your Bank's market risk management consists of identifying and measuring risks, control measures, monitoring, and reporting systems. Your Bank actively manages Market risk, which is the risk of possible economic loss from adverse changes in market risk factors, such as, interest rates, credit spreads, foreign exchange rates, equity and commodity prices, and the risk of possible loss due to counterparty exposure. This applies to implied volatility risk, basis risk, and market liquidity risk. Value at Risk (VaR) is a tool for monitoring risk in your Bank's trading portfolio and is used for estimating the potential loss from adverse movements in the financial markets.

Regulatory Risk

Your Bank recognises the utmost importance of regulatory risk. It closely monitors changes in the regulatory landscape and assesses how new regulations might affect its business and strategy. In order to take proactive steps to identify emerging risks, your Bank regularly examines the regulatory environment.

Reputational Risk

Your Bank's reputation is rooted in the perception of its stakeholders, and the trust and loyalty they place in it is core to its purpose as a financial services organisation. Any adverse stakeholder and public perception about your Bank may negatively impact its ability to attract and retain customers and may expose it to litigation and regulatory actions. In today's world where communication is a key, your Bank maintains regular communication with its internal as well as external stakeholders through appropriate engagement mechanisms to address their expectations and address any concerns they may have.

The Reputational Risk Management Framework of your Bank is made up of interconnected characteristics that could have an impact on different stakeholders. Your Bank is also measuring and tracking the idiosyncratic risks related to stock price movement, as also social as well as traditional media sentiments, complaints, regulatory action, etc., on a periodic basis.

Strategic & Business Risk

Your Bank is monitoring the Strategic Risk by tracking its competitive environment as well as any emerging risks, which may derail the overall Strategic pursuit so that suitable risk mitigation measures are timely taken. As part of strategic risk assessments, your Bank conducts assessment to review the Business strategy on A/E (Actual vs. Estimated) basis and assessments are presented to the RMCB. Your Bank has a robust Business Risk Management Framework in place, which involves monitoring actionable metrics, including various financial indicators, as well as your Bank's competitive position in the industry.

Material Changes and Commitment affecting Financial Position of the Bank

There were no material changes and commitments, affecting the financial position of your Bank, which have occurred between the end of the Financial Year of the Bank, i.e., March 31, 2025, to which the financial statement relates, and the date of this Board's Report.

Change in the Nature of Business

During the FY 2025, there has been no change in the nature of business of your Bank.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, the Board of Directors hereby confirms that:

i. In the preparation of the annual accounts, the applicable accounting standards have been followed

along with proper explanation relating to material departures, if any;

ii. We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the Bank's state of affairs as on March 31, 2025, and of its profit for the FY ended on that date;

iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities;

iv. We have prepared the annual accounts on a going concern basis;

v. We have laid down internal financial controls to be followed by the Bank and that such internal financial controls are adequate and are operating effectively; and

vi. We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Acknowledgements and Appreciations

The Board of Directors of your Bank extends its gratitude for the invaluable support and guidance received from the Reserve Bank of India, other government and regulatory authorities, and financial institutions. The Board also thanks the correspondent banks for their cooperation and help. The Board acknowledges the support of its shareholders, and also places on record its sincere thanks to its valued clients and customers for their patronage.

The Board also expresses its deep sense of appreciation to all the employees for displaying their strong work ethics, excellence at work, professionalism, teamwork, commitment and initiative, which have led to the Bank making good progress. The Board will continue to strive for improvements as your Bank continues on its journey towards achieving its objectives.

For and on behalf of the Board of Directors
Bandhan Bank Limited

Anup Kumar Sinha
Non-Executive (Independent) Chairman
(DIN: 08249893)

Place: Kolkata
Date: July 18, 2025

Annex- 1

Annual Report on Corporate Social Responsibility ('CSR') activities for the financial year ended March 31, 2025

1. A Brief Outline on CSR Policy:

Approach – Bandhan Bank Limited (the '**Bank**') has framed its Corporate Social Responsibility ('**CSR**') Policy in accordance with the provisions of Section 135 of the Companies Act, 2013 (the '**Companies Act**'), read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('**CSR Rules**'). The CSR Policy of the Bank has a strong commitment to contribute to social and environmental growth and prosperity and is pivotal to its business sustainability.

Purpose – The purpose of the Bank's CSR philosophy is to develop the community in which the Bank operates and make a sustainable improvement in the lives of economically, physically and socially challenged people living at the lower end of society and initiate or support programmes that are aimed at creating conditions for better livelihoods in these communities. The Bank shall also support measures that are aimed at preserving and enhancing the environment and natural resources. The CSR policy shall act as a mechanism for regulating the CSR activities of the Bank and adhere to laws and regulations in force and adopt best practices.

Vision – Aligned with the vision of the Bank, the CSR initiatives of the Bank shall continue to enhance value creation, improve the quality of life and inclusion of those who are not adequately and effectively serviced by the formal financial sector into the mainstream of the society and draw them into the cycle of growth by providing products and services and forming partnerships and alliances for the fulfilment of its role in the society as a responsible corporate.

CSR Programmes – The focus area of the CSR programmes of the Bank shall be the local areas served by the Bank and based on the prioritised needs of the local communities. The Bank may undertake any or all of the activities in the subject or the areas as mentioned in Schedule VII to the Companies Act, including the following:

a. **Healthcare:** Preventive Health, Nutrition and Food Security, Sanitation and Safe Drinking Water

b. **Education:** Financial and Digital Literacy, Skill Development and Sustainable Livelihoods for underprivileged children, women, youths and persons with disabilities

c. **Reducing Inequalities and Promoting Gender Equality:** Women empowerment, empowering persons with disabilities and such measures that reduce inequalities faced by socially and economically backward groups

d. **Environment Protection:** Natural Resource Management and conservation, and Climate Change mitigation and adaptations

e. **Rural Area and Slum Area Development:** Improving infrastructure and living conditions, and sustainable agriculture.

f. **Disaster Management and Relief Operations**

2. Composition of Corporate Social Responsibility and Sustainability Committee of the Board (CSR&SCB):

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of the CSR&SCB held during the year/tenure	Number of meetings of CSR&SCB attended during the year/tenure
1	Mr. Subrata Dutta Gupta	Chairman, Independent Director	4	4
2	Mr. Chandra Shekhar Ghosh[1]	Member, Former Managing Director & CEO	1	1
3	Mr. Partha Pratim Sengupta[2]	Member, Managing Director & CEO	1	1
4	Mr. Ratan Kumar Kesh[3]	Member, Executive Director & COO	2	2
5	Mr. Rajinder Kumar Babbar[4]	Member, Executive Director & CBO	3	3
6	Dr. Aparajita Mitra	Member, Independent Director	4	4
7	Mr. Vijay N Bhatt[5]	Member, Independent Director	1	1

[1]*Ceased to be a member with effect from July 10, 2024.*
[2]*Appointed as a member with effect from November 02, 2024.*
[3]*Appointed as a member with effect from July 10, 2024 and ceased to be a member with effect from November 02, 2024.*
[4]*Appointed as a member with effect from July 10, 2024.*
[5]*Ceased to be a member with effect from May 08, 2024 and re-appointed as a member with effect from November 02, 2024.*

3. Web-link where the Composition of the CSR&SCB, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Bank:

Sl. No.	Details of CSR	Web-link
1	Composition of CSR&SCB	https://www.bandhanbank.com/corporate-governance#rctabone
2	CSR Policy	https://www.bandhanbank.com/sites/default/files/2025-02/CSR-Policy-03022025.pdf
3	CSR Projects	https://www.bandhanbank.com/beyond-banking

4. Executive Summary along with web-link of the Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

The executive summary of the CSR programmes Impact Assessment is provided in the Board's Report. The detailed Impact Assessment Report is available at the Bank's website:

https://www.bandhanbank.com/beyond-banking.

5. CSR Obligation of the Bank for the financial year 2024-25 as per Section 135(5) of the Companies Act:

Sl. No.	Particulars	Amount (in ₹)
a	Average net profit of the Bank as per sub-section (5) of Section 135	19,88,17,30,701
b	Two percent of the average net profit of the Bank as per sub-section (5) of Section 135	39,76,34,615
c	Surplus arising out of the CSR programmes of the previous financial years	*13,12,572
d	Amount required to be set off for the financial year, if any	0
e	Total CSR obligation for the financial year [(b)+(c)-(d)].	**39,89,47,187**

**pursuant to Rule 7(2) of CSR Rules, surplus generated from CSR funds during FY 2024-25 was ploughed back to the same programme during FY 2024-25*

6. Total amount spent on CSR projects for the financial year 2024-25

Sl. No.	Particulars	Amount (in ₹)
a.	Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects)	23,25,29,583
b.	Amount spent in Administrative Overheads	0
c.	Amount spent on Impact Assessment, if applicable	*0
d.	Total amount spent for the financial year [(a)+(b)+(c)]	23,25,29,583

**Cost of Impact Assessment Study of ₹41,67,406 including taxes has been booked under Business Expenditure during FY 2024-25*

e. CSR amount spent or unspent for the Financial Year 2024-25

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per the second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
23,25,29,583	16,64,17,989	30.04.2025	NA	NIL	NA

f. Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (in ₹)
(i)	Two per cent. of the average net profit of the Bank as per sub-section (5) of Section 135	39,76,34,615
(ii)	Total amount spent for the Financial Year	23,25,29,583
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	*13,12,572
(v)	The amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

**pursuant to Rule 7(2) of CSR Rules, surplus generated from CSR funds during FY 2024-25 was ploughed back to the same programme during FY 2024-25*

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to the Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 in FY 2024-25 (in ₹)	Amount Spent in the Financial Year 2024-25 (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY 2023-24	0	0	0	0	NA	0	0
2	FY 2022-23	0	0	0	0	NA	0	0
3	FY 2021-22	19,91,613	0	0	0	NA	0	0

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year 2024-25:

☒ Yes ☑ No

If Yes, enter the number of Capital assets created/ acquired: **Not applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year 2024-25: **Not applicable**

9. Specify the reason(s), if the Bank has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135:

In terms of the provision of Section 135(6) of the Companies Act, 2013, any amount remaining unspent under sub-section (5), pursuant to any ongoing project, undertaken by a company in pursuance of its CSR Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the CSR Policy within a period of three financial years from the date of such transfer. Accordingly, the unspent amount of ₹16,64,17,989/- pertaining to FY 2024-25 towards ongoing projects in healthcare, education, skill development and environment protection were transferred to the special account in the name and manner of "Bandhan Bank Limited Unspent CSR Account FY 2024-25". As on the date of this report, funds from this Unspent CSR Account have been started to be disbursed for these projects and full amount will be utilised over the period of three financial years towards these ongoing projects or to the funds prescribed under Schedule VII of the Companies Act, as may be applicable.

Partha Pratim Sengupta
Managing Director & Chief Executive Officer
(DIN: 08273324)

Subrata Dutta Gupta
Chairman
Corporate Social Responsibility & Sustainability Committee
(DIN: 08767943)

Anup Kumar Sinha
Non-Executive (Independent) Chairman
(DIN: 08249893)

Place: Kolkata
Date: June 27, 2025

Annex - 2

Disclosure on remuneration for FY 2024-25

[As per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. Ratio of remuneration of each Director to the median remuneration of the employees of the Bank for the financial year 2024-25:

Name	Designation	Ratio
Dr. Anup Kumar Sinha	Non-Executive (Independent) Chairman	20:1
Mr. Partha Pratim Sengupta[1]	Managing Director & Chief Executive Officer	49:1
Mr. Chandra Shekhar Ghosh[2]	Former Managing Director & Chief Executive Officer	32:1
Mr. Rajinder Kumar Babbar	Executive Director & Chief Business Officer	103:1
Mr. Ratan Kumar Kesh[3]	Executive Director & Chief Operating Officer	96:1
Dr. A.S Ramasatri	Independent Director	15:1
Dr. Aparajita Mitra	Independent Director	15:1
Mr. Arun Kumar Singh[4]	RBI (Nominee) Additional Director	12:1
Ms. Divya Krishnan	Non-Executive Non-Independent Director (Nominee of Bandhan Financial Holdings Limited)	16:1
Mr. N.V.P Tendulkar	Independent Director	17:1
Mr. Pankaj Sood[5]	Non-Executive Non-Independent Director (Nominee of Caladium Investment Pte. Ltd)	9:1
Mr. Philip Mathew	Independent Director	15:1
Mr. Santanu Mukherjee	Independent Director	17:1
Mr. Subrata Dutta Gupta	Independent Director	17:1
Mr. Suhail Chander	Independent Director	19:1
Mr. Vijay N. Bhatt	Independent Director	17:1

[1]*appointed as MD&CEO effective November 01, 2024*
[2]*retired as MD&CEO effective July 10, 2024*
[3]*held the office of MD&CEO (interim) from July 10, 2024 to October 31, 2024*
[4]*appointed by RBI as Additional Director effective June 24, 2024*
[5]*ceased as Director effective December 14, 2024*

Note:

a) Fixed pay has been considered for the computation of the ratio. Fixed pay includes basic, allowances, and employer contributions to the Provident Fund.

b) The above includes all employees of the Bank excluding advisors.

c) In the case of Non-Executive Chairman, a fixed remuneration of ₹24 lakh per annum has been paid till January 06, 2025 and thereafter ₹27 lakh per annum, as approved by RBI and shareholders, and sitting fees paid for attending Board, its Committees and Independent Directors' meetings during FY 2024-25 has been considered.

d) In accordance with the RBI Circular dated April 26, 2021, as amended, the Non-Executive Directors, including Independent Directors (other than the Part-time Non-Executive Chairman), were each paid fixed remuneration of up to ₹12 Lakh per annum, as approved by the Shareholders, and sitting fees for attending the meetings of the Board and its Committee, and the meetings of Independent Directors, during FY 2024-25.

2. Percentage increase in remuneration of each Director, CFO, CEO, CS or Manager, if any, in the financial year 2024-25:

Designation	Percentage Increase
Non-Executive Chairman[1]	12.5
Managing Director & CEO[2]	NA
Executive Director & CBO[3]	NA
Executive Director & COO	10.7
Non-Executive Director	NA
CFO[3]	NA
CS	11

[1]RBI approved fixed remuneration has been considered
[2]appointed during FY 2024-25
[3]no revision in remuneration during FY 2024-25 since joined at the end of FY 2024

Non-Executive/Independent Directors:

During FY 2024-25, the Non-Executive Directors (**'NEDs'**), including Independent Directors, of the Bank were paid sitting fees of ₹90,000 per meeting for attending the Board meetings, ₹75,000 per meeting for attending meetings of the Audit Committee and the Risk Management Committee, and ₹60,000 per meeting for attending meetings of other Committees of the Board and the meetings of the Independent Directors.

Further, in accordance with the RBI Circular dated April 26, 2021 and Shareholders approval at 8th AGM held on August 10, 2022, NEDs, other than the Part-time Non-Executive Chairman of the Bank, are paid compensation in the form of fixed remuneration of up to ₹12 Lakh per annum each, with effect from April 01, 2022, for a period of three years.

The Non-Executive Chairman of the Bank was paid fixed remuneration of ₹24 lakh per annum till January 06, 2025 and thereafter ₹27 lakh per annum, pursuant to approval of RBI and shareholders.

There has not been any change in the fixed remuneration for NEDs other than Non-Executive Chairman, nor there has been any change in the siting fees for NEDs for attending meetings during FY 2024-25.

3. Percentage increase in the median remuneration of employees in the financial year 2024-25:

Percentage increase in the median remuneration of employees in the financial year 2024-25 was 7.80 percent.

4. The number of permanent employees on the rolls of the Bank:

As on March 31, 2025, the number of permanent employees on the rolls of the Bank was 75,032.

5. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase of remuneration for Key Managerial Personnel: 10.85 percent.

The average percentage increase of remuneration for employees other than Key Managerial Personnel: 6.5 percent.

6. Affirmation that the remuneration is as per the remuneration policy of the Bank: Yes

For and on behalf of the Board of Directors
Bandhan Bank Limited

Anup Kumar Sinha
Non-Executive Part-time Chairman
(DIN: 08249893)

Place: Kolkata
Date: June 27, 2025

Annex 3

Secretarial Audit Report

For the financial year ended March 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To
The Members
Bandhan Bank Limited
DN-32, Sector-V, Salt Lake
Kolkata – 700 091

1. I, CS Hansraj Jaria, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bandhan Bank Limited** having CIN: L67190WB2014PLC204622 (hereinafter referred as **'the Bank'**) during the financial year ended March 31, 2025 (hereinafter referred as **'review period'**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

2. Based on my verification of the Bank's books, papers, minute books, forms and returns filed, and other records maintained by the Bank, and also the information provided by the Bank, its officers, agents, and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Bank has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Bank has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

3. **(I)** I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Bank for the review period, according to the provisions of the following laws, rules and regulations, to the extent applicable on the Bank during the review period:

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

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

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

   iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

   v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**), as amended from time to time:

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

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

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

      d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended;

      e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

      f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended; - Not Applicable for review period

      g. The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended;

      h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;

      i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - Not Applicable for review period

      j. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018. - Not Applicable for review period

(II) I have also examined the compliance system prevailing in the Bank and the compliance of the books, papers, minute books, forms, and returns filed and other records maintained by the Bank for the review period, according to the provisions of the following laws, rules and regulations specifically applicable to the Bank and as per information and representation provided by the officers, agents, and authorised representatives of the Bank;

a. The Reserve Bank of India Act, 1934;

b. The Banking Regulation Act, 1949 (**'BR Act'**), and notifications and circulars issued by the Reserve Bank of India (**'RBI'**) from time to time;

c. The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

d. The Recovery of Debts and Bankruptcy Act, 1993;

e. The Credit Information Companies (Regulation) Act, 2005;

f. The Prevention of Money Laundering Act, 2002;

g. Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015.

4. I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Act.

5. That on the basis of the audit as referred above, to the best of my knowledge, understanding and belief, I am of the view that during the review period, the Bank has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., as mentioned above in Paragraphs 3(I), 3(II) and 4 of this report.

6. I further report that,

a. The Board of Directors of the Bank is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, including Woman Directors. The changes in the composition of the Board of Directors that took place during the review period were carried out in compliance with the applicable provisions of the Act.

b. Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

7. I further report that, there are adequate systems and processes in the Bank commensurate with the size and operations of the Bank to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

8. I further report that during the review period:

a. The Bank has allotted 1,657 equity shares of face value of ₹10/- each, pursuant to exercise of stock options by the eligible employees of the Bank under the Bandhan Bank Employee Stock Option Plan - Series 1.

9. This Report is to be read with my letter of even date which is annexed as **Annexure A** and forms an integral part of this Report.

HANSRAJ JARIA
(Practicing Company Secretary)
Membership No.: FCS 7703
CP No.: 19394
Peer Review Certificate No.: 1060/2021
UDIN: F007703G000670068

Place: Kolkata
Date: June 27, 2025

Annexure A

(To the Secretarial Audit Report of Bandhan Bank Limited for the financial year ended March 31, 2025)

To
The Members
Bandhan Bank Limited
DN-32, Sector V, Salt Lake
Kolkata - 700 091

My Secretarial Audit Report for the financial year ended March 31, 2025 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Bank. My responsibility is limited to expressing an opinion on existence of adequate board process and compliance management system, commensurate to the size of the Bank, based on the secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers, agents, and authorised representatives of the Bank during the said audit.

2. I have followed the audit practices and processes as were appropriate, to the best of my understanding, to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to check as to whether correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Bank.

4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc., and I have relied on such representation, in forming my opinion.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of compliance procedures on test basis. I would not be liable for any business decision or any consequences arising thereof, made on the basis of my report.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Bank nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Bank.

HANSRAJ JARIA
(Practicing Company Secretary)
Membership No.: FCS 7703
CP No.: 19394
Peer Review Certificate No.: 1060/2021
UDIN: F007703G000670068

Place: Kolkata
Date: June 27, 2025

Annex 4

Report on Corporate Governance

[Report on Corporate Governance pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the **'SEBI LODR'**) and the Companies Act, 2013 (the **'Companies Act'**), for the financial year ended March 31, 2025, forming part of the Board's Report]

Bank's Philosophy on Corporate Governance

Your Bank believes in adopting and adhering to the best standards of corporate governance. It unswervingly benchmarks itself of such practices. Your Bank understands and respects its fiduciary role and responsibilities towards its stakeholders and strives hard to meet their expectations. Your Bank's philosophy on corporate governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its engagements with its stakeholders. It acknowledges that the best Board practices, transparent disclosures and shareholder empowerment are necessary for creating stakeholders' value. The philosophy on corporate governance serves as vital instrument safeguarding stakeholders interests and enhancing long-term values. By embedding transparency, accountability, and ethical leadership into every aspect of our operations, your Bank ensures that its governance practices not only protect but also empower its stakeholders. This commitment enables your Bank to build trust, drive sustainable growth, and deliver enduring value across all dimensions of its business.

Your Bank is in compliance with the extant corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the SEBI LODR.

Board of Directors

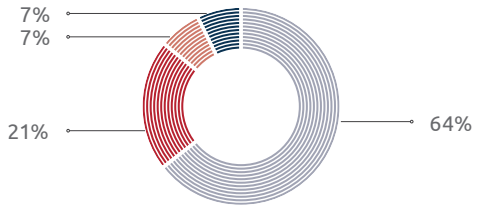
Your Bank entrusts its Board of Directors (the **'Board'**) with the ultimate responsibility for the management and control of the business of the Bank including providing strategic direction, ensuring financial oversight, and maintaining regulatory compliance. To enable the Board to fulfil these responsibilities effectively, it is vested with the necessary powers, authorities and duties. The Corporate Governance philosophy of your Bank underscores that the Board independence is fundamental to ensuing objectivity and transparency in the Bank's management and operations. An empowered and independent Board is essential for fostering accountability, enhancing decision-making, and protecting the interests of all stakeholders.

The composition of the Board of your Bank is governed by the provisions of the Companies Act and rules made thereunder, the Banking Regulation Act, 1949 (the **'BR Act'**) and the guidelines / circulars / directions issued by the Reserve Bank of India (**'RBI'**) in this regard, the provisions of the SEBI LODR, its Articles of Association (**'AOA'**), other applicable laws and the best corporate governance practices.

Composition of the Board and Tenure on the Board

As on March 31, 2025, the Board of your Bank comprised of fourteen Directors, of whom nine were Independent Directors including Non-Executive (Independent) Chairman and one Woman Independent Director; two Non-Executive Non-Independent Director, i.e., one Nominee of Bandhan Financial Holdings Limited, Promoter of the Bank and Non-Operative Financial Holding Company (**'BFHL'** or **'NOFHC'**) and one RBI Nominee Director; and the Managing Director & Chief Executive Officer (**'MD & CEO'**) and two Executive Directors (**'EDs'**).

Board Composition



Independent	9
Executive	3
Non-Executive Non-Independent	1
RBI Nominee	1

Appointments:

(a) In terms of Regulation 17(1C) of the SEBI LODR, approval of the Shareholders for appointment of Mr. Rajinder Kumar Babbar (DIN: 10540386), who was appointed by the Board as Executive Director from March 08, 2024, was required to be sought at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the Shareholders of the Bank, on April 21, 2024, accorded their approval, via the Postal Ballot process, for the appointment of Mr. Babbar as a Whole-time Director, designated as Executive Director & Chief Business Officer (**'ED&CBO'**) and Key Managerial Personnel (**'KMP'**) of the Bank, for a period of three consecutive years, from March 08, 2024 up to March 07, 2027, liable to retire by rotation.

(b) In terms of Regulation 17(1C) of the SEBI LODR, approval of the Shareholders for appointment of Mr. Pankaj Sood (DIN: 05185378), who was appointed by the Board as Non-Executive Non-Independent Director [Nominee of Caladium Investment Pte. Ltd. (**'Caladium'**)] from February 12, 2024, was required to be sought at the next general meeting or within a time period of three months from the date of appointment,

whichever is earlier. Accordingly, the Shareholders of the Bank, on April 21, 2024, accorded their approval, via the Postal Ballot process, for the appointment of Mr. Sood as the Non-Executive Non-Independent Director (Nominee of Caladium), with effect from February 12, 2024, liable to retire by rotation.

(c) The RBI, vide its letter dated June 24, 2024, in exercise of powers conferred under Section 36AB of the BR Act, appointed Mr. Arun Kumar Singh (DIN: 09498086), Chief General Manager (retired), RBI, as an Additional Director on the Board of your Bank, for a period of one year from June 24, 2024 to June 23, 2025 or till further orders, whichever is earlier. Further, the RBI vide its letter dated June 20, 2025 extended the term of appointment of Mr. Singh for a further period of one year from June 24, 2025 to June 23, 2026 or till further orders, whichever is earlier.

(d) Consequent to the retirement of Mr. Chandra Shekhar Ghosh, former MD&CEO of the Bank and pursuant to the approval of the RBI, on the basis of the recommendation of the NRC, the Board, at its meeting held on July 06, 2024, had approved the appointment of Mr. Ratan Kumar Kesh (DIN: 10082714), Executive Director & Chief Operating Officer (**'ED&COO'**), as *Interim* Managing Director and Chief Executive Officer (**'Interim MD&CEO'**) of the Bank, with effect from July 10, 2024, for a period of three months or till a new MD&CEO takes charge, whichever is earlier, subject to approval of Shareholders. In terms of Regulation 17(1C) of the SEBI LODR, the Shareholders of the Bank, at the 10th Annual General Meeting (**'AGM'**) of the Bank held on August 20, 2024, accorded their approval for the appointment of Mr. Kesh as the Interim MD&CEO and KMP of the Bank, not liable to retire by rotation, with effect from July 10, 2024, for a period of three months or till new MD&CEO takes charge, whichever is earlier, at his remuneration as the ED&COO of the Bank. Further, considering that the term of Mr. Kesh as the Interim MD&CEO was expiring on October 09, 2024 and process for approval of new MD&CEO was still underway, the Board, at its meeting held on October 05, 2024, pursuant to the approval of the RBI and on the basis of the recommendation of the NRC, had approved the extension of the term of Mr. Kesh, as the Interim MD&CEO of the Bank, for a period of one month, with effect from October 10, 2024 or till a new MD&CEO takes charge, whichever is earlier, subject to the approval of the Shareholders of the Bank. In terms of Regulation 17(1C) of the SEBI LODR, the Shareholders of the Bank, via the Postal Ballot process, on December 26, 2024, accorded their approval for the extension of Mr. Kesh's appointment as Interim MD&CEO, with effect from October 10, 2024 till October 31, 2024. Effective November 01, 2024, Mr. Kesh ceased to be the Interim MD&CEO and continued in his role as the ED & COO of the Bank, in terms of the previous approvals of the RBI, the Board of Directors and the Shareholders of the Bank.

(e) The Board of Directors of the Bank, at its meeting held on October 25, 2024, on the basis of the recommendation of the NRC and approval of the RBI, approved the appointment of Mr. Partha Pratim Sengupta (DIN: 08273324) as the Managing Director [Category: Additional Director], designated as MD&CEO, and KMP of the Bank, for a period of three years, with effect from November 01, 2024, not liable to retire by rotation, subject to Shareholders' approval. Accordingly, in terms of the provisions of Regulation 17(1C) of the SEBI LODR, Shareholders of the Bank, on December 26, 2024, accorded their approval, via the Postal Ballot process, for the appointment of Mr. Sengupta as the MD&CEO and KMP, for a period of three years, from November 01, 2024 up to October 31, 2027, not liable to retire by rotation.

(f) Further, based on the recommendations of the NRC, the Board has approved the appointment of Ms. Veni Thapar (DIN: 01811724) as an Additional Director and Independent Director of the Bank, effective June 27, 2025. The appointment of Ms. Thapar as an Independent Director of the Bank, for a term of three consecutive years, is subject to approval of Shareholders of the Bank, by way of Special Resolution, at their ensuing AGM.

Re-appointments:

(a) The Shareholders, at the 10th AGM of the Bank held on August 20, 2024, approved the re-appointment of Ms. Divya Krishnan (DIN: 09276201) as a Non-Executive Non-Independent Director of the Bank (Nominee of BFHL), who being longest in office and liable to retire by rotation, retired at the 10th AGM of the Bank, and being eligible, had offered herself for re-appointment.

(b) Pursuant to the recommendations of the NRC and the Board, the RBI has approved the re-appointment of Dr. Anup Kumar Sinha (DIN: 08249893) as the Non-Executive (Independent) Chairman on the Board of the Bank with effect from January 07, 2025 till July 04, 2026. Re-appointment of Dr. Sinha as an Independent Director as well as Non-Executive (Independent) Chairman of the Bank, for the second term from January 07, 2022 up to July 04, 2026, i.e., up to the date of his attaining 75 years of age, was already approved by the Shareholders at the 7th AGM of the Bank held on August 06, 2021.

Cessations:

(a) Mr. Chandra Shekhar Ghosh (DIN: 00342477), former MD&CEO of the Bank, vide letter dated April 05, 2024, informed the Board of Directors that he would retire from the services of the Bank as its MD&CEO upon completion of his tenure on July 09, 2024. Accordingly,

Mr. Ghosh ceased to be the MD&CEO of the Bank with effect from July 10, 2024.

(b) Mr. Pankaj Sood (DIN: 05185378), Non-Executive Non-Independent Director (Nominee of Caladium, Investor of the Bank), vide letter dated December 13, 2024, had informed his decision to step down from the position of Non-Executive Nominee Director on the Board of the Bank and from any associated committees, effective immediately. Mr. Sood had informed that his decision to step down was driven by an increase in his professional responsibilities and commitments. Accordingly, Mr. Sood ceased to be a Director of the Bank with effect from December 14, 2024.

(c) Mr. Philip Mathew (DIN: 09638394), Independent Director, completed his term of three years as an Independent Director of the Bank on June 14, 2025. Accordingly, Mr. Mathew ceased to be the Director of the Bank with effect from June 15, 2025.

(d) Dr. A S Ramasastri (DIN: 06916673), Independent Director, vide email dated June 30, 2025, has informed his decision to resign as an Independent Director of the Bank, with effect from the close of business hours on June 30, 2025. Accordingly, Dr. Ramasastri ceased to be the Director of the Bank with effect from July 01, 2025. The reason for the resignation provided by Dr. Ramasastri vide his email dated June 30, 2025, is - 'As activities of our Trust (allamrajutrust.org) are demanding more time from me, I will not be able to continue as an independent director in the board of Bandhan Bank. I feel I am not in a position to devote necessary time to the role of independent director.'. He also confirmed that there are no other material reasons for his resignation other than provided in email, as mentioned above.

(e) Dr. Aparajita Mitra (DIN: 09484337), Independent Director, has completed her term of three years as an Independent Director of the Bank on July 12, 2025. Accordingly, Dr. Mitra ceased to be the Director of the Bank with effect from July 13, 2025.

The profiles of the Directors are available on the website of the Bank, at https://www.bandhanbank.com/corporate-governance.

The composition of the Board of your Bank represents a balanced blend of skills, special knowledge, practical experience, professional qualifications, and diversity, as required for the banking business, and prescribed under applicable laws and the Bank's 'Policy on Appointment and Fit & Proper Criteria for Directors'. The Board reviews its strength and composition, from time to time, to ensure that it remains aligned with the requirements under the statutory provisions, aforesaid Policy as well as the business requirements of the Bank.

The average tenure of the Board Members, in years, as on March 31, 2025, was as follows:

Name of the Director(s)	Original Date of Appointment	Completed Tenure as on March 31, 2025	Retirement Date/ Existing Term Ending Date	Average Tenure category-wise
Executive Directors				
Mr. Partha Pratim Sengupta	November 01, 2024	5 months	October 31, 2027	
Mr. Ratan Kumar Kesh	March 31, 2023	2 years	March 30, 2026	1 year 2 months
Mr. Rajinder Kumar Babbar	March 08, 2024	1 year 1 month	March 07, 2027	
Non-Executive Non-Independent Director				
Ms. Divya Krishnan	May 11, 2022	2 years 11 months	Retire by rotation	2 years 11 months
RBI Nominee Director				
Mr. Arun Kumar Singh	June 24, 2024	9 months	June 23, 2026	9 months
Independent Directors				
Dr. Anup Kumar Sinha	January 07, 2019	6 years 3 months	July 04, 2026	
Dr. Allamraju Subramanya Ramasastri	August 08, 2018	6 years 8 months	August 07, 2026*	
Dr. Aparajita Mitra	July 13, 2022	2 years 9 months	July 12, 2025	
Mr. Narayan Vasudeo Prabhutendulkar	May 08, 2020	4 years 11 months	May 07, 2028	
Mr. Philip Mathew	June 15, 2022	2 years 10 months	June 14, 2025	5 years
Mr. Santanu Mukherjee	January 07, 2019	6 years 3 months	January 06, 2027	
Mr. Subrata Dutta Gupta	March 19, 2021	4 years	March 18, 2029	
Mr. Suhail Chander	March 19, 2021	4 years	March 18, 2029	
Mr. Vijay Nautamlal Bhatt	May 08, 2020	4 years 11 months	May 07, 2028	

**Ceased to be a director with effect from July 01, 2025, due to resignation.*

Separation of office of the Chairman and the Managing Director & CEO

In terms of the provisions of the BR Act, the Companies Act and the SEBI LODR, your Bank has separate offices for the Chairman and the MD&CEO. Your Bank has a Non-Executive (Independent) Chairman and an MD&CEO, and the appointments of both have been approved by the RBI, pursuant to the provisions of the BR Act. The Chairman provides overall direction and guidance to the Board whereas the MD&CEO is responsible for the overall management of the Bank.

The operational and functional heads of your Bank, together with the two Executive Directors, plays a pivotal role in supporting the MD&CEO in the day-to-day functioning, execution, and strategic operations of your Bank. This collaborative leadership structure ensures seamless coordination across business units, effective implementation of strategic initiatives, and robust operational governance.

Responsibilities of the Board

The responsibilities of the Board, *inter alia*, include overseeing the functioning of the Bank, financial performance of the Bank, monitoring legal & statutory compliance, reviewing the efficacy of internal control systems and processes, and management of risks associated with the business of the Bank, based on the information provided to it. The Board is also responsible for approving the strategic direction, plans and priorities for the Bank, monitoring corporate performance against strategic business plans, reviewing and approving the Bank's financial and operating results periodically, overseeing the Bank's Corporate Governance framework and supervising the succession planning process for its Directors and Senior Management.

Accordingly, the Board deliberates on matters, such as, business strategy, risks, financial results, succession planning, compliance, customer service, financial inclusion, information technology and human resources in line with the seven critical themes prescribed by the RBI and such other matters as may be deemed appropriate. The Board spends considerable time perusing the information shared with them, which facilitates informed decision-making and effective participation at its meetings, leading to board effectiveness. The Board oversees the actions and results of the management to ensure that the long-term objectives of enhancing the shareholders' value is achieved. The Board also has the discretion to engage the services of external expert(s)/ advisor(s), as may be deemed appropriate, from time to time.

The Members of the Board have complete freedom to express their opinions and arrive at decisions after detailed deliberations.

Board Meetings and Flow of Information

The Board plays an important role in ensuring sound Corporate Governance practices, providing strategic direction and functioning of the Bank. Notice and agenda papers are circulated to the Directors, in advance, before each meeting of the Board and Committees to facilitate meaningful and focused discussions at the meetings. All information, as applicable and specified in Regulation 17(7) of the SEBI LODR, read with Part A of Schedule II thereto, are regularly placed before the Board. The Board also periodically reviews the compliance reports with regard to the laws applicable to the Bank. In case of exigency(ies) or urgency(ies), in compliance with Section 175 of the Companies Act, proposals are approved by passing resolutions through circulation, which are placed in the next meeting of the Board/Committee, as the case may be, for noting, and forms part of the minutes of such meeting. The Board ensures that any direction given by it during the course of its meetings form part of the Action Taken Report (**'ATR'**) for its review and discussion at its subsequent meetings.

The Board meets at least once a quarter and at least four times a year to review and approve the quarterly/ annual financial results and matters relating to the business operations of the Bank. Apart from the above, Board meetings are also convened, as and when required, by giving due notice to the Directors. Further, in order to have participation of Directors travelling/residing abroad or at other locations in the meetings, video-conferencing (**'VC'**) facilities are also provided in terms of the provisions of Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014. The intervening period between any two consecutive Board meetings was well within the maximum gap of 120 days as specified in Regulation 17(2) of the SEBI LODR and Section 173(1) of the Companies Act.

The Board met twenty three times during the financial year under review, i.e., on April 05, 2024; April 06, 2024; May 15, 2024; May 17, 2024; June 26, 2024; July 06, 2024; July 15, 2024; July 24, 2024; July 26, 2024; August 23, 2024; September 20&21, 2024; September 26, 2024; October 05, 2024; October 22, 2024; October 23, 2024; October 25, 2024; November 19, 2024; December 24, 2024; January 29, 2025; January 31, 2025; February 27, 2025; February 28, 2025 and March 01, 2025.

Board Attendance and Directorships

The names and categories of the Directors on the Board, their attendance at the Board Meetings and the last AGM held during the FY under review, directorship in other companies including names of listed entities and Chairmanship/ Membership of the committees of public limited companies, as at the end of March 31, 2025, are given herein below:

Sl. No.	Name and DIN of the Directors	Category	Attendance during FY 2025				Number of Directorships in other companies		Number of Committee positions held in other public companies	
			No. of Board Meetings			AGM held on August 20, 2024	Public	Private	Chairperson	Member*
			During Tenure	Attended	%					
1.	Dr. Anup Kumar Sinha (Chairman) [DIN: 08249893]	Independent	23	22	95.65	Yes	-	-	-	-
2.	Mr. Partha Pratim Sengupta (MD&CEO) [DIN: 08273324]	Executive	7	7	100.00	NA	-	-	-	-
3.	Mr. Rajinder Kumar Babbar, ED&CBO [DIN: 10540386]	Executive	23	23	100.00	Yes	-	-	-	-
4.	Mr. Ratan Kumar Kesh, ED&COO [DIN: 10082714]	Executive	23	22	95.65	Yes	-	1	-	-
5.	Dr. A. S. Ramasastri# [DIN: 06916673]	Independent	23	19	82.61	Yes	1	1	-	-
6.	Dr. Aparajita Mitra@ [DIN: 09484337]	Independent	23	23	100.00	Yes	-	1	-	-
7.	Mr. Narayan Vasudeo Prabhutendulkar [DIN: 00869913]	Independent	23	23	100.00	Yes	1[1]	2	1	1
8.	Mr. Philip Mathew$ [DIN: 09638394]	Independent	23	23	100.00	Yes	-	-	-	-
9.	Mr. Santanu Mukherjee [DIN: 07716452]	Independent	23	23	100.00	Yes	6[2]	1	4	7
10.	Mr. Subrata Dutta Gupta [DIN: 08767943]	Independent	23	23	100.00	Yes	1	-	-	1
11.	Mr. Suhail Chander [DIN: 06941577]	Independent	23	23	100.00	Yes	1	-	-	1
12.	Mr. Vijay Nautamlal Bhatt [DIN: 00751001]	Independent	23	22	95.65	Yes	5[3]	1	4	7
13.	Ms. Divya Krishnan [DIN: 09276201]	Nominee (Non-Executive)	23	23	100.00	Yes	2[4]	-	-	2
14.	Mr. Arun Kumar Singh [DIN: 09498086]	RBI Nominee (Non-Executive)	19	18	94.74	Yes	-	-	-	-

**Membership includes chairpersonship.*
#ceased to be a director with effect from July 01, 2025, due to resignation.
@ceased to be a director with effect from July 13, 2025, due to retirement.
$ ceased to be a director with effect from June 15, 2025, due to retirement.

1. *Mr. Tendulkar was holding directorship as Independent Director in one other listed entity, viz., Global Vectra Helicorp Limited. However, Mr. Tendulkar has resigned from the board of Global Vectra Helicorp Limited with effect from close of business hours on March 31, 2025, and consequently, he also ceased to be the chairman/member of its committees.*
2. *Mr. Mukherjee is holding directorships, as Independent Director, in five other listed entities, viz., Suven Life Sciences Limited; Sumedha Fiscal Services Limited; Rainbow Children's Medicare Limited; Aurobindo Pharma Limited and NACL Industries Limited.*
3. *Mr. Bhatt is holding directorships, as Independent Director, in three other listed entities, viz. FDC Limited; IRB Infrastructure Developers Limited; and Finolex Industries Limited.*
4. *Ms. Krishnan is holding directorship, as Independent Director, in one other listed entity, viz., Repro India Limited.*

Mr. Chandra Shekhar Ghosh (DIN: 00342477), former MD&CEO of the Bank, ceased to be a Director of the Bank, effective July 10, 2024. He attended all the 6 Board Meetings held during his tenure during the FY 2025.

Mr. Pankaj Sood (DIN: 05185378), Nominee of Caladium, ceased to be a Director of the Bank, effective December 14, 2024. He attended 14 Board Meetings out of 17 Board Meetings held during his tenure during the FY 2025. He also attended the 10th AGM of the Bank held on August 20, 2024.

Note:

1. Other directorships do not include directorships of foreign companies.

2. None of the Directors is a member of more than ten committees or chairperson of more than five committees across all the public companies in which he/ she is a director.

3. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee of the Board and Stakeholders' Relationship Committee of the Board have been considered as per Regulation 26(1)(b) of the SEBI LODR. Necessary disclosures regarding Committee positions in other public companies, as on March 31, 2025, have been made by the Directors.

None of the Directors are related to each other. Further, none of the Directors on the Board hold directorships in more than twenty companies or ten public companies or seven listed entities, and none of the Independent Directors of the Bank serve as an independent director in more than seven listed entities. All Directors of the Bank hold directorship in compliance with Regulation 17A of the SEBI LODR and Section 165 of the Companies Act. All Directors of the Bank have submitted forms / declarations / undertakings / consent as required under the extant laws, from time to time. Pursuant to review of the said submissions by the directors of your Bank, the NRC and the Board have confirmed that all the Directors are in compliance with the applicable statutory and regulatory norms, and are fit and proper to continue as directors of your Bank.

Skills/ Expertise/ Competence of Board of Directors

Being a Banking Company, your Bank is regulated by the provisions of the BR Act, besides the Companies Act and the SEBI LODR. In terms of Section 10A(2)(a) of the BR Act and your Bank's 'Policy on Appointment and Fit & Proper Criteria for Directors', the members of the Board of Directors shall consist of persons, who shall have special knowledge or practical experience in respect of one or more of the following matters, namely; accountancy, agriculture and rural economy, banking, co-operation, economics, finance, law, small-scale industry, information technology, cyber security, payment and settlement systems, human resources, risk management, business management, marketing, fin-tech or any other matter the special knowledge of, and practical experience, which would, in the opinion of the RBI, be useful to the banking company and as may be deemed appropriate for the business requirements of the Bank. The Board of Directors of your Bank is guided by the above, as and when any new Director is appointed on the Board. The brief profiles of all the members of the Board are available on the website of the Bank at https://bandhanbank.com/corporate-governance.

The details of the core skills/ expertise/ competence possessed by the Directors of the Bank are given hereunder, along with their shareholding in the Bank as on March 31, 2025. None of the Directors is holding shares of the Bank as a beneficial owner for any other persons.

Name of the Director(s)	Date of Appointment (A)/ Re-appointment (R)	Expertise/ Special Knowledge/ Experience	Number of equity shares@
Dr. Anup Kumar Sinha	January 07, 2019 (A) January 07, 2022 (R)	Economics | Agriculture	-
Mr. Partha Pratim Sengupta	November 01, 2024 (A)	Banking | Finance | Agricultural Banking | Risk Management | Human Resource | Law | Information Technology	-
Mr. Rajinder Kumar Babbar	March 08, 2024 (A)	Banking | Small-scale industry | Law | Agriculture | Rural Economy	1,700#
Mr. Ratan Kumar Kesh	March 31, 2023 (A)	Banking | Information Technology | Payment & Settlement systems	300
Dr. A. S. Ramasastri[1]	August 08, 2018 (A) August 08, 2021 (R)	Information Technology | Payment & Settlement Systems | Finance	-
Dr. Aparajita Mitra[2]	July 13, 2022 (A)	Agriculture and Rural Economy	-
Mr. Arun Kumar Singh	June 24, 2024 (A) June 24, 2025 (R)	Banking | Economics | Information Technology | Risk Management	-
Ms. Divya Krishnan	May 11, 2022 (A) August 20, 2024 (R)	Finance | Investment Banking	-
Mr. N. V. P. Tendulkar	May 08, 2020 (A) May 08, 2023 (R)	Accountancy | Finance | Information Technology | Law	-
Mr. Philip Mathew[3]	June 15, 2022 (A)	Human Resource | Banking	-
Mr. Santanu Mukherjee	January 07, 2019 (A) January 07, 2022 (R)	Banking | Treasury Operations | Risk Management | Finance	-
Mr. Subrata Dutta Gupta	March 19, 2021 (A) March 19, 2024 (R)	Mortgage finance | Housing | Economics	-

Name of the Director(s)	Date of Appointment (A)/ Re-appointment (R)	Expertise/ Special Knowledge/ Experience	Number of equity shares@
Mr. Suhail Chander	March 19, 2021 (A) March 19, 2024 (R)	Banking | Risk Management | Finance | Accountancy | Business Management	-
Mr. Vijay N Bhatt	May 08, 2020 (A) May 08, 2023 (R)	Audit | Accountancy | Assurance | Finance | Law	-

A *stands for Appointment and* ***R*** *stands for Re-appointment/Extension*
@The Bank has not issued any convertible instruments.
 # Held jointly with spouse
[1]ceased to be a director with effect from July 01, 2025, due to resignation.
[2]ceased to be a director with effect from July 13, 2025, due to retirement.
[3]ceased to be a director with effect from June 15, 2025, due to retirement.

Independent Directors

At the end of March 31, 2025, the Board consisted of the following nine Independent Directors, in accordance with the provisions of the Companies Act, the BR Act and the SEBI LODR:

Sl. No.	Name of the Directors
1.	Mr. Santanu Mukherjee
2.	Dr. Anup Kumar Sinha
3.	Dr. Allamraju Subramanya Ramasastri (ceased effective July 01, 2025)
4.	Dr. Aparajita Mitra (ceased effective July 13, 2025)
5.	Mr. Narayan Vasudeo Prabhutendulkar
6.	Mr. Philip Mathew (ceased effective June 15, 2025)
7.	Mr. Subrata Dutta Gupta
8.	Mr. Suhail Chander
9.	Mr. Vijay Nautamlal Bhatt

Note: Ms. Veni Thapar has been appointed as an Independent Director effective June 27, 2025, subject to approval of Shareholders at ensuing AGM.

Meeting of Independent Directors

During the FY under review, the Independent Directors met twice without the presence of management, i.e., on May 13, 2024 for performance evaluation of the Board, Chairman and Non-Independent Directors, and on December 24, 2024 to assess the quality, quantity and timeliness of the flow of information between the management and the Board, and other governance related matters. Further, in accordance with Regulation 25(4) of the SEBI LODR and Clause VII of Schedule IV to the Companies Act, the Independent Directors met exclusively on July 16, 2025, without the presence of the Managing Director & CEO, Executive Directors, Non-Executive Non-Independent Directors or management, to review the performance of Non-Independent Directors, Non-Executive Chairman and the Board as a whole for the FY 2025.

Independence of Directors

All Independent Directors have given necessary declarations of independence under Section 149(7) of the Companies Act and Regulation 25(8) of the SEBI LODR, and have also confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act and Regulation 16(1)(b) of the SEBI LODR, and that they are independent of the management. A formal letter of appointment has been issued to the Independent Directors at the time of their appointment(s)/ reappointment(s). The terms and conditions of appointment of Independent Directors are available on the website of the Bank at https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2024-07/Terms-and-Conditions-of-Appointment-of-Independent-Director.pdf.

Independent Director Databank Registration

In terms of Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, Independent Directors of the Bank have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (**'Institute'**) as well as renewed the registration wherever required. Further, the Independent Directors, who were required to pass an online proficiency self-assessment test conducted by the Institute, have appeared for and passed such test.

Familiarisation Programme

The 'Policy on Appointment and Fit & Proper Criteria for Directors' sets out the familiarisation programme for the Non-Executive Directors (**'NEDs'**) of the Bank. In order to familiarise the Bank's NEDs, including Independent Directors, with the functioning of the Bank and their roles,

responsibilities, etc., the newly appointed Directors are provided with a comprehensive Induction Kit, including the business, operations and financials of the Bank, history of the Bank, organisational structure, composition and roles of the Board and Committees, core management team of the Bank, rights, responsibilities and liabilities as an Independent Director, copies of the applicable Policies and Codes of the Bank, along with the Bank's Memorandum of Association (**'MOA'**) & Articles of Association (**'AOA'**). The Bank also nominates the Directors to attend relevant external programs at reputed forums and/or internally provide deep-dives/presentations on subjects relevant from your Bank's perspective, as may be necessary from time to time. The details of the familiarisation programmes conducted for the Independent Directors of your Bank are available on its website at https://bandhanbank.com/familiarisation-programmes.

Performance Evaluation Criteria for Independent Directors

The performance evaluation of Independent Directors is conducted in terms of the provisions of 'Performance Evaluation Policy for the Board, Committees, Non-independent / Whole-time Directors and Independent Directors' (the **'Board PE Policy'**) as recommended by the NRC and approved by the Board, pursuant to the relevant provisions of the Companies Act, the SEBI LODR and SEBI Guidance Note on Board Evaluation. In terms of the Board PE Policy, an indicative list of factors on which evaluation of the Independent Directors was carried out includes commitment, contribution, competency, attendance, initiative, teamwork, communication, adherence to code of conduct, corporate governance, fulfilment of the independence criteria and their independence from the Management. Further details of the evaluation on Independent Directors are provided in the Board's Report.

Policy on Appointment of Directors

Your Bank has in place a 'Policy on Appointment and Fit & Proper Criteria for Directors'. This Policy lays down the criteria for identification of persons who are qualified and 'fit and proper' to become Directors on the Board, such as, academic qualifications, special knowledge or practical experience, competence, track record, integrity, etc., which shall be considered by the NRC while recommending appointment/re-appointment of a Director. The Policy is available on the website of the Bank at https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-01/Policy-on-Appointment-and-Fit-Proper-Criteria-for-Directors.pdf. This Policy is guided by the provisions of the BR Act and the rules framed thereunder, the Companies Act and the SEBI LODR and the circulars or guidelines issued by the RBI, from time to time, in this regard. While appointing a Director on its Board, your Bank follows the direction(s) of the RBI with regard to 'fit and proper' criteria, as applicable to private sector banks, and obtains the 'Declaration and Undertaking' from the candidate and executes Deed of Covenants, which includes the requirement for Directors to discharge their duties and responsibilities to the best of their abilities, individually and collectively. The NRC ascertains the fit and proper status of the candidate for the office of director, fulfilment of criteria of independence as prescribed under the Companies Act and the SEBI LODR in case of independent directors, and thereafter, recommends their appointment/reappointment to the Board for approval. The Board also ensures that the Directors have the requisite skill sets, practical experience, special knowledge required for the banking business and as prescribed under Section 10A(2)(a) of the BR Act. The Board is duly constituted, including gender diversity. The appointments of the Chairman, the Managing Director and Executive Director(s) on the Board are made with the prior approval of the RBI. The Board also takes into account the outcome of performance evaluation while considering the re-appointment/continuation of appointment of Independent Directors.

The NRC evaluates whether the members of the Board, excluding NRC members, adhere to the 'fit and proper' criteria as prescribed by the RBI and the adherence to the 'fit and proper' criteria by the members of the NRC is evaluated by the Board of Directors annually, in addition to evaluation of fit and proper status at the time of appointment/re-appointment of Directors.

Remuneration Policy

Your Bank has formulated and adopted a Compensation Policy for Directors, KMP and Employees of the Bank, in terms of Section 178 of the Companies Act, read with the relevant Rules made thereunder, Regulation 19 of the SEBI LODR and the Guidelines or Circulars or directions issued by the RBI, in this regard, from time to time. Your Bank's Compensation Policy is aligned to its business strategy, market dynamics, internal characteristics and complexities within the Bank. Your Bank's remuneration framework aims to attract, motivate and retain people with the requisite skills, experience and ability to deliver its strategy; create an alignment and balance between the rewards and risk exposure of shareholders and interests of employees; promote responsible growth and create long term sustainable shareholders' value consistent with strategic goals and appropriate risk management; reinforce behaviour consistent with its values, principles and objectives, and support appropriate conduct and meritocratic culture through differentiated performance rewards. The Compensation Policy of your Bank is reviewed by the NRC and the Board on an annual basis to align the provisions with regulatory changes as well as to meet the organisational requirements. The Compensation Policy of your Bank was reviewed by the Board during the year and one change was made relating to receipt of unvested deferred variable pay, post-retirement of an employee. The updated Policy is available on the website of the Bank at https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-01/Compensation-Policy.pdf.

RBI, vide its circular no. RBI/2019-20/89 DOR.Appt. BC.No.23/29.67.001/2019-20 dated November 04, 2019, has issued 'Guidelines on Compensation of Whole-time Directors/Chief Executive Officers/Material Risk takers and Control function staff' for implementation by private sector banks and foreign banks from April 01, 2020. Your Bank's Compensation Policy is in line with this RBI circular. In terms of the Compensation Policy, the total compensation shall be a prudent mix of fixed pay (including basic salary, fixed allowances, retirals and perquisites) and performance-based variable pay (comprising cash component and share-linked instruments, which includes employee stock options and cash settled stock appreciation rights) whereas variable pay shall not exceed three times the annual fixed pay for MD&CEO/ Whole-time Director(s). Annual increments for the senior management are recommended by the NRC and approved by the Board. The annual increments for the MD&CEO/ Whole-time Director(s) are recommended by the NRC and the Board for the approval of RBI and the Members of the Bank. The Board of Directors, on the recommendation of the NRC and on the basis of the evaluation process considering the criteria, such as, the performance of the Bank as well as that of the MD&CEO/ Whole-time Director(s), recommends to the RBI for approval of the variable pay payable to the MD&CEO/ Whole-time Director(s) for the FY. The remunerations of the MD&CEO/ Whole-time Director(s) are subject to prior approval of RBI and the approval of the Members of the Bank.

Non-Executive Directors' Compensation and Disclosures

In terms of the provisions of the Companies Act, the SEBI LODR and the Compensation Policy of the Bank, the Non-Executive Directors (**'NED'**), including Independent Directors, of your Bank are paid sitting fees of ₹90,000 per meeting for attending the meetings of the Board, ₹75,000 per meeting for attending meetings of the Audit Committee of the Board and the Risk Management Committee of the Board, and ₹60,000 per meeting for attending meetings of other Committees of the Board as well as meetings of Independent Directors, subject to applicable taxes, and reimbursement of expenses for participation in such meetings. Additionally, pursuant to the RBI Circular dated April 26, 2021, as amended, the Compensation Policy of your Bank provides for payment of compensation in the form of a fixed remuneration commensurate with an individual director's responsibilities and demands on time and which are considered sufficient to attract qualified competent individuals, for NEDs, other than the Chairperson of the Board. Accordingly, pursuant to approval of Members of the Bank, at their 8th AGM held on August 10, 2022, the NEDs, excluding Non-Executive Chairman, were paid fixed remuneration of ₹12 lakh per annum per NEDs, with effect from April 01, 2022, for a period of three years. Further, on the recommendations of the NRC, the Board has recommended for an increase in the fixed remuneration of NEDs from ₹12 lakh per annum to ₹18 lakh per annum per NEDs, for the approval of the Shareholders at the ensuing AGM. In addition to sitting fees, the Non-Executive Chairman of the Bank is also paid fixed remuneration with prior approval of the RBI pursuant to the provisions of the BR Act and approval of the Members of the Bank. During the FY under review, the RBI has granted its approval for increase in the fixed remuneration of the Non-Executive Chairman of the Bank from ₹24 lakh per annum to ₹27 lakh per annum with effect from January 07, 2025. Details of sitting fees paid to the NEDs and the fixed remuneration paid to the NEDs, excluding Non-Executive Chairman, and the remuneration paid to Non-Executive Chairman are given hereinafter. The Compensation Policy of your Bank is available on its website and the link for the same has been provided above. No stock options were/are granted to any of the NEDs of the Bank.

Remuneration to Directors

Details of the total remuneration paid to all the Directors of your Bank for the financial year ended March 31, 2025, are, as follows:

a. Non-Executive Directors

(Amount in ₹)

Sl. No.	Name of the Directors	Remuneration	Sitting fees	Total
1.	Dr. Anup Kumar Sinha	24,70,161	31,80,000	56,50,161
2.	Dr. Allamraju Subramanya Ramasastri	12,00,000	29,85,000	41,85,000
3.	Dr. Aparajita Mitra	12,00,000	31,95,000	43,95,000
4.	Mr. Arun Kumar Singh *(appointed w.e.f. June 24, 2024)*	9,23,333	25,20,000	34,43,333
5.	Ms. Divya Krishnan	12,00,000	33,60,000	45,60,000
6.	Mr. Narayan Vasudeo Prabhutendulkar	12,00,000	37,05,000	49,05,000
7.	Mr. Pankaj Sood *(ceased w.e.f. December 14, 2024)*	8,43,333	18,60,000	27,03,333
8.	Mr. Philip Mathew	12,00,000	29,70,000	41,70,000
9.	Mr. Santanu Mukherjee	12,00,000	36,60,000	48,60,000
10.	Mr. Subrata Dutta Gupta	12,00,000	36,90,000	48,90,000

(Amount in ₹)

Sl. No.	Name of the Directors	Remuneration	Sitting fees	Total
11.	Mr. Suhail Chander	12,00,000	43,05,000	55,05,000
12.	Mr. Vijay Nautamlal Bhatt	12,00,000	35,70,000	47,70,000

During the FY under review, apart from the aforesaid, there was no pecuniary relationship or significant/ material transactions of the NEDs vis-à-vis the Bank (except banking transactions in the ordinary course of business and at an arm's length basis).

b. Former Managing Director & CEO, Mr. Chandra Shekhar Ghosh (upto July 09, 2024)

Particulars	(Amt. in ₹) till July 09, 2024
Basic	53,46,774
House Rent Allowance	19,36,493
Retirals (Gratuity)	2,57,057
Other allowance and Perquisites*	19,19,354
Total Fixed Pay and Perquisites	**94,59,678**
Variable Pay#	NA

**Includes Medical Allowance, Child Education Allowance, Conveyance Allowance, Car fuel and driver allowances, Club Membership, Insurance Valuation (Group Term Life, Group Mediclaim & Accidental Disability) & Health Check-up, mobile handset & usage, broadband charges, residential telephone connection & usage, expenses relating to personal travel with family in India or abroad. All hospitalisation and medical expenses for self, spouse, and dependents (max self+4) shall be reimbursed on actuals.*

#variable pay amounting to ₹64,75,000 for FY 2024 and deferred variable pay amounting to ₹30,71,600 was paid during FY 2025.

a. As approved by the RBI and the Shareholders, Mr. Chandra Shekhar Ghosh had been the MD & CEO of the Bank till July 09, 2024.

b. On the basis of recommendations of the NRC and the Board, and approval of the RBI for fixed pay of ₹3.45 crore per annum, Shareholders, at the 10th AGM of the Bank, had approved the total remuneration (including variable pay comprising non-cash component only) of Mr. Ghosh, as MD & CEO from April 01, 2023 to July 09, 2024, subject to approval of the RBI for the variable pay. Subsequently, the approval of the RBI was also received for the variable pay of Mr. Ghosh for FY 2023-24. No sitting fees were paid to Mr. Ghosh for attending meetings of the Board and Board Committees. The notice period applicable to Mr. Ghosh was three months. Mr. Ghosh was not eligible for any severance fee.

c. Upon retirement of Mr. Ghosh as MD&CEO of the Bank on July 09, 2024, all the unvested Options vested immediately on the first vesting date relating to the said grant, following the date of superannuation/retirement. The exercise period for the Options which got vested at one go after the retirement date, will be five years from the date of vesting.

d. Pursuant to approval of RBI and the Shareholders, for performance year FY 2023-24, Mr. Ghosh has been granted variable pay (cash component) of ₹129.50 lakh, 50% of which was paid during FY 2025 and the balance will be paid in three equal instalments over the next three years. Mr. Ghosh was also granted 2,87,267 cash settled stock appreciation rights (CSARs) against the non-cash component of variable pay, amounting to ₹129.50 lakh. The CSARs will be vested over a period of 4 years pro-rated as per the Bank's ESOP Plan, i.e., prorated over a period of 4 years with the first vesting after 1 year from grant and shall be eligible for settlement once vested with no exercise period. The deferred compensation would be subject to malus and clawback arrangements in the event of subdued or negative financial performance of the Bank and/or the relevant line of business in any year. Further, the representative set of situations provided in the Bank's Compensation Policy for invocation of malus and clawback clauses shall be applicable on the entire variable pay.

c. Managing Director & CEO, Mr. Partha Pratim Sengupta (w.e.f. November 01, 2024)

Particulars	(Amt. in ₹) w.e.f. November 01, 2024
Basic	41,66,665
House Rent Allowance	20,83,335
Retirals (Gratuity)	2,00,417
Other allowance and Perquisites*	76,79,260
Total Fixed Pay and Perquisites	**1,41,29,677**

**include Club Membership, Company Provided Car, Staff Loans at concessional rates, Insurance Valuation (Group Term Life, Group Mediclaim & Accidental Disability) & Health Check-up, mobile usage and broadband charges. All hospitalisation and medical expenses for self, spouse, and dependents (max self+4) shall be reimbursed on actuals.*

a. Mr. Partha Pratim Sengupta had been appointed as the MD & CEO of the Bank for a period of three years, with effect from November 01, 2024 including fixed remuneration of ₹3.40 crores per annum, pursuant to approval by the RBI and the Shareholders, on the basis of recommendation of the NRC and the Board.

b. No sitting fees were paid to Mr. Sengupta for attending meetings of the Board and Board Committees. The notice period applicable to Mr. Sengupta is three months. Mr. Sengupta is not eligible for any severance fee.

c. For the overall performance assessment of the MD & CEO, a Balanced Score Card (**'BSC'**) is used. The BSC is a performance evaluation technique that takes into consideration a number of financial and non-financial performance indicators aligned to the long-term strategy of the organisation. The performance goals are organised to address four perspectives, viz., financial, customer, internal process and people, the latter three being drivers of future performance. As per the RBI guidelines dated November 04, 2019, the performance based variable pay is subject to in year adjustment, malus or clawback. The deferred compensation would be subject to malus and clawback arrangements in the event of subdued or negative financial performance of the Bank and/ or the relevant line of business in any year. Further, the representative set of situations provided in the Bank's Compensation Policy for invocation of malus and clawback clauses shall be applicable on the entire variable pay.

d. Further details regarding the compensation of the MD&CEO as well as other disclosures as required to be made pursuant to the RBI Guidelines on compensation of the WTD/ CEO/ Material Risk Takers and Control Function Staff dated November 04, 2019, are made available as notes to the Financial Statement forming part of this Annual Report.

C. Executive Directors (EDs)

(Amount in ₹)

Particulars	Mr. Ratan Kumar Kesh, ED&COO	Mr. Rajinder Kumar Babbar, ED&CBO
Basic	93,00,000	71,49,944
House Rent Allowance	46,50,000	35,74,972
Retirals (Provident Fund & Gratuity)	15,63,336	12,01,740
Other allowance and Perquisites*	1,54,86,664	180,73,344
Total Fixed Pay and Perquisites	**3,10,00,000**	**3,00,00,000**
Variable Pay	Variable pay for FY 2025 will be paid in FY 2026 after RBI approval	

**Includes Special Allowance, Medical Allowance, Leave Travel Allowance, Child Education Allowance, Conveyance Allowance, Car Fuel and Driver Allowances, Club Membership, Insurance Valuation (Group Term Life, Group Mediclaim & Accidental Disability) & Health Check-up, Payment/ reimbursement of the charges towards mobile connection and Broadband/ Landline charges on actual basis, etc. Company provided car and staff housing loan at concessional rate has been availed by Mr. Kesh. All hospitalisation and medical expenses for self, spouse, and dependents (max 1+4) shall be reimbursed on actuals.*

a. Mr. Ratan Kumar Kesh has been appointed as the ED&COO of the Bank and KMP, for a period of three years, from March 31, 2023, pursuant to RBI approval and approval of the Shareholders of the Bank. On the basis of recommendations of the NRC and the Board, the proposal for remuneration of the ED&COO for FY 2025 is being placed for the approval of Shareholders at the ensuing AGM of the Bank. Approval of RBI has been received for the fixed pay of the ED&COO for FY 2025, whereas variable pay for FY 2025 is subject to RBI approval. Pursuant to approval of Shareholders at 10th AGM and approval of RBI, Mr. Kesh was paid variable pay of ₹2.80 crore for FY 2024 including cash component of ₹64,61,000 (50% of which was paid during FY 2025 and the balance will be paid in three equal instalments over the next three years) and non-cash component of ₹2,15,39,000 against which 2,96,353 stock options were granted on December 24, 2024 to Mr. Kesh. These options would

vest not earlier than one year and not later than four years from the date of grant and shall be equally vested over four years with a gap of one year between each vesting. The exercise period for these stock options will be five years from the date of vesting. The said stock options were not issued at any discount.

b. Mr. Rajinder Kumar Babbar has been appointed as the ED&CBO of the Bank and KMP, for a period of three years, from March 08, 2024, pursuant to RBI approval and subsequent approval by the Shareholders of the Bank. The remuneration of the ED&CBO effective March 08, 2024, was also approved by the Shareholders of the Bank. Approval of RBI has been received for the fixed pay of the ED&COO for FY 2025, whereas variable pay for FY 2025 is subject to RBI approval.

c. In terms of the approval of the RBI and Shareholders, Mr. Babbar was granted 10,12,373 stock options within one month of his joining the Bank i.e. on March 13, 2024, whereas the second tranche of 3,29,091 stock options was granted on September 13, 2024, i.e. upon completion of six months of Mr. Babbar with the Bank, as joining stock options. These options would vest not earlier than one year and not later than four years from the date of grant and shall be equally vested over four years with a gap of one year between each vesting. Vesting of Options will be subject to achievement of a minimum performance rating of '4' in the year of vesting, failing which, the Options to be vested in that year of vesting will be cancelled. The exercise period for these stock options will be five years from the date of vesting. The said stock options were not issued at any discount.

d. No sitting fees are paid to EDs for attending meetings of the Board and Board Committees. The notice period applicable for EDs is three months. EDs are not eligible for any severance fees.

e. For the overall performance assessment of the EDs, a Balanced Score Card (**'BSC'**) is used. The BSC is a performance evaluation technique that takes into consideration a number of financial and non-financial performance indicators aligned to the long-term strategy of the organisation. The performance goals are organised to address four perspectives, viz., financial, customer, internal process and people, the latter three being drivers of future performance. As per the RBI guidelines dated November 04, 2019, the performance based variable pay is subject to in year adjustment, malus or clawback. The deferred compensation would be subject to malus and clawback arrangements in the event of subdued or negative financial performance of the Bank and/or the relevant line of business in any year. Further, the representative set of situations provided in the Bank's Compensation Policy for invocation of malus and clawback clauses shall be applicable on the entire variable pay.

f. Further details regarding the compensation of the EDs as well as other disclosures as required to be made pursuant to the RBI Guidelines on compensation of the WTD/ CEO/ Material Risk Takers and Control Function Staff dated November 04, 2019 are made available as notes to the Financial Statement forming part of this Annual Report.

Senior Management

Particulars of Senior Management of your Bank is provided under the section 'Corporate Overview'. There were certain changes in Senior Management of your Bank during FY 2025. Mr. Satish Kumar has been appointed as Head - Wholesale Banking effective April 10, 2024. Mr. Manoj Kumar Mauni ceased to be the Chief Technology Officer effective January 07, 2025. Mr. Biswajit Das ceased to be the Chief Risk Officer (**'CRO'**), pursuant to completion of his tenure as CRO on January 26, 2025. Consequently, Mr. Sundeep Bhan was appointed as the Interim CRO of the Bank effective January 29, 2025, for a period of six months or till the date the new CRO joins the Bank, whichever is earlier, who relinquished the said office effective July 14, 2025 upon appointment and joining of Mr. Biju E Punnachalil as the CRO, from the said date. Further, Mr. Ravi Lahoti ceased to be the Chief Audit Executive (**'CAE'**) effective February 05, 2025. Consequently, Mr. Mayank Ghoshal was appointed as Interim CAE effective February 05, 2025, who relinquished the said office effective May 19, 2025, upon appointment and joining of Mr. Navin Sharma as the CAE of the Bank, from the said date.

Board Committees

The Board has also been conducting its businesses through various Committees constituted to deal with specific matters as may be delegated by the Board and as mandated under the relevant provisions of the Companies Act, the SEBI LODR, the BR Act, Guidelines and Circulars issued by the RBI, in this regard, from time to time, and the AOA of the Bank.

The agenda for the meetings of the Board Committees is finalised in consultation with the Chairperson of the respective Committees. The Committees ensure that any direction given by them during the course of the meetings forms part of the Action Taken Report (**'ATR'**) for their review and discussion at the subsequent meetings. The Chairperson of the Committees brief the Board on the key decisions taken at respective meetings. In case of business exigency(ies) or urgency(ies) of matters, proposals are

approved through circulation by the Board Committees in the form of 'Resolution(s) by Circulation', which are subsequently submitted in the forthcoming meeting for its noting, as required under the Companies Act.

All the recommendations made by the Committees of the Board which are mandatorily required, were accepted by the Board.

The Board has constituted the following Committees to oversee specific areas:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Risk Management Committee
4. IT Strategy Committee
5. Customer Service Committee
6. Corporate Social Responsibility and Sustainability Committee
7. Special Committee of the Board for Monitoring and Follow-up of Cases of Frauds
8. Stakeholders' Relationship Committee
9. Committee of Directors
10. Review Committee of the Board for Declaration of Wilful Defaulters

Audit Committee

Qualified and Independent Audit Committee

Your Bank has a qualified and independent Audit Committee of the Board (**'ACB'**), with the powers and roles that are in accordance with Section 177 of the Companies Act and rules made thereunder, Regulation 18 of the SEBI LODR, read with Part C of Schedule II thereto, circulars / guidelines issued by the RBI in this regard, from time to time, which acts as a link between the Management, the Statutory Auditors, Internal Auditors and the Board of Directors and *inter alia*, oversees the financial reporting process, internal control and compliance matters of the Bank.

The ACB provides direction to the audit function and monitors the quality of internal and statutory audits. Its responsibilities, *inter alia*, include examining the financial statement and auditors' reports and overseeing the financial reporting process to ensure fairness, sufficiency and credibility of financial statements, recommending appointment of auditors and terms of such appointment, and reviewing and monitoring the internal audit and compliance function of the Bank.

Meetings of the ACB

As on March 31, 2025, the ACB comprised of five Directors including three Independent Directors, one Non-Executive Non-Independent Director and one RBI Nominee Additional Director, chaired by Mr. Vijay Nautamlal Bhatt, an Independent Director, who is a Chartered Accountant. Further, the RBI, vide its letter dated June 24, 2024, appointed Mr. Arun Kumar Singh as Additional Director on the Board of the Bank, for a period of one year, under the provisions of Section 36AB of the BR Act, and also on the ACB. During FY 2025, the ACB met fourteen times, i.e., on April 30, 2024, May 16, 2024, June 25, 2024, July 25, 2024, August 22, 2024, October 03, 2024, October 04, 2024, October 24, 2024, December 03, 2024, December 23, 2024, January 30, 2025, February 17&18, 2025, March 10, 2025 and March 19, 2025, and the gap between any two consecutive meetings did not exceed one hundred and twenty days.

In terms of the SEBI LODR, Mr. Indranil Banerjee, the Company Secretary and Compliance Officer of your Bank, acts as the Secretary to the ACB. He also acts as the Compliance Officer to ensure compliance and effective implementation of your Bank's Code of Conduct for Prevention of Insider Trading (**'PIT Code'**) and submitting the reports on the matter relating to the PIT Code to the ACB/ Board at regular intervals.

Further, Mr. Vijay Nautamlal Bhatt, Chairman of the ACB, attended the last AGM of the Bank held on August 20, 2024.

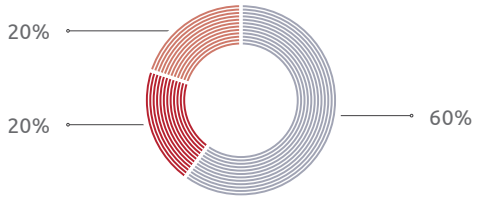
Composition (as on March 31, 2025) and Attendance - ACB

Name of Member	Category	Number of Meetings during the FY 2025 (Fourteen meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Vijay Nautamlal Bhatt, Chairman	Independent	14	14	100	10,50,000
Mr. Arun Kumar Singh[1]	Non-Executive Non-Independent	12	12	100	9,00,000
Ms. Divya Krishnan	Non-Executive Non-Independent	14	14	100	10,50,000
Mr. Narayan Vasudeo Prabhutendulkar[2]	Independent	13	13	100	9,75,000
Mr. Santanu Mukherjee[3]	Independent	7	7	100	5,25,000
Mr. Subrata Dutta Gupta[4]	Independent	8	8	100	6,00,000
Mr. Suhail Chander[5]	Independent	1	1	100	75,000

[1]*Appointed as a member of the ACB, effective June 24, 2024.*
[2]*Appointed as a member of the ACB, effective May 08, 2024.*
[3]*Ceased to be a member of the ACB, effective May 08, 2024, and re-appointed as a member effective November 02, 2024.*
[4]*Ceased to be a member of the ACB, effective November 02, 2024.*
[5]*Ceased to be a member of the ACB, effective May 08, 2024.*

Note: As on July 18, 2025, the ACB comprised of Mr. Vijay Nautamlal Bhatt (Chairman), Independent Director, Mr. Arun Kumar Singh, RBI (Nominee) Additional Director, Ms. Divya Krishnan, Non-Executive Non-Independent, Mr. Santanu Mukherjee, Independent Director and Ms. Veni Thapar, Independent Director (Additional). RBI vide its letter dated June 20, 2025, extended the term of Mr. Arun Kumar Singh as Additional Director for a further period of one year, effective from June 24, 2025, on the Board and the ACB of your Bank under the provisions of Section 36AB of the BR Act. Further, the ACB was re-constituted effective July 13, 2025, replacing Mr. N V P Tendulkar with Ms. Veni Thapar as member of the ACB.

ACB Composition - (as on date)



Independent	3
Non-Executive Non-Independent	1
RBI Nominee Director	1

(As per Section 36AB of the BR Act, for the purpose of reckoning any proportion of the total number of Directors of the banking company, any additional Director appointed under this section shall not be taken into account. Accordingly, though Mr. Singh has been appointed as a member of the ACB, he has not been considered in determining the constitution of the ACB.)

Terms of reference of the ACB

- Oversight of the Bank's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Reviewing, with the management, the quarterly / half-yearly financial statement before submission to the Board of Directors for approval; and review of the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013, as amended;
  b. Changes, if any, in accounting policies and practices and reasons for the same;
  c. Major accounting entries involving estimates based on the exercise of judgment by management;
  d. Significant adjustments made in the financial statements arising out of audit findings;
  e. Compliance with listing and other legal requirements relating to financial statements;
  f. Disclosure of any related party transactions; and
  g. Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Scrutiny of inter-corporate loans and investments;
- Monitoring the end use of funds raised through public offers and related matters;
- Approval or any subsequent modifications of transactions of the Bank with related parties (Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions.);
- Review of the Bank's Audit Policy and Policy of Appointment of Statutory Auditors.
- Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of Statutory auditors of the Bank;
- Approval of payment of statutory auditors for any other services rendered by the statutory auditors;
- Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- Reviewing with the management, the performance of statutory auditors and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, including the reporting structure of the internal audit department, staffing and seniority of the official heading the department, coverage and frequency of internal audits;
- To review the effectiveness of Concurrent Audit system;
- To review the Long form Audit Report (LFAR) along with Management's response before submission to RBI within the stipulated timeline
- Discussion with the internal auditors on significant audit findings from various audits and follow up thereon;
- Overseeing the Information Systems (IS) Audit of the Bank;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal

control systems of a material nature and reporting the matter to the Board;

- Reviewing the instances brought by the Auditors / Internal Audit Department found during the audit where the transactions in the account or the documents point to the possibility of fraudulent transactions in the account for appropriate action.
- To review the appointment, transfer or removal of the Chief Compliance Officer (CCO) and Head of Internal Audit (HIA) in compliance with the regulatory guidelines and to review the performance appraisal of CCO and HIA;
- To conduct one-to-one meeting(s) with the HIA and CCO on a quarterly basis, without the presence of the senior management including MD & CEO;
- To review the Compliance Function of the Bank on a quarterly basis to manage compliance risk and ensure that compliance issues are resolved effectively and expeditiously by top/ senior management with the assistance of compliance staff;
- To conduct a detailed annual review of the Compliance Function (including organisational structure, activities and qualifications of Compliance staff) and recommend changes, if any, to the Compliance Policy of the Bank;
- To monitor and review reporting requirements by the Compliance Function including reporting of Compliance Testing results, compliance breaches/ failures, Compliance Risk Assessment, change in the compliance risk profile, etc.;
- To review instances of all material compliance failures which may attract significant risk of legal or regulatory sanctions, financial loss or loss of reputation promptly;
- To ensure timely and sustainable compliance to all observations of Risk Assessment Report (RAR) / Risk Mitigation Plan (RMP) and the regulatory and supervisory guidelines/ directions in letter and spirit;
- To review the functioning of the whistle blower mechanism including examination of complaints on possible fraud cases / suspicious activities in account(s) and conclusion of the same appropriately under their Whistle Blower Policy;
- To examine the accountability of very senior executives of the Bank viz. MD&CEO, Executive Director(s), Executives of equivalent rank in case of fraud involving them and to place a report to the Board in this regard;
- To review the compliance with the Code of Conduct for Prevention of Insider Trading and shall verify that the systems for internal control are adequate and are operating effectively, as required under the SEBI (Prohibition of Insider Trading) Regulations, 2015;
- Approving the appointment of the Chief Financial Officer (CFO) or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- To review the cases of wilful default and recommend steps to be taken to prevent such occurrences and their early detection should these occur; such review shall focus on identifying root causes of wilful default and addressing deficiencies, if any, in the wilful defaulter classification process adopted by the Bank.
- Valuation of undertakings or assets of the Bank, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing of (1) management discussion and analysis of financial condition and results of operations; (2) the status of long-term (more than one year) or recurring Related Party Transactions, on an annual basis; (3) management letters/letters of internal control weaknesses issued by the statutory auditors; (4) internal audit reports relating to internal control weaknesses; (5) the appointment, removal and terms of remuneration of the Head of Internal Audit and (6) statement of deviations including (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; (b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Reviewing incidents of fraud on quarterly basis;
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the Bank and its shareholders; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or by any other regulatory authority.

Nomination & Remuneration Committee

Your Bank has a Nomination & Remuneration Committee of the Board (**'NRC'**), with the powers and the roles that are in accordance with Section 178 of the Companies Act and rules made thereunder, Regulation 19 of SEBI LODR, read with Part D of Schedule II thereto, and the circulars/ guidelines issued by the RBI in this regard, from time to time, which, *inter alia*, deals with the matters relating to

appointments on the Board and Senior Management, performance appraisal and compensation related matters of the Bank.

The NRC evaluates fit and proper criteria of persons who are qualified to become directors in accordance with the criteria laid down, recommends to the Board for their appointment and removal, and specifies the manner for effective evaluation of the performance of the Board, its committees and individual directors. The NRC formulates the criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board, a policy relating to the Compensation for the Directors, KMP and Employees of the Bank. Criteria for performance evaluation for Independent Directors are provided in the Board's Report.

Meetings of the NRC

As on March 31, 2025, the NRC comprised of three Directors, all three being Independent Directors, chaired by Mr. Suhail Chander, an Independent Director. During FY 2025, the NRC met nine times, i.e., on May 03, 2024, May 28, 2024, June 25, 2024, July 06, 2024, July 15, 2024, September 13, 2024, October 23, 2024, December 18, 2024 and February 27, 2025.

Mr. Suhail Chander, Chairman of the NRC, attended the last AGM of the Bank held on August 20, 2024.

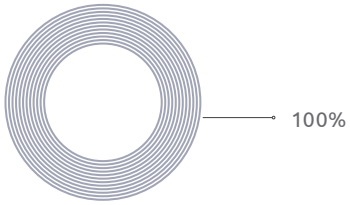
Composition (as on March 31, 2025) and Attendance – NRC

Name of Member	Category	Number of Meetings during FY 2025 (Nine meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Suhail Chander, Chairman	Independent	9	9	100	5,40,000
Dr. Allamraju Subramanya Ramasastri	Independent	9	9	100	5,40,000
Mr. Pankaj Sood[1]	Non-Executive Non-Independent	6	5	83.33	3,00,000
Mr. Philip Mathew	Independent	9	9	100	5,40,000

[1]Appointed as a member of the NRC, effective May 08, 2024 and ceased to be a member effective December 14, 2024.

Note: As on July 18, 2025, the NRC comprised of Mr. Suhail Chander (Chairman), Independent Director, Mr. N V P Tendulkar, Independent Director and Mr. Vijay N Bhatt, Independent Director. Post March 31, 2025, Mr. Philip Mathew, Independent Director completed his tenure on June 14, 2025 and accordingly, Mr. Tendulkar was inducted as a member of the NRC effective June 15, 2025. Further, the NRC was re-constituted effective July 13, 2025, inducting Mr. Vijay N Bhatt, Independent Director, as member in place of Dr. Allamraju Subramanya Ramasastri, Independent Director, who resigned as director effective July 01, 2025.

NRC Composition - (as on date)



Independent 3

Succession Planning for the Board of Directors and key officials of the Bank

The NRC and the Board, periodically, review succession planning and transitions at the Board and Senior Management levels. The NRC considers the composition of the Board and the profile, skill set, experience, expertise, functional capabilities, disqualifications, adherence to the regulator's fit and proper norms and other relevant information of the Directors before making appropriate recommendations to the Board with regard to their appointment / re-appointment. This is designed to provide the Board with members who have diverse knowledge, practical experience and requisite set of skills to serve the business interests of the Bank and enhance the overall effectiveness of the Board. Wherever necessary, the NRC engages the services of an external consultant / expert, to identify and assess the suitability of candidates for the post of Director of your Bank. Succession planning at Senior Management levels, including business and assurance functions, is reviewed to ensure continuity and depth of leadership.

Terms of reference of the NRC

- Framing suitable policies and systems to ensure that there is no violation by an employee of any applicable laws in India or overseas, including:
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
  - RBI circular dated April 26, 2021 on 'Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board';

- RBI circular on 'Guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function staff'

- To review the HR strategy and policy including the conduct and ethics of the employees and Directors of the Bank and review any fundamental change in the organisation structure which could have wide ranging and high risk implications;
- Analysing, monitoring and reviewing various human resource and compensation matters;
- To review and recommend to the Board, the succession policy at the level of Managing Director & CEO, other whole-time Directors (WTDs), senior management one level below the Board and key roles;
- Recommending to the Board of Directors a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Determining the Bank's policy on remuneration and any compensation payment, for the chief executive officer, the executive directors, key managerial personnel including pension rights and determination of remuneration packages of such personnel;
- Shall work in close coordination with Risk Management Committee of the Bank, to achieve effective alignment between compensation and risks;
- Shall ensure that the cost/income ratio of the Bank supports the compensation package consistent with maintenance of sound capital adequacy ratio;
- To oversee the framing, review and implementation of compensation policy of the Bank and recommend to the Board the overall remuneration philosophy and policy including the compensation levels and structure of fixed pay, variable pay, perquisites, bonus pool, stock based remuneration to senior management personnel and employees, which shall be market-related;
- Reviewing and approving compensation strategy from time to time in the context of the prevailing Indian market in accordance with applicable laws;
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
- Formulating of criteria for evaluation of the performance of the Independent Directors and the Board of Directors;
- Devising a policy on Board of Director's diversity;
- Identifying persons who qualify to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board of Directors their appointment and removal, and specifying the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- Evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying appropriate candidates, the Committee may:
  - consider candidates from a wide range of backgrounds, having due regard to diversity;
  - consider the time commitments of the candidates; and
  - use the services of an external agencies, if required.
- Determining whether to extend or continue the term of appointment of an Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- Formulating the criteria for determining qualifications, positive attributes and independence of a director and to decide their 'fit and proper' status;
- To report on the systems and on the amount of the annual remuneration of Directors and senior management;
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or by any other regulatory authority.

Risk Management Committee

Your Bank has a Risk Management Committee of the Board (**'RMCB'**), with the power and roles that are in accordance with the circulars / guidelines of the RBI on Risk Management Systems and Regulation 21 of the SEBI LODR, read with Part D of Schedule II thereto. The functions of the RMCB, *inter alia*, are to review the Bank's risk management framework and policies pertaining various risks including credit, market, liquidity, operational and cybersecurity risks.

The Bank has laid down a procedure to inform the RMCB and the Board, on a periodic basis, about the identified risks and the steps taken to mitigate and minimise the same. The Bank has already identified and assessed the major elements of risks, which may adversely affect the various divisions of the Bank. The RMCB reviews the identified risks, including assessment of the said risks and procedures, which are being implemented for monitoring, mitigating and minimising the said risks.

Meetings of the RMCB

As on March 31, 2025, the RMCB comprised of four Directors, including three Independent Directors and the MD&CEO, chaired by Mr. Santanu Mukherjee, an Independent Director. During FY 2025, RMCB met seven times, i.e., on May 14, 2024, June 20, 2024, August 22, 2024, October 04, 2024, November 06, 2024, November 29, 2024 and February 19, 2025, and the gap between any two consecutive meetings did not exceed two hundred and ten days. The RMCB meets on a quarterly basis.

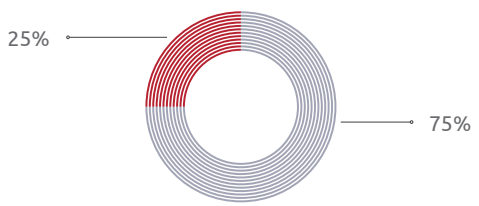
Composition (as on March 31, 2025) and Attendance – RMCB

Name of Member	Category	Number of Meetings during FY 2025 (Seven meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Santanu Mukherjee, Chairman	Independent	7	7	100	5,25,000
Dr. Allamraju Subramanya Ramasastri	Independent	7	5	71.43	3,75,000
Dr. Aparajita Mitra[1]	Independent	7	7	100	5,25,000
Mr. Chandra Shekhar Ghosh[2]	Executive	2	2	100	N. A.
Mr. Pankaj Sood[3]	Non-Executive Non-Independent	6	4	66.67	3,00,000
Mr. Partha Pratim Sengupta[4]	Executive	3	3	100	N. A.
Mr. Rajinder Kumar Babbar[5]	Executive	2	2	100	N. A.
Mr. Ratan Kumar Kesh[6]	Executive	4	4	100	N. A.
Mr. Subrata Dutta Gupta[7]	Independent	-	-	-	-

[1]Appointed as a member of the RMCB, effective May 08, 2024.
[2]Ceased to be a member of the RMCB, effective July 10, 2024.
[3]Appointed as a member of the RMCB, effective May 08, 2024 and ceased to be a member effective December 14, 2024.
[4]Appointed as a member of the RMCB, effective November 02, 2024.
[5]Appointed as a member of the RMCB, effective July 10, 2024 and ceased to be a member effective November 02, 2024.
[6]Ceased to be a member of the RMCB, effective November 02, 2024.
[7]Ceased to be a member of the RMCB, effective May 08, 2024.

Note: As on July 18, 2025, the RMCB comprised of Mr. Santanu Mukherjee (Chairman), Independent Director, Mr. N V P Tendulkar, Independent Director, Mr. Partha Pratim Sengupta, MD&CEO and Ms. Veni Thapar, Independent Director (Additional). Post March 31, 2025, the RMCB was re-constituted effective July 13, 2025, inducting Mr. N V P Tendulkar and Ms. Veni Thapar, Independent Directors, as members in place of Dr. Allamraju Subramanya Ramasastri, Independent Director, who resigned as director effective July 01, 2025, and Dr. Aparajita Mitra, Independent Director, whose term completed on July 12, 2025.

RMCB Composition - (as on date)



Independent	3
Executive	1

Terms of reference of the RMCB

- To oversee risk management function and obtain assurance from the respective committees and Risk Department that the risk faced by the Bank including cyber security related risks have been properly identified and are being appropriately managed;
- To define the risk appetite of the Bank within overall parameters set by the Board in terms of business strategy and growth;
- To ensure effectiveness in the conduct of the overall risk governance;
- To approve risk limits at the Bank-wide level for various portfolios such as product, industry, geography, risk types, etc.;
- To approve risk management and measurement policy/ policies, framework, guidelines and procedures before submission to the Board which shall include:
  - A framework for identification of internal and external risks specifically faced by the Bank, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
  - Measures for risk mitigation including systems and processes for internal control of identified risks;
  - Business continuity plan;
  - Appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Bank;
  - Monitor and overseeing implementation of the risk management policy/policies, including evaluating the adequacy of risk management systems;

- Reviewing the risk management policy/policies, at least on annual basis, including by considering the changing industry dynamics and evolving complexity;

- To ensure effectiveness and performance of risk rating system and associated processes and controls through pre-approval validation, periodical review or as a part of annual validation exercise;
- To conduct one-to-one meeting(s) with the Chief Risk Officer on a quarterly basis, without the presence of MD & CEO;
- To review the cyber security risks/arrangements/ preparedness of the Bank, as placed by the Chief Information Security Officer, at least on a quarterly basis;
- To oversee the effectiveness of the framework for Early Warning Signals (EWS) and Red Flagging of Accounts (RFA) under the overall Fraud Risk Management Policy approved by the Board;
- To prescribe frequent of validation of EWS / RFA framework;
- To ensure its integrity, robustness and consistency of outcomes of the EWS/ RFA framework;
- To review the status of RFAs, including the EWS alerts / triggers, remedial actions initiated by the bank, etc. at periodic intervals as approved by the Board;
- To approve the EWS indicators identified for monitoring credit facilities / loan accounts and other banking transactions;
- To prescribe appropriate Turnaround Time (TAT), preferably not more than 30 days, for examination of EWS alerts / triggers;
- To oversee allocation and maintenance of sufficient resources (including IT support) for risk identification, measurement, monitoring and reporting;
- To approve risk capital computation and place it to the Board for approval;
- To reinforce the culture and awareness of risk management throughout the organisation;
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- Approve development, implementation and modification of credit and operational risk measurement/ assessment, methodologies, models, tools and frameworks as well as framework for periodic validation of any risk measurement/ management model implemented in the Bank;
- Review risk capital charge calculation methodology (ICAAP) and impact on Bank's capital;
- Provide guidance / directives on the matters raised by ALCO;
- To ensure that all the current and future material risk exposures of the Bank are assessed, identified, quantified, appropriately mitigated and managed; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or by any other regulatory authority.

Corporate Social Responsibility ('CSR') and Sustainability Committee

Your Bank has a CSR and Sustainability Committee of the Board (**'CSR&SCB'**), with the powers and roles that are in accordance with Section 135 of the Companies Act and rules made thereunder. The function of the CSR&SCB includes a review of CSR initiatives undertaken by the Bank for inclusive growth, formulation and recommendation to the Board of a CSR Policy, indicating the activities to be undertaken by the Bank, and the amount of expenditure to be incurred on such activities. It also makes recommendations to the Board with respect to the CSR initiatives, annual action plan, policies and practices of the Bank, monitor CSR activities, implementation and compliance with the CSR Policy, and reviews and implements, if required, any other matter relating to CSR initiatives as recommended/ suggested by any statutory or regulatory body. Further, the CSR&SCB is also vested with the responsibility of overseeing the implementation and reporting requirements of the Business Responsibility and Sustainability Reporting (**'BRSR'**) Policies of the Bank and reviewing the BRSR of the Bank.

The CSR Policy of the Bank, duly aligned with the provisions of Section 135 of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, is available on the Bank's website at https://bandhanbank.com/sites/default/files/2025-02/CSR-Policy-03022025.pdf.

The Report on CSR activities, including the details of the CSR programme and activities carried out by the Bank during FY 2025, is enclosed as **Annex – 1** to the Board's Report and is forming part of this Annual Report.

Meetings of the CSR&SCB

As on March 31, 2025, the CSR&SCB comprised of five Directors, including three Independent Directors and two Executive Directors, including the MD&CEO, chaired by Mr. Subrata Dutta Gupta, Independent Director. During FY 2025, the CSR&SCB met four times, i.e., on May 24, 2024, August 14, 2024, September 27, 2024 and January 28, 2025.

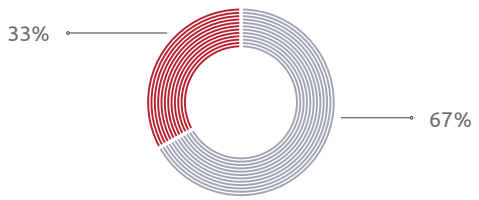
Composition (as on March 31, 2025) and Attendance – CSR&SCB

Name of Member	Category	Number of Meetings during FY 2025 (Four meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Subrata Dutta Gupta, Chairman	Independent	4	4	100	2,40,000
Dr. Aparajita Mitra	Independent	4	4	100	2,40,000
Mr. Chandra Shekhar Ghosh[1]	Executive	1	1	100	N. A.
Mr. Partha Pratim Sengupta[2]	Executive	1	1	100	N. A.
Mr. Rajinder Kumar Babbar[3]	Executive	3	3	100	N. A.
Mr. Ratan Kumar Kesh[4]	Executive	2	2	100	N. A.
Mr. Vijay Nautamlal Bhatt[5]	Independent	1	1	100	60,000

[1]Ceased to be a member of the CSR&SCB, effective July 10, 2024.
[2]Appointed as a member of the CSR&SCB, effective November 02, 2024.
[3]Appointed as a member of the CSR&SCB, effective July 10, 2024.
[4]Appointed as a member of the CSR&SCB, effective July 10, 2024 and ceased to be a member effective November 02, 2024.
[5]Ceased to be a member of the CSR&SCB, effective May 08, 2024 and re-appointed as a member effective November 02, 2024.

Note: As on July 18, 2025, the CSR&SCB comprised of Mr. Subrata Dutta Gupta (Chairman), Independent Director, Mr. Partha Pratim Sengupta, MD&CEO and Mr. Vijay Nautamlal Bhatt, Independent Director. Dr. Aparajita Mitra, Independent Director, ceased to be member of the CSR&SCB, upon completion of her term as an Independent Director on July 12, 2025, whereas Mr. Rajinder Kumar Babbar, ED&CBO moved out of the CSR&SCB as member effective July 13, 2025.

CSR&SCB Composition - (as on date)



Independent	2
Executive	1

Terms of reference of the CSR&SCB

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Bank as per the Companies Act, 2013;
- Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;
- To institute a transparent monitoring mechanism for implementation of the CSR Projects or programs or activities undertaken by the Bank;
- Recommending the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Bank in the three immediately preceding financial years;
- To review and recommend to the Board, the CSR Annual Action Plan covering financial outlays, manner of execution, implementation schedules, modalities of utilisation of funds, and monitoring & reporting mechanism;
- Delegating responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- To monitor the CSR policy and Business Responsibility and Sustainability Reporting (**'BRSR'**) related policies of the Bank from time to time;
- To oversee the implementation of the BRSR related initiatives of the Bank;
- To review and recommend to the Board, the Annual Report on CSR, BRSR Report;
- Any other matter as the CSR&SCB may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or by any other regulatory authority.

Information Technology ('IT') Strategy Committee

Your Bank has an IT Strategy Committee of the Board (**'ITSCB'**), with the power and roles that are in accordance with the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 2023, and other applicable circulars/ guidelines issued by the RBI from time to time. It deals with the information technology, information security, cybersecurity, etc., aspects of the Bank. It reviews and recommends the strategy and policy for IT related-matters to the Board, ensures that the IT strategy is aligned with the business strategy, reviews IT risks, ensures proper balance of IT investments for sustaining the Bank's growth, oversees the aggregate funding of IT at the Bank-level, ascertains if the management has adequate resources to ensure proper administration of IT risks and reviews the contribution of IT.

Meetings of the ITSCB

As on March 31, 2025, the ITSCB comprised of five Directors, including three Independent Directors and two Executive Directors, including the MD&CEO, chaired by Dr. Allamraju Subramanya Ramasastri, Independent Director. During FY 2025, the ITSCB met five times, i.e., on April 22, 2024, June 19, 2024, August 21, 2024, November 05, 2024, and February 10, 2025. ITSCB meets on a quarterly basis.

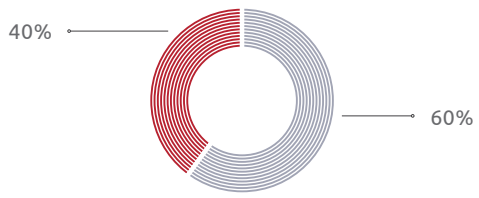
Composition (as on March 31, 2025) and Attendance - ITSCB

Name of Member	Category	Number of Meetings during FY 2025 (Five meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Dr. Allamraju Subramanya Ramasastri, Chairman	Independent	5	5	100	3,00,000
Dr. Anup Kumar Sinha[1]	Independent	2	1	50	60,000
Mr. Chandra Shekhar Ghosh[2]	Executive	2	2	100	N. A.
Mr. Narayan Vasudeo Prabhutendulkar[3]	Independent	3	3	100	1,80,000
Mr. Partha Pratim Sengupta[1]	Executive	2	2	100	N. A.
Mr. Rajinder Kumar Babbar[4]	Executive	1	1	100	N. A.
Mr. Ratan Kumar Kesh	Executive	5	5	100	N. A.
Mr. Santanu Mukherjee[5]	Independent	2	2	100	1,20,000
Mr. Suhail Chander[6]	Independent	2	2	100	1,20,000

[1]Appointed as a member of the ITSCB, effective November 02, 2024.
[2]Ceased to be a member of the ITSCB, effective July 10, 2024.
[3]Ceased to be a member of the ITSCB, effective May 08, 2024 and re-appointed as a member effective November 02, 2024.
[4]Appointed as a member of the ITSCB, effective May 08, 2024, ceased as member effective May 17, 2024, re-appointed as a member effective July 10, 2024 and again ceased as a member effective November 02, 2024.
[5]Appointed as a member of the ITSCB, effective May 17, 2024 and ceased to be a member effective November 02, 2024.
[6]Appointed as a member of the ITSCB, effective May 08, 2024 and ceased to be a member effective November 02, 2024.

Note: As on July 18, 2025, the ITSCB comprised of Mr. N V P Tendulkar (Chairman), Independent Director, Dr. Anup Kumar Sinha, Independent Director, Mr. Partha Pratim Sengupta, MD&CEO, Mr. Ratan Kumar Kesh, ED&COO and Ms. Veni Thapar, Independent Director (Additional). Post March 31, 2025, the ITSCB was re-constituted effective July 13, 2025, inducting Ms. Veni Thapar, Independent Director, as member, and designating Mr. N V P Tendulkar, Independent Director, as Chairman in place of Dr. Allamraju Subramanya Ramasastri, Independent Director, who resigned as director effective July 01, 2025.

ITSCB Composition - (as on date)



Independent	3
Executive	2

Terms of reference of the ITSCB

- To guide in preparation of IT Strategy and recommend IT Strategy and Policy documents to the Board;
- To ensure that:
  - the Bank has put an effective IT strategic planning process in place;
  - the IT Strategy aligns with the overall strategy of the Bank towards accomplishment of its business objectives;
- To satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the Bank;
- To ensure that the Bank has put in place, processes for assessing and managing IT and cybersecurity risks;
- To ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Bank's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives;
- To review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Bank;
- To approve the minimal Recovery Time Objective ('RTO');
- To review the assessment of IT capacity requirements and measures taken to address the issues;
- To approve documented standards and procedures for administering need-based access to information system/ assets;

- To provide consultation to the Risk Management Committee of the Board for periodical review and update in IT related risks, including the Cyber Security related risks, in the risk management policy of the Bank;
- To oversee the constitution and functioning of Information Security Committee of the Bank;
- To review the cyber security risks/arrangements/ preparedness of the Bank, as placed by the Chief Information Security Officer, at least on a quarterly basis;
- Ensuring that the IT and Information Security organisational structure complements the business model and its direction;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- To review & monitor the mechanism of the digital transactions as follows:
  - Progress on implementation of new Digital Products;
  - Number of Digital Transactions on existing digital channels;
  - Increasing the number of Digital Transactions in existing digital channels
- Assessing Senior Management's performance in implementing IT strategies; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Rules/ Regulations/ Guidelines / Circulars / Directions issued by RBI or by any other regulatory authority.

Customer Service Committee

Your Bank has a Customer Service Committee of the Board (**'CSCB'**), with the power and roles that are in accordance with the Master Circular on Customer Service in Banks issued by the RBI. The functions of CSCB, *inter alia*, include reviewing customer service initiatives, overseeing the functioning of grievance redressal mechanisms for customers, evolving innovative measures for enhancing the quality of customer service and improving the overall satisfaction level of customers of the Bank.

Enhanced disclosures on complaints received by the Bank from customers and from the Offices of Banking Ombudsman (**'OBOs'**) and grievance redress as prescribed under Circular dated January 27, 2021 on Strengthening of Grievance Redress Mechanism in Banks issued by the RBI, are made available as part of Notes to the Financial Statement forming part of this Annual Report.

Meetings of the CSCB

As on March 31, 2025, the CSCB comprised of three Directors, including two Independent Directors and the MD&CEO, chaired by Mr. Narayan Vasudeo Prabhutendulkar, Independent Director. During FY 2025, the CSCB met four times, i.e., on June 18, 2024, August 13, 2024, December 23, 2024 and February 17, 2025. CSCB meets on a quarterly basis.

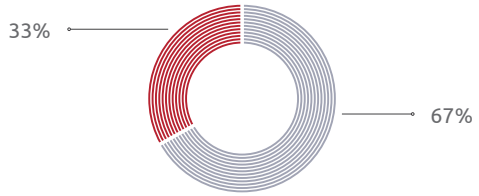
Composition (as on March 31, 2025) and Attendance - CSCB

Name of Member	Category	Number of Meetings during FY 2025 (Four meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Narayan Vasudeo Prabhutendulkar, Chairman	Independent	4	4	100	2,40,000
Mr. Chandra Shekhar Ghosh[1]	Executive	1	1	100	N. A.
Ms. Divya Krishnan[2]	Non-Executive Non-Independent	-	-	-	-
Mr. Partha Pratim Sengupta[3]	Executive	2	2	100	N. A.
Mr. Philip Mathew[4]	Independent	4	4	100	2,40,000
Mr. Rajinder Kumar Babbar[5]	Executive	2	1	50	N. A.
Mr. Ratan Kumar Kesh[6]	Executive	1	1	100	N. A.
Mr. Santanu Mukherjee[2]	Independent	-	-	-	-
Mr. Vijay Nautamlal Bhatt[5]	Independent	2	2	100	1,20,000

[1]Ceased to be a member of the CSCB, effective July 10, 2024.
[2]Ceased to be a member of the CSCB, effective May 08, 2024.
[3]Appointed as members of the CSCB, effective November 02, 2024.
[4]Appointed as members of the CSCB, effective May 17, 2024.
[5]Appointed as members of the CSCB, effective May 08, 2024 and ceased to be a member effective November 02, 2024.
[6]Ceased to be a member of the CSCB, effective May 17, 2024, re-appointed as a member effective July 10, 2024 and again ceased as a member effective November 02, 2024.

Note: As on July 18, 2025, the CSCB comprised of Mr. Narayan Vasudeo Prabhutendulkar (Chairman), Independent Director, Mr. Partha Pratim Sengupta, MD&CEO and Mr. Subrata Dutta Gupta, Independent Director. Mr. Philip Mathew, Independent Director, completed his tenure as an Independent Director on June 14, 2025 and accordingly, Mr. Subrata Dutta Gupta, Independent Director, was inducted as a member of the CSCB effective June 15, 2025.

CSCB Composition - (as on date)



Independent	2
Executive	1

Terms of reference of the CSCB

- To approve various policies that relate to customer service; including but not limited to:
  - Comprehensive Deposit Policy;
  - Cheque Collection Policy;
  - Customer Compensation Policy;
  - Customer Grievance Redressal Policy;
- To review that a comprehensive deposit policy deals with issues such as death of a depositor for operations of his/her accounts;
- To monitor product approval process with a view to suitability and appropriateness;
- To conduct annual survey of depositor satisfaction and reviewing results of the surveys conducted that provide quantitative and qualitative information on the state of customer experience;
- To conduct triennial audit of such services;
- To oversee issues such as the treatment of death of a depositor for operations of his account;
- To review, on a periodic basis, the achievement of nomination coverage of various accounts;
- To review grievance redressal mechanism for the Bank to handle customer complaints;
- Reviewing metrics and indicators that provide information on the state of customer service in the Bank and providing direction to the management of the Bank on actions to be taken to improve the metrics;
- Reviewing the actions taken/ being taken by the Bank to standardise the delivery of customer experience across all branches;
- To monitor and follow up complaints / grievances escalated to be resolved by Banking Ombudsmen of the various States;
- Review the decision of the Internal Ombudsman rejected by the Bank;
- To review Internal Ombudsman mechanism and implement awards under the Banking Ombudsman Scheme;
- To determine the structure of emoluments, facilities and benefits accorded to the Internal Ombudsman / Deputy or Additional Internal Ombudsman, which should be appropriate keeping in view the stature and position of the Internal Ombudsman / Deputy or Additional Internal Ombudsman being at the apex of the grievance redress mechanism of the regulated entity as also the need to attract experienced persons with requisite expertise;
- To address issues of systemic deficiencies, if any, brought out by the awards;
- To monitor awards remaining unimplemented for more than three months with the reasons (for report to the Board) for such delays in implementation and for initiating necessary remedial action;
- To review customer service / customer care aspects in the Bank and submit a detailed memorandum in this regard to the Board of Directors, once every six months and initiate prompt corrective action wherever service quality / skill gaps have been noticed;
- To oversee and review root cause analysis of complaint and corrective measures taken by Bank;
- To review the minutes / reports / activities of the Standing Committee of the Customer Service on quarterly basis;
- To address any other issues having a bearing on the quality of customer service rendered, such as examining reports on number and nature of complaints received and status of resolution thereof, etc. and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Rules/ Regulations/ Guidelines / Circulars / Directions issued by RBI or by any other regulatory authority.

Special Committee of the Board for Monitoring and Follow-up of Cases of Frauds *(Formerly, Special Committee for Monitoring High Value Frauds)*

Your Bank's Special Committee for Monitoring High Value Frauds (**'SCMHVF'**), which was constituted as per Master Directions on Frauds issued by the RBI for commercial banks, has been re-named to 'Special Committee of the Board for Monitoring and Follow-up of Cases of Frauds' (**'SCBMF'**), in terms of the 'Master Directions on Fraud Risk Management in Commercial Banks (including Regional Rural Banks) and All India Financial Institutions' dated July 15, 2024, issued by the RBI. Further, in terms of the said Master Directions, the terms of reference of the said Committee have been broadened to include, *inter alia*, overseeing the effectiveness of the fraud risk management in the Bank; review and monitoring of cases of frauds, including root cause analysis; suggesting mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds; and review of cases remaining in red-flagged status beyond 180 days.

Meetings of the SCBMF

As on March 31, 2025, the SCBMF comprised of five Directors, including four Independent Directors and the MD&CEO, chaired by Mr. Suhail Chander, Independent Director. Two of the members of the Committee are also members of the ACB. During FY 2025, the SCBMF met three times, i.e., on August 13, 2024, October 22, 2024 and February 01, 2025.

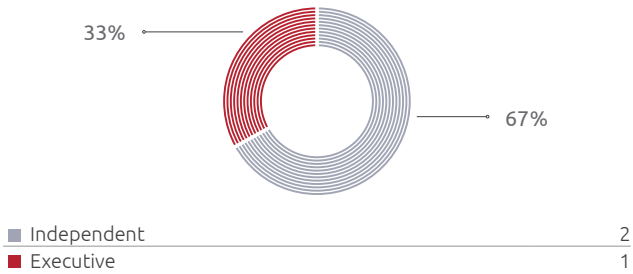
Composition (as on March 31, 2025) and Attendance - SCBMF

Name of Member	Category	Number of Meetings during FY 2025 (Three meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Suhail Chander, Chairman	Independent	3	3	100	1,80,000
Mr. Chandra Shekhar Ghosh[1]	Executive	-	-	-	N. A.
Mr. Partha Pratim Sengupta[2]	Executive	1	1	100	N. A.
Mr. Philip Mathew[3]	Independent	-	-	-	-
Mr. Ratan Kumar Kesh[4]	Executive	2	2	100	N. A.
Mr. Santanu Mukherjee[5]	Independent	3	3	100	1,80,000
Mr. Subrata Dutta Gupta	Independent	3	3	100	1,80,000
Mr. Vijay Nautamlal Bhatt	Independent	3	3	100	1,80,000

[1]Ceased to be a member of the SCBMF, effective July 10, 2024.
[2]Appointed as a member of the SCBMF, effective November 02, 2024.
[3]Ceased to be a member of the SCBMF, effective May 08, 2024.
[4]Appointed as a member of the SCBMF, effective July 10, 2024 and ceased as a member effective November 02, 2024.
[5]Appointed as a member of the SCBMF, effective May 08, 2024.

Note: As on July 18, 2025, the SCBMF comprised of Mr. Suhail Chander (Chairman), Independent Director, Mr. Partha Pratim Sengupta, MD&CEO, Mr. Rajinder Kumar Babbar, ED&CBO, Mr. Santanu Mukherjee, Independent Director, Mr. Subrata Dutta Gupta, Independent Director and Mr. Vijay Nautamlal Bhatt, Independent Director. Mr. Rajinder Kumar Babbar, ED&CBO, was inducted to the SCBMF effective July 13, 2025.

SCBMF Composition - (as on date)



Terms of reference of the SCBMF

- To monitor and review all the frauds as per coverage approved by the Board from time to time including any other incidents referred to it and direct concerned departments for necessary actions;
- To oversee the effectiveness of the fraud risk management in the Bank including prevention, early detection, investigation, staff accountability, monitoring, recovery, analysis and reporting of frauds;
- To review and monitor cases of frauds based on categories/trends of frauds, industry/sectoral/ geographical concentration of frauds, delay in detection/ classification of frauds and delay in examination/ conclusion of staff accountability, etc;
- To review the root cause analysis and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds;
- To review the cases remaining in red-flagged status beyond one hundred and eighty days with adequate reasoning / justification thereof; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Rules/ Regulations/ Guidelines / Circulars / Directions issued by RBI or by any other regulatory authority.

Stakeholders' Relationship Committee

Your Bank has a Stakeholders' Relationship Committee of the Board (**'SRCB'**), with the power and roles that are in accordance with the provisions of Section 178(5) of the Companies Act and Regulation 20 of the SEBI LODR, read with Part D of the Schedule II thereto, to specifically look into various matters relating to Shareholders, including the transfer and transmission of shares, issue of share certificates (including the issue of renewed or duplicate share certificates / Letter of Confirmation), claims of unclaimed dividend and shares lying in the suspense account as well as with the IEPF Authority, non-receipt of Annual Report and so on. Additionally, SRCB also looks into other issues, such as, the status of dematerialisation of shares as well as systems and procedures followed to track investors' complaints and suggests measures for improvement, from time to time, and the matters related to unsecured debentures issued by the Bank.

Meetings of the SRCB

As on March 31, 2025, the SRCB comprised of four Directors, including three Independent Directors and one Non-Executive Non-Independent Director, chaired by Mr. Narayan Vasudeo Prabhutendulkar, Independent Director. During FY 2025, the SRCB met four times, i.e., on June 18, 2024, August 13, 2024, December 02, 2024 and February 10, 2025. The SRCB meets on a quarterly basis. Mr. Indranil Banerjee is the Company Secretary and Compliance Officer of the Bank in terms of the SEBI LODR.

Ms. Divya Krishnan, Chairperson of the SRCB, attended the last AGM of the Bank held on August 20, 2024.

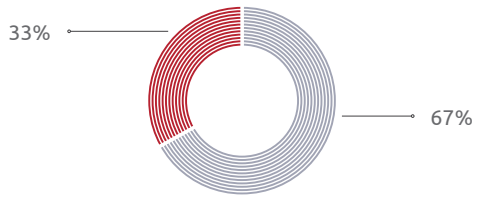
Composition (as on March 31, 2025) and Attendance - SRCB

Name of Member	Category	Number of Meetings during FY 2025 (Four meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Narayan Vasudeo Prabhutendulkar, Chairman[1]	Independent	2	2	100	1,20,000
Dr. Anup Kumar Sinha[2]	Independent	4	4	100	2,40,000
Dr. Aparajita Mitra	Independent	4	4	100	2,40,000
Ms. Divya Krishnan[3]	Non-Executive Non-Independent	4	4	100	2,40,000
Mr. Philip Mathew[4]	Independent	-	-	-	-

[1]Ceased to be member (and Chairman) of the SRCB, effective May 08, 2024 and re-appointed as member (and Chairman) effective November 02, 2024.
[2]Appointed as a member of the SRCB, effective May 08, 2024.
[3]Designated as the Chairperson of the SRCB, effective May 08, 2024 and re-designated as a member of the SRCB effective November 02, 2024.
[4]Ceased to be a member of the SRCB, effective May 08, 2024.

Note: As on July 18, 2025, the SRCB comprised of Ms. Divya Krishnan (Chairperson), Non-Executive Non-Independent Director, Dr. Anup Kumar Sinha, Independent Director and Mr. Narayan Vasudeo Prabhutendulkar, Independent Director. Post March 31, 2025, the SRCB was re-constituted, effective June 15, 2025, inducting Dr. A S Ramasastri, Independent Director as a member whereas Mr. N V P Tendulkar, ceased to be the Chairman and member of the SRCB and Ms. Divya Krishnan, Non-Executive Non-Independent Director, was designated as Chairperson. The SRCB was further re-constituted effective July 13, 2025, inducting Mr. N V P Tendulkar, Independent Director as a member in place of Dr. Aparajita Mitra, Independent Director, whose term as an Independent Director was completed on July 12, 2025, whereas Dr. A S Ramasastri resigned as an Independent Director of the Bank effective July 01, 2025.

SRCB Composition - (as on date



Independent	2
Non-Executive Non-Independent	1

Terms of reference of the SRCB

- Review the various aspects of interest of shareholders, debenture holders and other security holders;
- Considering and resolving the grievances of the security holders of the Bank including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, general meetings, etc.;
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Issuing duplicate certificates and new certificates on split/ consolidation/ renewal/ dematerialisation/ rematerialisation of shares/ transfer/ transmission of shares and their redressal;
- Monitoring and supervision of the Registrar and Transfer Agent (RTA) and review of adherence to the service standards adopted by the Bank in respect of various services being rendered by the RTA;
- Review of the activities of the services provided to the security holders relating to the various services rendered by the Secretarial Department, Investor Services Department, various initiatives taken to *inter alia* to reduce quantum of unclaimed dividends, status of claims received, ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Bank and processed for unclaimed shares, uploading of data relating to unclaimed dividends on the website of Investor Education & Protection Fund and the Bank;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review the Action Taken Report in respect of recommendations made by the Committee;

- Review the status of the litigation(s) filed by/ against the security holders of the Bank; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or by any other regulatory authority.

Status of Shareholders' Complaints as on March 31, 2025

Particulars	Total
Number of Shareholders' complaints pending at the beginning of the FY 2025	3
Number of Shareholders' complaints received during the FY 2025	117
Number of Shareholders' complaints disposed of during the FY 2025	120
Number of Shareholders' complaints unresolved at the end of the FY 2025	0

There was no complaint pending against the Bank on the Online Dispute Resolution (ODR) portal as on March 31, 2025.

Pursuant to the authorisation by the Board and/ or the SRCB, the Company Secretary is authorised to approve Transmission/ Subdivision/ Consolidation/ Renewal/ Issue of Duplicate Share Certificate(s)/ Deletion of Name(s) and Dematerialisation of shares of the Bank. A summary of transfer/ transmission, etc., of securities of the Bank so approved by the Company Secretary, along with details of issuance of Letter of Confirmation/ Entitlement Letter issued, are placed at the meetings of the SRCB.

As an ongoing measure to enhance the ease of dealing in the securities market by investors, the SEBI has issued various circulars in recent times. One such circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed entities to issue securities in dematerialised form only while processing specified service requests made by the physical security holders. The circular specifies the manner in which such requests are required to be entertained by the listed entities and the manner in which the dematerialisation of securities is to be completed. The Bank encourages the shareholders to hold the shares in dematerialised mode and necessary details about this are provided on the website of the Bank.

Committee of Directors

The Committee of Directors (**'COD'**) is a Board constituted committee that considers and sanctions various types of fund and non-fund based credit facilities, borrowings including refinancing and any other terms of reference as may be decided by the Board including Policies of the Bank, from time to time.

Meetings of the COD

As on March 31, 2025, the COD comprised of four Directors, including two Independent Directors and two Executive Directors, chaired by the MD&CEO. During FY 2025, the COD met twenty times, i.e., on April 12, 2024, April 23, 2024, May 27, 2024, May 30, 2024, June 14, 2024, June 24, 2024, June 28, 2024, July 08, 2024, July 19, 2024, August 14, 2024, September 12, 2024, September 18, 2024, September 26, 2024, October 19, 2024, November 12, 2024, December 13, 2024, December 23, 2024, January 27, 2025, March 17, 2025 and March 25, 2025.

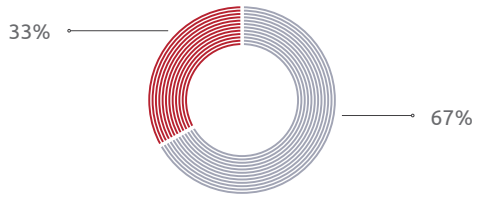
Composition (as on March 31, 2025) and Attendance - COD

Name of Member	Category	Number of Meetings during FY 2025 (Twenty meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Partha Pratim Sengupta, Chairman[1]	Executive	6	6	100	N. A.
Dr. Anup Kumar Sinha[2]	Independent	14	14	100	8,40,000
Mr. Chandra Shekhar Ghosh[3]	Executive	8	8	100	N. A.
Mr. Rajinder Kumar Babbar[4]	Executive	12	12	100	N. A.
Mr. Ratan Kumar Kesh[5]	Executive	18	18	100	N. A.
Mr. Santanu Mukherjee[6]	Independent	2	2	100	1,20,000
Mr. Subrata Dutta Gupta[7]	Independent	8	8	100	4,80,000
Mr. Suhail Chander	Independent	20	20	100	12,00,000
Mr. Vijay Nautamlal Bhatt[8]	Independent	2	1	50	60,000

[1]Appointed as a member (and Chairman) of the COD, effective November 02, 2024.
[2]Appointed as a member of the COD, effective April 06, 2024 and ceased to be a member effective November 02, 2024.
[3]Ceased to be a member (and Chairman) of the COD, effective July 10, 2024.
[4]Appointed as a member of the COD, effective May 08, 2024 and ceased to be a member effective November 02, 2024.
[5]Appointed as a member of the COD, effective April 25, 2024 and designated as the Chairman effective July 10, 2024 and again designated as member effective November 02, 2024.
[6]Ceased to be a member of the COD, effective May 08, 2024.
[7]Ceased to be a member of the COD, effective May 08, 2024 and re-appointed as a member effective November 02, 2024.
[8]Appointed as a member of the COD, effective April 06, 2024 and ceased to be a member effective April 25, 2024.

Note: As on July 18, 2025, the COD comprised of Mr. Partha Pratim Sengupta, MD&CEO, Mr. Suhail Chander, Independent Director and Mr. Subrata Dutta Gupta, Independent Director. Mr. Ratan Kumar Kesh, ceased to be member of the Committee effective May 30, 2025.

COD Composition - (as on date)



Independent	2
Executive	1

Review Committee of the Board for Declaration of Wilful Defaulters

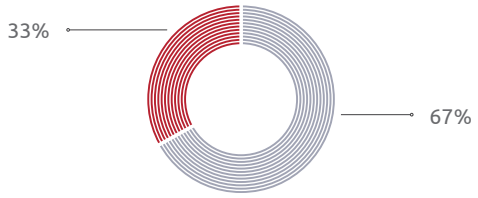
During the FY under review, in terms of the Master Direction dated July 30, 2024, issued by the RBI on 'Treatment of Wilful Defaulters and Large Defaulters', the 'Review Committee of the Board for Declaration of Wilful Defaulters' (**'RCBDWD'**) has been constituted, comprising of four Directors, including three Independent Directors, and the MD&CEO, with the MD&CEO being its Chairman.

The power and roles of RCBWD shall be in accordance with the requirements under the said Master Direction, which, *inter alia*, includes classification of borrower as Wilful Defaulter, after assessing the facts or material on record, including written representation, if any, on the proposal of the Identification Committee.

During FY 2025, no meeting of the RCBDWD was held.

Note: As on July 18, 2025, the RCBDWD comprised Mr. Partha Pratim Sengupta, MD&CEO, Dr. Anup Kumar Sinha, Independent Director and Mr. Santanu Mukherjee, Independent Director. Dr. Aparajita Mitra, Independent Director, ceased to be a member of the RCBDWD upon completion of her tenure as an Independent Director effective July 13, 2025.

RCBDWD Composition - (as on date)



Independent	2
Executive	1

Annual General Meetings

Details of AGMs of the Bank, for the previous three (3) financial years are, as under:

Sl. No.	Particulars of meeting	Location	Date & Time	Special Resolutions passed, if any
1.	10th AGM	14th Floor, Adventz Infinity@5, BN-5, Sector V, Salt Lake City, Kolkata - 700 091 (through VC)	August 20, 2024 at 11:00 A.M. (IST)	Nil
2.	9th AGM	14th Floor, Adventz Infinity@5, BN-5, Sector V, Salt Lake City, Kolkata - 700 091 (through VC)	August 18, 2023 at 11:00 A.M. (IST)	Two Special Resolutions were passed
3.	8th AGM	14th Floor, Adventz Infinity@5, BN-5, Sector V, Salt Lake City, Kolkata - 700 091 (through VC)	August 10, 2022 at 11:00 A.M. (IST)	Four Special Resolutions were passed

Postal Ballot

During the FY under review, the Bank had sought approval of its Members, for the following resolutions, vide Postal Ballot, through electronic voting (**'remote e-voting'**):

Sr. No.	Date of Postal Ballot Notice	Item of Businesses	Type of Resolution	% of the total number of valid votes cast, in favour	% of total number of valid votes cast, against	Result
1	March 19, 2024	Appointment of Mr. Pankaj Sood (DIN: 05185378) as a Non-Executive Non-Independent Director (Nominee of Caladium Investment Pte. Ltd.)	Ordinary Resolution	99.515	0.485	Passed with requisite majority on April 21, 2024, i.e., the last date of e-voting
2		Appointment of Mr. Rajinder Kumar Babbar (DIN: 10540386) as a Director of the Bank	Ordinary Resolution	99.553	0.447	
3		Appointment of Mr. Rajinder Kumar Babbar (DIN: 10540386) as a Whole-time Director, designated as Executive Director and Key Managerial Personnel of the Bank, including remuneration	Ordinary Resolution	99.032	0.968	
4	November 19, 2024	Extension of term of appointment of Mr. Ratan Kumar Kesh (DIN: 10082714) as the Interim Managing Director & Chief Executive Officer, Key Managerial Personnel of the Bank	Ordinary Resolution	99.9907	0.0093	Passed with requisite majority on December 26, 2024, i.e., the last date of e-voting
5		Appointment of Mr. Partha Pratim Sengupta (DIN: 08273324) as a Director of the Bank	Ordinary Resolution	99.9516	0.0484	
6		Appointment of Mr. Partha Pratim Sengupta (DIN: 08273324) as the Managing Director & Chief Executive Officer and Key Managerial Personnel of the Bank, including remuneration	Ordinary Resolution	99.9913	0.0087	

Procedure for Postal Ballot:

In compliance with the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 and other applicable provisions, if any, of the SEBI LODR, the Secretarial Standard on General Meetings (**'SS-2'**) issued by the Institute of Company Secretaries of India, guidelines prescribed by the Ministry of Corporate Affairs (the **'MCA'**) for holding general meetings/ conducting postal ballot process through electronic voting only vide various General Circulars, including General Circular Nos. 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024, as applicable (the **'MCA Circulars'**) and any other applicable laws and regulations, the Bank had sent the Postal Ballot Notices, as aforesaid, along with the Explanatory Statements thereto, to the Members of the Bank, whose names appeared in the Register of Members/ list of Beneficial Owners as received from the Depositories as on Cut-off Date(s), and whose e-mail IDs were registered with the Bank/ the Registrar and Share Transfer Agent (**'RTA'**) *[in respect of shares held in physical form]* or with the Depositories / Depository Participants *[in respect of shares held in dematerialised form]*, for obtaining the consent of the Members to the aforesaid item of businesses, via Ordinary Resolution(s), by electronic means only. The Cut-off Date for the notice dated March 19, 2024 was Friday, March 15, 2024 whereas for the notice dated November 19, 2024, the Cut-off Date was Friday, November 22, 2024.

The Bank had engaged the services of KFin Technologies Limited (**'KFin'**), the Registrars and Share Transfer Agent (**'RTA'**) of the Bank, as the agency for facilitating remote e-voting. For the Postal Ballot conducted vide notice dated March 19, 2024, the Board had appointed CS Hansraj Jaria, Practicing Company Secretary (FCS No.: 7703 / CP No.: 19394) failing him, CS Rakesh Agrawal, Practicing Company Secretary (FCS No.: 8792 / CP No.: 9014) as the Scrutiniser to ensure that the Postal Ballot (via remote e-voting) process is conducted in a fair and transparent manner. The remote e-voting period commenced from Saturday, March 23, 2024 at 9:00 A.M. (IST) and ended on Sunday, April 21, 2024 at 5:00 P.M. (IST).

Whereas, for the Postal Ballot conducted vide notice dated November 19, 2024, the Board had appointed CS Anjan Kumar Roy, Practicing Company Secretary (FCS No.: 5684/ CP No.: 4557) failing him, CS Sandip Paul, Practicing Company Secretary (ACS No.: 60607/ CP No.: 22688) as the Scrutiniser to ensure that the Postal Ballot (via remote e-voting) process is conducted in a fair and transparent manner. The remote e-voting period commenced from

Wednesday, November 27, 2024 at 9:00 A.M. (IST) and ended on Thursday, December 26, 2024 at 5:00 P.M. (IST).

Upon completion of the scrutiny of votes cast by Postal Ballot (via remote e-voting), the Scrutinizers submitted their respective Reports to the Chairman who countersigned the same and declared the Results of the Postal Ballots. The Results of the Postal Ballots, along with the Scrutinizers' Reports, were made available on the website of the Bank and KFin, the remote e-voting service provider, and were also displayed on the Notice Boards of the Bank at its Registered Office and Head Office. The Results of the Postal Ballots were simultaneously communicated to all the Stock Exchanges, where the equity shares of the Bank are listed.

None of the businesses proposed to be transacted at the ensuing AGM of the Bank require passing a resolution through Postal Ballot.

Other Disclosures

Management Discussion & Analysis Report

The Management Discussion & Analysis Report, giving an overview of the industry, the Bank's business and its financials, is provided separately as **Annex - 5** to the Board's Report and forms part of this Annual Report.

Disclosure on Material Subsidiary

The Bank does not have a subsidiary, at present. Therefore, the requirement to formulate a policy for determining 'material' subsidiary does not apply to the Bank.

Commodity Price Risk, Foreign Exchange Risk and Hedging Activities

Your Bank has not traded in any commodity. Your Bank has foreign currency liability with regard to its FCNR(B) portfolio and inter-bank borrowings, however, your Bank does not have foreign currency bonds, bilateral or syndicated loans liability. Your Bank has a Board approved Market Risk Management Policy, which defines a risk control framework for undertaking any foreign exchange transaction. The Board approved Market Risk Policy of your Bank has defined an overall Net Overnight Open Position (NOOP) Limit, Stop Loss Limit, Aggregate Gap Limit (AGL), Value at Risk (VaR) Limit to control the foreign exchange risk within its risk control framework.

Your Bank uses Forwards & FX Swaps for hedging its currency risk in its balance sheet and proprietary trading in compliance with overall risk limit and control framework. The management of these products and businesses is governed by the Board approved Market Risk Management Policy, Investment Policy and ALM Policy of the Bank.

Accounting Treatment

The Financial Statement has been prepared under the historical cost convention and on the accrual basis of accounting, unless otherwise stated and in compliance with the requirements prescribed under the Third Schedule (Form A and Form B) to the BR Act. The accounting and reporting policies of your Bank used in the preparation of the Financial Statement conform to Generally Accepted Accounting Principles in India (**'Indian GAAP'**), the guidelines issued by the RBI, from time to time, the accounting standards notified under Section 133 and other relevant provisions of the Companies Act, read together with the Companies (Accounting Standards) Rules, 2021, as amended from time to time, to the extent applicable, and practices generally prevalent in the banking industry in India.

Indian Accounting Standard (IND AS) implementation

RBI had issued a circular in February, 2016, requiring banks to implement the Indian Accounting Standards (**'Ind AS'**) and prepare Ind AS financial statement with effect from April 01, 2018.

Further, as advised by the RBI, the Bank has also been submitting Proforma Ind AS Financial Statements, every half year, to the RBI.

However, the RBI, in its press release issued on March 22, 2019, has deferred the applicability of Ind AS till further notice for Scheduled Commercial Banks.

Your Bank has made a diagnostic study to identify the gaps, process and system changes required to implement Ind AS and is in the process of implementing necessary changes in its IT system and other processes. Your Bank is regularly holding workshops and training for its staff.

Related Party Transactions

Related Party Transactions that were entered, during the FY under review, were on an arm's length basis and were in the ordinary course of business, pursuant to the approval of the ACB. Approval of Members of the Bank had been obtained at 10th AGM held on August 20, 2024, for material related party transactions, primarily, with respect to acceptance of Current/ Savings Account Deposits transactions, with promoter entities of the Bank, in terms of Regulation 23 of the SEBI LODR. However, pursuant to amendments to the SEBI LODR dated December 12, 2024, acceptance of Current/ Savings Account deposits by the Bank, including payment of interest thereon, in compliance with the directions issued by the Reserve Bank of India or any other central bank in the relevant jurisdiction from time to time, are no longer considered as related party transaction under the provisions of the SEBI LODR. Further details are provided in the Board's Report. Weblink for your Bank's Policy on dealing with Related Party Transactions is https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-02/Policy-on-Dealing-With-Related-Party-Transactions.pdf.

Penalties and Strictures for last three financial years

With regard to the matters related to the capital market, there was no non-compliance neither penalties nor strictures imposed on your Bank by the Stock Exchanges and/ or the SEBI and/ or any other statutory authorities during the last three financial years.

Whistle Blower Policy & Vigilance Policy

The Bank had adopted the Board approved Vigilance Policy and Whistle Blower Policy, as required under Section 177 of the Companies Act, Regulation 22 of the SEBI LODR and applicable circulars issued by RBI, in this regard. The said Policies are available on the Bank's website at https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-07/Whistle-Blower-Policy-22072025.pdf and https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-07/Vigilance-Policy-22072025.pdf. Further details on the Whistle Blower Mechanism are provided in the Board's Report.

Code of Conduct

Your Bank has in place a Code of Conduct for Directors and also a Code of Conduct for its Senior Management, which are approved by the Board. The Code of Conduct for Senior Management attempts to set forth the guiding principles on which your Bank shall operate and, conduct its daily business with its multitudinous stakeholders, viz., shareholders, customers, employees, and regulators. This Code is available on the Bank's website at https://bandhanbank.com/sites/default/files/2020-12/Code-Conduct-for-Senior-Management.pdf. The Code of Conduct for Directors also contains a reference to the duties of the Independent Directors as laid down in Schedule IV of the Companies Act. This Code is also available on the Bank's website at https://bandhanbank.com/sites/default/files/2020-12/Code-Conduct-for-Directors.pdf. As required under Regulation 26(3) of the SEBI LODR, all Directors and Senior Management personnel have affirmed compliance with the Code of Conduct, as approved and adopted by the Board, for the financial year ended March 31, 2025.

Declaration, as required under Para D of Schedule V to the SEBI LODR, with respect to the financial year ended March 31, 2025, duly signed by the MD&CEO, is annexed to this Report.

Policy on the Preservation of Documents

In accordance with Regulation 9 of the SEBI LODR, your Bank has in place a Policy on the Preservation of Documents, which has been approved by the Board of Directors of the Bank. This Policy is intended to guide your Bank and its officers on the maintenance of documents, their preservation and disposal. During the year under review, as part of its annual review, the Policy has been reviewed and amended by the Board, in order to update and align the retentions schedule with the applicable regulatory requirements. The said policy can be accessed on the Bank's website at https://bandhanbank.com/sites/default/files/2025-06/Policy-on-Preservation-of-Documents-FY-25-26.pdf.

Policy for Determination of Material Event/ Information and Archival Policy

In accordance with Regulation 30 of the SEBI LODR, your Bank has in place a Policy for Determination of Material Events/ Information, which provides guidance to the Board, management and staff on the assessment of the materiality of events/ information, which will have bearing on the performance/ operations of your Bank. The Policy has been reviewed and amended by the Board, during the FY under review, primarily, to align it with the amendments to the SEBI LODR. The Policy is available on the Bank's website at https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-02/Materiality-Policy.pdf.

Further, your Bank has a Board approved Archival Policy in line with the requirements of the SEBI LODR to ensure that information relating to your Bank is adequately disclosed on its website as required by law. The Policy has been reviewed by the Board, during the FY under review, as part of annual review process with no changes. The Policy is available on the Bank's website at https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-04/Archival-Policy-24-25-280425.pdf.

Code of Conduct for Prevention of Insider Trading

Your Bank has in place a Code of Conduct for Prevention of Insider Trading in its securities (**'PIT Code'**), adopted in line with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (**'PIT Regulations'**). The PIT Code, *inter alia*, prohibits trading in the securities of your Bank or any securities forming part of grey list securities by insiders, while in possession of any Unpublished Price Sensitive Information (**'UPSI'**) in relation to such securities/ entities. Your Bank has also adopted a Board approved Code of Practices and Procedures for Fair Disclosure of UPSI, which is available on the website of the Bank at https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2024-09/Code-for-Fair-Disclosure-of-UPSI-website.pdf. The Board reviews the PIT Code on an annual basis and whenever required. The PIT Code has been reviewed by the ACB and the Board, as part of annual review process, during the FY under review and certain changes are made therein in order to provide more clarity in certain clauses and to align the code with the recent amendments to the PIT Regulations. The Company Secretary of your Bank acts as the 'Compliance Officer' in terms of the PIT Code and PIT Regulations, and is responsible for implementation and overseeing compliance with the PIT Code across your Bank. Cases of violations observed during the FY were submitted to the Disciplinary Committee of the Bank and accordingly, the intimation, with regard to the action taken by your Bank, along with the details of the penalty amount, if any, remitted to the Investor Protection and

Education Fund maintained by the SEBI, were submitted to the Stock Exchanges from time to time. Your Bank has also undertaken various initiatives during the FY to spread awareness amongst its employees about the provisions of the PIT Code and PIT Regulations. Your Bank has automated the process for submission of declarations and disclosures by designated persons through software. Further, your Bank has maintained the Structured Digital Database (**'SDD'**) electronically, with adequate internal controls, in compliance with the provisions of Regulation 3(5) of the PIT Regulations. The reports on compliance with the PIT Code and the PIT Regulations are also submitted to the ACB/ Board, periodically.

Dividend Distribution Policy

In accordance with Regulation 43A of the SEBI LODR, your Bank has adopted the Dividend Distribution Policy, which outlines various parameters based on which the Board may recommend or declare Dividend, in accordance with the provisions of applicable laws. The details of the same are provided in the Board's Report.

Directors and Officers Insurance (D & O Policy)

Your Bank has in place a Directors and Officers Liability Policy (D&O Policy) for all its directors, with the quantum and risks determined by its Board of Directors. The Policy covers management liability, company securities, investigation cost, Non-Executive Directors' protection, investigation, extradition, outside directorship, bodily injury and property damage defence costs, assets and liberty, etc.

Complaints pertaining to Sexual Harassment

The details of complaints filed and disposed of during the FY as well as pending cases pertaining to sexual harassment are provided in the Board's Report.

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI LODR

During the FY under review, your Bank has not raised any fund through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of the SEBI LODR.

Compliance with Mandatory Requirements

Your Bank has complied with all the applicable mandatory requirements of Corporate Governance as prescribed under the SEBI LODR.

Tentative calendar of Board Meetings for the financial year ending March 31, 2026

The tentative calendar of the meetings of the Board of Directors for the consideration of quarterly / annual financial results for the financial year ending on March 31, 2026 are, as follows:

Quarter/Year	Tentative calendar of Board Meetings
First quarter ending on June 30, 2025	Within 45 days from the end of quarter
Second quarter ending on September 30, 2025	Within 45 days from the end of quarter
Third quarter ending on December 31, 2025	Within 45 days from the end of quarter
Fourth quarter and year ending on March 31, 2026	Within 60 days from the end of quarter/ year

Compliance with Non-Mandatory Requirements

a) The Board

The expenses pertaining to the office of the Non-Executive Chairman is maintained by the Bank, along with the reimbursement of all the expenses incurred by the Non-Executive Chairman while performing his duties.

b) Shareholder Rights

Your Bank publishes its financial results every quarter on its website at www.bandhanbank.com, which is accessible to the public at large. The same is also available on the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited. Along with the quarterly results, detailed earnings updates are also hosted on the website of the Bank. Further, a quarterly investors'/ analysts' conference call is made to discuss the financial results and performance of the Bank, the audio recording and transcripts of which are hosted on the website of the Bank as well as Stock Exchanges. The Bank's results for each quarter are published in English newspaper having nationwide circulation and in Bengali newspaper (viz., The Financial Express/ Business Standard and Bartaman/ Ei Samay). The quarterly results of the Bank are also sent to the shareholders through email.

c) Modified Opinion(s) in Audit Report

The Independent Audit Report issued by the Joint Statutory Auditors of your Bank on the Financial Statement for the financial year ended March 31, 2025, is with unmodified audit opinion. The Bank continues to adopt the best practices to ensure a regime of financial statement with unmodified audit opinion.

d) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

Your Bank has separate offices for the Non-Executive Chairman and the MD&CEO. The Non-Executive Chairman of your Bank is not related to any directors of your Bank, including the MD&CEO.

e) Reporting of Internal Auditor

The Reporting of the Chief Audit Executive of the Bank is as per the extant RBI Circular.

Means of Communication

The Board of your Bank has been approving the quarterly financial results well within the stipulated time of 45 days from the end of respective quarters and the audited annual financial results for the quarter and year ending on March 31 within 60 days from the end of the financial year. The financial results are promptly submitted to the Stock Exchanges and are published in English and Bengali (regional language) newspapers (viz., The Financial Express/ Business Standard and Bartaman/ Ei Samay), within 48 hours of the conclusion of the respective Board meetings at which such financial results are approved. The financial results, as well as press release, are simultaneously hosted on the Bank's website accessible at https://bandhanbank.com/quarterly-report. Earnings calls with analysts and their transcripts are also published on the website at https://bandhanbank.com/corporate-governance#rctabtwofour. The Bank also shares the highlights of quarterly financial results with all shareholders whose e-mail IDs are registered with Depositories /the Bank. All disclosures made to Stock Exchanges by your Bank are available on its website, along with the earnings updates and presentations made to investors and analysts.

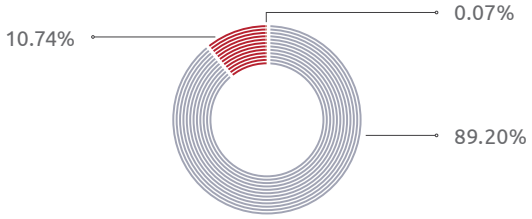
Corporate Policies

Sl. No.	Name of the Policy	Brief Description	Web link
1	Policy on Appointment and Fit & Proper Criteria for Directors	Your Bank has adopted the policy for appointment of Directors on the Board considering their fit and proper criteria, including special knowledge or practical experience required for banking business.	https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-01/Policy-on-Appointment-and-Fit-Proper-Criteria-for-Directors.pdf
2	Vigilance Policy	Your Bank has adopted Vigilance Policy for monitoring of concerns about unethical behavior, actual or suspected fraud.	https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-07/Vigilance-Policy-22072025.pdf
3	Whistle Blower Policy	Your Bank has adopted whistle blower mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud.	https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-07/Whistle-Blower-Policy-22072025.pdf
4	Policy on Dealing with Related Party Transactions	This Policy regulates all transactions between the Bank and its related parties.	https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-02/Policy-on-Dealing-With-Related-Party-Transactions.pdf
5	Policy for Determination of Material Event/ Information	This Policy applies to the determination and disclosure of material information/events for your Bank.	https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-02/Materiality-Policy.pdf
6	Dividend Distribution Policy	Your Bank has adopted the Dividend Distribution Policy to determine the distribution of dividends in accordance with the provisions of circulars issued by RBI, from time to time, and applicable laws.	https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-07/Dividend-Distribution-Policy.pdf
7	CSR Policy	This Policy outlines your Bank's strategy to bring about a positive impact on society through programs relating to skill development, poverty alleviation, education, healthcare, sanitation, water conservation, afforestation, etc.	https://bandhanbank.com/sites/default/files/2025-02/CSR-Policy-03022025.pdf
8	Compensation Policy	This Policy formulates the criteria for determining the remuneration of the Directors, KMP and Employees of the Bank.	https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-01/Compensation-Policy.pdf
9	Policy on Preservation of Documents	This Policy formulates categories of documents to be preserved as per regulatory requirements.	https://bandhanbank.com/sites/default/files/2025-06/Policy-on-Preservation-of-Documents-FY-25-26.pdf
10	Archival Policy	This Policy deals with the disclosure and archival of disclosure of material events/information on the website of your Bank.	https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2025-04/Archival-Policy-24-25-280425.pdf
11	Business Responsibility and Sustainability Reporting Policies	The BRSR Policy has been framed by your Bank based on the National Guidelines for Responsible Business Conduct (NGRBC), which aims to establish links between the financial results of a business with its ESG performance.	https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf

The Board has been reviewing the above policies on an annual basis and whenever required to align with the regulatory and/or business requirements.

General Shareholder Information:

1)	Corporate Identity Number (**'CIN'**)	L67190WB2014PLC204622
	Address for Correspondence	**Registered Office:** DN-32, Sector - V, Salt Lake, Kolkata - 700 091 **Head Office:** Floors 12th to 14th, Adventz Infinity@5, BN 5, Sector V, Salt Lake City, Kolkata - 700 091 **Contact:** Mr. Indranil Banerjee, Company Secretary & Compliance Officer (Nodal Officer for IEPF related matters) **Phone Number:** 033 6609 0909 **E-mail ID:** investors@bandhanbank.com **Website:** www.bandhanbank.com
2)	Date, Time and Venue of the Annual General Meeting (**'AGM'**)	11th AGM of the Bank will be held on Thursday, **August 21, 2025, at 11:00 A.M.** Since the AGM will be conducted through VC/ OAVM pursuant to the MCA General Circular No. 20/2020 dated May 05, 2020, read with General Circular No. 09/2024 dated September 19, 2024, as such, there is no requirement to arrange a venue for the 11th AGM of the Bank. For details, please refer to the Notice of the 11th AGM.
3)	AGM Webcast link	https://www.evoting.nsdl.com/
4)	Financial Year	April 01, 2024 to March 31, 2025
5)	Record Date	Thursday, August 14, 2025
6)	Dividend Payment Date	Dividend, if declared by the Members, will be paid within 30 days of the AGM
7)	Listing on Stock Exchanges	i) National Stock Exchange of India Limited (**'NSE'**) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 ii) BSE Limited (**'BSE'**) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 The Bank has duly paid the Annual Listing Fees to NSE & BSE for the FY 2026. During the FY under review, the equity shares of the Bank were not suspended from trading on the said Stock Exchanges, where the shares of the Bank are listed or by any Regulatory Body/ Statutory Authority.
8)	Registrars & Share Transfer Agent (both Physical & Demat Segments) (Equity & Debentures)	**KFin Technologies Limited** **Registered Address:** 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai - 400 070, Maharashtra. **CIN:** L72400MH2017PLC444072 **Address for Correspondence / Operations Centre:** Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032 **Toll Free Number:** 1800 309 4001 **WhatsApp Number:** (+91) 910 009 4099 **E-mail ID:** meinward.ris@kfintech.com **Investor Support Centre:** https://kprism.kfintech.com/ **Corporate Website:** www.kfintech.com **RTA Website:** https://ris.kfintech.com **Name of the Contact Person:** Mr. Bhaskar Roy, Deputy Vice President **Web-based Query Redressal System:** Pursuant to the provisions of the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72 dated June 08, 2023, rescinded vide SEBI Master Circular dated June 23, 2025, the Bank's RTA, KFin, has launched an online application which can be accessed under 'Investor Support' under 'Investor Services' at https://ris.kfintech.com. Members are requested to register/ signup, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest, Redemptions, e-Meeting and e-Voting details.

9)	Share Transfer System	Your Bank's shares which are in dematerialised (demat) mode are transferable through the depository system. With regard to shares held in physical mode, SEBI vide amendment to Regulation 40(1) of the SEBI LODR, with effect from April 01, 2019, mandated that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. Further, vide amendment dated January 24, 2022 to Regulation 40(1) of the SEBI LODR, SEBI has mandated that transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. Moreover, SEBI vide Circular dated January 25, 2022, has mandated that the listed companies shall henceforth issue the securities in dematerialised form only while processing certain service requests as explained in subsequent section of this Report. In view of the above, Shareholders holding shares in physical form are requested to consider converting their holdings to dematerialised form. Transfers of equity shares in electronic mode are affected through the depositories with no involvement of your Bank. Further, your Bank has also sent individual letters to the Shareholders holding shares in physical form to update their KYC, bank details and nomination details with the RTA/ the Bank. Your Bank has also implemented the process to issue 'letter of confirmation' pursuant to receipt of duly filled in form ISR-4 by the Shareholders holding shares in physical mode. Therefore, Shareholders, holding shares in physical mode, are requested to get in touch with any Depository Participant registered with SEBI to open a Demat Account or may also visit website of depositories, viz., National Securities Depository Limited (**'NSDL'**) at https://nsdl.co.in/services/demat.php or Central Depository Services (India) Limited (**'CDSL'**), at https://www.cdslindia.com/investors/open-demat.html, for further understanding of the dematerialisation procedure. **SPECIAL WINDOW FOR RE-LODGEMENT OF TRANSFER REQUESTS OF PHYSICAL SHARES** SEBI, vide Circular dated July 02, 2025 on 'Ease of Doing Investment – Special Window for Re-lodgement of Transfer Requests of Physical Shares', advised that, in order to facilitate ease of investing for investors and to secure the rights of investors in the securities purchased, transfer deeds which were lodged prior to April 01, 2019 by the Shareholders holding shares in physical mode, and rejected/ returned due to deficiency in the documents may be re-lodged with requisite documents with the RTA of the Bank, during the special window from July 07, 2025 to January 06, 2026.
10)	Dematerialisation of Shares and Liquidity	The shares of your Bank are available for trading in the dematerialised form only under both the Depositories in India, viz., NSDL and CDSL. The annual custodian fees for the FY 2026 have been paid to NSDL and CDSL. As on March 31, 2025, 1,60,99,01,793 Shares representing 99.93 per cent. of the total Share Capital of the Bank were held in dematerialised form. The International Securities Identification Number (**'ISIN'**) of the equity shares of the Bank is **INE545U01014**. **Modes of Shares Held**  Demat (NSDL) 1,43,69,55,714 Demat (CDSL) 17,29,46,079 Physical 10,69,612
11)	Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity	Not applicable

12)	Reconciliation of Share Capital Audit	Reconciliation of Share Capital Audit in terms of Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, read with SEBI Circular No. D&CC/FITTC/CIR/-16/2002 dated December 31, 2002, as amended, has been carried out by Company Secretary in Practice on quarterly basis, who reports on the reconciliation of total issued and listed capital with that of total share capital admitted/ held in dematerialised form with NSDL and CDSL and those held in physical form. The audit report confirms that the total issued/ paid-up/ listed capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held through NSDL and CDSL. The quarterly reports in this regard have been submitted to Stock Exchanges, viz., BSE and NSE, and were placed before the Board of Directors of the Bank for its review.

Shareholders holding 1% and above as on March 31, 2025

Sl. No.	Name of the Shareholder	No. of Shares held	% of Total Holdings
1.	Bandhan Financial Holdings Limited	64,41,15,857	39.98
2.	Caladium Investment Pte. Ltd.	10,93,16,486	6.79
3.	Life Insurance Corporation of India	5,94,55,863	3.69
4.	Government Pension Fund Global	2,39,27,724	1.49
5.	Tata Large and Mid-Cap Fund	2,15,51,915	1.34
6.	Matthews Emerging Markets Small Companies Fund	1,98,80,957	1.23
7.	Aditya Birla Sun Life Trustee Private Limited A/C	1,73,82,571	1.08
8.	MFS Emerging Markets Equity Fund	1,67,73,344	1.04
9.	TATA AIA Life Insurance Company Limited A/C	1,66,74,698	1.04

Note: Shareholding is consolidated based on Permanent Account Number of the shareholder.

Distribution Schedule as on March 31, 2025

Category (Paid up value of shares held)	No. of Shareholders*	% of Shareholders	No. of Shares	% of Total Holdings
1- 5,000	7,94,701	89.80	7,32,44,048	4.55
5,001 – 10,000	44,695	5.05	3,35,14,312	2.08
10,001 – 20,000	23,605	2.67	3,42,53,925	2.13
20,001 – 30,000	8,581	0.97	2,18,12,688	1.35
30,001 – 40,000	3,689	0.42	1,30,75,594	0.81
40,001 – 50,000	2,454	0.28	1,13,79,604	0.71
50,001 – 1,00,000	4,103	0.46	2,89,73,607	1.79
1,00,001 and above	3,124	0.35	1,39,47,17,627	86.58
Total	**8,84,952**	**100.00**	**1,61,09,71,405**	**100.00**

Note: Number of Shareholders on the basis of folios

Top ten Shareholders as on March 31, 2025

Sl. No.	Name of the Shareholder	No. of Shares held	% of Total Holdings
1.	Bandhan Financial Holdings Limited	64,41,15,857	39.98
2.	Caladium Investment Pte. Ltd.	10,93,16,486	6.79
3.	Life Insurance Corporation of India	5,94,55,863	3.69
4.	Government Pension Fund Global	2,39,27,724	1.49
5.	Tata Large and Mid-Cap Fund	2,15,51,915	1.34
6.	Matthews Emerging Markets Small Companies Fund	1,98,80,957	1.23
7.	Aditya Birla Sun Life Trustee Private Limited A/C	1,73,82,571	1.08
8.	MFS Emerging Markets Equity Fund	1,67,73,344	1.04
9.	TATA AIA Life Insurance Company Limited A/C	1,66,74,698	1.04
10.	Bandhan Sterling Value Fund	1,60,60,542	0.99

**Shareholding is consolidated based on Permanent Account Number of the shareholder.*

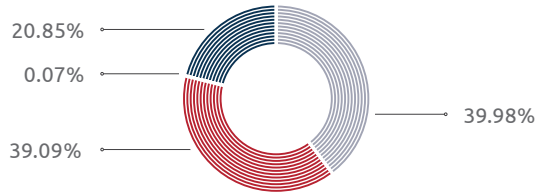
Categories of Shareholders as on March 31, 2025

Sl. No.	Category of Shareholder		No. of Shares held	% of Total Holdings
(A)	**Promoter and Promoter Group[1]**			
	(a)	Bandhan Financial Holdings Limited (Promoter)[2]	64,41,15,857	39.98
	(b)	Bandhan Financial Services Limited (Promoter)	0	0.00
	(c)	Financial Inclusion Trust (Promoter)	0	0.00
	(d)	North East Financial Inclusion Trust (Promoter)	0	0.00
	(e)	Bandhan Konnagar (Promoter Group)	0	0.00
	(f)	Bandhan AMC Limited (Promoter Group)	0	0.00
	(g)	Bandhan Mutual Fund Trustee Limited (Promoter Group)	0	0.00
	(h)	Bandhan Investment Managers (Mauritius) Limited (Promoter Group)	0	0.00
	(i)	Quadra Medical Services Private Limited (Promoter Group)	0	0.00
	(j)	Quadra Hospital And Medical Services Private Limited (Promoter Group)	0	0.00
	(k)	Gamma Spect - Imaging & Diagnostic Centre Private Limited (Promoter Group)	0	0.00
	(l)	Quadramedical Research & Foundation Private Limited (Promoter Group)	0	0.00
	(m)	Bandhan Life Insurance Limited (Promoter Group)	0	0.00
	(n)	Genisys Information Systems (India) Private Limited (Promoter Group)	0	0.00
	(o)	Genisys Software Limited, UK	0	0.00
	(p)	Genisys Software Limited, USA	0	0.00
	Sub-Total		**64,41,15,857**	**39.98**
(B)	**Public Shareholding**			
(1)	**Institutions**			
	(a)	Mutual Funds	14,44,02,455	8.96
	(b)	Alternative Investment Fund	1,43,06,597	0.89
	(c)	Banks	18,658	0.00
	(d)	Insurance Companies	10,48,13,702	6.51
	(e)	NBFCs registered with RBI	16,093	0.00
	(f)	Foreign Direct Investment	5,47,77,522	3.40
	(g)	Foreign Portfolio Investors (Category I)	30,17,04,768	18.73
	(h)	Foreign Portfolio Investors (Category II)	97,30,905	0.60
(2)	**Central Government/ State Government(s)/ President of India**			
	(a)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	11,36,000	0.07
(3)	**Non-Institutions**			
	(a)	Directors and their relatives (excluding independent directors and nominee directors)	2,000	0.00
	(b)	Key Managerial Personnel	3,600	0.00
	(c)	Investor Education and Protection Fund (IEPF)	12,74,436	0.08
	(d)	Resident Individuals holding nominal share capital up to ₹2 lakhs	21,89,42,190	13.59
	(e)	Resident Individuals holding nominal share capital in excess of ₹2 lakhs	6,23,75,233	3.87
	(f)	Non Resident Indians (NRI)	1,17,41,030	0.73
	(g)	Bodies Corporate	2,32,87,645	1.45
	(h)	Clearing Members	6,090	0.00
	(i)	HUF	80,20,723	0.50
	(j)	Trusts	1,02,95,901	0.64
	Sub-Total		**96,68,55,548**	**60.02**
	GRAND TOTAL (A+B)		**1,61,09,71,405**	**100.00**

[1]The RBI vide letter dated April 15, 2025, advised that Bandhan Mutual Fund is considered to be a part of the Promoter Group of the Bank and the holding of Bandhan Mutual Fund in the Bank will be part of the "aggregate holding" of Bandhan Financial Holdings Limited in the Bank.

[2]Equity Shares held by the Promoter are neither under pledge nor under lock-in.

Category-wise Shareholding



Promoter & Promoter Group	64,41,15,857
Institutions	62,97,70,700
Central/State Government	11,36,000
Non-Institutions	33,59,48,848

Debenture Trustee

The SEBI LODR requires companies, which have listed their debt securities, to disclose the names of their debenture trustees, with contact details, in their Annual Reports. Your Bank did not have any listed debt securities during the FY 2025. However, the details of the Debenture Trustee for unlisted NCDs are, as under:

IDBI Trusteeship Services Limited

Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai - 400001, India

Contact Nos.: 022-40807005, 022-40807000, (+91) 8097474605

Email ID: gauri@idbitrustee.com

Website: https://idbitrustee.com

Plant Locations

Being in the banking business, your Bank does not have any plant. However, your Bank had 4,594 Banking Units and 1,715 Branches as on March 31, 2025. The total number of ATMs as on March 31, 2025 was 438. The locations of the banking outlets are displayed on your Bank's website.

Rating of Various Debt Instruments (As on March 31, 2025)

Details of rating of various debt instruments of your Bank for the FY 2025 have been provided in the Board's Report forming part of this Annual Report.

CEO and CFO Certification

The MD&CEO and the CFO of the Bank give annual certification on financial reporting and internal controls to the ACB/ Board in terms of Regulation 17(8) of the SEBI LODR. The quarterly/ annual certificate(s) on the financial results for all the quarters/ year were also placed before the ACB/ Board in terms of Regulation 33(2) of the SEBI LODR.

Secretarial Audit Report

The Bank has obtained a Secretarial Audit Report for the FY 2025, in Form MR-3, in terms of Section 204 of the Companies Act and Regulation 24A(1) of the SEBI LODR, from CS Hansraj Jaria, Practicing Company Secretary (FCS No.: 7703/CP No.: 19394). The details of the same have been provided in the Board's Report, which forms part of this Annual Report.

Annual Secretarial Compliance Report

The Bank has obtained an Annual Secretarial Compliance Report for the FY 2025, in the format prescribed by the SEBI, in terms of Regulation 24A(2) of the SEBI LODR, read with the SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, from CS Hansraj Jaria, Practicing Company Secretary (FCS No.: 7703/ CP No.: 19394). The said Report has been duly filed with the Stock Exchanges and has been uploaded to the website of the Bank at https://bandhanbank.com/corporate-governance/secretarial-compliance-report.

Compliance Certificate

A Certificate from CS Anjan Kumar Roy, Practicing Company Secretary (FCS No.: 5684/ CP No.: 4557), regarding compliance with the conditions of Corporate Governance, as stipulated in the SEBI LODR, is annexed to this Report and forms part of the Annual Report.

Certificate on Non-Disqualification of Directors

None of the Directors of the Bank has been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI or the MCA or any such statutory authority. A Certificate to this effect from CS Anjan Kumar Roy, Practicing Company Secretary (FCS No.: 5684/ CP No.: 4557) is annexed to this Report forming part of the Annual Report.

Directors E-KYC

The MCA, vide the Companies (Appointment and Qualifications of Directors) Rules, 2014, has mandated KYC of all the Directors through the e-form DIR-3 KYC / web-form DIR-3 KYC-WEB. All Directors of the Bank have complied with the aforesaid requirement.

Other Useful Information for Shareholders

1) **Unpaid/ Unclaimed Dividends**

Pursuant to provisions of Sections 124 and 125 of the Companies Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (**'IEPF Rules'**), any dividend declared by the Bank, which remains unclaimed or unpaid for a period of seven years from the date of transfer to the respective Unpaid Dividend Account of the Bank, is liable to be transferred to the Investor Education and Protection Fund (**'IEPF'**).

Further, all the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to the IEPF Authority. However, the said requirement does not apply to shares in respect of which there is a specific order of

Court, Tribunal or Statutory Authority, restraining any transfer of such shares or where such shares are pledged or hypothecated under the provisions of the Depositories Act, 1996.

Your Bank was incorporated on December 23, 2014. Since inception, your Bank has declared dividend in its 4th, 5th, 7th, 9th and 10th AGMs held in the years 2018, 2019, 2021, 2023 and 2024, respectively. Hence, up till now, your Bank was not required to transfer any unclaimed dividend amount to the IEPF Authority. However, during the FY 2026, your Bank would transfer the unpaid/ unclaimed dividends declared by it in the year 2018 to the IEPF Authority. Further, GRUH Finance Limited (**'GRUH'**) amalgamated into and with your Bank with effect from October 17, 2019, and in light of the aforesaid provisions, the equity shares issued by your Bank as against the equity shares held by the shareholders of erstwhile GRUH and unclaimed dividend pertaining to such equity shares not claimed for seven consecutive years were required to be transferred to the IEPF during the FY 2025. Accordingly, the dividends that remained unclaimed for seven years, have been transferred to the IEPF during the FY 2025. Further, such equity shares, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of the IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF Authority during FY 2025 are, as follows:

Relevant FY	Amount of unclaimed dividend transferred (in ₹)	Number of shares transferred
2016-17	39,92,205	61,150

The concerned shareholder/ claimant, who has a legitimate claim on the transferred dividends/ shares, may claim the same from the IEPF Authority by following the below-mentioned process:

1. Make a request to the Bank/ RTA, along with physical copy of the requisite documents as enumerated in the web based Form IEPF – 5 and IEPF Rules, duly signed, in original, for issuance of 'Entitlement Letter', addressed to Nodal Officer, at the Head Office of the Bank or the address of RTA'.

   (In terms of IEPF Circulars, the Bank is required to verify all the documents before issuing Entitlement Letter. Accordingly, you are requested to submit the original documents complete in all respects pertaining to the claim to the Bank or its RTA.)

2. After due verification of documents by RTA/ the Bank, an Entitlement Letter would be issued. On receipt of the Entitlement Letter, make an application in web based Form IEPF-5 available at https://iepf.gov.in/IEPF/corporates.html, along with the Entitlement Letter; and

3. Thereafter, send the self-certified copy of Form IEPF-5, along with acknowledgement generated on filing of Form IEPF-5, and a signed copy of the Indemnity Bond, to the Bank/ RTA. Additionally, the shareholders/ claimants may scan the whole set of documents and send the same to the Bank by e-mail at companysecretary@bandhanbank.com to enable quick processing, followed by original physical copy.

Further, in terms of the provisions of the IEPF Rules, the Bank is required to submit the e-verification report to the IEPF Authority within 30 days from the date of filing of web-based e-form IEPF-5. In case the original documents complete in all respect are not received by the Bank well within 30 days from the date of filing of web-based e-form IEPF-5, the Bank would be bound to file e-verification report for rejection of such claims. Upon submission of e-verification report by the Bank, the IEPF Authority shall verify the documents as submitted by such shareholder and may approve/ reject such claim.

In the interest of the shareholders, your Bank has sent reminders to the shareholders to claim their dividends/ equity shares, three months before the due date for transfer to IEPF Authority. Notices in this regard were also published in the newspapers, and the details of unclaimed dividends and shareholders whose shares were liable to be transferred to the IEPF Authority are available on the Bank's website under the investor relations section https://bandhanbank.com/unclaimed-dividend.

The following tables give information relating to unclaimed dividends and the dates by which they can be claimed by the Shareholders from the Bank. The unclaimed dividends, thereafter, shall be transferred to the IEPF as stated above.

a. For Shareholders of the Bank:

Financial Year	Date of Declaration of Dividend	Last date for claiming Dividend
2017-18	July 19, 2018	August 19, 2025
2018-19	June 28, 2019	July 29, 2026
2019-20	No dividend declared	Not Applicable
2020-21	August 06, 2021	September 06, 2028
2021-22	No dividend declared	Not Applicable
2022-23	August 18, 2023	September 17, 2030
2023-24	August 20, 2024	September 19, 2031

b. For Shareholders of erstwhile GRUH which has merged with the Bank:

Financial Year	Date of Declaration of Dividend	Last date for claiming Dividend
2017-2018	May 30, 2018	June 27, 2025
2018-2019	July 19, 2019	August 20, 2026

2) Payment of Dividend through Electronic mode

In terms of Regulation 12 of the SEBI LODR, read with Schedule I thereto, every listed entity is required to mandatorily make all payments to shareholders, including Dividend, through any RBI approved electronic mode of payments, viz., Direct Credit, Real Time Gross Settlement (RTGS), National Electronic Fund Transfer (NEFT), Electronic Clearing Service (ECS), National Automated Clearing House (NACH), etc. Your Bank is entitled to use the bank account details of the shareholders available with the Bank/ Depository Participant to facilitate payment through electronic mode.

Therefore, all Shareholders of the Bank are requested to update details relating to their respective bank account numbers, including 9-digit MICR codes and 11-digit IFSC codes, email addresses and mobile numbers with their respective Depository Participants (in case shares are held in dematerialised mode) or with the Bank's RTA (in case shares are held in physical mode), by submission of form ISR-1 to RTA, along with relevant supporting documents.

3) Information for Physical Shareholders

Compulsory Furnishing of Documents/ Details:

As an on-going measure to enhance the ease of doing business for investors in the securities market, the SEBI had issued various circulars from time to time, which were rescinded vide its Master Circular for Registrars to an Issue and Share Transfer Agents (RTAs) dated June 23, 2025 (**'SEBI Master Circular'**). The SEBI Master Circular has mandated furnishing of PAN, Choice of Nomination, Contact details (Postal Address with PIN and Mobile Number), Bank Account details and Specimen Signature for corresponding folio by all holders of physical securities.

The SEBI Master Circular, read with SEBI Circular dated June 10, 2024, further mandated that the security holder(s) whose folio(s) do not have PAN, KYC details including Contact Details, Bank Account Details and Specimen Signature updated, shall be eligible:

- to lodge grievance or avail any service request from the RTA, only after furnishing PAN and KYC details.
- for any payment including dividend, interest or redemption payment in respect of such folios, only through electronic mode with effect from April 01, 2024, only after furnishing PAN and KYC details.

Actionable:

Subject Matter	Action to be taken by Physical Shareholders		
Compulsory furnishing of the following:	In case any of below-mentioned information/ documents are not provided earlier, the holders of physical shares of the Bank are required to furnish the same to the Bank's RTA, KFin, in the manner as provided herein below:		
	Details to be provided	**Documents required**	**Form for furnishing details**
• PAN	Valid PAN	Self-certified copy of PAN duly linked with AADHAAR	**Form No. ISR - 1**
• Contact details (Postal address with PIN, Mobile number, E-mail address)	Contact Details: Postal Address with PIN; Mobile Number; E-mail Address	In case of change in address, self-certified copy of the Postal address proof as per point no. C (3) of Form ISR -1. It is compulsory to provide Mobile number and E-mail ID.	
• Demat account details	Demat Account details, if available	Client Master List (**'CML'**) of your Demat Account, duly signed by the Depository Participant with stamp.	
• Bank account details (bank name and branch, bank account number, IFS code); and	Bank Account Details: Name of Bank & Branch; Account Number; IFS Code	Self-certified copy of Bank passbook; or Bank Statement attested by Bank, in original; or Original cancelled cheque leaf, bearing the name of the shareholder printed on it	
• Specimen signature	Specimen Signature *(for shareholder whose specimen signature is not available with the RTA or who wish to update their existing signature in the records of the RTA)*	Banker's attestation of the signature of the holder(s); along with: Original cancelled cheque, bearing the name of the shareholder printed on it; or Self-certified copy of Bank Passbook/ Bank Statement;	**Form No. ISR-1** **Form No. ISR - 2**
• Nomination	Nomination details *(for shareholders who have not registered any nominee)*	Original copy of Nomination Form as provided in the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014	**Form No. SH-13**
	Change in Nomination *(for shareholders who have registered nominee(s), but, they wish to change/alter the same)*	Original copy of Variation of Nomination Form as provided in the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014	**Form No. SH-14**
	Declaration to opt-out nomination *(for shareholders who have not registered any nominee and who do not wish to have any nominee)*	In case the holder does not wish to nominate any person, then the 'Declaration to Opt-out', shall be furnished in original	**Form No. ISR - 3**
	Cancellation of nomination *(for shareholders who have registered nominee(s), but, who no longer wish to have any nominee)*	Original copy of Cancellation of Nomination Form as provided in Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014; and Form for 'Declaration to Opt-out' is also required to be submitted	**Form No. SH-14** **Form No. ISR - 3**

Issue of Securities in DEMAT Form Only:

As an ongoing measure to enhance the ease of dealing in securities market by the investors, the SEBI, vide its Master Circular dated June 23, 2025, has mandated that the listed companies shall henceforth issue the securities in dematerialised form only while processing the following service request:

Nature/Details of Request	Required Form
Issue of duplicate securities certificate	**Form No. ISR - 4** *(along with relevant documents)*
Claim from Unclaimed Suspense Account	
Renewal/ Exchange of securities certificate	
Endorsement	
Sub-division/ Splitting of securities certificate	
Consolidation of securities certificates/folios	
Transposition	
Transmission	**Form Nos. ISR - 4 & ISR - 5** *(along with relevant documents)*

Note:

- The SEBI has mandated that request for effecting transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository;
- Similarly, transmission or transposition of securities held in physical or dematerialised form and other service requests, as aforesaid, shall be effected only in dematerialised form.

4) Total fees for all services paid by your Bank to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

Your Bank did not have any subsidiary as on March 31, 2025. The details of the fees paid to M. M. Nissim & Co LLP, Chartered Accountants (till conclusion of the 10th AGM), M/s. Singhi & Co., Chartered Accountants, and M/s. V Sankar Aiyar & Co., Chartered Accountants (from the date of 10th AGM), Joint Statutory Auditors of the Bank, for FY 2025, are, as under:

Nature of Services	Amount in ₹ Crore
Audit Fees	1.65
Certification and Other Fees to Auditors	1.17
Tax Audit Fees	0.10
Others (Out of Pocket Expences & Taxes)	0.68
Total	**3.60**

At the 10th AGM of the Bank, the Shareholders have approved for increase in the remuneration of the Joint Statutory Auditors from ₹1.50 crore to ₹1.65 crore for FY 2025 and onwards, as may be allocated by the Bank between the Joint Statutory Auditors and as may be mutually agreed by them, depending upon their respective scope of work. It also approved that additionally, the Joint Statutory Auditors would be paid certification and other fees, out-of-pocket expenses, outlays and taxes, as applicable, with the Board/ACB having the power to alter and vary the terms and conditions of remuneration, including allocation of overall audit fees between the Joint Statutory Auditors depending upon their respective scope of works and/ or by reason of necessity, on account of conditions as may be stipulated by the RBI and/ or any other authority, in such manner and to such extent as may be mutually agreed between the Bank and the said Joint Statutory Auditors. Further, it was also mentioned that the remuneration paid to the Joint Statutory Auditors will be disclosed in the Report on Corporate Governance as well as the Annual Financial Statement of the Bank.

Accordingly, the fees paid to the Joint Statutory Auditors, duly approved by the ACB and the Board under the power given by the Shareholders, are disclosed hereinabove as well as in the notes to the Annual Financial Statement forming part of this Annual Report.

5) Equity Shares in the Unclaimed Suspense Account

In terms of Regulation 39(4) of the SEBI LODR, read with Schedule VI thereto, the details of Equity shares lying in the Unclaimed Suspense Account are given below, which include the equity shares issued by the Bank, pursuant to the amalgamation of GRUH into and with the Bank, against shares lying in the suspense account of erstwhile GRUH:

Particulars	No. of Cases	No. of Shares
Aggregate number of Shareholders and the outstanding shares as on April 01, 2024	115	1,69,815
Shareholders who approached the Bank for transfer of shares during the FY	11	24,446
Shareholders to whom shares were transferred during the FY	11	24,446
Shareholders whose shares were transferred to the demat account of the IEPF Authority as per Section 124 of the Companies Act	23	34,034
Shareholders whose shares got transferred to the Unclaimed Suspense Account during the FY 2025	-	-
Aggregate number of Shareholders and the outstanding shares as on March 31, 2025	81	1,11,335

The voting rights on the equity shares lying in the suspense account as on March 31, 2025 shall remain frozen until the rightful owner claims such shares.

6) Equity Shares in the Suspense Escrow Demat Account

As per the requirements of various circulars issued by SEBI from time to time, which were consolidated vide its Master Circular for Registrars to an Issue and Share Transfer Agents (RTAs) dated May 07, 2024 (**'SEBI Master Circular'**), in case the securities holder/ claimant fails to submit the demat request within 120 days of issue of Letter of Confirmation, the Bank is required to credit the said securities to a Suspense Escrow Demat Account, held purely on behalf of the securities holders who are entitled to the securities and such securities shall not be transferred in any manner whatsoever except for the purpose of moving the securities from Suspense Escrow Demat Account to the security holder's/ claimant's demat account as and when the security holder/ claimant approaches the Bank. Further, corporate benefits in terms of securities, viz., bonus, split, etc., accruing on such securities shall be credited to the Suspense Escrow Demat Account. Accordingly, the Bank has a Suspense Escrow Demat Account. The details of Equity shares lying in the Unclaimed Escrow Demat Account is given below:

Particulars	No. of Cases	No. of Shares
Aggregate number of Shareholders and the outstanding shares as on April 01, 2024	1	7,384
Shareholders whose shares were transferred due to non-submission of demat request within specified timeline of 120 days	-	-
Shareholders to whom shares were transferred during the FY	-	-
Shareholders whose shares were transferred to the demat account of the IEPF Authority as per Section 124 of the Companies Act, if any	-	-
Aggregate number of Shareholders and the outstanding shares as on March 31, 2025	1	7,384

7) Disclosure of certain types of agreements binding the Bank

Neither the Bank has entered into any agreement nor the Bank has been informed about any agreement, which is binding on the Bank, by any of its Shareholders, Promoters, Promoter Group Entities, related parties, Directors, KMP and employees, requiring disclosure under Clause 5A of Para A of Schedule III to the SEBI LODR.

8) Green Initiative in Corporate Governance

In furtherance of the 'Green Initiative in Corporate Governance' initiated by the MCA, the Bank once again requests all the shareholders, holding shares in dematerialised form and who have not yet registered their e-mail address, to register their respective e-mail addresses with their concerned Depository Participants for receiving notice/ documents, including Annual Report, in electronic mode. Shareholders who hold shares in physical form and who have not yet registered their e-mail address are requested to register their e-mail address by submitting details in form ISR - 1 as explained above, with KFin, RTA of the Bank.

For and on behalf of the Board of Directors
Bandhan Bank Limited

Anup Kumar Sinha
Non-Executive (Independent) Chairman
(DIN: 08249893)

Place: Kolkata
Date: July 18, 2025

Declaration as prescribed under Para D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I confirm that for the Financial Year ended March 31, 2025, the members of the Board of Directors and the Senior Management Personnel of the Bank have affirmed compliance with the provisions of the Bank's Code of Conduct for Board of Directors and the Code of Conduct for Senior Management, respectively.

Partha Pratim Sengupta
Managing Director & CEO
(DIN: 08273324)

Place: Kolkata
Date: June 27, 2025

CERTIFICATE ON CORPORATE GOVERNANCE

[Pursuant to Para E of SCHEDULE V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Bandhan Bank Limited
Floors 12-14, Adventz Infinity @5,
BN-5, Sector-V, Salt Lake
Kolkata – 700 091

A. We have conducted an audit of compliance of corporate governance norms and procedures by Bandhan Bank Limited (CIN: L67190WB2014PLC204622), having its registered office at DN-32, Sector-V, Salt Lake, Kolkata – 700 091 and maintaining its books of account and papers at its Head Office at Floors 12-14, Adventz Infinity @5, BN-5, Sector V, Salt Lake City, Kolkata - 700 091 (herein after referred as 'the Bank'), during the financial year ended March 31, 2025, pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('SEBI LODR').

B. That our audit is an independent audit of compliance of corporate governance norms and procedures as maintained by the Bank in accordance with the applicable provisions and requirements of the SEBI LODR. That compliance of corporate governance norms and procedures is the responsibility of the Bank. That our audit and certificate is neither an opinion on financial statements of the Bank nor on future viability of the Bank or on effective management of the Bank.

C. In our opinion and to the best of our understanding, based on the records, documents, books and other information examined by us, during the aforesaid audit, as furnished by the Bank and its officers, we confirm that the Bank has complied with the corporate governance norms and procedures as per the provisions and requirements of the SEBI LODR, to the extent applicable to the Bank, during the aforesaid period under scrutiny.

FOR, ANJAN KUMAR ROY & CO.
Company Secretaries

ANJAN KUMAR ROY
Proprietor
FCS No.: 5684
C.O.P. No.: 4557
C.O.P. Unique Code: I2002WB282300
UDIN: F005684G000657368
Peer Review Certificate No.: 6872/2025
Firm Unique Code: S2002WB051400

Place: Kolkata
Date: June 27, 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Bandhan Bank Limited
Floors 12-14, Adventz Infinity @5,
BN-5, Sector-V
Salt Lake
Kolkata - 700 091

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Bandhan Bank Limited**, having CIN: L67190WB2014PLC204622 and having registered office at DN-32, Sector-V, Salt Lake, Kolkata – 700 091 and Head Office at 12th to 14th Floor, Adventz Infinity @5, BN-5, Sector V, Salt Lake City, Kolkata - 700 091 (hereinafter referred to as **'the Bank'**), produced before us by the Bank for the purpose of issuing this Certificate, in accordance with Regulation 34(3), read with clause 10(i) of Para C of Schedule V, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Director Identification Number (**'DIN'**) status at the portal, www.mca.gov.in], as considered necessary, and explanations furnished to us by the Bank & its officers, we hereby certify that none of the Directors on the Board of the Bank, as stated below, for the Financial Year ended on March 31, 2025, have been debarred or disqualified from being appointed or continuing as Directors of the Bank by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sl. No.	Name of Director	DIN	Date of appointment in the Bank
1.	Dr. Anup Kumar Sinha	08249893	January 07, 2019
2.	Mr. Chandra Shekhar Ghosh*	00342477	December 23, 2014
3.	Mr. Partha Pratim Sengupta	08273324	November 01, 2024
4.	Mr. Rajinder Kumar Babbar	10540386	March 08, 2024
5.	Mr. Ratan Kumar Kesh	10082714	March 31, 2023
6.	Dr. Allamraju Subramanya Ramasastri	06916673	August 08, 2018
7.	Dr. Aparajita Mitra	09484337	July 13, 2022
8.	Ms. Divya Krishnan	09276201	May 11, 2022
9.	Mr. Arun Kumar Singh	09498086	June 24, 2024
10.	Mr. Narayan Vasudeo Prabhutendulkar	00869913	May 08, 2020
11.	Mr. Pankaj Sood**	05185378	February 12, 2024
12.	Mr. Philip Mathew	09638394	June 15, 2022
13.	Mr. Santanu Mukherjee	07716452	January 07, 2019
14.	Mr. Subrata Dutta Gupta	08767943	March 19, 2021
15.	Mr. Suhail Chander	06941577	March 19, 2021
16.	Mr. Vijay Nautamlal Bhatt	00751001	May 08, 2020

**Ceased to be a Director of the Bank, with effect from July 10, 2024*
***Ceased to be a Director of the Bank, with effect from December 14, 2024*

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Bank. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Bank nor of the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

FOR, ANJAN KUMAR ROY & CO.
Company Secretaries

ANJAN KUMAR ROY
Proprietor
FCS No.: 5684
C.O.P. No.: 4557
C.O.P. Unique Code: I2002WB282300
UDIN: F005684G000657423
Peer Review Certificate No.: 6872/2025
Firm Unique Code: S2002WB051400

Place: Kolkata
Date: June 27, 2025

Annex 5

Management Discussion & Analysis Report

A. Global and Indian Economic Scenario

Global economy – slow recovery amid heightened uncertainty

The global landscape over the past year has remained fluid, shaped by geopolitical tensions, uneven inflation, varied market sentiments across the globe, and policy related uncertainties. According to the International Monetary Fund (**'IMF'**), global GDP growth is projected at 2.8 percent for 2025, lower than the previous year's projection of 3.3 per cent.[1], and is expected to remain rangebound for the foreseeable future, signalling a slow and steady recovery.

Regional divergences in inflation have become prominent over the past year. While United States's (**'US'**) core inflation was forecasted at 2.8 per cent.[2] for 2025, a rise of 30 bps from previous forecast due to recent changes in the tariff landscape, Eurozone's inflation has eased out[3] and is expected to stabilise.

While US exhibited resiliency in its growth story, China, traditionally a growth engine, experienced hiccups due to internal structural challenges such as a declining workforce and a real estate slump. China's GDP estimates were revised downwards to 4.0 per cent[4], for both – 2025 and 2026 – from previous projections of 4.6 percent and 4.5 percent for 2025 and 2026[5], respectively. Additionally, Eurozone's growth forecast at 0.8 per cent[6]. in 2025 faced challenges from uncertain global trade policies. Similarly, emerging economies have also experienced downgrades due to intensifying downside risks such as currency volatility, geopolitical risks, among others. India, while remaining a major growth driver globally, also hit a four-year low of 6.5 per cent growth in FY 2024-25, slowed down from 9.2 per cent.[7], growth recorded in FY 2023-24.

Global economic and trade policies are in a period of transition, shaped by competing priorities: national security vs. globalisation, sustainability vs. growth, and inflation control vs. economic stimulus. The trajectory of global growth in the coming years will depend on how effectively policymakers balance these competing priorities. Economies are increasingly expected to realign themselves towards bilateral treaties from multilateral arrangements to balance growth objectives and policy uncertainties.

In addition, driven by Artificial intelligence (**'AI'**), global technology landscape has undergone a tectonic shift. Advancements in AI, quantum computing and the rise of decentralised technologies have created a new digital paradigm that is redefining industries, economies, and societies at an unprecedented pace. Large scale adoption of Generative AI, in particular, is reshaping how businesses operate and differentiate themselves. As innovation cycles shorten and disruption becomes the norm, economies that identify and adopt these emerging technologies early, are expected to be at the centre of global influence.

Climate change poses significant threats to the global economy, with major institutions highlighting escalating risks. The Organisation for Economic Co-operation and Development **('OECD')** warned that without intensified climate action, global GDP could decline by up to 4 per cent. annually by 2100 due to sea-level rise and extreme weather events. The World Bank highlighted that 1.2 billion people are at high risk from climate hazards. Collectively, these findings underscore the urgent need for coordinated global action to mitigate climate risks and invest in adaptation strategies to safeguard economic stability.

Indian economy – continues to remain steady amid heightened uncertainty elsewhere

India's economy has demonstrated resilience amid global uncertainties and is expected to maintain steady growth in the future. As per the recent estimates, India's GDP growth for FY 2024-25 was at 6.5 per cent. with Q4 FY 2024-25 exhibiting a growth of 7.4 per cent[8]. amid global uncertainties. The steady growth has been supported by robust domestic consumption, industrial activity, rural demand and government spending.

Consumer price index (**'CPI'**) inflation is expected to moderate from 4.9 per cent[9]., in FY 2024-25 to below 4.5 per cent. over the next year, aided by prudent monetary policy. Favourable monsoon forecasts, better kharif sowing and healthy reservoir levels are expected to boost agricultural output and stabilise inflation further.

[1] *IMF World Economic Outlook, April 2025*

[2] *Federal Open Market Committee meeting minutes, March 2025*

[3] *European Central Bank Economic Bulletin, April 2025*

[4] *IMF World Economic Outlook, April 2025*

[5] *IMF World Economic Outlook, January 2025*

[6] *IMF World Economic Outlook, April 2025*

[7] *Press Information Bureau, May 30, 2025*

[8] *Ministry of Statistics and Program Implementation (MOSPI) release, May 30, 2025*

[9] *Press Information Bureau, January 31, 2025*

Despite external challenges, India's macroeconomic fundamentals remain strong. Government infrastructure spending and a robust services sector continue to underpin economic stability, positioning India favourably compared to other major economies.

Rural sector rebounds after a period of softness

India's rural economy rebounded in FY 2024-25, with agricultural growth estimated at 4.6 per cent., up from 2.7 per cent.[10], in previous year, and is expected to exhibit similar growth in the coming year, aided by above-average monsoon forecasts and increased rural spending. Rural consumption has recovered from the Covid shock and is likely to stay resilient due to wage growth and subsequently the rising demand. Rural wage growth, adjusted for inflation, is at its highest in the past few years. Being the largest contributor to the overall consumption, rural sector continues to play pivotal role in India's economic growth story.

Consumption and investments remained steady

India's economy has maintained steady consumption and investment levels in FY 2024-25, as estimated during the year showing economic resiliency. Private final consumption expenditure accounts for 56.5 per cent. of GDP, while gross fixed capital formation contributes 33.7 per cent.[11], reflecting robust domestic demand and investment activity. Additionally, the Government's capital expenditure is set at a record ₹11.21 lakh crore[12], for FY 2025-26, underscoring a strong commitment to consumption growth and infrastructure development.

B. Indian Banking Sector: Key Developments

Indian Banking Sector: Robust and healthy

During FY 2024-25, deposits grew at 10.7 percent. year-on-year, tad behind the credit offtake which grew at 11 per cent. The gap between yearly growth of credit and deposits in a financial year narrowed down from approx. 340 bps in FY 2023-24 to 30 bps in FY 2024-25. Consequently, the credit-to-deposit ('**CD**') ratio remained elevated above 80 per cent. from 79.7 per cent. in the previous year for all Scheduled Commercial Banks ('**SCB**')[13].

Overall credit growth decelerated in FY 2024-25 as compared to the previous year. The growth drivers in the credit changed from previous year with loans to medium industries growing at the highest rate, followed by micro & small[14] :

a. Personal Loans (Retail Loans incl. Housing Loans) growth decelerated to 14.0 per cent. in the FY 2024-25 from 17.6 per cent. in the previous financial year, due to concerns of over-leveraging in unsecured lending i.e. Other Personal Loans, Credit Cards, Education Loans and Consumer Durables. On the other hand, growth in secured personals loans i.e., Housing and Gold Loans remained robust at 15.3 per cent. and 103.5 per cent., respectively against 17.1 per cent. and 14.8 per cent., respectively in the previous year.

b. Credit growth to services sector fell to 13.4 per cent. in FY 2024-25 from 20.8 per cent. in the previous year, due to drag in the credit to Commercial Real Estates, NBFCs and Aviation.

c. Credit to Agriculture and allied activities halved in the FY 2024-25 from previous year.

d. Industry credit growth remained consistent at 8.0 per cent., in FY 2024-25. Credit growth to micro and small industries decelerated to 9.0 per cent. while credit to medium industries accelerated to 18.6 per cent. and remained at constant level for large industries at 6.2 per cent.

Sector	Growth (year-on-year)	
	FY24-25	FY23-24
Agriculture & allied activities	**10.4%**	**20.0%**
Industries	**8.0%**	**8.0%**
I. Micro and Small	9.0%	14.7%
II. Medium	18.6%	13.3%
III. Large	6.2%	6.4%
Services	**13.4%**	**20.8%**

e. As per the Financial Stability Report ('**FSR**') of RBI (June 2025), Gross Non-Performing Asset ('**GNPA**') ratio of SCBs fell to a twelve-year low of 2.3 per cent. in March 2025 whereas the Net Non-Performing Assets ('**NNPA**') improved to 0.5 per cent.

f. The Liquidity Coverage Ratio ('**LCR**') was comfortably at 132.6 per cent. as on March 2025 above minimum requirement of 100 per cent. across bank groups. It was the highest among foreign banks followed by public sector banks and private banks.

[10] *Press Information Bureau, May 30, 2025*
[11] *Ministry of Statistics and Program Implementation (MOSPI) release, May 30, 2025*
[12] *Indian Budget 2025*
[13] *Financial Stability Report (June 2025)*
[14] *RBI Sectoral Deployment of Bank Credit – April 2025*

g. Profit after tax ('**PAT**') of SCBs increased by 16.9 per cent. year-on-year in FY 2024-25. Public sector banks showed highest jump in PAT of 31.8 per cent. year-on-year followed by private banks at 9.2 per cent.

Potential threats

Cybersecurity and Digital Fraud – The cybersecurity threats are evolving, driven by rapid technological change and increasing sophistication of the participants. Simple phishing attacks are now evolving into highly coordinated attacks involving deepfakes and AI, among others. At the same time, the growing sophistication of AI-driven fraud and cyberattacks exposes vulnerabilities in banks' traditional security frameworks. The targets broadened from only customers previously to also include banking infrastructure and digital channels now, leading to financial and reputational risks. Banks, thus need to invest in advanced security measures and collaborate with regulatory bodies to strengthen their cyber defences and protect against these evolving threats.

Credit Risk and Household Debt – The surge in unsecured lending and the delinquencies in the segment raised concerns about borrowers' repayment capacities. RBI's intervention to increase the risk weight of the unsecured loans hints at the wider concern. Banks need to closely monitor credit risk and implement stricter lending criteria to mitigate potential defaults and maintain financial stability within the sector.

Disruptive Technologies – The rapid evolution of AI and Machine Learning (**'ML'**) is fundamentally altering the financial services landscape, posing a significant threat to traditional banking. These technologies enable new entrants—often leaner, digital-native, and more agile—to deliver financial products with unprecedented speed, personalisation, and efficiency. As customer expectations shift towards real-time, intuitive services, conventional banks risk falling behind due to legacy infrastructure, rigid processes, and slower innovation cycles. Traditional banks need to adapt quickly and redefine their role in a tech-first financial environment to avoid the risk of losing control.

Climate Risks – Events related to climate change are no longer isolated. Rather, they have increasingly become a systemic threat to the stability and resiliency of the banking industry. These pose threat to the borrowers' credit worthiness, which puts pressure on banks' asset quality and provisioning norms. Banks with high exposure to carbon-intensive industries may suffer from loss of asset value and credit related challenges. Additionally, regulatory push towards climate-related financial disclosures and ESG integration may add to the operational cost for banks in the near term. It is thus imperative for banks to integrate climate resilience into their strategy, underwriting, and governance practices to maintain sustainable business operations.

Absence of Diversity Equity and Inclusion (DEI) initiatives – The banking sector, while showing progress in DEI initiatives, still lags in equitable representation of communities and genders. Lack of diversity may result in homogeneous decision-making, limiting the industry's ability to innovate and respond effectively to rapidly evolving business environment. Failure to do so could result in a loss of competitive advantage, talent attrition, and diminished trust among increasingly socially conscious consumers.

C. Strategy

Your Bank has been undergoing a significant transformation over the last few years to position itself as a diversified, digitally advanced and customer-centric financial institution. Over the last decade of service, your Bank has built a strong foundation of trust, resilience and customer-centric growth. Looking ahead, it's committed to expand its reach both – in geography and in relationships. Your Bank aims to bring more individuals, businesses and communities in its fold while strengthening its presence across the country. It remains relentlessly focused on identifying growth opportunities and aims to achieve the same by increasing its share of business from non-eastern geographies, and enhancing its presence and outreach capabilities through its branches and ATMs. Your Bank aims to improve its presence among Metro and Urban population groups, notwithstanding its continued focus on rural and semi-urban areas.

Your Bank is poised well to scale up its businesses with strong emphasis on strengthening its internal capabilities, especially in terms of risk management and governance. It has further enhanced its credit appraisal and recovery mechanisms to improve its loan book resilience and repayment discipline. Simultaneously, your Bank remains committed to best-in-class compliance and governance practices that form the core of its risk management strategy.

Your Bank is embracing digital transformation to redefine the customer experience and enhance operational efficiency. It has been focusing on upgrading its digital infrastructure, integrating advanced technologies such as artificial intelligence and machine learning, and streamlining customer

journeys across platforms. Setting up of two new functions – Digital and Transaction Excellence Unit (DTEU) and Customer Experience (CX) is testimonial to our unwavering focus. By leveraging advanced digital technologies, your Bank continues to align its services with the evolving preferences of digitally inclined and next-generation customers.

Your Bank also recognises that a skilled and motivated workforce is essential for executing its ambitious plans. To this end, it is investing in training, leadership development, and employee engagement initiatives. These programs are designed to cultivate a high-performance culture, a more productive workforce that aligns with your Bank's broader strategic goals and fosters a sense of ownership and accountability among all the employees.

Your Bank's performance is truly aligned to its defined strategy of quality, stability and diversification, across its business franchise. Your Bank is implementing systemic and systematic overhaul across people, process and technology, to further the Bandhan 2.0 journey. Your Bank has taken giant leaps in the business since inception and is focused at scaling it further in a rapid and sustainable manner through vertical and horizontal expansions.

Beyond banking, your Bank has consistently demonstrated a strong commitment to socio-developmental programs through its CSR initiative – Empower. These initiatives are designed to address various aspects of community development, including education, health, livelihood promotion, sustainable development, climate action, financial literacy, skill enhancement, and job creation. Your Bank is committed to contribute to the society through various targeted interventions in a strategic manner.

Your Bank's forward-looking strategy represents a thoughtful blend of modernisation and mission continuity. While it embraces innovation and diversification to stay competitive, it also remains committed to its founding principles of inclusive finance. Through strategic investments in digital technology, geographic outreach, risk governance and human capital, your Bank is preparing itself for a future defined by resilience, agility, and long-term value creation.

D. Financial Performance of the Bank

The financial highlights for the financial year under review are presented below:

Summary of Financial Performance

(₹ in Crore)

Particulars	For the financial year ended	
	March 31, 2025	March 31, 2024
Deposits:	**1,51,212.50**	**1,35,201.99**
Advances (Net):	**1,31,987.32**	**1,21,136.78**
Total Assets/Liabilities	**1,91,476.29**	**1,77,841.66**
Net Interest Income	11,490.58	10,318.84
Non-Interest Income	2,966.60	2,171.42
Less: Operating Expenses (excluding depreciation)	6,789.29	5,613.20
Profit before Depreciation, Provisions and Tax	**7,667.89**	**6,877.06**
Less: Depreciation	279.20	237.58
Less: Provisions	3,765.41	3,696.57
Profit Before Tax (PBT)	**3,623.28**	**2,942.91**
Less: Provision for Tax	877.98	713.35
Profit After Tax (PAT)	**2,745.30**	**2,229.56**
Balance in Profit & Loss Account brought forward from previous year	**8,679.13**	**7,453.78**
Amount available for appropriations	**11,424.43**	**9,683.34**
Less: Appropriations	1,196.92	1,004.21
Balance carried over to Balance Sheet	**10,227.51**	**8,679.13**
EPS (Basic) (in ₹)	**17.04**	**13.84**
EPS (Diluted) (in ₹)	**17.04**	**13.84**

The financial performance of your Bank during the financial year ended March 31, 2025, remained healthy with the Total Net Revenue (Net Interest Income Plus Other Income) rising by 15.7 per cent. to ₹14,457.18 crore from ₹12,490.26 crore during the previous financial year. Net Interest Income grew by 11.4 per cent. to ₹11,490.58 crore. The Net Interest Margin ('**NIM**') was 7.1 per cent. during FY 2024-25 against 7.3 per cent during the FY 2023-24.

Operating (Non-Interest) Expenses increased to ₹7,068.50 crore from ₹5,850.78 crore during FY 2024-25. During the FY under review, your Bank has set up 15 new branches. Employee strength stood at 75,032 at the end of March 31, 2025. The cost to income ratio increased to 48.9 per cent. for FY 2024-25 from 46.8 per cent. for FY 2023-24, primarily driven by cost to support the business growth, regulatory cost like PSLC and strategic investment in manpower and technology. The Total Provisions and Contingencies (including tax provisions) was ₹4,643.39 crore as compared to ₹4,409.92 crore in FY 2023-24.

The Profit After Tax ('**PAT**') for FY 2024-25 stood at ₹2,745.30 crore, an increase of 23.1 per cent. over the previous financial year. Consequently, the Return on Average Equity ('**ROAE**') was 11.6 per cent. for FY 2024-25 against 10.7 per cent. for FY 2023-24. Return on Average Asset ('**ROAA**') was 1.5 per cent. for FY 2024-25 against 1.4 per cent for FY 2023-24. Your Bank's basic as well as diluted Earnings Per Share ('**EPS**') increased from ₹13.84 for FY 2023-24 to ₹17.04 for FY 2024-25.

Reflecting on steady growth in the balance sheet, Total Liabilities (including capital and reserves) increased by 7.7 per cent. from ₹1,77,841.66 crore as on March 31, 2024 to ₹1,91,476.29 crore as on March 31, 2025 whereas Total Advances (Net) stood at ₹1,31,987.32 crore, a growth of 9.0 per cent. over FY 2023-24. Total Business of your Bank increased by 10.9 percent to ₹2,88,207 crore (Gross Advances: ₹1,36,995 crore and Deposits: ₹1,51,212 crore as on March 31, 2025) from previous year of ₹2,59,923 crore (Gross Advances: ₹1,24,721 crore and Deposits: ₹1,35,202 crore) as on March 31, 2024.

Priority Sector Lending and Investment

RBI has mandated Priority Sector Lending ('**PSL**') of 40 per cent. of advances for all the banks. Your Bank continues to focus on financial inclusion by providing various financial services to the underserved. Your Bank's PSL was ₹72,106.54 crore (net) as on March 31, 2025, and PSL as a proportion of preceding year's Adjusted Net Bank Credit ('**ANBC**') of ₹1,31,991 crore was 54.96 per cent.

Key Ratios

Particulars	FY 2024-25	FY 2023-24
Fee to total income	11.91%	10.32%
Cost to income	48.89%	46.84%
Earnings per share	₹17.04	₹13.84
Book value per share	₹145.32	₹126.42
Return on average assets	1.53%	1.44%
Return on average net worth	11.57%	10.65%
Operating Profit to Average Total Assets	4.13%	4.29%
Net Interest Margin	7.07%	7.35%

E. Internal Financial Control

Your Bank engages external firms to carry out independent reviews of internal controls, processes, reporting, etc., and recommendations, if any, are made by them to the Bank/ Audit Committee of the Board of Directors of the Bank('**ACB**') for improvement.

Considering the internal financial controls of the Bank, and the work performed by the auditors, including the audit of internal financial controls over financial reporting by the auditors and the reviews performed by management under the supervision of the ACB, the Board of Directors is of the opinion that the internal financial controls established and maintained by the Bank are adequate.

F. Business Segment Wise Performance

Segment wise business Performance of the Bank during FY 2024-25 forms part of the Board's Report.

G. Risk and Concerns

Your Bank is exposed to various risks by the very nature of its business. Your Bank has put in place a comprehensive Enterprise-wide Integrated Risk Management Framework supported by detailed policies and processes for the management of Credit Risk, Market Risk, Liquidity Risk, Operational Risk and various other risks. Please refer to the section 'Risk Management' of the Board's Report for details.

H. Development in Human Resources

Details regarding developments in Human Resources including number of people employed by the Bank during FY 2024-25 forms part of the Board's Report.

I. Disclosure of Accounting Treatment

The Financial Statement has been prepared under the historical cost convention and on the accrual basis of accounting, unless otherwise stated and in compliance with the requirements prescribed under the Third Schedule (Form A and Form B) to the BR Act. The accounting and reporting policies of your Bank used in the preparation of the Financial Statement conform to Generally Accepted Accounting Principles in India ('**Indian GAAP**'), the guidelines issued by the RBI, from time to time, the accounting standards notified under Section 133 and other relevant provisions of the Companies Act, read together with the Companies (Accounting Standards) Rules, 2021, as amended from time to time, to the extent applicable, and practices generally prevalent in the banking industry in India.

For and on behalf of the Board of Directors
Bandhan Bank Limited

Anup Kumar Sinha
Non-Executive (Independent) Chairman
(DIN: 08249893)

Place: Kolkata
Date: July 18, 2025

Annex 6

Business Responsibility & Sustainability Report (BRSR)-FY 2024-25

Message from the MD&CEO on Sustainability

Dear Shareholders,

It is with great pride and purpose that we are presenting the third edition of your Bank's Business Responsibility and Sustainability Report (BRSR) for the Financial Year 2024–25. This report reaffirms our ongoing commitment to driving long-term value creation for all stakeholders through ethical governance, inclusive growth, and sustainable environmental management. Since inception, your Bank has remained rooted in its mission of delivering innovative, inclusive, and customer-centric banking solutions.

Your Bank's performance during the year reflects the strength of its sustainable and balanced growth strategy, supported by robust governance, prudent risk management, and the continued trust of its stakeholders. The total deposits stood at ₹1.51 Lakh crore, with over 12 percent YoY growth whereas, advances (Net) reached 1.37 Lakh crore, with over 10 percent YoY growth.

As environmental and social challenges intensify globally, we believe that while adherence to regulatory requirements is essential, businesses must also actively foster meaningful change beyond compliance. Your Bank has taken significant steps to reduce its ecological footprint while embracing a future-ready, digital-first banking model.

Leveraging advanced technologies such as Artificial Intelligence (AI), Machine Learning (ML), and Data Analytics, your Bank is designing products and services that respond to the evolving needs of customers. To institutionalise this transformation, a dedicated Transformation Management Team has been established to drive innovation and efficiency. In parallel, the Digital & Transaction Excellence Unit is focused on enhancing transaction banking and elevating the overall digital experience.

Through sustained digitalisation, we have significantly reduced paper usage, improved energy efficiency, and minimised operational waste. This strategic shift is reflected in key achievements—93% of savings accounts were opened digitally, 98% of retail transactions were conducted through digital platforms, and digital deposit volumes grew by 99% year-on-year. These milestones represent a decisive move toward a low-carbon, tech-enabled operating model and contribute meaningfully to India's net-zero ambitions.

Beyond internal efficiencies, we have implemented on-ground environmental initiatives to promote ecosystem regeneration and climate resilience. To date, we have planted over 4.34 lakh saplings and constructed 72 water harvesting structures. These initiatives have led to the sequestration of CO_2 and rainwater harvesting that partially offsets the carbon footprint and water consumption of your Bank.

In line with our commitment to clean energy, climate resilience, and rural empowerment, the Bank has implemented targeted solar initiatives that deliver tangible environmental and socio-economic benefits. Your Bank installed high-mast solar lighting systems in Pandharpur and provided solar-powered irrigation pumps equipped with drip systems to tribal farmers in Gujarat. These interventions have not only strengthened rural infrastructure and improved agricultural productivity but also achieved a remarkable 90%+ reduction in water usage. These efforts are focused on promoting decentralised renewable energy solutions in underserved and energy-deficient geographies, helping bridge infrastructure gaps while fostering community resilience.

We recognise that responsible capital allocation is a powerful lever for sustainable development. As part of our commitment to aligning our portfolio with global climate targets, we have adopted a disciplined approach to managing financed emissions. Our credit exposure to carbon-intensive sectors such as mining, petroleum, and coal has been consciously limited to just 0.12%. Simultaneously, we are promoting the clean energy transition by allocating 4% of our outstanding credit portfolio to renewable energy projects, predominantly solar. This strategy of divesting from carbon-heavy industries while scaling up investments in green energy not only aligns our portfolio with evolving regulatory expectations and climate commitments but also strengthens our resilience against long-term environmental and reputational risks. These choices reflect a risk-aware financing strategy that supports India's green growth agenda while safeguarding our portfolio against climate-related risks.

Guided by the principle of "Aapka Bhala, Sabki Bhalai," your Bank remains deeply committed to the collective well-being of its stakeholders and the broader mission of social upliftment across India. With a customer base of 31.6 million and a network of 6,309 banking outlets, predominantly in underserved semi-urban and rural areas, Bandhan Bank is a leader in driving financial inclusion at scale. Through our flagship women-centric group loan model (EEB), we serve 13.2 million active women customers, who account for 26.2% of our overall portfolio—the highest proportion among Indian banks.

Our CSR programmes are designed to deliver holistic and measurable impact. In FY 2024-25, these initiatives reached 25.81 lakh families through strategic interventions in health, education, skill development, financial literacy, business incubation, and climate action, all mapped to the United Nations Sustainable Development Goals (UN SDGs).

Notably, 2.0 million women benefited from our community initiatives this year—1.3 million through healthcare services and 0.6 million through financial literacy programmes.

A signature programme, Targeting the Hard-core Poor (THP), enabled the upliftment of 52,932 ultra-poor, women-led households, empowering them to achieve economic self-reliance. Additionally, we supported over 2,000 farmers in adopting climate-smart agriculture, strengthening their adaptive capacity against climate variability. To nurture India's future workforce, we provided free supplementary education to more than 0.1 million children and delivered skill training to over 19,000 youth, 68% of whom secured employment across diverse sectors.

Internally, our Diversity, Equity, and Inclusion (DEI) Policy continues to foster a workplace culture anchored in fairness, opportunity, and representation. We remain committed to building an inclusive organisation that reflects the diverse communities we serve.

Governance continues to be at the heart of your Bank's operations. Since inception, your Bank has upheld the highest standards of corporate governance, led by a Board comprising a majority of Independent Directors and a clear demarcation of responsibilities between the Non-Executive Chairman and the Managing Director & CEO. This structure ensures effective checks and balances, independent oversight, and strategic accountability.

Our governance framework is anchored in a strong risk management architecture, well-defined compliance protocols, and a zero-tolerance stance toward unethical practices. Under the leadership of your Bank's core management team, our 75,032 employees remain dedicated to upholding the highest standards of integrity and accountability, delivering banking services through a balanced "High-tech and High-touch" approach.

In an increasingly digital financial environment, we are investing significantly in cybersecurity infrastructure and digital risk mitigation systems. Guided by a clear roadmap that embeds risk management and compliance into every facet of our operations, we remain optimistic about unlocking greater value for all our stakeholders.

Transparency and stakeholder engagement are integral to our ethos. We communicate proactively through multiple channels and ensure compliance with all disclosure norms. Our ESG practices are codified in a comprehensive compendium of Board-approved BRSR policies, which guide our conduct across all verticals and geographies.

The Bank's performance in FY 2024-25 reflects the strength of its integrated sustainability strategy. Total deposits rose by over 12% to ₹1.51 lakh crore, while net advances grew by over 10% to ₹1.37 lakh crore. These figures validate the trust placed in us by millions of customers, investors, and partners—and reaffirm our ability to grow responsibly and sustainably.

As we look to the future, Bandhan Bank remains resolute in its commitment to delivering financial services that are not only inclusive and innovative but also aligned with the imperatives of sustainability and social good. Our leadership is dedicated to responsible growth, promoting environmental responsibility, and empowering communities. Our strategic focus on green financing, clean energy, and social upliftment reflects our long-term vision of driving India's transformation into a resilient, equitable, and climate-conscious economy. With the continued trust and support of our stakeholders, we will remain steadfast in our mission to create lasting value, foster inclusive prosperity, and contribute meaningfully to a sustainable future.

We thank all our stakeholders for their unwavering trust and partnership. Together, we will continue to chart a path of responsible growth and shared prosperity.

Warm regards,

Partha Pratim Sengupta

Managing Director & Chief Executive Officer

(DIN: 08273324)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L67190WB2014PLC204622
2.	Name of the Listed Entity	Bandhan Bank Limited
3.	Year of Incorporation	2014
4.	Registered office address	DN-32, Sector – V, Salt Lake, Kolkata – 700 091, West Bengal
5.	Corporate address	Floors 12-14, Adventz Infinity@5, BN-5, Sector V, Salt Lake City, Kolkata - 700 091, West Bengal
6.	E-mail	investors@bandhanbank.com
7.	Telephone	+91 33 6609 0909
8.	Website	www.bandhanbank.com
9.	Financial year for which reporting is being done	April 1, 2024 – March 31, 2025
10.	Name of the Stock Exchange(s) where shares are listed	• National Stock Exchange of India Limited (**'NSE'**) • BSE Limited (**'BSE'**)
11.	Paid-up Capital	₹16,10,97,14,050
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report	Mr. Siddhartha Sanyal, Executive Vice President Telephone: 033-66090909 / 033-40456456 Email: info@bandhanbank.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Since the Bank does not have any subsidiary or associate companies, this report is made on a standalone basis.
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Banking Products & Services	The banking products and services include treasury, retail banking, microfinance, corporate/wholesale banking and other third-party product distribution.	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

Sl. No.	Product/Service	NIC Code	% of total Turnover Contributed
1.	Banking products & services of commercial banks and savings banks	64191	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Not applicable	6,747*	6,747*
International		0	0

**Includes 4,594 banking units; 1,715 Branches and, 438 ATMs*

19. Markets served by the entity:

a.	Number of locations	Locations	Number
		National (No. of States & UTs)	Presence in all 35 states and 7 Union Territories (except Lakshadweep)
		International (No. of Countries)	Not applicable
b.	What is the contribution of exports as a percentage of total turnover of the entity?	The Bank provides Banking services, including deposits and lending services within India. Therefore, given the nature of banking services, exports of any nature do not apply to banking companies.	
c.	A brief on types of customers	The Bank has 33.6 million customers, of which more than 75% (25.3 million) customers are Emerging Entrepreneurs Business (**'EEB'**) customers. The customers of the Bank, can typically be categorised into the following categories based on the business segments: **Retail Banking:** The retail banking services cater to individuals, salaried professionals, self-employed professionals, farmers, students, micro and small businesses, trusts, women groups, entrepreneurs etc., in metropolitan, urban, semi-urban and rural areas. The services entail loans, deposits and other products and services. **Wholesale / Commercial Banking:** The wholesale banking services cater to corporates, government, financial institutions, education institutions, MSMEs, public sector units etc. The services entail commercial and transactional banking services.	

IV. Employees

20. Details as at the end of Financial Year – 2024-25

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		EMPLOYEES				
1.	Permanent (D)	75,032	66,672	88.86%	8,360	11.14%
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total employees (D + E)**	75,032	66,672	88.86%	8,360	11.14%
		WORKERS				
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	**Total workers (F + G)**					

Note:

1. *All the employees of the Bank are on-rolls and there are no employees that are not on the rolls of the Bank. Accordingly, KPIs related to other than permanent are nil in any of the tables of the prescribed BRSR format.*
2. *The Bank does not employ any workers. Accordingly, KPIs related to workers are nil in any of the tables of the prescribed BRSR format.*

b. Differently abled employees and workers

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		DIFFERENTLY ABLED EMPLOYEES				
1.	Permanent (D)	5*	5*	100%	0	0%
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total differently abled employees (D+E)**	5*	5*	100%	0	0%
		DIFFERENTLY ABLED WORKERS				
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	**Total differently-abled workers (F+G)**					

**Based on voluntary disclosure by the employees*

21. Participation/inclusion/representation of women (As at March 31, 2025)

	Total (A)	No. and the percentage of females	
		No. (B)	% (B/A)
Board of Directors	14	2	14.29%
Key Management Personnel*	5	-	-

**Includes the MD&CEO and two Whole-time Directors, the CFO and the Company Secretary*

22. Turnover rate for permanent employees and workers

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23.43%	31.20%	24.38%	21.45%	27.27%	22.14%	31.60%	43.43%	32.78%
Permanent Workers	Not applicable								

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. a. Name of the holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary/ Associate / Joint Venture (B)	% of shares held by the listed entity (C)	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) (D)
	The Bank does not have any holdings/subsidiaries/ associate company / joint ventures.			

VI. CSR details

24. i. Whether CSR is applicable as per Section 135 of the Companies Act, 2013 (Yes/No):

Yes

ii. Turnover:

₹2,49,14,82,87,054 (FY 2024-25)

iii. Net worth:

₹2,34,10,75,24,430 (FY 2024-25)

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/ No) (If yes, then provide web-link for grievance redressal policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Communities	Yes https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf	0	1	A case was filed by the pro-Bengali advocacy organisation Bangla Pokkho entailing all banking documents published by the Bank should be in English, Hindi and Bengali.	0	1	A case was filed by the pro-Bengali advocacy organisation Bangla Pokkho entailing all banking documents published by the Bank should be in English, Hindi and Bengali.
Investors (other than shareholders)	Not Applicable	0	0	Not Applicable	0	0	-
Shareholders	Yes- Policies on Principle 4- https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf	117	30	The communications from shareholders pertain to dividends-related queries, transfer/ transition of shares, Annual Reports etc.	201	3	The pending 3 complaints have since been closed. The communications from shareholders pertain to dividends-related queries, transfer/ transition of shares, Annual Reports etc.
Employees	Yes- https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf	Cases - 11 POSH - 31	Cases - 44 POSH - 08	11 cases have been filed in the FY 24-25 and 44 cases in total including the old cases, were pending as of March 31, 2025	Whistleblower – 40 POSH - 21 Court Cases by ex-employees -35	Whistleblower - 7 POSH - 04 court cases by ex-employees – 61	All pending cases of whistleblowers and POSH have since been closed. Out of 70 court cases 61 are pending as of March 31, 2024. The nature of employees' complaints varies from breach of code of conduct, POSH, breach of ethical behaviour and practices and other behavioural issues.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/ No) (If yes, then provide web-link for grievance redressal policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Customers	Yes- https://bandhanbank.com/sites/default/files/2024-02/Customer-Policy-010224.pdf	1,55,931	6,802	Out of 6,116 pending complaints, 3,609 stand closed as on date. 273 cases have been filed in FY 24-25 and 686 cases in total including the old cases, were pending as of March 31, 2025	60,672	1,774	Out of 1,150 pending complaints, 1,110 have since been closed. Out of 60,672 complaints, 342 are court cases that have been filed in the FY 23-24. As of March 31, 2024, 624 court cases were pending which includes cases from previous years
Value Chain Partners	Yes- https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf	0	0	No complaints have been received from value chain partners	0	0	No complaints have been received from value chain partners
Other - Regulators/ Govt. Agencies	Yes	-	-		10	0	10 instances are pertaining to penalties imposed by RBI on account of cash outage and service deficiency

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk, along with its financial implications, as per the following format:

Materiality assessment is the process of determining topics (issues) that can impact economic, environmental, social and governance attributes in banking operations. It has the potential to influence the decisions of stakeholders, who are willing to partner like customers, shareholders, lenders and investors. The preliminary step in materiality assessment is to identify and consult with the right set of stakeholders (or representatives) who can provide useful insights. The materiality assessment process includes –

a) **Identification of sector-specific material topics:** The process involves identifying relevant peer companies across the banking sector and mapping standards like the Global Reporting Initiative (**'GRI'**), United Nations Sustainable Development Goals (**'UN SDGs'**), International Integrated Reporting Council (**'IIRC'**) requirements, to understand the appropriate material topics.

b) **Identification of external stakeholders:** The Bank assesses the impact of its banking operations on its investors, customers, employees, community, regulatory bodies, value chain partners, media, civil and societies to evaluate ways to further improve stakeholder value creation.

c) **External stakeholder consultation:** The Bank liaisons with external stakeholders and seeks their perception and comments on the identified material topics. Such material topics are further prioritised basis of the importance they hold to each stakeholder group and their feedback.

d) **Prioritisation of material topics relevant to the Bank:** External stakeholder responses are first assessed and collated. The collated material topics are categorised into low, medium and high categories and finally, the materiality map is finalised post consultation with the decision-making committee and senior leadership team.

The Bank remains committed to implementing relevant policies to ensure responsible banking conduct and undertake required sustainability initiatives. Based on the prioritised material topics, the Bank has identified relevant risks and opportunities that are mentioned below. This report includes information, which is material to all stakeholders of the Bank, and it presents an overview of the Bank's businesses and associated activities. The Bank discloses matters that substantially impact or affect the Bank's ability to create value. To ensure effective mitigation of identified risks, the Bank carries out a materiality analysis, to identify topics material to the Bank and its stakeholders. The sensitivity of an issue to stakeholders and the Bank, in terms of importance, forms the basis of the materiality analysis, which in turn guides the processes for identifying, managing, and devising specific action plans for addressing these material aspects. Every material topic is taken into account, and the Bank has policies and procedures in place to address these topics in order to create sustainable growth and long-term value.

Sl. No.	Material issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate Change-Related Risks	Risk	• Climate-related risks refer to the potential risks that may arise from climate change or from efforts to mitigate climate change, its impact and the economic and financial consequences. • It can impact the financial sector through two broad channels - physical risks and transition risks. • **Physical Risk:** The physical impacts from climate change will feed through to an economy in various ways, including damages to physical assets through extreme weather, reduced agricultural productivity, heat-related health and medical issues, and loss of biodiversity. • **Transition Risk:** It refers to the risks arising from the process of adjustment towards a low-carbon economy. A range of factors influences this adjustment, including changes in climate-related policies and regulations, the emergence of newer technologies, shifting sentiments and behaviour of customers. The process of transition, i.e., reducing carbon emissions may have a significant impact on the economy. • The uncertainty about the timing and severity of climate-related risks like physical risk and transition risk threatens the safety, soundness and resilience of regulated entities (REs) and in turn, it affects the overall stability of the financial system. • Financial, reputational, regulatory and market risk implications are becoming increasingly prominent with increased threats of climate change such as but not limited to floods, droughts, erratic rainfall, supply chain disruptions, change in market perception and shift towards more environmentally friendly products and services.	• The Bank has a robust governance structure to develop climate-related risk mitigation strategies, ensure effective implementation of the identified levers and monitor performance against such risks at regular intervals. • The Bank ensures that climate-related risks like floods, cyclones and external rating impact on industries with CO_2 emissions are properly reflected in the Bank's short-term and long-term capital planning under the Internal Capital Adequacy Assessment Process (ICAAP)* through stress testing and impact analysis. **(ICAAP under BASEL accord – a mechanism to ensure the institution's strategic focus, business plan and internal procedures for ensuring adequate possession of long-term capital resources to cover all material risks.)* • The Bank is deliberating to embark on a journey of advocating sustainability in its value chain, such as assessment of the GHG emission footprint of its lending portfolio, lender's customer targets and commitments on ESG resource optimisation, evaluating the quantum of collateral positioned in high-risk flood/drought-prone areas, checking green building certifications of real estate portfolios, social inclusivity of corporates, SME & MSME customers. • Within its operation, the Bank is considering greening the branches and data centres, eliminating the use of paper in the operations, introducing the option of e-receipts on registered mobile numbers at their ATMs, evaluating options of switching over to renewable energy for sourcing power gradually and future-proofing operations against regulatory requirements.	• Negative financial implications: • Financial/Credit risk: Rising frequency and severity of extreme weather events can impair the value of assets held by the Banks' customers, or impact supply chains affecting customers' operations and profitability and leading to higher loan defaults and NPAs. • Market risk: Increased volatility in investments because of shifts in investor preferences or climate-induced adverse effects might lead to a decline in lending portfolio valuation. • Reputational risk: Failure to address the challenging climate change vulnerabilities will affect stakeholders' trust resulting in loss of customer base.

Sl. No.	Material issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Employee Engagement	Opportunity	• People transformation is one of the agenda for the Bank's Vision. People are at the forefront of customer interactions and the strongest brand ambassadors on the ground. • The Bank's Human Resources (HR) policies and practices are designed to empower people and provide them with an environment where they can deliver their best every day. • Building an innovative work environment to foster employee well-being, enhance relationships and sustain long-term productivity by providing work-life balance, better career progression, healthy & safe working environment and aim towards becoming an appealing employer.	-	Positive financial implication: Employee welfare initiatives might lead to higher talent retention, improve the Bank's brand image and impact the performance of the employees. Our human resources management strategy is centered on creating a supportive, interesting, and collaborative workplace while continuing to be customer-centric, performance-driven, and future-ready. The Bank has received the 'Gallup Exceptional Workplace Award' in recognition of its efforts in the area of employee engagement. The Bank ranks among the most prestigious companies that are genuinely altering how people perceive work and life as award winners.
3.	Customer Value	Opportunity	• Customer-Centric Approach: We prioritise a customer-first strategy, designing each service and process to build meaningful relationships that go beyond simple transactions. Our focus is on enhancing customer engagement, fostering loyalty, and improving retention through personalised experiences. • Building a Strong Financial Foundation: We are dedicated to developing a solid financial framework that helps our customers achieve their financial objectives. By offering tailored products and solutions, we aim to address their financial concerns and guide them toward sustained progress and success.	Approach to adapt or mitigate is provided in case of risk only. Hence, not applicable.	Positive financial implication: A delightful customer experience shall improve customer retention which shall lead to business advancement. This shall also enhance our brand value and bring in a positive word of mouth marketing from the existing satisfied customers.

Sl. No.	Material issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Community Engagement and Development	Opportunity	• Facilitating socio-economic development of the disadvantaged communities through programmes on health, education, livelihood and environment.	The Bank has a holistic model of development under its Corporate Social Responsibility (CSR) initiatives, which targets the underprivileged section of the society. The Bank's CSR initiatives are aligned with the Bank's operational areas. The CSR programme includes: • Targeting the Hard-core Poor – A programme uniquely crafted for ultra-poor women-headed families to move them out of the vicious cycle of extreme poverty and ensure a life of dignity and stable income. • Education Programme – Provides supplementary and pre-primary quality learning to underprivileged children. • Skill Development Programme – Aims to provide vocational training across various sectors, offering job placement support, and empowering youth with practical skills for entrepreneurship or employment, while also supporting educational institutions focused on skill development and women's empowerment. • Health Programme – Targets reducing maternal and infant mortality, preventing malnutrition among children under five and adolescent girls, enhancing healthcare infrastructure through the provision of life saving ambulances, and offering medical support and vital resources for cancer care. • Employing the Unemployed – The programme provides skills and gainful employment to underprivileged youths. • Financial Literacy – Imparts financial management knowledge to underprivileged women and mainstream them with digital banking services. • Climate Action Programme – Helps carbon sequestration through afforestation and agroforestry and mitigates climate-related risks through climate-resilient agriculture and supporting biodiversity, renewable energy, and community initiatives. • Water conservation – Promotes water harvesting structures for providing critical irrigation in moisture-stressed areas.	Positive financial implication: The Bank can acquire the benefits of promoting social equality and reap significant rewards in terms of value creation.

Sl. No.	Material issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Human Rights	Opportunity	• The Bank plays a vital role in building the economy, as it has substantial leverage over a range of sectors and business activities. • The Bank advocates for safeguarding the fundamental human rights of its people and works towards developing a diverse workforce.	-	Positive financial implication: Protecting human rights across the value chain is an affirmative action, it creates a competitive advantage and enhances brand reputation.
6.	Regulatory & Statutory Compliance	Risk	• Financial institutions face expanding regulatory and reporting requirements to ensure transparency in their operations for building stakeholder confidence and benchmarking themselves against the best practices in Corporate Governance. • With growing footprint, there is a risk of unintended slippages resulting in non-compliance.	• The Bank has a robust due diligence mechanism for monitoring transactions, performing customer background checks and evaluating all lending decisions for tackling litigation matters timely. • Similarly, the Bank's processes, policies, procedures, systems and tools ensure that if in case any regulatory non-compliances arises in its operations, they are mitigated promptly and thereby promote a healthy compliance culture. • The Bank also obliges with all statutory reporting requirements.	Negative financial implication: Failure to comply with regulatory laws may result in substantial fines, penalties and cause damage to the Bank's reputation.
7.	Business Ethics & Governance	Risk	Corporate conduct and ethical practices are central to safeguard the reputation and business success of financial institutions.	• By adopting a strong ethical culture, the Bank maintains its reputation as a trusted financial institution. • Effective governance practices help in minimising its exposure to business and ethics-related risks like fund embezzlement, insider trading and money laundering. The Bank has robust compliance mechanisms and controls, to monitor its performance diligently and periodically.	Negative financial implication: • The Bank may incur legal expense resulting from breach of maintaining ethical and governance standards. • Customer preference might be influenced if they perceive that the Bank is not governed effectively, leading to reduced business scope. • Failure to conduct proper customer due diligence may result in higher fraud funding and greater loan defaults.

Sl. No.	Material issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Risk & Crisis Management	Risk	Integration of ESG risks in banking operations is a must for building resilient organisations. These risks are increasingly becoming uncertain and volatile.	• Physical risk is assessed considering scenarios like 'Impact Study of Cyclones Leading to Business Disruption in Micro Banking in Coastal Areas', 'Impact study of River Floods leading to Business Disruption in Micro Banking', 'Impact study of rating downgrade of companies falling under industries with High CO_2 emission for commercial banking portfolio' and 'Impact study of unfavourable climate condition on agricultural districts'. • Transition risk is also assessed by way of an impact study on business disruption in agricultural districts for the EEB segment, and incorporation of the Pollution Index (PI) score in Credit Proposal Vetting and Industry Outlook framework for the commercial banking segment.	Negative financial implication: The absence of proactive crisis management practices might lead to unanticipated losses on account of market disruptions, policy changes, and data service disruptions.
9.	Data Privacy & Digitalisation	Risk	Owing to regulatory requirements, the Bank must comply with data protection and privacy regulations to ensure that customer data is kept secured and confidential to avoid any penal measures such as fines, and penalties.	• The Bank ensures implementation of robust cybersecurity measures and data protection policies and procedures to prevent data breaches, cybercrimes and provides guaranteed confidentiality of customer information. • The Bank ensures that customers' data is treated sensitively & sensibly across the entire value chain of its business. The Bank ensures that the customer data used for various assessment processes follow the required regulatory guidelines.	Negative financial implication: Failure to ensure the protection of customer data, and prevention of cyber-attacks can result in reputational damage, regulatory action, loss of business and incur legal liability.

Sl. No.	Material issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10.	Financial Inclusion	Opportunity	• Financial inclusion and serving the underserved is a hallmark of the Bank. In terms of its banking operations and customer base, the Bank is highly invested in addressing financial inclusion. • The Bank's unique high-tech and high-touch approach enables much deeper last-mile doorstep delivery of banking services. • The Bank recognises the initiatives taken by the government to fulfil the financial inclusion drive and has allied itself with various government schemes to achieve the goals of financial inclusion.	• The Bank has customised several products and services catering to underserved sections across all income groups, including a wide range of micro and retail loans and deposit products that are flexible and delivered at the doorstep even to customers that are in rural and remote areas. • The Bank has immense potential to expand its banking operation across the country and has been diversifying its operations to non-east states. • More than 75 per cent. (25.3 million) of the customers are EEB customers. The Bank has more than 70 per cent. of its banking outlets in rural and semi-urban areas, which is in alignment with the Bank's vision of catering for the underbanked. • Affordable housing is another hallmark that provides micro-home loan solutions to underbanked customers. • The Bank has promoted various government schemes related to the agri sector, social security schemes, etc. • The Bank actively supports small businesses, artists, farmers, women groups and underprivileged sections for holistic development and helps create employment and livelihood opportunities.	Positive financial implication: Providing innovative financial products to individuals and businesses to those who are currently excluded from the traditional banking system will provide deeper market penetration and will unleash the Bank's true growth potential.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines for Responsible Business Conduct ('**NGRBC**') as prescribed by the Ministry of Corporate Affairs advocates nine principles referred to as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P 1	P 2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Y/N)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Y/N)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web link of the policies, if available	https://bandhanbank.com/sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf								
2. Whether the entity has translated the policy into procedures? (Y/N)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Y/N)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/ labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• National Guidelines on Responsible Business Conduct, 2019, Ministry of Corporate Affairs, Government of India • P – 6 : IGBC Gold rated green building								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Nil								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	Not applicable								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements	The statement by the MD & CEO on the BRSR is mentioned at the beginning of this report.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Board of Directors								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details	Yes. The Corporate Social Responsibility & Sustainability Committee of the Board ('CSR&SCB') is responsible for the oversight of sustainability-related matters. The Committee is Chaired by a non-executive independent director and meets at least once in every quarter.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow-up action	√	√	√	√	√	√	√	√	√	Annually								
	The CSR&SCB reviewed the Compendium of the BRSR policies that are based on the 9 principles of the NGRBC guidelines and based on the recommendation of the CSR&SCB, the Board of the Bank approved the same. The BRSR disclosures are reviewed by the CSR&SCB and approved by the Board.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Bank operates in compliance with applicable laws and regulations. All statutory requirements are complied with across all banking operations. The compliance department and the Internal Audit department independently monitor the compliance of all statutory requirements at the management level. The Audit Committee of the Board and the Board review the compliances.									Quarterly								
11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	√	√	√	√	√	√	√	√	√	-								
	Yes. The policies, their processes and their compliances are evaluated by the compliance department, internal audit department, external auditors appointed for management audit, concurrent auditors appointed for auditing branch operations, statutory auditors, and risk management, as applicable. The Bank is subjected to various audits including internal, compliance, and regulatory. As part of the audit process, the assessment/evaluation of the working of its policies is included. The policies are annually reviewed/evaluated by various department heads and Board Committees and approved by the Board.																	

12. If the answer to question (1) above is 'No' i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

ESSENTIAL INDICATORS

1. **Percentage coverage by training and awareness programmes on any of the principles during the financial year.**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	9	**Principle – 1:** • Governance and Assurance for Directors on Board of Banks • Climate Change Risk **Principle – 4:** • Banking Annual Conference FIBAC 2024 **Principle – 7:** • KYC / AML – Regulatory Perspective **Principle – 9:** • IT & Cyber Security	21.40%
Key Managerial Personnel (KMP)*	10	**Principle – 1**: • Code of Conduct • Corporate Governance Capital Market Regulation • Secretarial Standards: Implementation Challenges • Digital Transformation in Board Meetings Governance Functions • Secretarial Audit Compliance • Building Organisational Resilience: Governance Challenges **Principle – 4:** • Banking Annual Conference FIBAC 2024 **Principle – 5:** • POSH **Principle – 7:** • KYC / AML – Regulatory Perspective **Principle – 9:** • IT & Cyber Security	100%
Employees other than the Board of Directors or KMPs	340	**Principle – 1:** • Induction Training • Business Ethics and Politics • Code of Conduct • Anti-Money Laundering / Countering Financing of Terrorism • Zero Tolerance **Principle – 2:** • Compliance in Banking • KYC-AML & CFT • Risk Culture • Risk Management **Principle – 3:** • Employment Laws • Women Empowerment • Health Bytes **Principle – 5:** • Gender Sensitivity • POSH • Health and Safety **Principle – 9:** • Consumer Protection & Grievance Redressal	
Workers	NA	-	NA

**Other than Board members*

2. **Details of fines/penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format [Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website]:**

Segment	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Monetary Amount (₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	1	Commercial Tax Officer, State Tax, Tamil Nadu	20,000	Order passed under Section 73 of the Tamil Nadu Goods and Services Tax Act, 2017 / Central Goods and Services Tax Act, 2017 for alleged excess Input Tax Credit claimed. The Order has been passed on the contention of excess Input Tax Credit claimed by the Bank for FY 2019-20	Yes
Penalty/Fine	1	Deputy Commissioner, State Tax, Jaipur, Raj₹asthan	1,50,292	Order passed under Section 73 of the Rajasthan Goods and Services Tax Act, 2017 / Central Goods and Services Tax Act, 2017 for alleged Input Tax Credit wrongly claimed and availed. The Order has been passed on the contention of Input Tax Credit wrongly claimed and availed by the Bank for FY 2019-20.	Yes
Penalty/Fine	1	Superintendent of CGST, Range-III, Shibpur Division, Howrah, West Bengal	30,000	Order passed under Section 73 of the CGST Act, 2017, alleging Input Tax Credit wrongly claimed and availed. The Order has been passed on the contention of Input Tax Credit wrongly claimed and availed by erstwhile GRUH Finance Limited (now, merged into the Bank) for FY 2019-20.	Yes
Penalty/Fine	1	Superintendent, Range-V, CGST & CX, Bidhannagar Division, Kolkata North Commissionerate, West Bengal	91,256	Order passed under Section 73 of the CGST Act, 2017, alleging excess/irregular availment of Input Tax Credit. The Order has been passed on the contention of excess/irregular availment of Input Tax Credit by the Bank for FY 2019-20.	
Penalty/Fine	1	Assistant Commissioner, State Tax, Ahmedabad, Gujarat	31,368	Order passed under Section 73 of the CGST Act, 2017, alleging excess Input Tax Credit availed / utilised.	Yes
Penalty/Fine	1	Income Tax Department, Faceless Assessment Unit	119.38 crore	Income Tax Department has completed the regular assessment under Section 143(3) and passed assessment order pertaining to AY: 2023-24 (FY: 2022-23), wherein there is a tax demand including applicable interest amounting to ₹119.38 crore on account of disallowances of certain expenditure/deductions claimed under various provision of the Income Tax Act.	Yes
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding Fee	NIL	NIL	NIL	NIL	NIL

	Non-Monetary			
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL			
Punishment	NIL			

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes.

Link: - https://bandhanbank.com/sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf

The Bank has an anti-bribery and anti-corruption policy embedded in the Code of Conduct section of the HR Policy and is also available on the website as part of the Compendium of BRSR Policies. Every new joinee signed the hard copy and also digitally in the HRMS portal for the first time use. Subsequently, every year in the month of April, all employees including KMP and senior management digitally undertake the annual code of conduct declaration, containing the anti-bribery and anti-corruption provisions of the Bank.

Additionally, the Bank has a Vigilance Policy and Whistleblower Policy, which aim to effectively implement systems and procedures to prevent corruption, serving as a deterrent for any wrongdoing. The Bank has established a two-tier system, viz., (i) the Chief of Internal Vigilance (**'CIV'**) and (ii) the Disciplinary Committee which bears the responsibility of (a) investigating any alleged or proven misconduct by an employee and (b) taking necessary punitive actions, respectively.

The Bank is extremely strict in taking measures against wrongdoings, misconduct and cases of bribery and corruption, adhering to its zero-tolerance practice. Furthermore, the CIV takes measures to prevent bribery by conducting periodic reviews and checks on high-value purchases made by the Bank, scrutinising assets held or declared by senior management and employees and probing into any reported cases of conflicts of interest involving employees. These measures ensure 100% compliance from all employees, as the Bank strives towards zero cases of non-compliance. The CIV apprises the MD&CEO about the monthly vigilance activities and submits the report to the Audit Committee of the Board.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2024-25	FY 2023-24
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NA	NA

6. Details of complaints with regard to conflict of interest

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of conflict of interest of KMPs	NIL	NA	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

NIL.

The Bank's internal robust mechanism, controls, checks and balances ensure that there have been no such cases of non-compliance and hence, no corrective actions were required.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-25	FY 2023-24
Number of days of accounts payables	36	14

Note: Bills payable has been considered for 'accounts payable', whereas 'expenses' as Schedule 16 and additions to fixed assets as per Schedule 10 of the Audited Financial Statements of the Bank for FY 2025 have been considered for 'cost for goods/services procured'

9. Open-ness of business

Provide details of the concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	-	-
	b. Number of dealers/distributors to whom sales are made	-	-
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	-	-
	a. Sales (Sales to related parties / Total Sales)	-	-
	b. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.007% Note	0.008% Note
	c. Investments (Investments in related parties / Total Investments made)	-	-

Note:

1. *In the absence of any definition in the prescribed BRSR format in the SEBI Circular, the Bank has interpreted, a trading house as an entity that acts as an intermediary that facilitates trade between countries, i.e., linking a home country's buyers and sellers with other foreign country's buyers and sellers. Therefore, given the nature of the Bank's operation, there were no sales or purchases done that involved any trading house.*
2. *The Bank does not appoint any dealers or distributors to provide its products and services to customers. All the customers are direct customers of the Bank. Therefore, there was nil sales to any dealers or distributors.*
3. *The Bank is a service-oriented company and is not involved in any purchases or sales in its operations. Therefore, there are nil purchases from related parties. However, certain services including rent, accommodation/venue charges for the training of employees and interest paid are provided in the related party transaction schedule of the financial statement of the Bank.*
4. *There is nil investment in any related parties. The Bank has, as per its Policy, extended housing loans to KMPs, the percentage of which is derived on the closing balance of the outstanding loan at the end of the FY. Further details regarding related party transactions are provided in the schedule of the Financial Statement for FY 2025.*

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year.**

   The Bank has undertaken various training and awareness programmes for value chain partners including call centre and direct sales agents partners that are related to principle 1, 2, 3, 5 and 6.

   The Bank also undertakes awareness workshop on customer relations, financial literacy, digital banking and prevention of online frauds, which is detailed in relevant section of Principle 9 of this report.

2. **Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/ No) If yes, provide details of the same.**

   Yes.

   The Code of Conduct for the Board of Directors of the Bank is laid down with an aim to ensure transparency and high ethical standards in managing the affairs and operations. At the time of appointment and any time during tenure, the Board members have to disclose any actual/potential conflict of interest, if any, whenever such situation arises. Non-disclosure of conflict of interest by any Board member would be treated as a non-compliance.

   During the year under review, the Bank has not entered into any materially significant transactions with its Directors or Relatives of the Directors, which could lead to a potential conflict of interest between the Bank and these parties, other than transactions entered into the ordinary course of its business.

   All the members of the Board of Directors of the Bank have affirmed compliance with the said Codes as applicable to them.

   Weblink: https://bandhanbank.com/pdfViewerJS/index.html#../sites/default/files/2020-12/Code-Conduct-for-Directors.pdf

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	NA	NA	-
Capex	NA	NA	The Bank is a service provider and a regulated entity and operates as per the Banking Regulations. Therefore, the scope of Capex to improve the environmental and social impacts of products and processes is not material to the Bank. However, the Bank has taken several environmental and social initiatives, as mentioned below. **Environmental** – The Bank has transitioned effectively into a digital banking ecosystem. This has helped the Bank in reducing its usage of paper across its branches and operations. The Bank has also invested in various innovative technologies and IT transformations across all its branches. The energy-efficient lighting system and water-saving technology have led to a reduction in power and water usage. The seamless transactions through mobile and net banking have led to a reduction in commuting time to the branches, thereby considerably reducing vehicular emissions and costs from commutation and energy consumption. **Social** – The Bank has established EEB banking units catering to the underbanked rural and semi-urban areas leading to greater financial inclusion in the remote areas. The Bank has brought banking to the doorsteps of marginalised and economically backward communities through these Business Units. The Bank has taken several initiatives of financial literacy and financial empowerment amongst vulnerable groups such as rural housewives, and women entrepreneurs, ensuring inclusivity and ease of access for all sections of society, to banking services. During the pandemic and post-pandemic restrictions, many of the customers of your Bank lost their livelihoods, which made them financially vulnerable. To strengthen the customers, your Bank came up with products specifically designed for these situations and ensured that the customers get the maximum financial assistance during the toughest time in their lives. To overcome digital-based challenges, the Bank is providing training to enhance customer awareness of the benefits of digital payments and various other aspects, such as seeding bank accounts with mobile numbers and Aadhaar. The Bank scaled up the first of its kind 'Android PoS', a testament to the commitment to providing innovative and customer-centric solutions to merchants and promoting digital payments in remote areas.

2. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Owing to the nature of the banking products and services offered, sustainable sourcing may not be a significant material topic for the Bank. However, the Bank endeavours to integrate sustainability in the supply chain(s) for its products and services across its operations. Wherever feasible, the Bank tries to incorporate sustainable sourcing in its operations. For procurement of equipment, the Bank ensures that energy efficiency standards are considered during the purchase of electronic equipment such as computers, laptops, lighting devices, ACs amongst others.

The Bank's supply chain includes outsourced agencies, third-party service providers, transporters, suppliers of materials and capital goods, franchisees, dealers and distributors. The Bank recognises the need to work closely with the suppliers to reduce waste, improve efficiency, reduce carbon footprint and continuously work towards ensuring greater integration of environmental factors in its procurement practices.

In line with the Bank's sustainability commitment, it has prioritised several key actions, as mentioned below:

Partnering for Good: The Bank actively seeks suppliers who demonstrate ethical labour practices, environmental responsibility, and high-quality standards. Transparency and minimising environmental impact are key factors in supplier selection.

Sustainable Procurement Policies: Formalised procurement policies guide sourcing decisions, ensuring suppliers align with the Bank's values of environmental and social accountability.

Minimising Environmental Footprint: The Bank is mindful of the environmental impact of its procurement activities. We actively work to reduce waste, promote energy efficiency, and encourage the use of renewable resources throughout their operations and supply chain.

Social Impact: Beyond environmental considerations, the Bank prioritises social impact. We choose suppliers who uphold human rights, provide safe working conditions, and contribute positively to their communities.

Continuous Improvement: The Bank remains dedicated to ongoing improvement in its sustainable sourcing practices. Regular reviews and updates to procurement policies ensure they incorporate emerging sustainability trends and best practices.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for:

(a) Plastics (including packaging),

(b) E-waste,

(c) Hazardous waste, and

(d) Other waste.

The Bank does not have physical product offerings in its normal course of operations. Therefore, there is an insignificant footprint of waste generation for the reclamation for reusing and recycling of such wastes.

a) Plastics – The plastic usage in the products is minimal, hence, reclamation of plastics is not applicable. However, in its day-to-day usage, there are plastic usage recycling bins for designated plastics like water bottles and other plastic containers. These are collected by a recycling service and processed according to local regulations.

b) E-waste - E-waste generated from the banking operations across all offices and branches is responsibly disposed of by third-party service providers.

c) Hazardous Waste – Owing to the nature of the operations as a banking facility, there isn't much scope for the generation of hazardous waste from the Bank's branches and offices that are owned and controlled by third parties.

d) Other Waste – Paper waste is disposed of for recycling by third-party service providers.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No. As the Bank does not have any physical product offering or has any major plastics usage in its products and services, the Bank does not qualify for any EPR obligation.

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
Not applicable					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.**

Name of Product / Service	Description of the risk/concern	Action Taken
Not applicable		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
Not applicable		

4. **Of the products and packaging reclaimed at the end of life of products, amount (in metric tonnes) reused, recycled and safely disposed.**

   Bandhan Bank Limited is a service provider and the Bank's services do not include any significant packaging material, except for the new account opening kits.

5. **Reclaimed products and their packaging materials (as a percentage of products sold) for each product category**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in the respective category
Not applicable	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Daycare facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	66,672	66,672	100%	66,672	100%	NA	NA	66,672	100%	-	-
Female	8,360	8,360	100%	8,360	100%	8,360	100%	NA	NA	-	-
Total	**75,032**	**75,032**	**100%**	**75,032**	**100%**	**8,360**	**100%**	66,672	100%	-	-
Other than Permanent employees											
Male	Not Applicable										
Female											
Total											

Note: From April 2023 onwards, 100% of male employees are eligible for paternity benefits.

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Daycare facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	Not Applicable										
Female											
Total											
Other than Permanent workers											
Male	Not Applicable										
Female											
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the company	0.39%	0.47%

2. Details of retirement benefits for the current and previous financial years:

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	N.A.*	100%	NA	NA*
ESI	NA	NA	NA	NA	NA	NA
Others – please Specify	NA	NA	NA	NA	NA	NA

**Gratuity is deposited with the Bandhan Bank Gratuity Fund Trust*

3. **Accessibility of workplaces: Are the premises/offices accessible to differently-abled employees and workers as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, the Bank has developed a dedicated policy on Human Rights as part of the commitment to BRSR Principle 5 and ensures non-discrimination and fair treatment for all its employees. The Bank's branches and offices have appropriate systems and processes in place to ensure compliance with the policy and statutory provisions.

As per RBI circulars DBOD. No. Leg BC. 91 /09.07.005/2007-08 dated June 04, 2008; DBOD.No.Leg. BC.123/09.07.005/2008-09 dated April 13, 2009, DBOD.No.Leg.BC.38 /09.07.005/2012-13 dated September 05, 2012, DBOD.No.Leg.BC.113 09.07.005/ 2013-14 dated May 21, 2014 and DBR.No.Leg.BC.96/09.07.005/2017-18 dated November 09, 2017 all banking services are being provided to persons with disabilities.

Bandhan Bank is committed to providing all its services to Differently Abled Customers without Discrimination. The RBI guidelines have been upheld by the internal circular number - RB/PSNs/CIR/4153. These circulars uphold the Bank's commitment to offer all its banking services and products to Differently Abled Customers without discrimination.

The Bank's websites, net banking and mobile banking are compliant with Web Content Accessibility Guidelines (WCAG).

The Bank has accessible ATMs set up as per the 'IBA Standards on Accessible ATM'. Details about talking ATM locations can be seen here.

In case of a differently abled customer facing any difficulty in receiving any services of the Bank, please write to pno@bandhanbank.com or call us at 033-66090909 for redressal. The details are available on the Bank's website: https://bandhanbank.com/services-for-differently-abled-customer

For the employees and the customers, the Bank has taken several measures to create an inclusive environment such as installing ramps, signage and elevators for ease of movement of people with locomotive disability. The Bank ensures that doorways and corridors are wide enough for wheelchair users. Additionally, we have made the restrooms, workstations, and common areas accessible and equipped with the necessary accommodations. The Bank is also committed to promoting digital accessibility where information and communication technology is accessible to all and/or compatible with assistive technology devices.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Bank has an equal opportunity statement in its HR policy and the extract of the same is also available in the Compendium of BRSR policies under Principle 5.

Web-link: https://bandhanbank.com/sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf

The Bank believes that promoting equal opportunity in the workplace based on merit and ability can create an environment conducive to higher engagement and productivity. The Bank has achieved this by communicating the coverage of the policy to all employees in an appropriate and meaningful manner. In line with the sustainable development ethos of non-discrimination and inclusive growth, the hiring and performance evaluation, compensation, training and employee benefits, are devoid of any discrimination based on caste, religion, disability, gender, sexual orientation, race, colour, ancestry, marital status or affiliation with a political, religious or union organisation or majority/minority group.

5. **Return to work and retention rates of permanent employees who took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	88.22%	81.54%	NA	NA
Female	81.48%*	78.92%	NA	NA
Total	**87.47%**	**89.76%**	**NA**	**NA**

**Includes employees that are scheduled to return to work post March 31, 2024*

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not applicable
Other than Permanent Workers	Not applicable
Permanent Employees	Yes. The HR policy of the Bank incorporates the Policy on Prevention of Sexual Harassment (POSH) for addressing issues related to sexual harassment. An Internal Committee (IC) consisting of one Presiding Officer and three members is constituted at the head office to enquire into and provide redressal of Sexual Harassment complaints. The composition of the IC consists of at least one external member and one-half of the total member are women officials. In addition to POSH, the Bank has also built an in-house grievance redressal system which is available in the HRMS portal of the Bank. The grievance redressal mechanism lays down guidelines that need to be followed by the organisation, which include the following: **Conflict Resolution** An employee who feels that he or she is being subjected to harassment should first, where possible, make his / her disapproval clearly known to the individual(s) concerned and ask that the behaviour be stopped. If there is no apparent change in the behaviour of the respondent, the employee concerned can make use of either an informal or formal resolution process for redressing their complaint. **Freedom from Retaliation** A person who in good faith brings a complaint of harassment against another person, shall not be subjected to any form of retaliation. The Bank prohibits retaliation against anyone who files a complaint in good faith, and retaliation in itself constitutes misconduct subject to disciplinary action. Discriminating against an employee who has made a complaint of harassment or deleteriously affecting the terms and conditions of employment or work environment of the employee will be construed as retaliation. **Confidentiality** All employees who are aware of a harassment complaint, or involved in its resolution, must recognise the seriousness of the situation and respect the sensitivity and confidentiality that must be accorded to the matter. The employees must refrain from discussing the complaint amongst themselves or with anyone who does not have a 'need to know.' Every effort will be made to preserve the dignity and self-respect of the parties to the complaint. **Action against false complaints** False or malicious complaints can seriously damage a person's reputation, career, and relationships. If anyone makes a false or malicious complaint of harassment and it is so established after a thorough and proper investigation, the complainant will face disciplinary action, depending on the situation.
Other than Permanent Employees	Not applicable

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

The Bank promotes freedom of association; however, the employees are not part of any trade union and the Bank does not engage in any collective bargaining agreements. The Bank ensures that all employee grievances are reported anonymously and addressed by the management after conducting a detailed investigation.

Category	FY 2024-25			FY 2023-24		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	75,032	-	-	75,748	-	-
Male	66,672	-	-	67,308	-	-
Female	8,360	-	-	8,440	-	-
Total Permanent Workers	Not Applicable					
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and safety measures*		On Skill upgradation		Total (A)	On Health and safety measures*		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% B/A)	No. (C)	% (C/A)
					Employees					
Male	66,672	66,672	100%	63,792	95.68%	67,308	67,308	100%	64,774	96%
Female	8,360	8,360	100%	7,853	93.94%	8,440	8,440	100%	7,774	92%
Total	75,032	75,032	100%	71,645	95.49%	75,748	75,748	100%	72,548	96%
					Workers					
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

**Includes induction, classroom training, fire drills, digital campaign, mailers and online learning platforms*

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
			Employees			
Male	66,672	60,682	91%	67,308	55,819	83%
Female	8,360	7,238	87%	8,440	6,201	73%
Total	**75,032**	**67,920**	**91%**	**75,748**	**62,020**	**82%**
			Workers			
Male	Not Applicable					
Female						
Total						

**The performance management system is available to all employees and new joiners who have joined before September. The new joiners after September are considered for the next year's performance management cycle.*

The policy on performance management is provided in the HR Policy and is available in the HRMS portal of the Bank for all employees. The Bank has a dedicated learning and development wing that provides ample learning opportunities to all employees. The learning management system provides online training to all employees. The performance appraisal system of the Bank provides career development opportunities and feedback for continuous improvement. The performance appraisal process starts with the employee conducting self-appraisal followed by the assessment of the supervisor via appraisal feedback and discussion. The performance appraisal ratings are reviewed/ calibrated by a committee. Once the ratings are finalised, promotion and recognition announcements are initiated and key performance areas (KRA) for the next year are set.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?

Yes. The Bank is cognizant of the responsibility towards providing a healthy and safe work environment to the employees and has developed a dedicated policy as part of the commitment to BRSR Principle 3. The Bank is in the process of evaluating the scope of the occupational health and safety management system to outline safety standards for the employees and customers to ensure regulatory compliance and promotion of public health and safety. The Bank organises regular training, such as mock drills on its premises for its employees on matters of fire safety, emergency response, and basic first aid.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Bank in collaboration with the building management team of the office premises organises and participates in mock fire drill sessions to create awareness amongst employees on how to evacuate in the event of fire or any other unforeseen contingency. Fire Marshalls and Fire Warden are nominated and trained to ensure adequate support if any such event occurs.

c. ***Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/No)***

Not applicable as there are no workers associated with the Bank's operations.

d. ***Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)***

Yes. The Bank continuously reviews human resource development and evaluates the best practices offered in the banking sector, to gain competitive advantage within the industry. The Bank offers extended insurance coverage to the employees in the form of top-ups, flexibility to pay monthly premiums to spread the payment over a year and aim for higher cover and enhanced coverage of dependents to encompass parents-in-law. It also provides for digital medical services/tele medication by way of tying up with leaders like Practo in this field thereby not only catering to its employees but their dependent family members also. The Bank also has introduced a Medical Assistance rider to cater to Accident cases for its employees.

11. Details of safety-related incidents

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	0.03
	Workers	Not applicable	Not applicable
Total recordable work-related injuries	Employees	NIL	5
	Workers	Not applicable	Not applicable
No. of fatalities (safety incident)	Employees	NIL	5
	Workers	Not applicable	Not applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	
	Workers	Not applicable	Not applicable

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Bank has developed a dedicated policy on Workplace Health and Safety, as part of its commitment to BRSR Principle 3 and is committed to conducting its operations with due regard for the environment and ensuring a safe and healthy workplace for its employees. The good health and safety of employees are of great importance to the Bank. While the Bank has put in place internal systems and procedures for the creation and maintenance of a safe and healthy environment at the workplace, employees are required to follow safety guidelines and internal processes.

The Bank has formulated its Security Policy, Procedures and guidelines in line with recommendations of the Indian Banks' Association, directives issued by RBI, advisories issued by Govt. authorities and industry best practices. All the Banking outlets, ATMs and offices are equipped with the latest security & safety gadgets required to create a safe working environment for customers and employees of the Bank and protect the assets of the Bank by creating viable deterrence to miscreants. Some of the measures taken to ensure safety are as follows:

- Installation of electronic surveillance system at all the ATMs. All Banking outlets and ATMs across the country have complied with adequate physical security measures as per the advisory issued by RBI.
- Implementation of all the Physical Security measures at Currency Chests of the Bank as per RBI guidelines.
- Full Compliance with all regulatory and statutory norms pertaining to the security & safety of the units.
- Conducting regular security & safety awareness training programmes to promote and sustain the security culture across the Bank.

13. Number of complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	-	NIL	NIL	-
Health and Safety	NIL	NIL	--	NIL	NIL	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health and safety practices and working conditions.

Fire Audits and Electrical Audits of all the Branches and Offices are conducted annually. Fire extinguishers placed in every branch/office are checked and refilled as per the required periodicity.

The Audit may be categorised as High risk, Medium risk and Low risk based on the condition of the Electrical system. High-risk Branches / Offices are to be audited first. The timeline to carry out the remedial measures for the closure of the Audit Report is as prescribed in the risk categorisation matrix.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of?

Particulars	(Y/N)
Employees	Y
Workers	Not Applicable

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Bank conducts periodic review meetings with value chain partners such as vendors and service providers to assess their performance and adherence to statutory norms. The Bank inculcate in its agreement a sense of accountability and transparency in all operations across the supply chain partners. Invoices of value chain partners are cleared subject to the deduction of any applicable TDS. The Bank also takes confirmation of the GST deposited by the vendors on the payments made by the Bank.

3. Provide the number of employees/workers having suffered high-consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	-	5	-	-
Workers	Not Applicable			

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes. The Bank offers transition assistance support to facilitate continued employability to people attaining retirement age. Requisite approvals are sought to evaluate the competency of the candidate based on the performance showcased during his/her service tenure and requisite retention terms are reviewed before advancing an extended employment offer. Retired personnel may be rehired to act as consultants or strategic advisors to the Bank and are eligible for all employee benefits except Provident Fund contribution and gratuity.

5. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety practices	None
Working Conditions	None

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity.**

The Bank's stakeholder identification approach takes into consideration the dependency, spontaneity, responsibility, vulnerability, and influence while identifying key stakeholder groups, taking into consideration all entities who have a direct and indirect influence on the business operations, such as:

- Shareholders and Investors
- Customers
- Regulatory bodies
- Suppliers
- Communities
- Employees
- Media

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group**

Key Stakeholders	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/ Quarterly / Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders and Investors	No	• Annual General Meeting • Emails • Investors meet • Press releases • Newspaper advertisements • Website	• Yearly • Quarterly • Periodically	• Improved profitability and growth of the organisation • Corporate governance mechanisms • Compliance • Transparent and effective communication • Investor servicing
Customers	No	• Surveys • Print, digital and social media • 24X7 toll-free number • Direct interaction with bank employees • Doorstep banking centres and home visits • Financial Literacy programme and customer meets	• Ongoing Activity	• Convenience and Ease of Transaction • Quick response to issues raised through grievance redressal mechanisms • Innovative technology • Applications • Transparent communication • Product/service availability • On-time delivery of product/service
Employees	No	• Induction programmes/ trainings / workshops • Individual performance appraisal • Periodic communication meetings anchored by leadership • Employee engagement, wellness, team building and celebration events	• Need Basis • Periodically	• Caring and empowering work environment • Personal development and growth • Health and safety • Responsive grievance • handling process • Employee benefits and Competitive compensation • Employee welfare and social security • Employee alignment to common organisation goals
Local communities	Some members of the local communities belong to SHGs, low income groups.	• Collaboration with independent parties/civil society organisations • Formation of village • institutions and regular • meetings thereon	• Need Basis	• Strengthening of livelihood opportunities • Improvement of social infrastructure for a hygienic and healthy living environment • Economic and social empowerment • Financial literacy and improving access to financial services

Key Stakeholders	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/ Quarterly / Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Vendors and suppliers	Some of the vendors are identified as a part of vulnerable/ marginalised group (Women entrepreneur)	• Vendor meets • Pre-agreement negotiations • Procurement agreements	• Need Basis	• Regular communication and updates on business plans • Inclusion of local medium and small-scale enterprises in the vendor base • Competency development of local vendors • Stability/ tenure of relationship • Ordering and payment routines • Purchase prices
Central and State Government	No	• Government circulars • Formal notifications	• Weekly • Ongoing • Need basis • Annually	• New financial regulations
Regulatory bodies	No	• Periodic meetings /interactions with regulatory bodies • Mandatory filings with regulators including RBI, SEBI, Stock Exchanges, and MCA • Participation in policy forums	• Ongoing • Need basis	• Compliance with rules and regulations • Know the customer • Fair treatment of customers • Role in the development of the financial system • Banks act as the first line of defence against financial crimes
Media	No	• One-on-one media interaction • Press conferences/press releases • Advertisements/ promotions • Interviews with senior management • Dedicated corporate communication team • Media section on the Bank's website • Dedicated email and contact for media	• Ongoing • Need basis	• Disclosure to stakeholders • Responsible corporate citizenship • Corporate reputation

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Bank believes that an effective stakeholder engagement process is necessary for achieving its sustainability goal of inclusive growth. The Bank accordingly anchors its stakeholder engagement on the principles of the following features:

   - Materiality - taking prioritised consideration of the economic, environmental and social impacts identified to be important to the organisation as well as its stakeholders.
   - Completeness - understanding the stakeholders' key concerns and expectations.
   - Responsiveness - responding coherently and speedily to such issues and concerns.

   The key stakeholder groups include the Central and State Governments, regulatory/statutory agencies, media, shareholders, clients, employees, local communities, channel partners, and suppliers. Attributes including dependency, accountability, immediacy and influence are used to identify stakeholders. The engagement strategy recognises the individuality and distinct set of priorities of each stakeholder group. Stakeholder engagement insights support the Bank's performance and help to create fresh viewpoints.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes. The management representatives of the Bank analyse the impact of the material topics and how it affects the day-to-day business and operations of the Bank. In view of the Bank's sustainability objectives, business strategies, operational policies, and global market trends, the responses and feedback gathered during stakeholder engagement are reviewed by top management to understand stakeholders' perspectives. The Board and senior management are informed of the feedback from a wide variety of stakeholders in order to get their advice and take appropriate action.

Through its various committees, the Board is provided regular updates on feedback received from stakeholders on economic, environmental, and social topics - which serves as inputs for decision-making by the Board. The inputs are provided but not limited to the following committees:

- Risk Management Committee
- Corporate Social Responsibility and Sustainability Committee
- Stakeholder Relationship Committee
- Customer Service Committee

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.

The Bank has an appropriate mechanism to engage with its stakeholders, especially marginal and weaker sections of the society and it is covered in the Corporate Social Responsibility ('**CSR**') policy of the Bank. The CSR initiatives undertaken by the Bank are firmly embedded in its vision and mission to improve the quality of life of the communities. Having understood the prevailing social needs within the communities, interventions and strategies are formulated by the CSR&SCB. The CSR&SCB has carefully reviewed and recommended CSR programmes targeting societal development by conducting studies on CSR intervention area identification. Based on these studies, the curated CSR programmes are run by various CSR Project Implementing Agencies ('**PIA**').

Each programme of the PIA has been devised to bring about far-reaching effects in the fields of education, health, livelihood promotion, sustainable livelihood development, climate action, financial literacy, skill development and employment generation. The Bank's CSR Programmes are in alignment with the Sustainable Development Goals and Schedule VII to the Companies Act, 2013, details of which are provided below:

- Targeting the hard-core poor programme
- Bandhan Health programme
- Empowering Cancer Care: Contribution to Assam Cancer Care Foundation
- Healthcare Accessibility: Donation of 18 Advanced Life-Saving Ambulances
- Skill Development Programme
  - Skill Development and Education Programme –Support to Ramakrishna Mission Centre For Human Excellence And Social Sciences (Viveka Tirtha)
  - Skill Development and Education Programme – Support to Nivedita Institute of Human Advancement & Research (NIHAR) Centre Ramakrishna Sarada Mission
- Bandhan Education programme
- Bandhan Employing the unemployed programme
- Bandhan Financial Literacy Programme
- Bandhan Sustainable Livelihoods Programme
- Bandhan Climate Action programme
  - Water Conservation
  - Afforestation
  - Biodiversity Conservation and Education at Jambusar
  - Solar Irrigation with Drip and Farm Pond for Water Conservation and Renewable Energy
  - Solar-powered streetlights

Details of such programmes are also provided in the Annual Report on CSR Activities forming part of the Annual Report for FY 2024-25.

PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

Category	FY 2024-25			FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (B)	% (C / D)
Employees									
Permanent	75,032	75,032	100%	75,748	75,748	100%	69,702	69,702	100%
Other than permanent	-	-	-	-	-	-	-	-	-
Total	**75,032**	**75,032**	**100%**	**75,748**	**75,748**	**100%**	**69,702**	**69,702**	**100%**
Workers									
Permanent	-	-	-	Not Applicable					
Other than permanent	-	-	-						
Total	-	-	-						

Note: All employees are provided training on human rights, including POSH and other HR related policies including digitally acknowledging the code of conduct during joining and on an annual basis.

2. Details of minimum wages paid to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	66,672	4,043	6.1%	62,629	93.9%	67,308	111	0.16%	67,197	99.84%
Female	8,360	645	7.7%	7,715	92.3%	8,440	29	0.34%	8,411	99.66%
Other than Permanent										
Male	Not applicable									
Female										
Workers										
Permanent										
Male	Not Applicable									
Female										
Other than Permanent										
Male	Not Applicable									
Female										

3. Details of remuneration/salary/wages:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category in ₹*	Number	Median remuneration/ salary/wages of respective category in ₹*
Board of Directors (BoD)	15	48,90,000	2	44,77,500
Key Managerial Personnel (other than BoD)	2	2,27,58,192	0	NA
Employees other than BoD and KMP	66,667	2,83,728	8,360	2,88,516
Workers	NA	NA	NA	NA

**Annual Remuneration*

Note:

1. *There is no difference in the sitting fee rates based on gender. However, the variance is on account of sitting fees paid to the members based on the number of Board meetings and Board Committee meetings attended by the members.*
2. *Mr. Chandra Shekhar Ghosh retired from the services of the Bank as the MD&CEO upon completion of his tenure on July 09, 2024.*
3. *Mr. Partha Pratim Sengupta was appointed as the MD&CEO of the Bank w.e.f., November 01, 2024*
4. *Mr. Pankaj Sood ceases to be on the Board of Directors w.e.f., December 13, 2024*
   **Sitting Fees and Fixed Remuneration paid to 12 NEDs for FY 2024-25: ₹5,40,36,828*
   10 Male NEDs: ₹4,50,81,828
   2 Female NEDs ₹89,55,000

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	10.36%	10.12%

**The gross wages of 10.12 per cent. were paid off to 11.14 per cent. (8,440) of female employees.*

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impact or issues caused or contributed to by the business? (Yes/No)

Yes. The HR team overlooks Human Rights issues as a whole, but the Bank ensures that all its employees are trained to uphold the dignity of all its stakeholders, especially, the vulnerable and marginalised groups and promotes awareness and realisation of human rights across its network. The Bank believes in the Principle of Natural Justice and treats all employees equally with dignity.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Bank extends many avenues to its employees to raise any grievances including human rights. The integrated Human Resource Management System (HRMS) platform is available for employees to access the entire Employee Life Cycle Management on their own devices and at their own disposal which enables employees to get their grievances redressed. In a nutshell, with the grievance redressal mechanism incorporated into the HRMS, the employees have a one-stop solution for any queries or complaints.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	31	08	The pending cases have since been closed	21	04	The pending cases have since been closed
Discrimination at workplace	0	0	-	0	0	-
Child labour	0	0	-	0	0	-
Forced labour / Involuntary labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights-related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25	FY 2023-24
Total Complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	31*	21#
Complaints on POSH as a % of female employees/workers	0.23%	0.20%
Complaints on POSH upheld	27	17

**24 complaints were filed by female employees of the Bank and 07 complaints were filed by non-employees*

#17 complaints were filed by female employees of the Bank and 04 complaints were filed by non-employees

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases**

The Bank has a vigil mechanism which acts as a channel for the employees to report any act of unethical behaviour, actual or suspected fraud or violation of the Code of Conduct to the management. The terms of the vigil mechanism are laid down in the 'Whistle Blower Policy ' and 'Vigilance Policy', as required under Section 177 of the Companies Act, Regulation 22 of the SEBI LODR and applicable circulars issued by the RBI. The Bank safeguards employees from being victimised while assuring the confidentiality and protection of the whistleblower against any form of retaliation.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. The Bank's BRSR policy on Principle 5 has been incorporated, which aligns with the Bank's processes and procedures to ensure that the value chain partners are compliant with all Human Rights requirements.

10. **Assessments for the year:**

	% of offices that were assessed (by entity or statutory authorities or third parties)
Child labour	In addition to the Vigilance team, the Bank's Internal Audit teams conduct 100% branch compliance audits. These audit procedures include a review of branches' compliance with statutory laws.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.**

In cases where allegations are established, investigation findings are shared with the 'Disciplinary and Ethics Management Team' (D&EM) for further proceedings. Post completion of the investigation, the cases are presented to the Nomination and Remuneration Committee.

LEADERSHIP INDICATORS

1. **Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

All operational units including branches have suggestion/grievance redressal boxes. The HR team frequently monitors the nature of complaints received during the year and has an efficient system to resolve the same.

2. **Details of the scope and coverage of any Human Rights due diligence conducted.**

NIL

3. **Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, most of the Bank's key establishments including offices, branches and banking unit premises are accessible to differently-abled visitors. The Bank has taken several measures to create an inclusive environment such as installing ramps, signage and elevators for ease of movement of employees as well as customers with locomotive disability. Similarly, the Bank ensures that doorways and corridors are wide enough for wheelchair users. Additionally, the Bank's restrooms, workstations, and common areas are accessible and equipped with necessary retrofits that are easily accessible by persons with disability. The Bank remains committed to promoting digital accessibility where information and communication technology is accessible to all and/or compatible with assistive technology devices.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	The Bank has already incorporated policies to ensure responsible supply chain. During the year, no adverse complaints/cases were reported. The Bank follows and is compliant to all extant laws in terms of assessment of value chain partners.
Discrimination at workplace	
Child labour	
Forced labour/ Involuntary labour	
Wages	
Others – please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity

Parameter	FY 2024-25	FY 2023-24
	TJ	TJ
From Renewable Sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	6.0552*	6.085*
Total fuel consumption (E)	0	0.0060*
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**6.0552**	**6.0907**
Total energy consumed (A+B+C+D+E+F)	**6.0552**	**6.0907**
Energy intensity per rupee of turnover (Total energy consumption/ per rupee of turnover adjusted for Purchasing Power Parity (PPP) *(Total energy consumed / Revenue from operations adjusted for PPP)*	-	-
Energy intensity in terms of physical output *(Total Energy consumed/full-time employee)*	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

**Electricity consumption data is captured from the Head Office and Mega Project of the Bank. It does not cover any other sites or branches.*

#Fuel consumption data is only from the Head Office of the Bank. It does not cover any other sites or branches.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, name of the external agency.

No.

2. Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No. the Bank does not belong to an energy intensive sector, and is not notified to be part of the 13 sectors identified as Designated Consumers (DCs).

3. Provide details of the following disclosures related to water:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third-party water	65,195*	78,266.46*
(iv) Seawater/ desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**65,195***	**78,266.46***
Total volume of water consumption (in kilolitres)	**65,195***	**78,266.46***
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

**The water consumption numbers are based on the usage at the Head Office and Mega Projects of the Bank and does not cover any of the branches.*

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No

While the Bank has implemented policies on Principle 6, however, the Bank already has a robust process in place to reduce its footprint. Water consumed in the Bank's operation is primarily for domestic purposes like drinking and sanitation.

4. Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Majority of the Bank units are rented premises, the mechanism for zero liquid discharge is not material for the Bank's operations. The primary water usage in offices and branches is for domestic consumption.

6. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	-	-	34.7*
SOx	-	-	8.2*
Particulate matter (PM)	-	-	192*
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity

Parameter	FY 2024-25	FY 2023-24
Total Scope 1 emissions - Metric tonnes of CO_2 equivalent (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	0.47*	1.18*
Total Scope 2 emissions - Metric tonnes of CO_2 equivalent (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	1284.25*	1201.54*
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	-	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and Scope 2 GHG emissions / total no. of employees)	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-

**Scope 1 and Scope 2 emissions cover only the Head Office and Mega Projects of the Bank. No other sites or branches are covered*

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

8. Does the entity have any project related to reducing Green House Gas emissions? If yes, then provide details.

The Bank has allocated considerable resources to enhance afforestation initiatives such as developing a 'Bio-shield' to save the mangroves in the Bharuch district of Gujarat. The key highlights of this project include the plantation of 1,50,000 saplings on 20 hectares along a stretch of 1 kilometre of the coastline and also the plantation of other medical plant species and fodder species. Additionally, to date, more than 4.34 lakh saplings have been planted over a period of 5 years and 72 water harvesting structures have been constructed with a storage capacity of 1,45,318 Kilolitres of water, which approximately resulted in sequestering over 3,968 MT of CO_2 equivalent annually to date.

The Bank has also initiated Climate Action Programme under its CSR initiatives which focuses on water conservation, afforestation, and sustainable projects like solar-powered irrigation and streetlights, contributing to climate adaptation, carbon sequestration, and community sustainability.

Details of the climate action programme are available in the Annual Report of the Bank.

The Total amount of carbon sequestered through the plantation initiatives is estimated to be higher than the carbon footprint of the bank.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25 (In MT)	FY 2023-24 (In MT)
Total waste generated (in metric tonnes)		
Plastic waste **(A)**	-	-
E-waste **(B)**	-	-
Bio-medical waste **(C)**	-	-
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	-	-
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**	-	-
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	-	-
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations)	-	-
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output (Total waste generated / no. of employees)	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

Parameter	FY 2024-25 (In MT)	FY 2023-24 (In MT)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycle	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The services offered by the Bank to its customers do not entail the usage of hazardous or toxic chemicals. The Bank is working towards making waste management practices more efficient and has partnered with third-party service providers for shredding paper in the corporate office. The Bank's processes and procedures are designed in a manner that optimisation of resource usage and waste generation is minimal. Similarly, battery and e-waste are responsibly recycled and disposed of through certified vendors across all operational units.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of the project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web-link
Bandhan Bank Limited has undertaken Head Quarter Project named 'Mega Project'. The current project is a construction project of 'Corporate Building' which is comprised of 1 No. Business Building' B1+B2+G+23 floors and a G+3 storied Service Utility Building. The construction activities of the project are near completion. Construction work started in April 2020. The Environmental impact assessment has been conducted by an independent external agency, however, the results are not communicated in the public domain.					
Environmental Clearance from SEIAA - 905 / EN / T-II-1 /083/ 2018 dated, 08.07.2020 as per provisions of the EIA notification no. SO. 1533 (E) dated, September 14, 2006 of MoEFCC, GOI.					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances.

The Bank complies with all applicable laws. There have been no instances of non-compliance with respect to the abovementioned regulations.

Sl. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	NIL	NIL	NIL	NIL

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover *(Water consumed / turnover)*	NA	NA
Water intensity *(optional)* – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	-	-	-
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emissions intensity (optional) - the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

The Bank has a shallow credit footprint in the coal sector with 0.006% outstanding loans, whereas, the Bank has increased its footprint portfolio in green financing, including renewable energy (solar) loan portfolio with a 3.44% outstanding loan.

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.**

   Not applicable

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives, as per the following format:**

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the Initiative
1.	The corporate office is located in GBC-GOLD rated Green Building-certified property	AdventzInfinity@5 is a superlative green IT/ITes building with about 8.5 lac square feet of high energy work space situated at the heart of Salt Lake, Sector V, Kolkata. The entire infrastructure is designed to maximise daylight and a superior indoor airflow of humidity-controlled fresh air. AdventzInfinity@5 is a certified IGBC-GOLD-rated green building and hence will use the latest innovations in energy and water efficiency, sustainable practices, resource recycling and green building practices. https://www.infinityitpark.com/adventzinfinity	The building is advocating a low-carbon economy.
2.	Water treatment facility in the Corporate Office	Plumbing- 100% waste water recycle plant (STP); use of water-efficient sanitary fixtures. https://www.infinityitpark.com/adventzinfinity	Advocating a wastewater recycling
3.	All offices, branches and business units are equipped with energy-efficient LED lighting systems	All offices, branches and business units are equipped with energy-efficient LED lighting systems.	Advocating a low-carbon economy.
4.	All offices' air conditioners are set at 24-25^{0}C as per the latest standards of ASHRAE and BEE	https://www.mca.gov.in/Ministry/pdf/AcTempNotice_21082018.pdf https://www.ashrae.org/technical-resources/bookstore/standards-62-1-62-2#:~:text=ANSI%2FASHRAE%20Standards%2062.1%20and,adverse%20health%20effects%20for%20occupants	Advocating a low-carbon economy.
5.	CSR Initiatives on Climate Change adaptation	https://bandhanbank.com/beyond-banking	Carbon sequestration through afforestation and plantation activities
6.	CSR initiatives on water conservation	https://bandhanbank.com/beyond-banking	Created rainwater harvesting potential for irrigation purposes and saving the area from groundwater depletion

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Bank has a Board approved Policy on Operational Risk Management & Operational Resilience which has aspects related to Business Continuity Planning and Disaster Recovery Planning covered. Further, Bank also has a design level document (BCMS Manual) in place covering disaster recovery procedures across Bank.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

   Not applicable

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   Not applicable

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. *Number of affiliations with trade and industry chambers/associations.*

The Bank is associated with 4 associations as listed in answer 1(b) of this section.

b. *List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.*

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National)
1	IBA (Indian Banks' Association)	National
2	CII (Confederation of Indian Industries)	National
3	BCC&I (Bengal Chambers of Commerce & Industries)	State
4	ICC (Indian Chamber of Commerce)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
There has not been any cases related to anti-competitive conduct of the Bank.		

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity:**

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
The Bank does not engage in public policy advocacy and has not partnered with any association for setting any benchmark.					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No such projects have been undertaken by the Bank for which SIA needs to be carried out as per applicable laws.					

However, the Bank conducts its CSR activities proactively and has performed an Impact Assessment of the same, details of which are furnished on the website of the Bank.

To evaluate the impact of the CSR initiatives and understand the perception of the beneficiaries and stakeholders, the Bank appointed EY and an external agency, to conduct an impact assessment study of 19 selected CSR projects belonging to the following programmes.

- Bandhan Health Programme
- Targeting the Hard-core Poor Programme
- Bandhan Education Programme
- Employing the Unemployed Programme
- Bandhan Financial Literacy Programme
- Bandhan Sustainable Livelihoods Programme
- Bandhan Climate Action Programme

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Bank always makes an effort to establish a reliable relation with the local communities in the areas where it operates. The Bank provides facilities for improving education, healthcare, and social welfare while considering community voices, addressing their needs, and working to improve the standard of living in the area.

Any community and beneficiary who are involved and supported by the Bank through the project implementing agency – Bandhan Konnagar, has the right to report and raise complaints directly or indirectly by mailing at e-mail ID: grievance@bandhan.org

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers.**

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	Not Applicable	
Directly in India		

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2024-25	FY 2023-24
Rural	28%	22%
Semi-urban	32%	25%
Urban	20%	32%
Metropolitan	20%	21%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban/metropolitan)

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sl. No.	State	Aspirational District	Amount spent
1	Jharkhand	Bokaro	57,77,213
2		Ramgarh	58,32,692
3		Ranchi	64,58,800
4	West Bengal	South 24 Parganas	16,96,646

3. *(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)*

   No

   (b) From which marginalised / vulnerable groups do you procure?

   Not Applicable

   (c) What percentage of total procurement (by value) does it constitute?

   Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.**

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.**

Name of Authority	Brief of the Case	Corrective Action Taken
	Not Applicable	

6. **Details of beneficiaries of CSR Projects**

Sl. No.	CSR Project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	Targeting Hard-core Poor Programme (THP)	2000	100%
2	Bandhan Health Programme (BHP)	29052	98%
3	Bandhan Education Programme (BEP)	246	100%
4	Employing the Unemployed Programme (EUP)	2862	85%
5	Bandhan Financial Literacy Programme (BFLP)	98571	100%
6	Bandhan Climate Action Programme (BCAP)	737	100%
7	Bandhan Sustainable Livelihoods Programme (BSLP)	47	100%
8	Climate Action Programme (VIKAS)	25	100%
	Total	**133540**	**100%**

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

A good customer experience remains paramount for the service industry and the Bank believes that providing prompt & efficient service is essential not only to attract new customers but also to retain existing ones. Grievance redressal is an essential aspect of effective service delivery and hence, the Bank has a robust customer complaint resolution mechanism.

The Bank has a framework in place for effective redressal of the complaints received from its customers. The Bank follows the principle of "First Contact Resolution", and effort is made to resolve the grievance to the full satisfaction of the complainant at the point of first contact.

The grievance redressal mechanism is applicable for complaints received from all customers of the Bank including customers of third-party products as well as complaints emanating from rural areas and those relating to financial assistance to Priority Sector and Government's Poverty Alleviation Programmes. The grievance redressal channels of the Bank are also available to deal with issues related to services provided by Outsourced Agencies.

With a view to strengthen the internal grievance redressal system in line with the RBI regulations and to ensure that the complaints of the customers are redressed at the level of the Bank itself, the Internal Ombudsman (I.O.) mechanism has been set up for effective resolution of grievances.

Further, there is also a Branch Level Customer Service meeting wherein relevant feedback and suggestions of the customers are captured and taken up for improving Bank's serviceability. Moreover, there are quarterly senior management level and Board level customer service Committee meetings wherein all the major areas of complaints and steps taken to address them are being discussed till logical conclusion.

2. **Turnover of products and/services as a percentage of turnover from all products/services that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	
Safe and responsible usage	Not applicable
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-Security	-	-	-	-	-	-
Delivery of Essential Services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Others*	1,55,958	6,116	Out of 6,116 pending complaints, 3,609 has since been closed.	60,330	1,150	Out of 1,150 pending complaints, 1,110 has since been closed.

**Customer complaints related to service delivery, excludes court cases (if any)*

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not applicable as the Bank belongs to the service industry	
Forced recalls		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes.

Web-link: https://bandhanbank.com/sites/default/files/2025-07/Policy-on-Customer-Protection-03072025.pdf

The Bank is highly committed to providing its utmost attention to the customers and providing them with superior services and the freedom of choice in the selection and usage of banking services. The Bank recognises that maintaining trust and regard of customers is important for the Bank's success and credibility, in a fiercely competitive market. Through digital platforms and initiatives, the Bank will provide customers the flexibility to access and consume banking services over any digital platform of their choice and recognises that product quality and service delivery are vital for business growth. The Bank seeks to achieve this by regularly reviewing service levels and capturing feedback from customers.

The Bank recognises that one of its fundamental responsibilities is to ensure that the Bank protects personal information entrusted to it by the customers. The security of personal information is a priority and is ensured by maintaining physical, electronic, and procedural safeguards that meet applicable laws to protect customer information against loss, misuse, damage and unauthorised access, modifications or disclosures. Employees are trained for proper handling of personal information. The Bank continuously reviews and enhances its security policies and security measures to consistently maintain a high level of security.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

One of the major areas applicable to the Bank related to corrective actions taken to resolve issues, is cybersecurity and data privacy of the customers. To combat such issues, the Bank has formed a committee equipped with tools specific to handling these kinds of threats, known as the IT Strategy Committee of the Board ('ITSCB'). The ITSCB, constituted pursuant to guidelines/circulars issued by RBI, deals with the information technology, information security, cybersecurity, etc., aspects of the Bank. The primary role of the committee includes:

- Formulation of IT strategy;
- Amend the IT policy to keep it aligned with current market trends;

- Update the Board on progress of IT levers and current global landscape of the IT in banking sector;
- Review periodically the Bank's IT strategy and ensure its alignment with the current trends in the banking sector;
- Review IT risks;
- Ensure proper balance of IT investments for sustaining the Bank's growth;
- Oversee the aggregate funding of IT at the Bank-level;
- Ascertain if the management has adequate resources to ensure proper administration of IT risks;
- Review the contribution of IT.

7. **Provide the following information relating to data breaches:**
   a. Number of instances of data breaches - NIL
   b. Percentage of data breaches involving personally identifiable information of customers -NIL
   c. Impact, if any, of the data breaches - NIL

LEADERSHIP INDICATORS

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web-link, if available).**

   Information related to all the products and services provided by the Bank is available on its website. In addition, the Bank actively uses various social media and digital platforms to disseminate information on its services and products, including loans, deposits, accounts etc. Additionally, the Bank also has a dedicated mobile app available known as 'mBandhan' which is an all-purpose app wherein customers can access their accounts and banking requirements on the go. Advertisements and information related to products and offerings are also available on the Bank's portal as mentioned below:

   The Bank's Website link - https://bandhanbank.com/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   Activities undertaken for enhancement of customer awareness:

   d) 'Dial 1930' to report Cyber Crime, RBI prescribed booklet on Modus Operandi of Financial Fraudsters (Raju & the Forty Thieves), etc. are also displayed on the Bank's website to increase awareness of the customers of the Bank and public in general.

   e) Fraud awareness and safe banking practices are highlighted on the Bank's website. Please refer to the following links: https://bandhanbank.com/fraud-awareness and https://bandhanbank.com/safe-digital-banking-practices

   f) Regulatory materials (banners, videos etc.) educating users are also displayed on the Bank's website.

   The Bank consistently using our regular communication channels—emailers, SMS, and social media posts—to educate customers on various aspects of fraud prevention. These include safe banking practices, phishing awareness, secure password habits, and responsible usage of our products and services. This ongoing awareness drive reinforces our commitment to customer security and digital hygiene.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   In the Banking sector, one of the major security concerns that exist is related to cyber-attacks and digital banking frauds. The Bank has taken certain initiatives in order to inform and educate customers regarding the risks associated with digital banking frauds and methods to avoid being subjected to such attacks. Some of the steps taken by the Bank are the following:

   a) Introduction of dynamic OTP based authentication in addition to login password as an additional security feature in Retail Internet Banking application.

   b) Disallowing premature / partial withdrawal of term deposits ('TD'), held in joint names, through internet banking platform to prevent unauthorised withdrawals of TDs.

   c) Incorporation of additional security features (the mandatory security features prescribed by RBI as per CTS-2010 standards), i.e., Micro lettering of 'Bandhan Bank' as well as 'Customer Account Number' in account number box and amount box on the cheque's leaves issued to customers, to reduce chances of misuse of cheques by cloning, tampering, alterations, etc.

d) One of the key features of BCP framework of the Bank is - Crisis communication plan. The Bank proactively communicates its customers about any planned or unplanned disruption / discontinuation of essential services through SMS and email.

e) Proactively inform customers about planned system downtimes through timely email and SMS notifications mentioning the expected duration and impacted services, helping maintain transparency and minimise inconvenience.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The banking industry is facing a rapidly changing market, technological disruption, economic uncertainties, increasing competition and especially more demanding customers. The income and business growth of the Bank depends on loyal and satisfied customers. The Bank understands and continuously aims to evolve the way to handle personal and business finances. The Bank believes that great customer service comes from efficient, flawless operations including keeping pace with both live and digital options to ensure seamless and hassle-free service to customers. Amidst strong market competition, the Bank continuously strives to improve its relationship with customers by providing them with necessary product information and creating customer awareness.

The Bank conducts customer satisfaction surveys and workshops with senior citizens, women customers, low-income groups at the Bank branches to collect insight into parameters like –

- Reliability
- Responsiveness
- Empathy
- Assurance

Feedbacks from the customers are collated for generating scores to evaluate the performance and behaviour of employees handling customers across all the Bank branches and offices.

For and on behalf of the Board of Directors
Bandhan Bank Limited

Anup Kumar Sinha
Non-Executive (Independent) Chairman
(DIN: 08249893)

Place: Kolkata
Date: June 27, 2025

Independent Auditor's Report

To the Members of Bandhan Bank Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Bandhan Bank Limited (the "Bank") which comprise the Balance Sheet as at March 31, 2025, the Profit and Loss Account, the Cash Flow Statement for the year then ended, and notes to the Financial Statements including a summary of significant accounting policies and other explanatory information ("the Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 ("the Act") and the circulars and guidelines issued by Reserve Bank of India, in the manner so required for banking companies and are in conformity with the accounting principles generally accepted in India including the accounting standards specified under Section 133 of the Act as applicable to banks and give a true and fair view of the state of affairs of the Bank as at March 31, 2025, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of Financial Statements" section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters:

Identification and Provisioning of Non-performing Advances (NPA):

Total NPA as at March 31, 2025: ₹6,435.56 crore
Provision for NPA as at March 31, 2025: ₹4,742.71 crore
(Refer Schedule 9, 18.6 & 18.7 to the Financial Statements)

Key Audit Matter	How our audit addressed the key audit matter
Identification of NPA and measurement of provision on account of NPA is made based on the assessment of various criteria stipulated in the Reserve Bank of India ('RBI') guidelines on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to advances' ('IRACP'). The Bank is also required to apply its judgement to determine the identification and provision required against NPAs by applying quantitative as well as qualitative factors. The risk of identification of NPAs is affected by factors like stress and liquidity concerns in certain sectors. The provision against advances is based on criteria such as past due status, out of order status etc. The provision in respect of such NPAs are made based on ageing and classification of NPAs, recovery estimates, value of security, nature of loan products and other qualitative factors and is subject to minimum provisioning levels prescribed by the RBI and approved policy of the bank in this regard. In addition to this, for restructured accounts, provision is made for erosion/ diminution in fair value of restructured loans, in accordance with the RBI guidelines. Further, NPA classification is made borrower wise whereby if one facility of the borrower becomes NPA then all facilities of such a borrower will be treated as NPA.	• Tested the design and operating effectiveness of key controls (including application controls) over approval, recording, monitoring, and recovery of loans, monitoring overdue/ stressed accounts, identification of NPA, provision for NPA, and valuation of security including collateral. Testing of Application controls includes testing of automated controls, reports and system reconciliations. • Evaluated the governance process and tested controls over calculations of provision on non-performing advances, basis of provisioning in accordance with the Board approved policy. • Selected the borrowers based on quantitative and qualitative risk factors for their assessment of appropriate classification as NPA including computation of overdue ageing to assess its correct classification and provision amount as per the IRACP norms and Bank policy.

Key Audit Matter	How our audit addressed the key audit matter
We have identified 'Identification of NPA and Provisioning on Advances' as a key audit matter in view of the significant level of estimation involved, as well as the stringent compliances laid down by the RBI in this regard.	Performed other substantive procedures including but not limited to the following: • Selected sample of performing loans and assessed them independently as to whether these should be classified as NPA; • For sample selected, examined the security valuation, financial statements and other qualitative information of the borrowers; • Considered the accounts reported by the Bank and other Banks as Special Mention Accounts ("SMA") in RBI's Central Repository of Information on Large Credits (CRILC) to identify stress; • Performed inquiries with the credit and risk departments to ascertain if there were indicators of stress or an occurrence of an event of default in a particular loan account or any product category which needs to be considered as NPA; • Assessed the appropriateness of asset classification and adequacy of related provisioning by performing procedures such as computation of overdue ageing, assessment of borrower level, NPA identification and verification of applicable provision rates as per IRACP norms and Bank's Policy on test check basis; and assessed the adequacy of disclosures against the relevant accounting standards and RBI requirements relating to NPAs. • We communicated the observations arising out of our above procedures with those charged with governance and the management. The resultant modifications in IT procedures to improve financial and operating controls have been implemented or expected to be implemented in the near future. In the meanwhile, the management has made compensating computations through specific manual or other off system exercises to which we have applied audit tests, where necessary.

Information Technology ("IT") Systems and Controls impacting Financial Reporting

Key Audit Matter	How our audit addressed the key audit matter
The Bank has a complex IT architecture to support its day-to-day business operations. High volume of transactions are processed and recorded on single or multiple applications. The reliability and security of IT systems plays a key role in the business operations of the Bank. Since large volume of transactions are processed daily, the IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.	Our procedures with respect to this matter included the following: In assessing the controls over the IT systems of the Bank, we involved our technology specialists to obtain an understanding of the IT environment, IT infrastructure and IT systems. We evaluated and tested relevant IT general controls over the "in-scope" IT systems and IT dependencies identified as relevant for our audit of the financial statements and financial reporting process of the Bank. On such "in-scope" IT systems, we have tested key IT general controls with respect to the following domains: • Program change management, which includes that program changes are moved to the production environment as per defined procedures and relevant segregation of environment is ensured. • User access management, which includes user access provisioning, de-provisioning, access review, password management, sensitive access rights and segregation of duties to ensure that privilege access to applications, operating systems and databases in the production environment were granted only to authorised personnel.

Key Audit Matter	How our audit addressed the key audit matter
We have identified 'IT systems and controls' as key audit matter because of the high level automation, significant number of systems being used by the management and the complexity of the IT architecture and its impact on the financial reporting system.	• Program development, which includes controls over IT application development or implementation and related infrastructure, which are relied upon for financial reporting. In addition, understood where relevant, changes made to the IT landscape during the audit period. • IT operations, which includes job scheduling, monitoring and backup and recovery. We also evaluated the design and tested the operating effectiveness of relevant key IT dependencies within the key business process, which included testing automated controls, automated calculations/ accounting procedures, interfaces, segregation of duties and system generated reports, as applicable. We communicated the observations arising out of our above procedures with those charged with governance and the management. The resultant modifications in IT Procedures to improve financial and operating controls have been implemented or expected to be implemented in the near future. In the meanwhile, the management has made compensating computations through specific manual or other off system exercises to which we have applied audit tests, where necessary.

Information other than financial statements and auditors' report thereon

5. The Bank's Board of Directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the Financial Statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the Financial Statements

6. The Bank's Board of Directors are responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, and the provisions of Section 29 of the Banking Regulations Act, 1949 and circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the Financial Statements, the Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management and Board of Director either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

   The Board of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has internal financial controls with reference to the Financial Statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Bank.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

13. The financial statements of the Bank for the year ended March 31, 2024 were jointly audited by Singhi & Co. and M M Nissim & Co. LLP, who vide their audit report dated May 17, 2024 issued an unmodified opinion on the audited financial statements. Accordingly, V. Sankar Aiyar & Co., do not express any opinion on the comparable figures reported in the financial statements for the year ended March 31, 2024.

    Our opinion is not modified in respect of the above matter.

Report on other legal and regulatory requirements

14. In our opinion, the Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 and Section 133 of the Act.

15. As required by sub-section (3) of Section 30 of the Banking Regulation Act, 1949, we report that:

    (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

    (b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;

(c) Since the key operations of the Bank are automated with the key applications integrated to the core banking system, the audit is carried out centrally at the Bank's Head Office located in Kolkata, as all the necessary records and data required for the purposes of our audit are available there. During the course of our audit, we have visited 20 branches and 24 banking units to examine the books of account and other records maintained at the branch and performed other relevant audit procedures.

16. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books, except for the matters stated in paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules");

(c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, to the extent they are not inconsistent with the guidelines prescribed by RBI;

(e) On the basis of the written representations received from the directors as on March 31, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act;

(f) The modifications relating to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 16(b) above on reporting under Section 143(3)(b) of the act and paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Rules;

(g) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Bank and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Bank has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Schedule 12 & 18.17 to the Financial Statements;

ii. The Bank did not have any long term contract including derivative contracts for which there were material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank, during the year ended March 31, 2025;

iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Schedule 18.34 to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Schedule 18.34 to the Financial Statements, no funds have been received by the Bank from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. (a) The final dividend proposed in the Previous Year, declared and paid by the bank during the year is in accordance with the Section 123 of the Act, as applicable; and

(b) As stated in Schedule 18.3 to the Financial Statements, the Board of Directors of the Bank have proposed dividend for the financial year 2024-25 which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable, until the date of this report.

vi. Based on our examination, which included test checks, the Bank has used various accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility, which have operated throughout the year for all relevant transactions recorded in the software, except;

(a) the audit trail configured at Database level logs record only modified values in respect of two accounting software(s). Further, for one of these applications, the changes to capture pre-modified values was implemented from March 25, 2025.

(b) the audit trail to log any direct data changes was enabled at database level in case of one accounting software, from May 25, 2024.

Based on our procedures performed, we did not observe any instance of tampering with the audit trail except in respect of periods and systems as mentioned above wherein we are unable to comment upon in absence of audit trails. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention except in case of two sunset software discontinued during Previous Year and one accounting software wherein audit trail was enabled at database level from February 18, 2024.

17. In our opinion and to the best of our information and according to the explanations given to us, the provisions of Section 197 of the Act are not applicable to the Bank by virtue of Section 35B(2A) of the Banking Regulation Act, 1949. Accordingly, the reporting under Section 197(16) of the Act regarding payment/ provision for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act, is not applicable.

For Singhi & Co.
Chartered Accountants
(Firm Registration No. 302049E)

Ravi Kapoor
Partner
Membership No. 040404
UDIN: 25040404BMLAOP6295
Place: Kolkata
Date: April 30, 2025

For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Registration No. 109208W)

Karthik Srinivasan
Partner
Membership No. 514998
UDIN: 25514998BMLGKR9919
Place: Kolkata
Date: April 30, 2025

Annexure A

to Independent Auditor's Report

Referred to in paragraph 16(g) of the Independent Auditor's Report of even date to the members of Bandhan Bank Limited on the financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to Financial Statements of Bandhan Bank Limited ("the Bank") as of March 31, 2025, in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Banks's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Banks's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Banks's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Banks's internal financial controls system with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A Banks's internal financial controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Banks's internal financial controls with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorisations of management and directors of the Bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Bank's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Bank has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Singhi & Co.
Chartered Accountants
(Firm Registration No. 302049E)

Ravi Kapoor
Partner
Membership No. 040404
UDIN: 25040404BMLAOP6295
Place: Kolkata
Date: April 30, 2025

For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Registration No. 109208W)

Karthik Srinivasan
Partner
Membership No. 514998
UDIN: 25514998BMLGKR9919
Place: Kolkata
Date: April 30, 2025

Balance Sheet

as at March 31, 2025

(₹ in '000)

Particulars	Schedule	As at March 31, 2025	As at March 31, 2024
Capital & Liabilities			
Capital	1	1,61,09,714	1,61,09,697
Employees stock options outstanding	1A	24,59,051	4,41,899
Reserves & Surplus	2	22,74,81,304	19,95,44,784
Deposits	3	1,51,21,24,991	1,35,20,19,862
Borrowings	4	11,13,84,927	16,37,15,240
Other liabilities and provisions	5	4,52,02,898	4,65,85,108
Total		**1,91,47,62,885**	**1,77,84,16,590**
Assets			
Cash and balances with Reserve Bank of India	6	7,47,74,496	15,39,26,841
Balance with Banks and Money at call and short notice	7	2,09,19,416	77,78,420
Investments	8	40,71,22,755	29,28,75,784
Advances	9	1,31,98,73,177	1,21,13,67,833
Fixed Assets	10	1,18,03,819	1,17,34,263
Other Assets	11	8,02,69,222	10,07,33,449
Total		**1,91,47,62,885**	**1,77,84,16,590**
Contingent liabilities	12	16,76,91,610	9,21,44,446
Bills for collection		4,714	-
Significant Accounting Policies and Notes to Accounts	17 & 18		

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

As per our report of even date

For and on behalf of Board of Directors
For Bandhan Bank Limited

For Singhi & Co
Chartered Accountants

Firm Registration Number : 302049E

For V. Sankar Aiyar & Co.
Chartered Accountants

Firm Registration Number : 109208W

Partha Pratim Sengupta
Managing Director & CEO

Kolkata
DIN: 08273324

Anup Kumar Sinha
Non-Executive (Independent) Chairman

Kolkata
DIN: 08249893

Vijay Nautamlal Bhatt
ACB Chairman & Independent Director

Kolkata
DIN: 00751001

Ravi Kapoor
Partner
Membership Number : 040404
Place : Kolkata
Date : April 30, 2025

Karthik Srinivasan
Partner
Membership Number : 514998
Place : Kolkata
Date : April 30, 2025

Ratan Kumar Kesh
Executive Director & COO
Kolkata
DIN: 10082714

Rajinder Kumar Babbar
Executive Director & CBO
Kolkata
DIN: 10540386

Rajeev Mantri
Chief Financial Officer
Kolkata

Indranil Banerjee
Company Secretary
Kolkata

Profit and Loss Account

for the year ended March 31, 2025

(₹ in '000)

Particulars	Schedule	Year ended March 31, 2025	Year ended March 31, 2024
I. Income			
Interest Earned	13	21,94,82,287	18,86,96,182
Other Income	14	2,96,66,000	2,17,14,199
Total		**24,91,48,287**	**21,04,10,381**
II. Expenditure			
Interest Expended	15	10,45,76,451	8,55,07,766
Operating Expenses	16	7,06,84,951	5,85,07,778
Provisions & Contingencies	18.1	4,64,33,930	4,40,99,210
Total		**22,16,95,332**	**18,81,14,754**
III. Net Profit for the year (I-II)		2,74,52,955	2,22,95,627
Balance in Profit & Loss Account brought forward from Previous Year		8,67,91,311	7,45,37,813
IV. Amount available for appropriations		**11,42,44,266**	**9,68,33,440**
V. Appropriations/Transfers			
Transfer to Statutory Reserves		68,63,239	55,73,906
Transfer to Statutory Reserve u/s 36(1)(viii) of Income Tax Act 1961		12,36,585	9,84,116
Transfer to Capital Reserve		97,977	41,836
Transfer to Investment Reserve		-	15,32,773
Transfer to/(from) Investment Fluctuation Reserve		13,54,900	(5,06,799)
Dividend Paid		24,16,455	24,16,297
Balance carried over to Balance Sheet		10,22,75,110	8,67,91,311
Total		**11,42,44,266**	**9,68,33,440**
VI. Earnings per Share (refer Note 18.14)			
Basic (₹)		17.04	13.84
Diluted (₹)		17.04	13.84
Face value per share (₹)		10	10
Significant Accounting Policies and Notes to Accounts	17 & 18		

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

As per our report of even date

For and on behalf of Board of Directors
For Bandhan Bank Limited

For Singhi & Co
Chartered Accountants

Firm Registration Number : 302049E

Ravi Kapoor
Partner
Membership Number : 040404
Place : Kolkata
Date : April 30, 2025

For V. Sankar Aiyar & Co.
Chartered Accountants

Firm Registration Number : 109208W

Karthik Srinivasan
Partner
Membership Number : 514998
Place : Kolkata
Date : April 30, 2025

Partha Pratim Sengupta
Managing Director & CEO
Kolkata
DIN: 08273324

Anup Kumar Sinha
Non-Executive (Independent) Chairman
Kolkata
DIN: 08249893

Vijay Nautamlal Bhatt
ACB Chairman & Independent Director
Kolkata
DIN: 00751001

Ratan Kumar Kesh
Executive Director & COO
Kolkata
DIN: 10082714

Rajinder Kumar Babbar
Executive Director & CBO
Kolkata
DIN: 10540386

Rajeev Mantri
Chief Financial Officer
Kolkata

Indranil Banerjee
Company Secretary
Kolkata

Cash Flow Statement

for the year ended March 31, 2025

(₹ in '000)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flow from Operating Activities :		
Profit Before Taxation	3,62,32,770	2,94,29,123
Adjustments for :		
Depreciation and amortisation	27,92,019	23,75,756
Provisions & Contingencies	3,76,54,115	3,69,65,714
Interest Income from fixed deposits	(1,15,868)	(75,568)
(Profit)/Loss on sale of Held-to-maturity (HTM) securities	(1,74,572)	(74,543)
Interest Income from Investments in Held-to-maturity (HTM) securities	(1,52,57,623)	(1,40,08,995)
Provision/(reversal of provision) for depreciation in value of investments	(28,59,784)	(27,31,048)
Employee Stock Options Expense	21,06,974	3,51,537
(Profit) / Loss on sale of fixed assets	210	(1,263)
Operating Profit Before Working Capital Changes	**6,03,78,241**	**5,22,30,713**
Movements in working capital :		
(Increase)/Decrease in Advances	(14,56,31,727)	(20,03,49,721)
(Increase)/Decrease in Other Assets	1,53,40,632	1,97,880
(Increase)/Decrease in Investment in HFT & AFS securities	(5,69,68,047)	2,53,39,971
Increase / (Decrease) in Deposits	16,01,05,129	27,13,72,958
Increase / (Decrease) in Other Current Liabilities and Provisions	(5,86,036)	1,05,83,328
Cash flows generated from operations	**3,26,38,192**	**15,93,75,129**
Direct Taxes Paid (net of refunds)	(51,14,923)	(1,12,90,920)
Net Cash flows generated from/(used in) Operating Activities (A)	**2,75,23,269**	**14,80,84,209**
B. Cash flow from Investing Activities :		
Purchase of Fixed Assets/Capital work-in-progress	(28,80,720)	(55,74,223)
Sale of Fixed Assets	18,938	11,372
Interest received from fixed deposits	1,15,671	76,074
Interest received from Investments in Held-to-maturity (HTM) securities	1,44,49,239	1,41,48,765
(Increase)/Decrease in Held to Maturity Investment	(5,04,89,600)	82,48,747
Deposits (created)/ matured with banks and financial institutions	(743)	(955)
Net Cash flows generated from/(used in) Investing Activities (B)	**(3,87,87,215)**	**1,69,09,780**
C. Cash flow from Financing Activities :		
Dividend paid	(24,16,455)	(24,16,297)
Proceeds from share issue (Including share premium)	298	23,988
Proceeds from/(Repayment) of short term borrowings	(2,07,68,305)	1,75,78,690
Proceeds from/(Repayment) of long term borrowings	(3,15,62,009)	(10,09,71,675)
Net Cash flows generated from Financing Activities(C)	**(5,47,46,471)**	**(8,57,85,294)**
Net Increase/ (Decrease) In Cash And Cash Equivalents (A+B+C)	**(6,60,10,417)**	**7,92,08,695**
Cash And Cash Equivalents at the Beginning of the year	16,16,83,650	8,24,74,955
Cash And Cash Equivalents at the End of the year	**9,56,73,233**	**16,16,83,650**
Components of Cash and Cash Equivalents :		
Cash and Balances with Reserve Bank of India (Refer Schedule no. 6)	7,47,74,496	15,39,26,841
Balance with Banks and Money at call and short notice (Refer Schedule no. 7)*	2,08,98,737	77,56,809
	9,56,73,233	**16,16,83,650**

*Cash and Cash Equivalents excludes lien marked Fixed Deposits of ₹0.71 crore (Previous Year: ₹0.64 crore) with original maturity of more than three months & amount transferred to Unpaid Dividend account of ₹1.36 crore (Previous Year: ₹1.53 crore)

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For and on behalf of Board of Directors
For Bandhan Bank Limited

For Singhi & Co
Chartered Accountants
Firm Registration Number : 302049E

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Registration Number : 109208W

Partha Pratim Sengupta
Managing Director & CEO
Kolkata
DIN: 08273324

Anup Kumar Sinha
Non-Executive (Independent) Chairman
Kolkata
DIN: 08249893

Vijay Nautamlal Bhatt
ACB Chairman & Independent Director
Kolkata
DIN: 00751001

Ravi Kapoor
Partner
Membership Number : 040404
Place : Kolkata
Date : April 30, 2025

Karthik Srinivasan
Partner
Membership Number : 514998
Place : Kolkata
Date : April 30, 2025

Ratan Kumar Kesh
Executive Director & COO
Kolkata
DIN: 10082714

Rajinder Kumar Babbar
Executive Director & CBO
Kolkata
DIN: 10540386

Rajeev Mantri
Chief Financial Officer
Kolkata

Indranil Banerjee
Company Secretary
Kolkata

Schedules forming part of the Balance sheet

as at March 31, 2025

Schedule 1 - Capital

(₹ in '000)

	As at March 31, 2025	As at March 31, 2024
Authorised Capital		
3,200,000,000 (Previous Year: 3,200,000,000) equity shares of ₹10/- each	3,20,00,000	3,20,00,000
Issued, subscribed and fully paid-up capital		
1,61,09,71,405 (Previous Year: 1,61,09,69,748) Equity Share of ₹10/- each	1,61,09,714	1,61,09,697
Total	**1,61,09,714**	**1,61,09,697**

Schedule 1A - Employees stock options outstanding

(₹ in '000)

	As at March 31, 2025	As at March 31, 2024
Opening Balance	4,41,899	1,19,456
Additions during the Year[1]	21,06,974	3,51,537
Deduction during the Year[2]	(89,822)	(29,094)
Total	**24,59,051**	**4,41,899**

1. Represents cost of stock options recongnised during the year.
2. Represents amount transferred to General Reserve on lapses of employee stock options during the year.

Schedule 2 - Reserves & Surplus

(₹ in '000)

		As at March 31, 2025	As at March 31, 2024
I.	**Statutory Reserve**		
	Opening Balance	3,61,60,059	3,05,86,153
	Additions during the Year	68,63,239	55,73,906
	Deduction during the Year	-	-
	Total	**4,30,23,298**	**3,61,60,059**
II.	**Statutory Reserve U/S 36(1)(VIII) OF Income Tax Act 1961**		
	Opening Balance	1,13,87,386	1,04,03,270
	Additions during the Year	12,36,585	9,84,116
	Deduction during the Year	-	-
	Total	**1,26,23,971**	**1,13,87,386**
III.	**Capital Reserve**		
	Opening Balance	65,19,687	64,77,851
	Additions during the Year[1]	97,977	41,836
	Deduction during the Year	-	-
	Total	**66,17,664**	**65,19,687**
IV.	**Share Premium Account**		
	Opening Balance	5,42,10,543	5,41,87,887
	Additions during the Year	282	22,656
	Deduction during the Year	-	-
	Total	**5,42,10,825**	**5,42,10,543**

Schedules forming part of the Balance sheet

as at March 31, 2025

(₹ in '000)

		As at March 31, 2025	As at March 31, 2024
V.	**Investment Fluctuation Reserve**		
	Opening Balance	16,18,082	21,24,881
	Additions during the Year	13,54,900	-
	Deduction during the Year	-	(5,06,799)
	Total	**29,72,982**	**16,18,082**
VI.	**Investment Reserve**		
	Opening Balance	18,36,797	3,04,024
	Additions during the Year[2]	-	15,32,773
	Deduction during the Year[5]	(18,36,797)	-
	Total	**-**	**18,36,797**
VII.	**Additional Reserve[3]**		
	Opening Balance	2,77,389	2,77,389
	Additions during the Year	-	-
	Deduction during the Year	-	-
	Total	**2,77,389**	**2,77,389**
VIII.	**General Reserve**		
	Opening Balance	7,43,530	7,14,436
	Additions during the Year[4]&[5]	29,16,881	29,094
	Deduction during the Year	-	-
	Total	**36,60,411**	**7,43,530**
IX.	**AFS Reserve**		
	Opening Balance	-	-
	Additions during the Year[5]	21,87,207	-
	Deduction during the Year	(3,67,553)	-
	Total	**18,19,654**	**-**
X.	**Balance in Profit and Loss Account**	**10,22,75,110**	**8,67,91,311**
	GRAND TOTAL (I+II+III+IV+V+VI+VII+VIII+IX+X)	**22,74,81,304**	**19,95,44,784**

1. Appropriations made for profit on sale of investments in held to maturity category, net of taxes and transfer to Statutory reserve.

2. Appropriations made for reversal of excess provision for depreciation in "Available for Sale" & "Held for Trading" categories, net of taxes and transfer to Statutory reserve.

3. Additional Reserve represents reserve created in terms of section 29C of the National Housing Bank Act, 1987 out of the distributable profits by erstwhile Gruh Finance Limited, which have been carried forward in accordance with the terms of the Merger scheme.

4. Includes amount transferred from Employee Stock Options outstanding to general reserve on lapses of employee stock options during the period & amount transferred from Investment Reserve pursuant to RBI Master Direction - Classification, Valuation & Operation of Investment portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023

5. Refer Note 18.5(A)(ii) for transitional adjustments as per RBI Master Direction - Classification, Valuation & Operation of Investment portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023

Schedules forming part of the Balance sheet

as at March 31, 2025

Schedule 3 - Deposits

(₹ in '000)

			As at March 31, 2025	As at March 31, 2024
A.	I.	Demand Deposits		
		i) From Banks	70,41,589	1,70,72,419
		ii) From Others	7,38,44,645	7,95,73,092
	II.	Savings Bank Deposits	39,34,82,862	40,48,61,528
	III.	Term Deposits		
		i) From Banks	26,28,24,788	20,89,42,812
		ii) From Others	77,49,31,107	64,15,70,011
		Total	**1,51,21,24,991**	**1,35,20,19,862**
B.	I.	Deposits of branches in India	1,51,21,24,991	1,35,20,19,862
	II.	Deposits of branches outside India	-	-
		Total	**1,51,21,24,991**	**1,35,20,19,862**

Schedule 4 - Borrowings

(₹ in '000)

			As at March 31, 2025	As at March 31, 2024
I.	Borrowings in India			
	i)	Reserve Bank of India	-	-
	ii)	Other banks	59,83,250	2,65,97,580
	iii)	Other Institutions & agencies[1]	6,00,99,927	9,16,61,935
II.	Borrowings outside India		4,53,01,750	4,54,55,725
	Total		**11,13,84,927**	**16,37,15,240**
	Secured borrowings included in (I&II) above		7,50,000	7,50,000

1 Includes borrowings made under refinance.

Schedule 5 - Other liabilities and provisions

(₹ in '000)

		As at March 31, 2025	As at March 31, 2024
I.	Bills Payable	74,92,971	81,44,551
II.	Inter-office Adjustments(Net)	-	-
III.	Interest accrued	39,30,063	27,91,124
IV.	Contingent Provision against Standard Assets (refer Note 18.6(I))	1,02,45,113	1,01,06,627
V.	Provision for Income Tax (Net of Advance tax and Tax deducted at source)	1,72,306	14,94,537
VI.	Others (including provisions)	2,33,62,445	2,40,48,269
	Total	**4,52,02,898**	**4,65,85,108**

Schedule 6 - Cash and balances with Reserve Bank of India

(₹ in '000)

		As at March 31, 2025	As at March 31, 2024
I.	Cash In hand (including foreign currency notes)	85,63,032	1,44,52,702
II.	Balance with Reserve Bank of India		
	i) In Current Account	6,62,11,464	4,94,74,139
	ii) In Other Accounts[1]	-	9,00,00,000
	Total	**7,47,74,496**	**15,39,26,841**

1. Represents Standing Deposit Facility (SDF)

Schedules forming part of the Balance sheet

as at March 31, 2025

Schedule 7 - Balances with Banks and Money at call and short notice

(₹ in '000)

		As at March 31, 2025	As at March 31, 2024
I.	In India		
i)	Balance with Banks		
	a) In Current Account	33,28,208	76,39,914
	b) In Other Deposit Accounts	7,097	6,354
ii)	Money at call & short notice		
	a) With banks	-	-
	b) With other institutions	1,72,65,368	-
	Total	**2,06,00,673**	**76,46,268**
II.	Outside India		
	a) In Current Account	3,18,743	1,32,152
	b) In Other Deposit Accounts	-	-
	C) Money at call & short notice	-	-
	Total	**3,18,743**	**1,32,152**
	GRAND TOTAL (I+II)	**2,09,19,416**	**77,78,420**

Schedule 8 - Investments

(₹ in '000)

		As at March 31, 2025	As at March 31, 2024
I.	Investment in India in		
	i) Government Securities	37,79,71,598	28,57,75,418
	ii) Other Approved Securities	-	-
	iii) Shares	38,55,745	22,52,015
	iv) Debentures & Bonds	35,00,000	26,06,239
	v) Subsidiaries and /or joint ventures	-	-
	vi) Others (Mututal Fund units, Certificate of Deposits, Security Receipts and Pass Through certificates)	2,38,17,595	76,49,158
	Total	**40,91,44,938**	**29,82,82,830**
	Less- Provision for Depreciation on Investment*	(20,22,183)	(54,07,046)
	Total	**40,71,22,755**	**29,28,75,784**
II.	Investments outside India	-	-
	Total	-	-
	GRAND TOTAL (I+II)	**40,71,22,755**	**29,28,75,784**

Carrying value of Investments as on March 31, 2025 is based on RBI Master Direction - Classification, Valuation & Operation of Investment portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023 (Refer note 18.5(A)(ii) for transitional adjustments as on April 1,2024). Accordingly, the figures for the current year are not comparable with the Previous Year.

*Represents Provision for depreciation on Security Receipts in current year

Schedules forming part of the Balance sheet

as at March 31, 2025

Schedule 9 - Advances (Net of Provisions)

(₹ in '000)

			As at March 31, 2025	As at March 31, 2024
A.	i)	Bills Purchased & Discounted	1,72,706	-
	ii)	Cash credits, overdrafts and loans repayable on demand	20,61,61,571	22,84,46,837
	iii)	Term loans*	1,11,35,38,900	98,29,20,996
	Total		**1,31,98,73,177**	**1,21,13,67,833**
B.	i)	Secured by tangible assets (Including Advances against fixed deposits and book debts)	68,65,63,163	51,49,94,976
	ii)	Covered by Bank/Government Guarantees	9,64,654	18,65,233
	iii)	Unsecured#	63,23,45,360	69,45,07,624
	Total		**1,31,98,73,177**	**1,21,13,67,833**
C.	**I)**	Advances in India		
		i) Priority Sector	51,66,68,329	58,63,45,580
		ii) Public Sector	40,12,798	-
		iii) Banks	2,78,407	20,00,908
		iv) Others	79,89,13,643	62,30,21,345
	Total		**1,31,98,73,177**	**1,21,13,67,833**
	II)	Advances Outside India	-	-
	Total		-	-
	GRAND TOTAL		**1,31,98,73,177**	**1,21,13,67,833**

*Including loans outstanding under Inter bank participation certificate ₹980.00 crore (Previous Year: ₹2606.63 crore)

The total amount received from National Credit Guarantee Trustee Company Ltd (NCGTC) towards Emergency Credit Line Guarantee Scheme is ₹123.25 crore (Previous Year: ₹136.82 crore).

The above Net Advances includes Provision made against amount received (net) NCGTC held pending adjustment is ₹259.68 crore (Previous Year: ₹145.55 crore).

#Advances - Unsecured includes advances for which security documentation is being perfected

Schedule 10 - Fixed Assets

(₹ in '000)

	As at March 31, 2025	As at March 31, 2024
I) Premises		
Gross Block		
At cost as at March 31 of the preceding year	31,52,290	16,77,164
Addition during the Year	-	14,75,126
Deduction during the Year	-	-
Total	**31,52,290**	**31,52,290**
Depreciation		
As at the beginning of the Year	1,35,162	1,07,310
Charge for the year	49,201	27,852
Deduction during the Year	-	-
Depreciation to date	**1,84,363**	**1,35,162**
Net Block	**29,67,927**	**30,17,128**

Schedules forming part of the Balance sheet

as at March 31, 2025

(₹ in '000)

	As at March 31, 2025	As at March 31, 2024
II) Other Fixed Assets (Including Furniture & Fixture)		
Gross Block		
At cost as at March 31 of the preceding year	1,53,10,764	99,48,257
Addition during the Year*	17,72,192	54,12,295
Deduction during the Year	(65,188)	(49,788)
Total	**1,70,17,768**	**1,53,10,764**
Depreciation		
As at the beginning of the Year	87,37,185	64,28,960
Charge for the year	27,42,818	23,47,904
Deduction during the Year	(46,043)	(39,679)
Depreciation to date	**1,14,33,960**	**87,37,185**
Net Block	**55,83,808**	**65,73,579**
III) Capital Work-in-progress (including capital advances)	32,52,084	21,43,556
GRAND TOTAL (I+II+III)	**1,18,03,819**	**1,17,34,263**

*Additions during the year ended March 31, 2025 includes Intangible Assets amounting to ₹NIL (Previous Year: ₹155.45 crore) for Flexcube CBS and the same is amortised over the period of three years as per Bank's accounting policy

Schedule 11 - Other Assets

(₹ in '000)

		As at March 31, 2025	As at March 31, 2024
I)	Inter Office adjustment (Net)	-	7
II)	Interest Accrued	1,59,91,024	1,43,70,151
III)	Advance Income Tax (Net of Provision)	11,38,672	71,98,992
IV)	Stationery and stamps	-	-
V)	Non banking assets acquired in satisfaction of claims (Net of Provision)#	-	3,33,343
VI)	Others*	6,31,39,526	7,88,30,956
	Total	**8,02,69,222**	**10,07,33,449**

*Includes Deferred Tax Assets of ₹1,008.41 crore (Previous Year: ₹995.60 crore) (Refer Note. 18.13)

*Includes Deposits in Rural Infrastructure and Development Fund amounting to ₹4,499.88 crore (Previous Year: ₹6,244.61 crore)

#Provision towards Non banking assets acquired in satisfaction of claims amounts to ₹50.33 crore (Previous Year : ₹16.91 crore)

Schedule 12 - Contingent liabilities

(₹ in '000)

		As at March 31, 2025	As at March 31, 2024
I)	Claims against the Bank not acknowledged as debts	28,07,788	9,97,273
II)	Liability for partly paid investments	-	-
III)	a) Liability on account of outstanding forward exchange contracts (other than Tom & spot)[1]	14,60,299	-
	b) Liability on account of outstanding forward exchange contracts (for Tom & spot)[1]	6,55,48,250	82,57,095
IV)	Guarantees given on behalf of constituents		
	(a) In India	1,41,31,077	1,31,80,405
	(b) Outside India	-	-
V)	Acceptances, endorsements and other obligations	59,50,847	39,81,088
VI)	Currency swaps[1]	7,43,20,513	6,28,97,220
VII)	Interest rate swaps, currency options and interest rate futures[1]	16,00,000	-
VIII)	Other items (including Capital Commitments)	18,72,836	28,31,365
	Total	**16,76,91,610**	**9,21,44,446**

1. Represents notional amount

Schedules forming part of the Profit & Loss Account

for the year ended March 31, 2025

Schedule 13 - Interest Earned

(₹ in '000)

		Year ended March 31, 2025	Year ended March 31, 2024
I)	Interest/discount on advances/bills	19,36,74,639	16,50,62,039
II)	Income on investments	2,18,18,682	2,01,35,681
III)	Interest on balances with Reserve Bank of India and other inter-bank funds	9,71,765	7,78,136
IV)	Others (Includes gain on IBPC)	30,17,201	27,20,326
	Total	**21,94,82,287**	**18,86,96,182**

Schedule 14 - Other Income

(₹ in '000)

		Year ended March 31, 2025	Year ended March 31, 2024
I)	Commission, exchange and brokerage	1,72,55,117	1,71,15,838
II)	Profit/(Loss) on sale of investments (Net)	13,54,900	13,54,723
III)	Profit/(Loss) on revaluation of investments (Net)	28,59,784	27,31,048
IV)	Profit/(Loss) on sale of fixed assets (Net)	(210)	1,263
V)	Profit/(Loss) on exchange/derivative transactions (Net)	3,38,707	(2,62,962)
VI)	Income earned by way of dividends etc. from subsidiaries/companies and/or joint venture abroad/in India	-	-
VII)	Miscellaneous income (Refer note 18.47)	78,57,702	7,74,289
	Total	**2,96,66,000**	**2,17,14,199**

Schedule 15 - Interest Expended

(₹ in '000)

		Year ended March 31, 2025	Year ended March 31, 2024
I)	Interest on deposits	9,53,32,391	7,25,16,466
II)	Interest on Reserve Bank of India/Inter-bank borrowings	33,01,440	9,07,597
III)	Others[1]	59,42,620	1,20,83,703
	Total	**10,45,76,451**	**8,55,07,766**

1. Includes amortisation of premium on interest rate swaps and foreign currency swaps.

Schedule 16 - Operating Expenses

(₹ in '000)

		Year ended March 31, 2025	Year ended March 31, 2024
I)	Payments to and provisions for employees	4,36,09,753	3,54,29,236
II)	Rent, taxes and lighting	43,16,256	35,48,318
III)	Printing and stationery	2,89,536	3,54,761
IV)	Advertisement and publicity	5,56,910	5,58,025
V)	Depreciation on bank's property	27,92,019	23,75,756
VI)	Directors' fees, allowance and expenses (Refer Note 18.37)	80,096	65,632
VII)	Auditors' fees and expenses (including branch auditors) (Refer Note 18.43)	35,970	28,427
VIII)	Law charges	1,90,862	1,20,756
IX)	Postage, telegrams, telephones etc	9,33,338	8,84,182
X)	Repairs and maintenance	10,17,944	8,10,631
XI)	Insurance	18,04,562	14,92,872
XII)	Other expenditure (Refer Note 18.35)	1,50,57,705	1,28,39,182
	Total	**7,06,84,951**	**5,85,07,778**

Schedules forming part of the Balance sheet

as at March 31, 2025

Schedule 17 – Significant accounting policies forming part of the financial statements for the year ended March 31, 2025

1. Background

Bandhan Bank Limited (the 'Bank'), incorporated on December 23, 2014 in India, is a banking company, governed by the Banking Regulation Act, 1949. Pursuant to the Banking license received from Reserve Bank of India on June 17, 2015, the Bank has commenced its banking operations from August 23, 2015.

2. Basis of preparation

The accompanying financial statements have been prepared under the historical cost convention and on the accrual basis of accounting, unless otherwise stated and comply with the requirements prescribed under the Third Schedule (Form A and Form B) of the Banking Regulation Act, 1949. The accounting and reporting policies of the Bank used in the preparation of these financial statements conform to Generally Accepted Accounting Principles in India ('Indian GAAP'), the guidelines issued by RBI from time to time, the accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Rules, 2021 to the extent applicable and practices generally prevalent in the banking industry in India.

3. Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as at the date of the financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in the preparation of the financial statements shall be prudent and reasonable. Any revisions to the accounting estimates are recognised prospectively in the current and future periods. Actual results could differ from estimates.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenue Recognition

Interest income is recognised in the profit and loss account on an accrual basis, except in the case of interest on non-performing assets, which is recognised as income on realisation, as per the income recognition and asset classification norms of RBI. Accrual of income shall also be suspended on certain other loans, including projects under implementation where the implementation has been significantly delayed and in the opinion of the management significant uncertainties exist as to the final financial closure and/ or date of completion of the project.

The Bank shall not charge and take to income account interest on any NPA. This will apply to Government guaranteed accounts also. However, interest on advances against Term Deposits, National Savings Certificates (NSCs), Indira Vikas Patras (IVPs), Kisan Vikas Patras (KVPs) and Life policies is taken to income account on the due date, provided adequate margin is available in the accounts.

Profit or Loss on sale of investments is recognised in the Profit and Loss Account. However, the profit on sale of investments in 'Held to Maturity' category is appropriated (net of applicable taxes and amount required to be transferred to statutory reserve) to 'Capital Reserve Account'.

Income from hire purchase operations is accrued by applying the interest rate implicit on outstanding investments.

Income from leases is calculated by applying the interest rate implicit in the lease to the net investment outstanding on the lease over the primary lease period.

Income on discounted instruments is recognised over the tenure of the instrument on a straight line basis.

Interest Income on PTC and Loan purchase through assignment are recognised on a constant yield basis.

Dividend is accounted on an when the right to receive the dividend is established.

Loan processing fees is accounted for upfront when it becomes due.

Fees other than loan processing fees received as a compensation of future interest sacrifice are amortised over the remaining period of the facility.

Compromise on settlement is accounted on receipt of settlement money.

Arranger's fee is accrued proportionately where more than 75% of the total amount of finance has been arranged.

Guarantee / Letter of credit (LC) commission is recognised over the period of the guarantee / LC.

Annual/renewal fee on credit cards and debit cards is recognised upfront.

Locker Rent recognised on Straight Line Method basis over the period of Contract

All fees from deposit accounts are accounted for as and when they are due and realised.

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Income from sale of Priority Sector Lending certificate (PSLC) is recognised in the Profit & Loss Account during the quarter on an equated basis from the quarter in which the sale has occurred and the remaining amount will be recognised in the Profit & Loss Account over the remaining quarters of that financial year.

Appropriation of recovery in NPAs and prudential written off accounts:

Any recoveries in NPA accounts and prudential written off accounts will be first appropriated to fees/charges outstanding, if any, then interest outstanding and then principal outstanding except in those cases where bank has specific agreement with the borrower w.r.t appropriation of recoveries.

The sale of NPA and technically written off portfolio is accounted as per guidelines prescribed by RBI :

i. When the Bank sells its financial assets to Securitisation Company (SC)/Reconstruction Company (RC), the same is removed from the books.

ii. If the sale is at a price below the net book value (NBV) (i.e., book value less provisions held), the shortfall is debited to the profit and loss account in the year of sale.

iii. If the sale is for a value higher than the NBV, the excess provision is reversed in the year the amounts are received, as permitted by the RBI.

All other fees are accounted for as and when they become due.

4.2. Investments

Classification, valuation and operation of investment portfolio is carried out in accordance with the revised framework as detailed in the Reserve Bank of India (Classification, Valuation and Operation of Investment Portfolio of Commercial Banks) Directions, 2023 ("RBI Directions") applicable from April 01, 2024, to all Commercial Banks excluding Regional Rural Banks.

A) Classification

Investments shall be classified into three categories, viz. Held to Maturity ('HTM'), Available for Sale ('AFS') and Fair Value through Profit and Loss ('FVTPL'). Held for Trading ('HFT') shall be a separate investment subcategory within FVTPL. The category of the investment shall be decided by the bank before or at the time of acquisition and for reclassification, Bank shall need to obtain approval from the Board of Directors for reclassification between categories ((viz. HTM, AFS and FVTPL (includes FVTPL (HFT) and FVTPL (Non-HFT)). Further, reclassification shall also require the prior approval of the Department of Supervision (DoS), RBI.

Investments are accounted for on settlement date basis except for equity shares which are accounted for on trade date.

- Securities that meet the Solely Payment of Principal and Interest ('SPPI') criterion and are acquired with the intention and objective of holding it till maturity, i.e., the financial assets are held with the objective to collect the contractual cash flows shall be classified under HTM.
- Securities that meet the SPPI criterion and are acquired with the objective of both (a) collecting contractual cash flows and (b) selling securities shall be classified under AFS. These includes securities held for ALM.
- Investments, which are not classified in the above two categories, shall be classified as "Fair Value through Profit and Loss (FVTPL)".

B) Initial Recognition:

At initial recognition, bank shall measure all investments at fair value. Bank shall presume acquisition cost to be the fair value unless the facts and circumstances suggest otherwise. Cost of investment excludes broken period interest paid on acquisition of investments. Brokerage and commission paid at the time of acquisition are charged to Profit and Loss Account. Cost of investments is determined on the weighted average cost basis. Any discount or premium on the acquisition of debt securities under AFS, FVPTL & HTM shall be amortised over the remaining life of the instrument.

C) Valuation & Subsequent Measurement:

Investments classified under the 'AFS' and 'HFT' categories are fair valued periodically as per RBI guidelines.

The fair valuation gains and losses across all performing investments held under AFS shall be aggregated. The net appreciation or depreciation shall be directly credited or debited to a reserve named 'AFS Reserve' without routing through the Profit & Loss Account. Upon sale or maturity of a debt instrument in AFS category, the accumulated gain/loss for that security in the AFS Reserve are transferred from the AFS Reserve and recognised in the Profit and Loss Account. In the case of equity instruments designated under AFS at the time of initial recognition, any gain or loss on sale of such investments shall not be transferred from AFS-Reserve to the Profit and Loss Account. Instead, such gain or loss shall be transferred from AFS-Reserve to the Capital Reserve.

The securities held in FVTPL shall be fair valued and the net gain or loss arising on such valuation shall be directly credited or debited to the Profit and Loss Account.

The market/fair value for the purpose of periodical valuation of quoted investments included in the 'AFS' and 'FVTPL' categories is the market price of the security available from trades/quotes on the recognised stock exchanges, price

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list of RBI or prices declared by Financial Benchmarks India Pvt. Ltd. (FBIL), periodically. Other unquoted fixed income securities, including Pass through Certificate wherever linked to the Yield-to-Maturity (YTM) rates, is computed based on residual maturity with a mark-up (applicable to the issuer) over the YTM rates for GOI securities of similar maturities published by FIMMDA/FBIL as directed by RBI.

Unquoted equity shares are valued at the break-up value, if the latest balance sheet is available or at ₹1 as per RBI guidelines.

Discounted instruments like Treasury Bills, Certificate of Deposits, Commercial Papers are valued at carrying cost.

Investments categorised under HTM are carried at acquisition cost, or at amortised cost if acquired at a discount or premium over the face value. Such discount or premium is amortised over the remaining period to maturity of the relevant security on a straight-line basis. Where in the opinion of management, a diminution, other than temporary in the value of investments classified under HTM has taken place, suitable provisions are made. Any profit or loss on the sale of investments in HTM shall be recognised in the Profit and Loss Account. The profit on sale of an investments in HTM shall be appropriated below the line from the Profit and Loss Account to the 'Capital Reserve Account'. The amount so appropriated shall be net of taxes and the amount required to be transferred to Statutory Reserve.

Security receipts issued by the asset reconstruction companies are valued in accordance with the guidelines applicable to such instruments, prescribed by RBI from time to time at the end of each reporting period. Accordingly, in cases where the cash flows from security receipts issued by the asset reconstruction companies are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Bank reckons the net asset value obtained from the asset reconstruction company from time to time, for valuation of such investments at each reporting period end.

D) Repurchase (Repo) and reverse repurchase transactions:

Repurchase ('repo') and reverse repurchase ('reverse repo') transactions including liquidity adjustment facility (with RBI) shall be accounted for as borrowing and lending transactions. Accordingly, securities given as collateral under an agreement to repurchase them continue to be held under the investment account of the Bank and the Bank would continue to accrue the coupon/discount on the security during the repo period. Also, the Bank continues to value the securities sold under repo as per the investment classification of the security. The difference between the clean price of the first leg and clean price of the second leg shall be recognised as interest income/expense over the period of the transaction in the profit and loss account.

E) Short Sales:

In accordance with the RBI guidelines, the Bank undertakes short sale transactions in Central Government dated securities. Such short positions are categorised under HFT category. These positions are marked-to-market along with the other securities under HFT portfolio and the resultant mark-to-market gains/losses are accounted for as per the relevant RBI guidelines as stated above.

F) Investment Fluctuation Reserve:

The amount transferred to IFR will be lower of the following (i) net profit on sale of investments during the year or (ii) net profit for the year, less mandatory appropriations, until the amount of IFR is at least 2 percent of the AFS and FVTPL including HFT portfolio, on a continuing basis.

G) Non-Performing Investment

Non-performing investments are identified and depreciation / provision are made thereon based on RBI guidelines. The depreciation / provision on such non-performing investments are not set off against the appreciation in respect of other performing securities. Interest on non-performing investments is not recognised in the Profit & Loss Account until received.

H) Transition and Repeal Provisions

At the time of transition to these RBI Directions (i.e., on April 01, 2024), banks shall;

a. Reclassify their investment portfolio as at March 31, 2024, as per the directions laid down in Chapter III of these Directions;

b. The balance in provision for depreciation, as at March 31, 2024, shall be reversed into the Revenue/ General Reserve;

c. The balances in Investment Reserve Account (IRA), if any, as of March 31, 2024, shall be transferred to the Revenue/ General Reserve if the bank meets the minimum regulatory requirements of IFR. If the bank does not meet the minimum IFR requirements, the balances in IRA shall be transferred to IFR;

d. In respect of HTM the acquisition cost adjusted for any premium/ discount amortised between date of acquisition and March 31,2024, shall be the revised carrying value. The difference between the revised carrying value and the previous carrying value shall be adjusted in any Revenue/General Reserve;

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e. In respect of FVTPL the fair value as at March 31, 2024 shall be the revised carrying value The difference between the revised carrying value and the previous carrying value shall be adjusted in any Revenue/ General Reserves;

f. In respect of AFS the fair value of the investment as at March 31, 2024 shall be the revised carrying value. The difference between the revised carrying value and the previous carrying value shall be adjusted in AFS Reserve

4.3 Loans /Advances and Provisions thereon

Advances are classified into performing and non-performing advances ('NPAs') as per the RBI guidelines and Stressed Asset Management & Recovery (SAMR) policy of the bank and are stated net of specific provisions made towards NPAs. Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by the RBI. Provisions for NPAs are made for sub-standard and doubtful assets at rates as prescribed by the RBI.

The Bank has a policy of deferment of instalments for micro (EEB) loan borrowers in case the group meetings have been suspended and the same has not been considered as overdue for the purpose of NPA classification.

Amounts recovered against debts written off in earlier years are recognised in the profit and loss account as credit to Miscellaneous Income under the head 'Other Income'

The Bank maintains general provision on standard advances as prescribed by RBI. In case of micro (EEB & SBAL) lending portfolio, general provision on standard advances will be maintained by Bank at 1% comprising 0.25% as per the minimum provisioning requirement by RBI and 0.75% as additional provision. Provision made against standard assets is included in "Other liabilities & provisions".

In case of non-performing micro (EEB & SBAL) lending portfolio, where 30 days have elapsed from the completion of loan tenure, the Bank is making 100% provision.

Non-performing loans, which have been fully provided for, are written off when the prospect of recovery is considered remote as per the management estimate in compliance with the stressed assets management and recovery policy of the Bank.

Restructured assets are classified and provided for in accordance with the guidelines issued by RBI from time to time.

For entities with Unhedged Foreign Currency Exposure ('UFCE'), provision is made in accordance with the guidelines issued by RBI, which requires to ascertain the amount of UFCE, estimate the extent of likely loss and estimate the riskiness of unhedged position. This provision is classified under Schedule 5 – Other Liabilities in the Balance Sheet.

Further, Incremental capital is maintained in respect of borrower counter parties in the highest risk category, in line with stipulations by RBI.

4.4 Inter Bank Participation Certificate

The Bank enters into Inter Bank Participation with risk sharing as issuing Bank and the aggregate amount of participation are reduced form the aggregate advance outstanding.

Gain on IBPC is the excess of income earned on the participation pool and interest paid to the issuing Bank and is recognised on accrual basis.

4.5 Tangible Assets

All tangible fixed assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Asset under development as at the balance sheet date are shown as Capital Work in Progress. Advance paid towards such development are shown as capital advance.

Any subsequent expenses is capitalised only when it increases the future economic benefit / functioning capability.

4.6 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

4.7 Depreciation and Amortisation

Depreciation is charged over the estimated useful life of a fixed asset on a straight-line basis. The useful lives of the groups of fixed assets are given below:

Asset	Useful life in years
Leasehold Land	99
Building	60
Improvements to leasehold premises	3
Furniture & Fixtures Interior	3
Furniture & Fixtures Modular	5
Furniture & Fixtures Others	10
Office equipments (including air conditioners)	5
Motor vehicles	4
Computers	3
Electrical Installation and Equipment	10
Software/ Intangible Assets	3
Computer Networking/Server	6

Items costing less than ₹5,000/- shall be fully depreciated in the year of purchase.

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Assets purchased and sold during the year shall be depreciated on the basis of actual number of days the asset has been put to use.

In case of revision in the estimated useful life of assets any unamortised depreciation shall be amortised over the remaining useful life of the assets.

4.8 Impairment

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which is the greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

4.9 Foreign Currency transactions

All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities in foreign currency are translated at the Balance Sheet date at the closing rates of exchange notified by the Foreign Exchange Dealers' Association of India ('FEDAI') and the resulting gains or losses are recognised in the Profit and Loss account.

Non-monetary items which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. Non-monetary items, which are measured at fair value or others similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Foreign currency income and expenditure items of domestic operations are translated at the exchange rates prevailing on the date of the transaction.

Foreign exchange spot and forward contracts outstanding as at the Balance Sheet date and held for trading, are revalued at the closing spot and forward rates respectively as notified by FEDAI and at interpolated rates for contracts of interim maturities.

Contingent liabilities at the Balance Sheet date on account of outstanding forward foreign exchange contracts, guarantees, acceptances, endorsements and other obligations denominated in a foreign currency are stated at the closing rates of exchange notified by the FEDAI.

4.10 Employee Stock Option Scheme (ESOS)

In case of Employee stock option plan, measurement and disclosure of the employee share based payment plans is done in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The cost of equity-settled transactions shall be measured using the intrinsic value method for options granted till March 31, 2021. For options granted to all employees after March 31, 2021, the fair value on the date of grant of such instruments is recognised as an expense in accordance with the RBI guidelines on Compensation of Whole-Time Directors / Chief Executive Officers / Material Risk Takers and Control Function staff. The fair value of the stock-based employee compensation is estimated on the date of grant using Black-Scholes model. The cumulative compensation expense is recognised with a corresponding increase in the 'stock options outstanding account' in reserve for equity-settled transactions at each reporting date until the vesting date reflecting the extent to which the vesting period has expired and the Bank's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and shall be recognised in employee benefits expense. ESOP cost is recognised in Profit and Loss Statement on the basis of number of days of vesting period.

4.11 Retirement and employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Bank has no obligation, other than the contribution payable to the provident fund. The Bank recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset.

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Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

The Bank provides for compensated absences based on actuarial valuation conducted by an independent actuary.

Actuarial gains/losses are immediately taken to the profit and loss account and are not deferred.

4.12 Income Taxes

Tax expenses comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and in compliance with AS 22 "Accounting for Taxation Income". Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Bank has carried forward unabsorbed depreciation and tax losses, all deferred tax assets is recognised only to the extent that there is a virtual certainty supported by convincing evidence that sufficient taxable income will be available in future against which such deferred tax assets can be realised.

At each reporting date, the Bank re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred Tax liability is created on amount transferred to special reserve under section 36(i)(viii) of the Income Tax Act, 1961 as per the RBI guidelines.

The carrying amounts of deferred tax assets are reviewed at each balance sheet date. The Bank writes down the carrying amount of deferred tax assets to the extent that it is no longer reasonably certain or virtually certain as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available.

4.13 Non-banking assets

Non-banking assets (NBAs) acquired in satisfaction of claims are valued at the market value on a distress sale basis or value of loan, whichever is lower. Further, the Bank creates provision on these assets as per the extant RBI guidelines or specific RBI directions.

4.14 Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed using the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4.15 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Bank has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Bank or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Bank does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent Assets are not recognised in the financial statements.

4.16 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight line basis over the lease term.

Schedules forming part of the Balance sheet

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4.17 Cash and Cash equivalent

Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.

4.18 Share Issue Expenses

Share issue expenses are adjusted against the Securities Premium Account in terms of Section 52(2) of the Companies Act, 2013.

4.19 Reward points

Reward points on cards are accounted for based on value per point after taking into account the probability of redemption of such reward points

4.20 Derivative Transactions

Derivative transactions comprises of forward contracts, currency swaps and interest rate swaps. The Bank undertakes derivative transactions for trading and hedging balance sheet assets and liabilities.

The Bank recognises all derivative contracts (other than those designated as hedges) at fair value, on the date on which the derivative contracts are entered into and are remeasured at fair value as at the Balance Sheet or reporting dates.

Derivative transactions such as Foreign exchange forward contracts, Forex swap and Interest rate swaps outstanding as at the Balance Sheet date and held for trading, are fair valued at present value basis. The resulting profit or loss on valuation is recognised in the Profit and Loss Account.

Derivatives which are not intended for trading such as Foreign exchange forward contracts and Forex swaps and which are outstanding at balance sheet date are fair valued at the FEDAI closing SPOT rate. The premium or discount arising at the inception of such Forward contracts and Forex swaps is amortised as expense or income over the life of the contract.

Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value).

Pursuant to the RBI guidelines, any receivable under a derivative contract with a counterparty which remains overdue for more than 90 days, mark-to-market gains on any other derivative contract with the same counterparty, is reversed through Profit and Loss account.

Schedule 18 -Notes to accounts forming part of the financial statements for the year ended March 31, 2025

The following disclosures have been made taking into account the requirements of Accounting Standards (ASs) and Reserve Bank of India (RBI) guidelines in this regard.

18.1 Provisions & Contingencies" recognised in the Profit & Loss Account comprise:

(₹ in crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Provision for Income Tax		
- Current Tax	1,001.24	601.07
- Deferred tax	(97.80)	122.42
- Income tax / Deferred Tax (for earlier years)	(25.46)	(10.14)
Total Tax Expenses	**877.98**	**713.35**
Provision for Standard assets	22.03	107.40
Provision for non-performing assets [Includes bad debts written off ₹2,410.94 crore (Previous Year:₹3,852.49 crore)]	3,607.37	3,576.79
Provision for restructured assets	(8.18)	(106.52)
Provision for unhedged foreign currency exposure	0.16	4.20
Provision for country risk	-	-
Provision for One time Settlement	105.27	78.16
Provision for other contingencies	38.76	36.54
Total	**4,643.39**	**4,409.92**

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as at March 31, 2025

Note: The Bank has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of AS 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Bank recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible or the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Bank does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

The following table sets forth, for the periods indicated, the movement in provision for legal and fraud cases, operational risk and other contingencies.

(₹ in crore)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Legal	Other Contingencies	Legal	Other Contingencies
Opening Provisions	2.84	76.32	0.83	41.91
Movement during the year (net)	2.19	36.57	2.01	34.53
Less - Adjusted during the year	-	-	-	(0.12)
Closing Provisions	5.03	112.89	2.84	76.32

18.2 Capital

During the year ended March 31, 2025, the Bank has allotted 1,657 Equity Shares (Previous Year: 133,268) of ₹10/- each in respect of stock option exercised aggregating to ₹0.0298 crore (Previous Year: ₹2.40 crore). Accordingly, share capital increased by ₹0.0017 crore (Previous Year: ₹0.13 crore) and share premium increased by ₹0.03 crore (Previous Year: ₹2.27 crore) respectively.

Details of movement in the paid-up equity share capital of the Bank are given below:

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	1,610.97	1,610.84
Addition pursuant to share issued during the year#	0.00	0.13
Outstanding at the end of the year	1,610.97	1,610.97

#Denotes less than ₹1,00,000

18.3 Proposed dividend

The Board of Directors at its meeting held on April 30, 2025, has proposed a dividend of ₹1.50 per share (Previous Year: ₹1.50 per share) for the year ended March 31, 2025 subject to approval of the members at the ensuing Annual General Meeting. In terms of revised Accounting Standard (AS) 4 'Contingencies and Events occurring after the Balance sheet date as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Rules, 2021, the Bank has not accounted for proposed dividend aggregating to ₹241.65 crore (Previous Year: ₹241.65 crore) as a liability for the year ended March 31, 2025. Effect of the proposed dividend has been reckoned in determining capital funds in the computation of capital adequacy ratios as at March 31, 2025 and March 31, 2024.

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18.4 Regulatory Capital

A) Composition of Regulatory Capital

The Bank is subject to the Basel III capital adequacy guidelines stipulated by RBI with effect from the date of incorporation. As per the guidelines, the Tier-1 capital is made up of Common Equity Tier-1 (CET1) and Additional Tier-1.

The following table sets forth, for the periods indicated, computation of capital adequacy as per Basel III framework.

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
i) Common Equity Tier 1 capital (CET 1)	23,873.39	20,768.38
ii) Additional Tier 1 capital	-	-
iii) Tier 1 capital (i + ii)	23,873.39	20,768.38
iv) Tier 2 capital	1,135.16	1,286.07
v) Total capital (Tier 1+Tier 2)	25,008.55	22,054.45
vi) Total Risk Weighted Assets (RWAs)	1,33,641.30	1,50,203.44
vii) CET 1 Ratio	17.86	13.83
viii) Tier 1 Ratio	17.86	13.83
ix) Tier 2 Ratio	0.85	0.86
x) Capital to Risk Weighted Assets Ratio (CRAR)^	18.71	14.69
xi) Leverage Ratio	12.18%	11.47%
xii) Percentage of the shareholding of Government of India	NIL	NIL
xiii) Amount of paid-up equity capital raised during the year#	-	-
xiv) Amount of non-equity Tier 1 capital raised during the year*	-	-
xv) Amount of Tier 2 capital raised during the year*	-	-

#An amount of ₹0.0298 crore raised pursuant to exercise of employee stock options during the year ended March 31, 2025 (year ended March 31, 2024: ₹2.40 crore)

*The Bank has not raised (March 31, 2025: Nil) perpetual debt capital instruments qualifying for Additional Tier-1 capital and subordinated debt qualifying for Tier-2 capital (March 31, 2024: Nil).

In accordance with the RBI guidelines, banks are required to make consolidated Pillar 3 and Net Stable Funding Ratio (NSFR) disclosures under the Basel III Framework. These disclosures are available on the Bank's website at the following link:https://www.bandhanbank.com/regulatory-disclosures. The disclosures have not been subjected to audit by the statutory auditors of the Bank.

^Basis the clarification received, the Bank w.e.f quarter ended June 30, 2024 has assigned risk weight of 125% to its Emerging Entrepreneurs Business (EEB) Group Loans and Small Business & Agri Loans (SBAL) portfolio as against 75% risk weight assigned earlier. Accordingly capital adequacy as on March 31, 2024 been recomputed at 14.69% as against 18.28% disclosed earlier. Subsequently as per RBI Circular on "Review of Risk Weights on Microfinance Loans" dated February 25, 2025; the Bank has assigned risk weight of 75% to its EEB Group Loans and SBAL portfolio where such advances meets the criteria to be classified as regulatory retail portfolio (RRP) for regulatory capital purposes.

B) Draw Down from Reserve

There has been no draw down from reserves during the year ended March 31, 2025 and March 31, 2024.

Schedules forming part of the Balance sheet

for the year ended March 31, 2025

18.5 (A) Investments

i) Composition of Investment Portfolio As at March 31, 2025

(₹ in crore)

Particulars	Investments in India							Investments outside India				Total Investments
	Government Securities	Other Approved Securities	Shares@	Debentures and Bonds	Subsidiaries and/or joint ventures	Others#	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	
Held to Maturity												
Gross^	26,353.03	-	-	350.00	-	188.01	26,891.04	-	-	-	-	26,891.04
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	**26,353.03**	-	-	**350.00**	-	**188.01**	**26,891.04**	-	-	-	-	**26,891.04**
Available for Sale												
Gross^	9,232.40	-	377.90	-	-	924.05	10,534.35	-	-	-	-	10,534.35
Less: Provision for depreciation and NPI	-		-	-		-	-	-	-	-	-	-
Net	**9,232.40**	-	**377.90**	-	-	**924.05**	**10,534.35**	-	-	-	-	**10,534.35**
FVTPL HFT												
Gross^	2,211.73	-	2.67	-	-	1,016.81	3,231.21	-	-	-	-	3,231.21
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	**2,211.73**	-	**2.67**	-	-	**1,016.81**	**3,231.21**	-	-	-	-	**3,231.21**
FVTPL Non HFT												
Gross^	-	-	5.00	-	-	252.89	257.89	-	-	-	-	257.89
Less: Provision for depreciation and NPI	-	-	-	-	-	202.21	202.21	-	-	-	-	202.21
Net	-	-	**5.00**	-	-	**50.68**	**55.68**	-	-	-	-	**55.68**
Total Investments	**37,797.16**	**-**	**385.57**	**350.00**	**-**	**2,381.76**	**40,914.49**	**-**	**-**	**-**	**-**	**40,914.49**
Less: Provision for non-performing investments	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI*	-	-	-	-	-	202.21	202.21	-	-	-	-	**202.21**
Net	**37,797.16**	**-**	**385.57**	**350.00**	**-**	**2,179.55**	**40,712.28**	**-**	**-**	**-**	**-**	**40,712.28**

#Other Investments include investments in Alternative Investment Fund (AIF), Commercial paper (CP), Security Receipts (SR) and Pass through Certificate (PTC),Certificate of Deposits (CD), Infrastructure Investment Trust (InvIT).

@Shares include investment in both quoted & unquoted Equity and Preference Shares

^Represents carrying value as on March 31, 2025 as per RBI Master Direction - Classification, Valuation & Operation of Investment portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023, as detailed in note below.

*Represents Provision for depreciation on Security Receipts in current year

Schedules forming part of the Balance sheet

for the year ended March 31, 2025

ii) Transitional adjustments - Classification, Valuation & Operation of Investment portfolio

The RBI, vide its master direction dated September 12, 2023 issued revised norms for the classification, valuation and operation of investment portfolio of banks, which became applicable from April 01, 2024. While hitherto, the investment portfolio was classified under the held to maturity (HTM), available for sale (AFS) and held for trading (HFT) categories, the revised norms bring in a principle-based classification of investment portfolio and a symmetric treatment of fair value gains and losses. In accordance with the revised norms and the Bank's board approved policy, the Bank has classified its investment portfolio as on April 01, 2024 under the categories of held to maturity (HTM), available for sale (AFS) and fair value through profit and loss (FVTPL) with held to trading (HFT) as a sub-category of FVTPL, and from that date, measures and values the investment portfolio under the revised framework. On transition to the framework on April 01, 2024, the bank has recognised ₹99.03 crore (net of tax of ₹33.31 crore) and ₹218.72 crore (net of tax of ₹73.56 crore) which has been credited to General reserve and AFS reserve respectively, in accordance with the said norms. The impact on the Profit & Loss of the change in the accounting framework as compared to previous period/s is not ascertainable and as such the income / profit or loss from investments for the year ended March 31, 2025 is not comparable with that of the previous period/s."

iii) Composition of Investment Portfolio As at March 31, 2024

(₹ in crore)

Particulars	Investments in India							Investments outside India				Total Investments
	Government Securities	Other Approved Securities	Shares@	Debentures and Bonds	Subsidiaries and/or joint ventures	Others#	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	
Held to Maturity												
Gross	21,737.87	-	-	-	-	-	21,737.87	-	-	-	-	**21,737.87**
Less: Provision for non- performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	**21,737.87**	-	-	-	-	-	**21,737.87**	-	-	-	-	**21,737.87**
Available for Sale												
Gross	6,160.37	-	225.20	260.62	-	764.92	7,411.11	-	-	-	-	**7,411.11**
Less: Provision for depreciation and NPI	57.20		-	-		483.50	540.70	-	-	-	-	**540.70**
Net	**6,103.17**	-	**225.20**	**260.62**	-	**281.42**	**6,870.41**	-	-	-	-	**6,870.41**
Held for Trading												
Gross	679.30	-	-	-	-	-	679.30	-	-	-	-	**679.30**
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	**679.30**	-	-	-	-	-	**679.30**	-	-	-	-	**679.30**
Total Investments	**28,577.54**	**-**	**225.20**	**260.62**	**-**	**764.92**	**29,828.28**	**-**	**-**	**-**	**-**	**29,828.28**
Less: Provision for non-performing investments	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	57.20	-	-	-	-	483.50	540.70	-	-	-	-	**540.70**
Net	**28,520.34**	-	**225.20**	**260.62**	-	**281.42**	**29,287.58**	-	-	-	-	**29,287.58**

#Other Investments include investments in Alternative Investment Fund (AIF), Commercial paper (CP), Security Receipts (SR) and Pass through Certificate (PTC).

@Shares include investment in both quoted & unquoted Equity and Preference Shares

Schedules forming part of the Balance sheet

as at March 31, 2025

18.5

B) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
i) Movement of provisions held towards depreciation on investments#		
a) Opening balance	540.70	813.81
b) Less: Adjustment due to transition to revised Investment Framework	(53.69)	-
c) Add: Provisions made during the year	-	3,489.61
d) Less: Write off / write back of excess provisions during the year	(284.80)	(3,762.72)
e) Closing balance	202.21	540.70
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	161.81	212.49
b) Add: Amount transferred during the year	135.49	(50.68)
c) Less: Drawdown	-	-
d) Closing balance	297.30	161.81
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and FVTPL (including Non HFT)/Current category	2.15%	2.00%

#Above movement is based on RBI Master Direction - Classification, Valuation & Operation of Investment portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023 (Refer Note 18.5(A)(ii) for transitional adjustments).Accordingly, the figures for the current year are not comparable with the Previous Year.

C) Sale and transfers of Securities to / from HTM Category

During the year ended March 31, 2025 and the Previous Year ended March 31, 2024 the Bank has not sold and transferred securities to or from HTM category exceeding 5% of the book value of investment held in HTM category at the beginning of the year. The 5% threshold referred to above does not include onetime transfer of securities to/from HTM category with the approval of Board of Directors permitted to be undertaken by banks as per extant RBI guidelines, sale of securities under pre-announced Open Market Operation (OMO) auction to the RBI and sale of securities or transfer to AFS / HFT consequent to the reduction of ceiling on SLR securities under HTM.

D) Repo Transactions

(₹ in crore)

Particulars	Minimum outstanding during the year		Maximum outstanding during the year		Daily Average outstanding during the year		Outstanding as at March 31, 2025	
	FV	MV	FV	MV	FV	MV	FV	MV
Securities sold under Repo*								
i. Government securities	-	-	1,550.67	1,500.00	66.01	62.89	-	-
	-	-	(1,392.76)	(1,278.00)	(37.74)	(34.62)	-	-
ii. Corporate debt securities	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
iii. Any Other Securities	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Securities purchased under reverse repo*								
i. Government securities	-	-	4,203.13	4,000.00	73.83	73.09	-	-
	-	-	(1,605.05)	(1,500.00)	(68.93)	(64.89)	-	-
ii. Corporate debt securities	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
iii. Any Other Securities	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

Previous year figures are shown in"()".

*Amount reported are based on lending\borrowing amount under LAF/MSF

Schedules forming part of the Balance sheet

as at March 31, 2025

E) Non SLR Investment Portfolio

i) Issuer composition of Non SLR investments

(₹ in crore)

Issuer	Amount	Extent of Private Placement	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities^	Extent of 'Unlisted' Securities^
	2	3	4	5	6
(i) Public Sector Units	-	-	-	- -	- -
	(69.91)	-	-	- -	- -
(ii) Financial Institutions	854.97	-	-	- -	- -
	(190.71)	-	-	- -	- -
(iii) Banks	1,285.36	375.54	-	- -	- -
	(344.56)	(220.00)	-	- -	- -
(iv) Private Corporates#	209.58	2.36	-	- -	- -
	(492.21)	(487.21)	-	- -	- -
(v) Subsidiaries / Joint Ventures	-	-	-	- -	- -
	-	-	-	- -	- -
(vi) Others#	767.43	665.24	-	- -	- -
	(153.35)	(153.35)	-	- -	- -
(vii) Less : Provision held towards depreciation	202.21	-	-	- -	- -
	(483.50)	-	-	- -	- -
Total	**2,915.13**	**1,043.14**	-	- -	- -
	(767.24)	**(860.56)**	-	- -	- -

Amounts reported under columns (3), (4), (5) and (6) above are not mutually exclusive.

Discounted instruments are reported at carrying cost

Previous year figures are shown in"()".

#Includes Security receipts and Infrastructure Investment Trust (INVIT units)

^ Excludes investments in securities issued by equity shares, equity / debt instruments / units issued by Category I and II Alternative Investment Funds (AIFs), commercial paper, certificate of deposits, security receipts (SR's), pass through certificates and unlisted non-convertible debentures.

ii) Non performing Non-SLR investments

The following table sets forth, for the periods indicated, the movement in gross non-performing investments in securities, other than government and other approved securities.

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance#	0.00	-
Additions during the year#	-	0.00
Reduction during the year#	(0.00)	-
Closing balance#	-	0.00
Total provision held# &*	-	0.00

#Denotes less than ₹1,00,000

*GRUH was merged with and into Bandhan Bank Limited. At the time of merger of GRUH with the Bank, GRUH had a private provident fund trust, viz., Gruh Employees Provident Fund Trust, for its employees. Post-merger, GRUH had to transfer the balance in Gruh Employees Provident Fund Trust to EPFO, since the Bank had its PF managed by EPFO instead of Private Provident Fund Trust, some of the securities of IL&FS Limited and IL&FS Transportation Networks Ltd could not be liquidated and the EPFO was paid by the Bank the face value of the securities as the Non-Performing Investments ('NPI') bonds could not be liquidated. These securities were Non-Performing Investments, having zero value, with face value of the three securities being ₹2.20 crore, in lieu of which, the amount had been paid to EPFO. The face value of the three securities transferred was ₹2.20 crore, these NPI securities were transferred to the books of the Bank at ₹1 each, thereby totalling ₹3 only and increasing the NPI by ₹3 only.

The above NPI NCD investment aggregating to ₹3 of IL&FS and IL&FS Transportation Networks Ltd has been written off in Financial Year 2024-25.

Schedules forming part of the Balance sheet

as at March 31, 2025

F) Securities kept as Margin

(₹ in crore)

Sl No	Particulars	As at March 31, 2025	As at March 31, 2024
i)	Securities kept as margin with Clearing Corporation of India towards:		
	Collateral and funds management – Securities segment	350.00	400.00
	Collateral and funds management –Tri-party Repo	-	3,650.00
	Default fund – Forex Forward segment	23.00	5.00
	Default fund – Forex Settlement segment	5.00	5.00
	Default fund – Rupee Derivatives (Guaranteed Settlement) segment	-	-
	Default fund – Securities segment	15.00	15.00
	Default fund –Tri-party repo segment	8.00	8.00
	Default fund –MIBOR	1.00	-
ii)	Securities kept as margin with the RBI towards:		
	Real Time Gross Settlement (RTGS)	4,500.00	3,250.00
	Repo transactions	3,950.00	3,950.00
iii)	Securities kept as margin with National Securities Clearing Corporation of India (NSCCIL) towards NSE Currency Derivatives segment.	-	-
iv)	Securities kept as margin with Indian Clearing Corporation Limited towards BSE Currency Derivatives segment	-	-
v)	Securities kept as margin with National Securities Clearing Corporation of India (NSCCIL) towards Capital market	5.00	5.00

G) Government Security Lending

The bank has not entered in any Government Security Lending transactions for the year ended March 31, 2025 and March 31, 2024.

Schedules forming part of the Balance sheet

as at March 31, 2025

18.6 Asset Quality

A) Classification of Advances and Provisions held

(₹ in crore)

Particulars	Standard	Non -Performing				Total
	Total Standard Advances	Sub -standard	Doubtful	Loss	Total Non - Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	1,19,789.17	2,579.55	674.05	1,531.28	4,784.88	1,24,574.05
	(1,03,528.50)	(1,531.88)	(559.74)	(3,207.00)	(5,298.62)	(1,08,827.12)
Add: Additions during the year					5,379.01	
					(5,681.68)	
Less: Reductions during the year*					3,728.33	
					(6,195.42)	
Closing balance	1,30,294.47	4,618.38	1,346.74	470.44	6,435.56	1,36,730.03
	(1,19,789.17)	(2,579.55)	(674.05)	(1,531.28)	(4,784.88)	(1,24,574.05)
***Reductions in Gross NPAs due to:**						
i) Upgradation					849.58	849.58
					(1,021.48)	(1,021.48)
ii) Recoveries (excluding recoveries from upgraded accounts)					362.54	362.54
					(523.60)	(523.60)
iii) Technical/ Prudential Write-offs					2,410.94	2,410.94
					(3,852.49)	(3,852.49)
iv) Write-offs other than those under (iii) above					105.27	105.27
					(78.16)	(78.16)
v) Sale to ARC's					-	-
					(719.69)	(719.69)
***Provisions (excluding Floating Provisions)**						
Opening balance of provisions held	1,010.66	1,368.37	537.62	1,531.28	3,437.27	4,447.93
	(1,009.78)	(585.39)	(277.96)	(3,207.00)	(4,070.35)	(5,080.13)
Add: Fresh provisions made during the year					4,263.52	
					(5,303.25)	
Less: Excess provision reversed/ Write-off loans					2,958.08	
					(5,936.33)	
Closing balance of provisions held	1,024.51	3,130.07	1,142.20	470.44	4,742.71	5,767.22
	(1,010.66)	(1,368.37)	(537.62)	(1,531.28)	(3,437.27)	(4,447.93)
Net NPAs						
Opening Balance		1,211.18	136.43	-	1,347.61	
		(946.50)	(281.77)	-	(1,228.27)	
Add: Fresh additions during the year					1,115.49	
					(378.43)	
Less: Reductions during the year					770.25	
					(259.09)	
Closing Balance		1,488.30	204.55	-	1,692.85	1,692.85
		(1,211.18)	(136.43)	-	(1,347.61)	(1,347.61)

Previous year figures are shown in"()".

*Closing balances of provision for NPAs include claims received (net) from ECLGS held pending adjustment is ₹259.68 crore (Previous Year: ₹145.55 crore)

Schedules forming part of the Balance sheet

as at March 31, 2025

B) Classification of Advances and Provisions Held

(₹ in crore)

Particulars	Standard	Non -Performing				Total
	Total Standard Advances	Sub -standard	Doubtful	Loss	Total Non - Performing Advances	
Floating Provisions						
Opening Balance	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Add: Additional provisions made during the year						-
						(-)
Less: Amount drawn down during the year						-
						(-)
Closing balance of floating provisions						-
						(-)
Technical write -offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts						3,903.91
						(54.35)
Add: Technical/ Prudential write-offs during the year						2,410.94
						(3,852.49)
Less: Recoveries made from previously technical/ prudential written-off accounts during the year						210.39
						(2.93)
Less: One Time Settlement						32.79
						-
Closing balance						6,071.67
						(3,903.91)

Previous year figures are shown in"()".

C) Sector wise Advances and Gross NPA's

(₹ in crore)

Sr. No.	Sector	As at March 31, 2025			As at March 31, 2024		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
A	Priority Sector*						
1	Agriculture and allied activities#	7,817.89	548.25	7.01%	9,636.73	402.26	4.17%
2	Advances to industries sector eligible as priority sector lending#	5,294.31	517.64	9.78%	6,493.60	429.70	6.62%
	Textiles	615.25	76.98	12.51%	-	-	-
3	Services	24,740.42	1,791.24	7.24%	30,737.51	1,139.23	3.71%
	Transport Operator	4,095.05	195.99	4.79%	-	-	-
	Retail Trade	15,682.93	1,275.77	8.13%	14,716.05	219.13	1.49%

Schedules forming part of the Balance sheet

as at March 31, 2025

(₹ in crore)

Sr. No.	Sector	As at March 31, 2025			As at March 31, 2024		
		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
4	Personal loans	16,156.82	344.08	2.13%	13,255.70	214.34	1.62%
	Housing Loans	14,012.77	290.76	2.07%	12,761.75	208.58	1.63%
	Sub Total (A)	**54,009.44**	**3,201.21**	**5.93%**	**60,123.54**	**2,185.53**	**3.64%**
B	Non Priority Sector						
1	Agriculture and allied activities	1,046.53	4.95	0.47%	490.15	27.80	5.67%
2	Industry sector	9,641.45	479.06	4.97%	6,795.28	420.33	6.19%
	Basic Metal and Metal Products	2,079.54	8.97	0.43%	1,003.02	11.27	1.12%
3	Services	40,979.60	1,960.47	4.78%	38,689.77	1,712.27	4.43%
	Retail Trade	15,369.91	1,286.31	8.37%	15,014.04	827.32	5.51%
	NBFCs	13,165.71	-	-	8,214.17	362.21	4.41%
	Professional and Other Services	5,006.99	215.60	4.31%	-	-	-
4	Personal loans	31,053.01	789.87	2.54%	18,475.31	438.95	2.38%
	Housing Loans	12,642.47	175.94	1.39%	7,996.80	112.58	1.41%
	Sub Total (B)	**82,720.59**	**3,234.35**	**3.91%**	**64,450.51**	**2,599.35**	**4.03%**
	Total (A+B)	**1,36,730.03**	**6,435.56**	**4.71%**	**1,24,574.05**	**4,784.88**	**3.84%**

Segments contributing in excess of 10% of the Sector as at March 31 of the respective years are individually listed

*Priority sectors includes ₹1,000 crore (Previous Year : ₹12,750 crore), in respect of which the Bank has sold Priority Sector Lending Certificates (PSLC). During the year ended March 31, 2025, the Bank has bought PSLC amounting ₹14,451.50 crore (Previous Year : ₹13,175 crore), which is not included in above.

#The SFMF classification is based on Self certified Land Holding declaration as per approved PSL policy of the Bank and Turnover, Investment in P&M/Equipment is based on Udyam Registration Certificates for MSME classification.

As per Board approved PSL policy of the Bank and in line with RBI Master direction, of Priority Sector Lending as updated by FIDD-RBI from time to time, the portfolio classified as Priority Sector advances for the year ended March 31, 2025 stands at ₹54,009.44 crore (Previous year : ₹60,123.54 crore).

The bank has compiled the data for the purpose of this disclosure from the internal MIS/ Reports which has been furnished by the management and has been relied upon by the auditors.

D) Ratios (in per cent)

Particulars	As at March 31, 2025	As at March 31, 2024
Gross NPA to Gross Advances	4.71%	3.84%
Net NPA to Net Advances	1.28%	1.11%
Provision coverage ratio (without Prudential write-offs)	73.70%	71.84%
Provision coverage ratio (including Prudential write-offs)	86.47%	84.49%

Note: Net NPAs are non-performing assets net of specific provisions, claims received (net) from Credit Guarantors held pending adjustment.

E) Overseas Assets, NPAs and Revenue

The Bank does not have any overseas loan assets as on March 31,2025 and March 31,2024.

Schedules forming part of the Balance sheet

as at March 31, 2025

F) Divergence in asset classification and provisioning

In terms of the RBI guidelines banks are required to disclose the divergence in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to the financial statements, wherever the additional provisioning assessed / additional gross NPAs identified by RBI exceeds the threshold specified by RBI. The threshold for provisioning is 5 per cent (Previous year 5 per cent) of the reported profit before provisions and contingencies for the reference period and that for additional gross NPAs is 5 per cent (Previous year 5 per cent) of the published incremental Gross NPAs for the reference period.

Based on the above, there was no divergence in asset classification and provisioning for NPAs in current year and no reportable divergence for the Previous Year.

G) Transfer of Loan Exposures

Details of loans transferred excluding through Inter- Bank Participation Certificate (IBPC) & acquired during the year ended March 31, 2025 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

i) Details of Financial Assets sold to Securitisation / Reconstruction company for Reconstruction

There was no stressed loans transferred and Investment made in Security Receipts during the year ended March 31, 2025 to ARCs for technically written off and NPA accounts. Details for the Previous Years is given below:

Particulars	Value (To ARCs)
No of accounts	-
	(7,866)
Aggregate principal outstanding of loans transferred (₹ in crore)	-
	(719.69)
Weighted average residual tenor of the loans transferred (in years)	-
	(17.60)
Net book value of loans transferred (at the time of transfer) (₹ in crore)	-
	(367.47)
Aggregate consideration (₹ in crore)	-
	(289.60)
Additional consideration realised in respect of accounts transferred in earlier years	-
	-
Quantum of excess provisions reversed to Profit and Loss Account (₹ in crore)	-
	-
Investment in Security Receipts (SR) (₹ in crore)	-
	-

Previous year figures are shown in "()".

ii) Details of Non Performing Financial Assets Purchased

The Bank did not purchase any Non Performing Financial Assets during the year ended March 31,2025 and March 31,2024.

iii) Details of Special Mention Account (SMA) or Stressed Financial Assets Purchased

The Bank did not purchase any Special Mention Account (SMA) or Stressed Financial Assets during the year ended March 31,2025 and March 31,2024.

Schedules forming part of the Balance sheet

as at March 31, 2025

(iv) Details of Loan Acquired through assignment

Details of Loan not in default acquired through assignment during the year ended March 31, 2025 and March 31,2024 are given below:

Particulars	Value
Aggregate amount of loans acquired (₹ in crore)	97.64
	(1,262.58)
Weighted average residual maturity (in years)	2.70
	(1.70)
Weighted average holding period by originator (in years)	0.89
	(0.51)
Retention of beneficial economic interest by the originator	10.00%
	(10.00%)
Tangible security coverage (%)	100.00%
	(3.09%)

Previous year figures are shown in"()".

Note: The loans acquired are not rated.

(v) Rating of Security Receipts

The following table sets forth, for the period indicated, rating-wise distribution of Security Receipts held by the bank

(₹ in crore)

Rating	Recovery Rating	As at March 31, 2025		As at March 31, 2024	
		Gross	Net*	Gross	Net*
RR1+	More than 150%	4.31	-	57.57	-
RR1	100%-150%	43.34	-	224.44	-
RR3	50%-75%	154.56	-	205.00	-
Total		**202.21**	**-**	**487.01**	**-**

*Provision for depreciation considered @ 100%

H) Disclosure of Provision for Frauds

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
No. of Frauds reported during the year to Reserve Bank of India	3,049	4,314
Amount involved in such Frauds (₹ in crore)	47.92	48.02
Amount involved in such Frauds net of recoveries / write-offs (₹ in crore)	23.65	15.81
Amount of provision made/held for such frauds (₹ in crore)	23.65	15.81
Amount of Unamortised provision debited from 'other reserves' as at the end of the year (₹ in crore)	-	-

Note: The information on frauds as above includes certain accounts which were already reckoned as NPAs in the prior years and these are fully provided for.

RBI vide circular No: DoS.CO.FMG.No. S332/23.04.001/2022-23 dated 13.01.2023, has directed Banks to report all UEBT (Unauthorised Electronic Banking Transactions) incidents on the XBRL platform (which is the same platform used to report frauds through FMR). These UEBT transactions are to be reported irrespective of whether customers have shared OTP/bank account credentials or not.

Accordingly, a total of 2583 UEBT incidents (out of total 3049 fraud incidents reported during FY 2024-25) amounting to ₹16.84 crore (not classified by the Bank as fraud) for the period - April 01, 2024 to July 31, 2024 pertaining to FY 2024-25 were reported by the Bank to the RBI and are considered as contingent Liability as "Claim against the bank not acknowledge as debts".

Post July, 2024, Bank has stopped reporting UEBT incidents as per instructions vide RBI circular No:RBI/DOS/2024-25/118:DOS.CO.FMG.SEC.No.5/23.04.001/2024-25 dated July 15, 2024.

Schedules forming part of the Balance sheet

as at March 31, 2025

I) Provisions on Standard Assets

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Provisions towards Standard Assets*	1,024.51	1,010.66

*Includes accelerated & additional provision amounting to ₹533.25 crore (Previous Year: ₹568.93 crore) and also includes provision against advances restructured under the Resolution Framework for COVID-19-related Stress amounting to ₹73.31 crore (Previous Year: ₹81.48 crore)

J) Disclosure on Advances

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Gross Advances (Including IBPC/Assignment)	1,36,730.03	1,24,574.05
Less: Managed Advance (IBPC/Assignment)	-	-
Gross Advances (Excluding Managed Advances)	1,36,730.03	1,24,574.05
Less: Provision on NPA	4,742.71	3,437.27
Net Advances (Refer Schedule 9)	1,31,987.32	1,21,136.78

18.7 Disclosure under Resolution Framework for COVID-19-related Stress

(₹ 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 i.e September 30, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2025^	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half- year*	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e March 31, 2025**
Personal Loans (Housing)	582.15	16.13	-	33.90	532.12
	(711.90)	(70.73)	-	(50.43)	(590.74)
Corporate persons	-	-	-	-	-
	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
	-	-	-	-	-
Others	-	-	-	-	-
	(66.83)	(46.10)	(35.83)	(20.73)	-
Total	**582.15**	**16.13**	**-**	**33.90**	**532.12**
	(778.73)	**(116.83)**	**(35.83)**	**(71.16)**	**(590.74)**

Previous year figures are shown in"()".

^Includes loans which have been written off during the period

*Net of increase in exposure during the period

**Does not include loans restructured under the above frameworks amounting to ₹16.50 crore (Previous Year: ₹34.44 crore) which were not standard as at September 30, 2024 and upgraded to standard during the half year ended March 31, 2025

Schedules forming part of the Balance sheet

as at March 31, 2025

18.8 Exposures

A) Exposure to Real Estate Sector

(₹ in crore)

Category	As at March 31, 2025	As at March 31, 2024
a) Direct exposure		
(i) Residential Mortgages - represents lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	34,192.71	31288.09*
of which: individual housing loans eligible for priority sector advances	14,183.00	12,742.80
(ii) Commercial Real Estate - represents lending secured by mortgages on commercial real estate	3,342.92	1,774.19
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
1. Residential	165.37	140.86
2. Commercial Real Estate	3.38	6.57
b) Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	3,705.91	2,426.20
Total Exposure to Real Estate Sector	**41,410.29**	**35,635.91**

*Includes purchase of retail mortgage loans through IBPC route.

Note:

Exposure is higher of limits sanctioned or the amounts outstanding as at the year end.

B) Exposure to Capital Market

(₹ in crore)

Category	As at March 31, 2025	As at March 31, 2024
Direct investments 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#	226.85	220.20
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	-	-
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	-	-
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 primary security other than shares/convertible bonds/convertible debentures/units of equity-oriented mutual funds does not fully cover the advances	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	575.20	981.43
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	-	-
Bridge loans to companies against expected equity flows/issues	-	-
Underwriting commitments taken up in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds	-	-
Financing to stock brokers for margin trading	-	-
All exposures to Venture Capital Funds (both registered and unregistered)#	9.32	5.92
Total Exposure to Capital Market	**811.37**	**1,207.55**

Schedules forming part of the Balance sheet

as at March 31, 2025

Note:

Exposure is higher of limits sanctioned or the amounts outstanding as at the year end.

#As per the Master Circular on Exposure norms dates July 01, 2014 banks direct investment in shares, convertible bonds, convertible debentures, units of equity oriented mutual funds and exposures to venture capital funds have been shown at their respective cost price.

C) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Bank

During the year ended March 31, 2025 and March 31, 2024, the Bank's credit exposure to single borrower and group borrowers was within the prudential exposure limits prescribed by RBI.

D) Unsecured Advances against Intangible Collaterals

During the year ended March 31, 2025 and March 31, 2024, there are no unsecured advances for which intangible securities such as charge over the rights, licenses, authority etc. has been taken as collateral by the Bank.

E) Risk Category wise Country Exposure

As per the extant RBI guidelines, the country exposure of the Bank is categorised into seven risk categories namely insignificant, low, moderately low, moderate, moderately high, high, very high on the basis of Export Credit Guarantee Corporation of India Limited (ECGC) guidelines. The net funded exposure of the Bank in respect of foreign exchange transactions with each country is within 1% of the total assets of the Bank and hence no provision is required to be made in respect of country risk as per the RBI guidelines.

(₹ in crore)

Risk Category	Exposure (net) at March 31, 2025	Provision Held – March 31, 2025	Exposure (net) at March 31, 2024	Provision Held – March 31, 2024
Insignificant	11.64	-	0.11	-
Low	0.54	-	1.03	-
Moderately Low	-	-	-	-
Moderate	-	-	-	-
Moderately High	-	-	-	-
High	-	-	-	-
Very High	-	-	-	-
Total	**12.18**	**-**	**1.14**	**-**

F) Unhedged Foreign Currency Exposure

During the year ended March 31, 2025, the Bank made provision of ₹0.16 crore (Previous Year: ₹4.20 crore) towards un-hedged foreign currency exposure. As on March 31, 2025, the Bank held cumulative provision towards un-hedged foreign currency exposure of ₹11.56 crore (Previous Year: ₹11.40 crore). As on March'25, the Bank is required to provide additional Capital of ₹90.17 crore (Previous Year: ₹124.88 crore) towards borrowers having un-hedged foreign currency exposures in accordance with RBI guidelines.

G) Intra Group Exposures

The Bank did not have any intra group exposure during the year ended March 31,2025 and March 31,2024.

H) Factoring Exposures

The Bank did not have any factoring exposure during the year ended March 31,2025 and March 31,2024.

Schedules forming part of the Balance sheet

as at March 31, 2025

18.9 Disclosure of penalties imposed by RBI

Penalty amounting to ₹0.01037 crore has been levied on the Bank by RBI during the year ended March 31,2025 and ₹0.304 crore as on March 31,2024. The details are specified below:

Details	Particulars
Nature of Breach	Penalty for Deficiency identified by RBI during Incognito Visit.
Number of Instances of default	6
Quantum of penalty imposed	₹0.008 crore
Other details	In terms of extant regulatory guidelines, all the branches of banks in all parts of the country are required to mandatorily accept/exchange soiled/mutilated/defective currency notes. During the financial year 2024-25, RBI has imposed penalties in five instances, with ₹10,000 on each occasion and ₹30,000 on single instance, due to deficiency in services identified during their incognito visits.
Nature of Breach	Penalty for bank branches including Currency Chests for deficiency in rendering customer service to the members of public.
Number of Instances of default	10
Quantum of penalty imposed	₹0.00237 crore
Other details	In terms of extant regulatory guidelines, penalties have been imposed for mutilated notes/ shortages of notes and coins detected during the course of Currency Verification and Processing System (CVPS)/ facility for non-adjudication of mutilated notes were not provided in the branch. During the financial year 2024-25, RBI has imposed penalty of ₹10,600 for one such instance and ₹18,100 in total for 10 other instances. However, Bank has raised a request for waiver of the penalty ₹5,000 for one such instance on March 17, 2025 and the same is waived by RBI on April 03, 2025.

18.10 Employee Benefits

A) Gratuity

The Bank has a defined benefit gratuity plan. Every employee who has completed four years 240 days or more of service is eligible for gratuity on departure and it is computed at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the Gratuity plan.

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
i) Table Showing changes in present value of Defined Benefit obligation:		
Present value of defined benefit obligations as at beginning of the year	254.15	202.39
Interest cost	17.37	14.27
Current service cost	49.88	39.28
Acquisitions cost	-	-
Benefit Paid	12.08	8.32
Actuarial loss/(gain) on obligations	17.69	6.53
Present value of defined benefit obligations as at end of the year	**327.01**	**254.15**
ii) Table showing fair value of plan assets:		
Fair value of plan assets as at beginning of the year	222.60	176.48
Acquisitions cost	-	-
Expected return on plan assets	15.70	13.94

Schedules forming part of the Balance sheet

as at March 31, 2025

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Contributions paid	40.00	40.00
Benefits Paid	12.08	8.32
Acquisition Adjustment	-	-
Actuarial Gain/ (loss) on plan assets	1.94	0.50
Fair value of plan assets at end of the year	**268.16**	**222.60**
iii) Actuarial Gain/(Loss) recognised:		
Actuarial (gain)/loss on obligations	17.69	6.53
Actuarial (loss)/gain for the year-Plan assets.	1.94	0.50
Net Actuarial gain/(loss) recognised in the year	**(15.75)**	**(6.03)**
iv) The amounts to be recognised in the Balance Sheet and Profit and Loss Account:		
Present value of obligations at the end of the year	327.01	254.15
Fair value of plan assets at the end of the year	268.16	222.60
Net liability recognised in balance sheet	**58.85**	**31.55**
v) The Principal assumptions used in the actuarial valuation are shown below :		
Discount Rate	6.60%	7.00%
Salary Escalation	8.00%	8.00%
Withdrawal Rate	For Ages <=35 - 16%; For Ages >35 - 8%	For Ages <=35 - 16%; For Ages >35 - 8%
Expected rate of return on assets	7.25%	7.25%

vi) Expenses Recognised in Profit and Loss Account:

(₹ in crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current Service Cost	49.88	39.28
Interest Cost	17.37	14.27
Expected return	(15.70)	(13.94)
Net Actuarial loss/(Gain) recognised in the year	15.75	6.03
Expenses recognised in profit and loss account	**67.30**	**45.64**
Actual return on plan assets	17.64	14.44

vii) Amounts for the current and Previous Year are as follows:

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Defined Benefit Obligations at the end of the period	(327.01)	(254.15)	(202.39)	(168.13)	(135.09)
b) Plan Assets at the end of the period	268.16	222.60	176.48	140.82	102.12
c) Deficit	(58.85)	(31.55)	(25.91)	(27.31)	(32.97)
d) Experience adjustments on plan liabilities [(Gain)/Loss]	17.69	6.53	(2.62)	1.48	2.29
e) Experience adjustments on plan assets [Gain/(Loss)]	1.94	0.50	(7.60)	(5.25)	(2.43)

Schedules forming part of the Balance sheet

as at March 31, 2025

viii) The Major categories of Plan Assets as a percentage of the fair value of Total Plan Asset are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Insurance Managed Fund	83.40%	79.35%
Others	16.60%	20.65%

ix) The estimates of future salary increases considered in actuarial valuation, takes account of inflation, seniority and other relevant factors, such as supply and demand in the employment market.

x) The Bank expects to contribute ₹40 crore to gratuity fund in 2025-26 (Previous Year ended March 31, 2024: ₹40 crore)

xi) The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the year over which the obligation is to be settled.

B) Provident Fund

Amount incurred as expense for defined contribution to Provident Fund is ₹200.08 crore (Previous year ended March 31, 2024 : ₹176.61 crore)

C) Compensated Absences

The following tables summarise the components of net benefit expense recognised in the profit and loss account and amounts recognised in the balance sheet

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Total actuarial liability	331.07	261.86
Cost[1]	97.69	83.52
Assumptions		
Discount rate	6.60%	7.00%
Salary escalation rate	8.00%	8.00%

1. Included in line item 'Payments to and provision for employees' of Schedule-16 Operating expenses

D) The Code on Social Security, 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and postemployment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. The effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are not yet issued. The Bank will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

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as at March 31, 2025

18.11 Segment Reporting

A) Segment Identification

Pursuant to the guidelines issued by RBI on AS 17 - Segment Reporting - Enhancement of Disclosures dated April 18, 2007, the following business segments have been reported:

i) Treasury :

Treasury operations include investments in sovereign securities and trading operations. The Treasury segment also includes the central funding unit.

ii) Retail banking :

Includes lending to individuals/small businesses through the branch network and other delivery channels subject to the orientation, nature of product, granularity of the exposure and low value of individual exposure thereof. It also includes liability products, card services, internet banking, mobile banking, ATM services and NRI services. All deposits sourced by branches are classified in retail category.

iii) Corporate/Wholesale Banking:

Includes corporate relationships not included under Retail Banking.

iv) Other Banking Business :

Include para banking activities like third party product distribution and other banking transaction not covered under any of the above three segments.

Income, expenses, assets and liabilities are either specifically identified with individual segments or are allocated to segments on a systematic basis.

The liabilities of the Bank are first used by the units generating the same. Any excess liabilities of the units are pooled to central funding unit (Treasury). Treasury then lends these funds to other units at appropriate rates.

The transfer pricing mechanism of the Bank is periodically reviewed. The segment results are determined based on the transfer pricing mechanism prevailing for the respective reporting periods.

Revenues of the Treasury segment primarily consist of fees and gains or losses from trading operations and interest income on the investment portfolio. The principal expenses of the segment consist of interest expense on funds borrowed from external sources and other internal segments, premises expenses, personnel costs, other direct overheads and allocated expenses.

Revenues of the Corporate/Wholesale Banking segment consist of interest and fees earned on loans given to customers falling under this segment and fees arising from these. Revenues of the Retail Banking segment are derived from interest earned on loans classified under this segment, fees for banking services and ATM interchange fees. Expenses of the Corporate/Wholesale Banking and Retail Banking segments primarily comprise interest expense on deposits and funds borrowed from other internal segments, infrastructure and premises expenses for operating the branch network and other delivery channels, personnel costs, other direct overheads and allocated expenses.

Segment income includes earnings from external customers and from funds transferred to the other segments. Segment result includes revenue as reduced by interest expense and operating expenses and provisions, if any, for that segment. Segment-wise income and expenses include certain allocations. Inter segment interest income and interest expense represent the transfer price received from and paid as per the transfer pricing mechanism presently followed by the Bank.

Schedules forming part of the Balance sheet

as at March 31, 2025

B) Segment Information

Primary (Business Segment)

(₹ in crore)

Particulars	Treasury	Retail Banking	Corporate/ Wholesale Banking	Other banking business	Total
Segment Revenue					
Gross interest income (external customers)	2,346.92	17,509.83	2,091.48	-	21,948.23
	(2,158.04)	(15,141.83)	(1,569.75)	-	(18,869.62)
Other income	170.90	2,288.24	121.66	385.80	2,966.60
	(132.48)	(1,722.26)	-	(316.68)	(2,171.42)
Total income as per profit and Loss Account	**2,517.82**	**19,798.07**	**2,213.14**	**385.80**	**24,914.83**
	(2,290.52)	**(16,864.09)**	**(1,569.75)**	**(316.68)**	**(21,041.04)**
Add: Inter segment interest income	-	2,139.28	-	-	2,139.28
	-	(850.26)	-	-	(850.26)
Total segment revenue	**2,517.82**	**21,937.35**	**2,213.14**	**385.80**	**27,054.11**
	(2,290.52)	**(17,714.35)**	**(1,569.75)**	**(316.68)**	**(21,891.30)**
Less: Interest expenses	977.72	8,997.85	482.08	-	10,457.65
	(1,344.98)	(6,773.32)	(432.48)	-	(8,550.78)
Less: Inter segment interest expenses	669.60	-	1,463.75	5.93	2,139.28
	(104.77)	-	(742.82)	(2.67)	(850.26)
Less: Operating expenses	30.17	6,787.29	238.81	12.22	7,068.49
	(21.25)	(5,635.39)	(181.77)	(12.37)	(5,850.78)
Operating Profit	**840.33**	**6,152.21**	**28.50**	**367.65**	**7,388.69**
	(819.52)	**(5,305.64)**	**(212.68)**	**(301.64)**	**(6,639.48)**
Less: Provisions for non performing assets/others	-	3,807.01	(41.60)	-	3,765.41
	-	(3,579.25)	(117.32)	-	(3,696.57)
Segment results	**840.33**	**2,345.20**	**70.10**	**367.65**	**3,623.28**
	(819.52)	**(1,726.40)**	**(95.36)**	**(301.64)**	**(2,942.91)**
Less: provisions for tax					877.98
					(713.34)
Net profit					**2,745.30**
					(2,229.57)
Other information					
Segment assets	50,416.35	1,10,283.46	29,532.54	45.02	1,90,277.37
	(44,538.39)	(1,10,459.29)	(21,049.44)	(29.33)	(1,76,076.45)
Unallocated assets					1,198.92
					(1,765.21)
Total assets	**50,416.35**	**1,10,283.46**	**29,532.54**	**45.02**	**1,91,476.29**
	(44,538.39)	**(1,10,459.29)**	**(21,049.44)**	**(29.33)**	**(1,77,841.66)**
Segment liabilities*	36,247.96	1,49,770.05	5,272.63	-	1,91,290.64
	(39,339.11)	(1,27,938.37)	(10,255.01)	-	(1,77,532.49)
Unallocated liabilities					185.65
					(309.17)
Total liabilities	**36,247.96**	**1,49,770.05**	**5,272.63**	-	**1,91,476.29**
	(39,339.11)	**(1,27,938.37)**	**(10,255.01)**	-	**(1,77,841.66)**
Capital Expenditure	-	**276.42**	**11.65**	-	**288.07**
	(16.76)	**(516.90)**	**(23.76)**	-	**(557.42)**
Depreciation	**22.77**	**245.06**	**11.37**	**-**	**279.20**
	(32.53)	**(192.34)**	**(12.70)**	**-**	**(237.57)**

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as at March 31, 2025

Notes:

The business of the Bank does not extend outside India and it does not have any assets outside India or earnings emanating from outside India. Accordingly, the Bank has reported operations in the domestic segment only.

*Treasury segment liabilities includes share capital and reserve & surplus

The RBI vide its circular dated April 07, 2022 on establishment of Digital Banking Units (DBUs), has prescribed reporting of Digital Banking Segment as a sub-segment of Retail Banking Segment. The Bank does not have any DBUs, hence Digital Banking Segment disclosures is not applicable.

Previous year figures are shown in"()".

Segment information is provided as per the MIS available for internal reporting purposes, which include certain estimates/assumptions. The methodology adopted in compiling and reporting the above information has been relied upon by the auditors.

18.12 Related Party disclosure

The Bank has transactions with its related parties comprising of associates/other related entities, key management personnel and the relatives of key management personnel.

As per AS 18 "Related Party Disclosures", notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014, the Bank's related parties for the year ended March 31, 2025 are disclosed below:

Names of related parties and nature of relationship

Entities	Nature of relationship
Bandhan Financial Services Limited	Entity having Significant influence (Promoter)
Bandhan Financial Holdings Limited	Entity having Significant influence (Promoter)
Bandhan Konnagar	Promoter Group Entity
Bandhan AMC Limited	Entity in which Promoter entity exercises control
Nakshi Creations Pvt. Ltd.	Entity in which relative of key management personnel of Promoter entity is interested
Key Management Personnel	
Mr. Partha Pratim Sengupta (w.e.f. November 01, 2024)	Managing Director & Chief Executive Officer
Mr. Ratan Kumar Kesh (Interim MD & CEO w.e.f. July 10, 2024 upto October 31, 2024)	Executive Director
Mr. Chandra Shekhar Ghosh (ceased to be MD & CEO w.e.f. July 10, 2024)	Key management personnel of Promoter entity
Mr. Rajinder Kumar Babbar (w.e.f. March 08, 2024)	Executive Director
Mr. Rajeev Mantri (w.e.f. February 22, 2024)	Chief Financial Officer
Mr. Indranil Banerjee	Company Secretary
Relatives of Key Management Personnel	
Sarmishtha Sengupta, Debabrata Sengupta, Poulami Sengupta, Aiushi Sengupta, Sutirtha Thakur- (w.e.f. November 01, 2024)	
Antara Kesh, Ashalata Kesh, Rajarshi Kesh, Manik Chand Kesh, Sulekha Sam, Sipra Roy	
Nilima Ghosh, Suchitra Ghosh, Angshuman Ghosh, Vaskar Ghosh, Dibakar Ghosh, Shipra Ghosh, Supriya Ghosh	
Inderpreet Kaur, Nauvtej Singh Babbar, Gourima Singh Babbar, Sarla Grover, Anju Sethi, Shashi Sachdeva	
Rupal Mantri, Vijay Shankar Mantri, Sampat Mantri, Raaghav Mantri, Ria Mantri, Naveen Mantri, Suman Rathi	
Saswati Banerjee, Arati Banerjee, Ishaan Banerjee, Mousumi Mukherjee	

In accordance with paragraph 5 & 6 of AS-18, the Bank has not disclosed certain transactions with entity in which Key management personnel or thier relatives are interested as they are in the nature of banker-customer relationship.

Schedules forming part of the Balance sheet

as at March 31, 2025

The Bank's related party balances and transactions for the year ended March 31, 2025 are summarised as follows:

(₹ in crore)

Items/Related Party	Entity having Significant influence (Promoter)	Promoter Group Entity	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits taken*	514.87	326.01	2.44	5.67	**848.99**
	(784.73)	(357.08)	(5.88)	(7.80)	**(1,155.49)**
Deposits placed	-	-	-	-	**-**
Advances given	-	-	9.70	-	**9.70**
	-	-	(10.22)	-	**(10.22)**
Security Deposit given	-	0.76	-	-	**0.76**
Payables	-	1.11	-	-	**1.11**
Dividend paid	96.62	-	0.25	0.00	**96.87**
Interest received	-	-	0.63	-	**0.63**
Interest paid	50.20	26.34	0.27	0.53	**77.34**
Rendering of services	0.00	0.00	0.00	0.00	**0.00**
Remuneration paid	-	-	13.73	-	**13.73**
Stock options exercised during the year	-	-	-	-	**-**
Rental Expense	-	6.68	-	-	**6.68**
Training Expense	-	11.12	-	-	**11.12**
CSR Expense	-	21.78	-	-	**21.78**
Other reimbursements	-	1.47	0.16	0.00	**1.63**

Figures in bracket () indicate maximum balance outstanding during the year.

Value of transactions involving income and expenses nature of transactions are exclusive of all taxes.

*Deposits taken includes Fixed Deposits & accrued interest

The Bank's related party balances and transactions for the year ended March 31, 2024 are summarised as follows:

(₹ in crore)

Items/Related Party	Entity having Significant influence (Promoter)	Promoter Group Entity	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits taken*	637.66	338.08	3.85	5.96	**985.55**
	(1,678.10)	(679.61)	(9.33)	(14.87)	**(2,381.91)**
Deposits placed	-	-	-	-	**-**
Advances given	-	-	10.17	-	**10.17**
	-	-	(14.15)	-	**(14.15)**
Security Deposit given	-	0.06	-	-	**0.06**
Payables	-	5.97	-	-	**5.97**
Dividend paid	96.62	-	0.25	0.00	**96.87**
Interest received	-	-	0.14	-	**0.14**
Interest paid	73.12	10.80	0.23	0.22	**84.37**
Rendering of services	0.000	0.002	-	0.002	**0.004**
Remuneration paid	-	-	10.86	0.72	**11.58**
Stock options exercised during the year**	-	-	1.44	-	**1.44**
Rental Expense	-	6.80	-	-	**6.80**
Training Expense	-	32.59	-	-	**32.59**
CSR Expense	-	35.80	-	-	**35.80**
Other reimbursements	-	1.58	0.10	0.00	**1.68**

Schedules forming part of the Balance sheet

as at March 31, 2025

Notes:

Figures in bracket () indicate maximum balance outstanding during the year.

Value of transactions involving income and expenses nature of transactions are exclusive of all taxes.

*Deposits taken includes Fixed Deposits & accrued interest

**Options exercised under Employee Stock Option Plan Series 1.

A specific related party transaction is a significant transaction wherever it exceeds 10% of all related party transactions in that category. The significant transactions between the Bank and related parties during the year ended March 31, 2025 and March 31, 2024 are given below

(₹ in crore)

Particulars	Entity having Significant influence (Promoter)	Promoter Group Entity	Key Management Personnel	Relatives of Key Management Personnel
Deposits*				
Bandhan Financial Services Limited	462.63			
	(380.83)			
Bandhan Financial Holdings Limited	52.24			
	(256.83)			
Bandhan Konnagar		326.01		
		(338.08)		
Advances				
Ratan Kumar Kesh			3.36	
			(3.54)	
Rajinder Kumar Babbar			5.53	
			(5.73)	
Dividend paid				
Bandhan Financial Holdings Limited	96.62			
	(96.62)			
Interest paid				
Bandhan Financial Services Limited	36.05			
	(34.74)			
Bandhan Financial Holdings Limited	14.15			
	(38.38)			
Bandhan Konnagar		26.34		
		(10.80)		
Interest received				
Rajinder Kumar Babbar			0.48	
			-	
Ratan Kumar Kesh			0.12	
			(0.05)	
Sunil Samdani			-	
			(0.07)	
Indranil Banerjee			0.02	
			(0.02)	
Rendering of services				
Nidhi Samdani				#
				(#)
Nilima Ghosh				#
				(#)

Schedules forming part of the Balance sheet

as at March 31, 2025

(₹ in crore)

Particulars	Entity having Significant influence (Promoter)	Promoter Group Entity	Key Management Personnel	Relatives of Key Management Personnel
Bandhan Konnagar		#		
		(#)		
Bandhan Financial Services Limited	#			
	(-)			
Stock Options exercised**				
Chandra Shekhar Ghosh			(-)	
			(0.90)	
Sunil Samdani			(-)	
			(0.54)	
Rent Expense				
Bandhan Konnagar		6.68		
		(6.80)		
Training Expense				
Bandhan Konnagar		11.12		
		(32.59)		
CSR Expense				
Bandhan Konnagar		21.92		
		(35.80)		
Other reimbursements				
Bandhan Konnagar				
Remuneration paid				
Partha Pratim Sengupta			1.39	
			(-)	
Chandra Shekhar Ghosh			1.87	
			(4.11)	
Ratan Kumar Kesh			2.73	
			(2.42)	
Rajinder Kumar Babbar			2.93	
			(0.19)	
Rajeev Mantri			3.23	
			(0.34)	
Indranil Banerjee			1.57	
			(1.39)	
Sunil Samdani			(-)	
			(1.96)	

Previous year figures are shown in"()".

#Denotes amount less than ₹1 lacs

*Deposits taken includes Fixed Deposits

**Options exercised under Employee Stock Option Plan Series 1.

Schedules forming part of the Balance sheet

as at March 31, 2025

18.13 Deferred Tax

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets arising out of		
Depreciation on fixed assets	51.74	38.20
Provisions for loan losses	1,058.32	947.14
Provision for depreciation in value of investments	-	136.08
Expenditure charged to the profit & Loss account in the current year but allowed for tax purposes on payment basis	224.24	150.46
Others	33.46	8.04
Total (a)	**1,367.76**	**1,279.92**
Deferred Tax Liability arising out of		
Special Reserves	(315.44)	(284.32)
Provision for depreciation/revaluation in value of investments	(43.91)	-
Total (b)	**(359.35)**	**(284.32)**
Deferred tax asset (net) (a-b)	**1,008.41**	**995.60**

18.14 Earnings per Share

The Bank reports basic and diluted earnings per equity share in accordance with Accounting Standard 20 - "Earnings per Share".

(₹ in crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Basic		
Weighted Average Number of equity shares	1,61,09,70,817	1,61,08,89,761
Net Profit after tax available for equity share holders	2,745.30	2,229.56
Basic Earnings Per Share (FV ₹10/-)	17.04	13.84
Diluted		
Weighted Average Number of equity shares (including dilutive potential equity share)	1,61,11,40,600	1,61,10,74,329
Net Profit after tax available for equity share holders	2,745.30	2,229.56
Diluted Earnings Per Share (FV ₹10/-)	17.04	13.84
Nominal value per share	10.00	10.00

The dilutive impact is due to stock options granted to employees of the Bank.

Schedules forming part of the Balance sheet

as at March 31, 2025

18.15 Liability for Operating Leases

The Banking Units premises are generally rented on cancellable terms for less than twelve months with no escalation clause and renewable at the option of the Company. The Head office and the Bank Branches office premises are obtained on non- cancellable lease terms. Lease payment during the year are charged in the statement of profit & loss.

The amount of rent expenses included in the Profit & Loss account towards operating leases aggregate to ₹364.80 crore (Previous year ended March 31,2024: ₹298.43 crore).

Particulars of future minimum lease payment in respect of Head office & Bank branches are as mentioned below :

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
a) Not later than 1 year	253.79	194.63
b) Later than 1 year and not later than 5 years	743.63	534.92
c) Later than 5 years	451.09	304.08

18.16 Small and Micro Industries

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments during the years ended March 31, 2025 and March 31, 2024. The above is based on the information available with the Bank which has been relied upon by the auditors.

18.17 Description of contingent liabilities

i) Claims against the Bank not acknowledged as debts:

An amount of ₹280.77 crore (Previous year: ₹99.73 crore) is outstanding as at March 31, 2025, as claims against the Bank not acknowledged as Debts including ₹162.90 crore (Previous year: ₹40.69 crore) being in the nature of a contingent liability on account of proceedings pending with Tax authorities. The Bank is a party to various taxation matters in respect of which appeals are pending and various legal proceedings in the normal course of business. The Bank has reviewed and classified these items as possible obligations based on legal opinion/judicial precedents/assessment and does not expect the outcome of these proceedings to have a materially adverse effect on the Bank's Financial Statements.

ii) Liability on account of Forward Exchange contracts

The Bank has entered into foreign exchange contracts with interbank Counterparties. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. The forward exchange contracts that are not intended for trading and are entered into to establish the amount of reporting currency required or available at the settlement date of a transaction are effectively valued at closing spot rate. The premium or discount arising on inception of such forward exchange contracts is amortised over the life of the contract as interest Expense / income. The amount in contingent liability represents notional outstanding principal amount.

iii) Guarantees given on behalf of constituents, Acceptances, Endorsements and Others

An amount of ₹2,008.19 crore (Previous year: ₹1,716.15 crore) is outstanding as at March 31, 2025. As part of its commercial banking activity, the Bank issues documentary credit and guarantees on behalf of its customers. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfil its financial or performance obligations.

iv) Currency swaps & interest rate swaps

This item represents the notional principal amount of various derivative instruments which the Bank undertakes in its normal course of business. The Bank undertakes these contracts to manage its own interest rate and foreign exchange positions.

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as at March 31, 2025

v) Other items:

An amount of ₹187.28 crore (Previous year: ₹283.14 crore) is outstanding as at March 31, 2025. These include:

a) Liability in respect of capital commitments relating to fixed assets.

b) Amount transferred to RBI under Depositor Education and Awareness Fund (DEA Fund).

18.18 Additional Disclosures

A) Disclosure of customer complaints

Summary information on complaints received by the bank from customers and from the offices of Ombudsman

Sr. No	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
	Complaints received by the bank from its customers		
1	Number of complaints pending at beginning of the year	1,150	1,420
2	Number of complaints received during the year*	1,55,958	60,330
3	Number of complaints disposed during the year*	1,50,992	60,600
3.1	Of which, number of complaints rejected by the bank	22,082	5,995
4	Number of complaints pending at the end of the year	6,116	1,150
	Maintainable complaints received by the bank from OBOs		
5	Number of maintainable complaints received by the bank from OBOs	1,407	952
5.1	Number of complaints resolved in favour of the bank by 'BOs'	601	334
5.2	Number of complaints resolved through conciliation/mediation/advisories issued by 'BOs'	806	617
5.3	Number of complaints resolved after passing of Awards by 'BOs' against the bank	-	1
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

*The above does not include 1,11,500 Nos. of complaints received and resolved within next working day during the year ended March 31, 2025 (Previous Year : 9,596 Nos.)

Top five grounds of complaints received by the bank from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ (decrease) in the number of complaints received over the Previous Year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Year ended March 31, 2025					
Internet/Mobile/Electronic Banking	312	46,068	104.74%	1,149	319
Account opening/difficulty in operation of account	300	41,831	237.59%	2,773	502
ATM/Debit Cards	148	26,718	48.79%	397	95
Loans and advances	223	12,016	187.74%	751	182
Cross-selling/Para-Banking	131	5,141	566.80%	128	33
Others	36	24,184	854.38%	918	495
Total	**1,150**	**1,55,958**		**6,116**	**1,626**

Schedules forming part of the Balance sheet

as at March 31, 2025

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ (decrease) in the number of complaints received over the Previous Year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Year ended March 31, 2024					
ATM/Debit Cards	211	17,957	(3.30%)	148	2
Internet/Mobile/Electronic Banking	189	22,501	349.75%	312	18
Account opening/difficulty in operation of accounts	740	12,391	26.07%	300	42
Loans and advances	175	4,176	80.70%	223	63
Cheques/drafts/bills	3	1,053	621.23%	3	3
Others	102	2,252	18.96%	164	36
Total	**1,420**	**60,330**		**1,150**	**164**

B) Letter of Comfort (LOC's) issued by the Bank

The Bank has not issued any Letter of Comfort (LOC) during the year ended March 31, 2025 and March 31, 2024.

C) Bancassurance Business

The following table shows breakup of income derived from sale of insurance /Mutual funds.

(₹ in crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
For selling life insurance policies	341.96	261.90
For selling non-life insurance policies	32.04	15.16
For selling mutual fund products	10.94	6.31
Others	0.72	0.15

D) Concentration of Deposits, Advances Exposures & NPAs

I) Concentration of Deposits

(₹ in crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
i) Total Deposits of twenty largest depositors	25,132.77	21,847.93
ii) Percentage of Deposits of twenty largest depositors to Total Deposits of the bank	16.62%	16.16%

II) Concentration of Advances

(₹ in crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
i) Total Advances to twenty largest borrowers	9,437.55	8,606.34
ii) Percentage of Advances to twenty largest borrowers to Total Advances of the Bank	6.67%	6.62%

Advances comprises credit exposure (funded and non-funded credit limits) and excludes Advances against Bank own deposit computed as per current exposure method in accordance with RBI guidelines.

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as at March 31, 2025

III) Concentration of Exposures

(₹ in crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
i) Total Exposure to twenty largest borrowers / customers	9,708.80	8,606.34
ii) Percentage of Exposures to twenty largest borrowers / customers to total exposure of the bank on borrowers / customers	6.71%	6.56%

Exposure comprises credit exposure (funded and non-funded credit limits), Investment exposure and excludes Advances against Bank own deposit computed as per current exposure method in accordance with RBI guidelines.

IV) Concentration of NPAs

(₹ in crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Total Exposure to the top twenty NPA accounts	275.91	651.88
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	4.29%	13.62%

18.19 Disclosures on Remuneration

Qualitative Disclosures

A) Information relating to the composition and mandate of the Remuneration Committee.

The Bank's Nomination and Remuneration Committee (NRC) oversees the framing, review and implementation of the Compensation Policy on behalf of the Board of Directors. The NRC reviews the policy at least once a year to ensure that the reward design is aligned to industry best practices and is consistent with effective risk management and long term business interests of the Bank. The NRC works in close coordination with the Risk Management Committee of the Bank, to achieve the effective alignment between remuneration and risks.

As on March 31,2025 the NRC comprises of the following directors.

Mr. Suhail Chander - Chairman

Dr. A S Ramasastri

Mr. Philip Mathew

The NRC functions with the following main objectives:

i) To identify persons who are qualified to become directors in accordance with the criteria laid down, recommend to the Board their appointment, re-appointment or removal and to carry out evaluation of every Director's performance;

ii) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and decide their 'fit & proper' status;

iii) To oversee the framing, review and implementation of compensation policy of the Bank and recommend to the Board the overall remuneration philosophy and policy including the level and structure of fixed pay, variable pay, perquisites, bonus pool, stock based remuneration to employees;

iv) To oversee the framing, implementation and review of the Remuneration of the Whole Time Director (WTDs) /Managing Director (MD)/ Chief Executive Officer (CEOs) as per the RBI Guidelines and Companies Act, 2013. The Committee shall recommend to the Board the remuneration package for the Managing Director & CEO and the other Whole Time Directors – including the level of fixed pay, variable pay, stock based Remuneration and perquisites;

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v) To review the HR strategy and policy including the conduct and ethics of the Bank and review any fundamental changes in the organisation structure which could have wide ranging and high risk implications;

vi) To review and recommend to the Board, the succession policy at the level of Managing Director & CEO, other WTDs, senior management one level below the Board and key roles.

B) Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy

The Compensation Policy reflects the Bank's objectives for good corporate governance as well as sustained and long-term value creation for stakeholders. The aims of the Bank's remuneration framework are to:

i) Attract, motivate and retain people with requisite skill, experience and ability to deliver the Bank's strategy;

ii) Create an alignment and balance between the rewards and risk exposure of shareholders and interests of employees;

iii) Link rewards to creation of long term sustainable shareholder value consistent with strategic goals and appropriate risk management; and

iv) Encourage behaviour consistent with the Bank's values and principles.

v) Support appropriate conduct and meritocratic culture through differentiated performance rewards

To achieve the above objectives, the philosophy adopted by the Bank is as follows:

i) Market referenced: offer employees competitive salary, achieved through benchmarking with peer groups.

ii) Making fixed salary the main remuneration component.

iii) Ensure that jobs of similar internal value are grouped and pegged within a range guided by market benchmarked jobs.

iv) Risk Adjusted: By integrating non-financial considerations relating to conduct in performance assessments, employing proper mix of compensation elements and aligning compensation incentives to risk outcomes and factoring the time horizon of risks

v) Focus on 'Total rewards', all aspects of compensation, rewards and well defined benefits, including rewarding work environment and personal development.

vi) The focus will be to ensure that the Bank is competitive in its overall salary offer to its employees without being excessively expensive for the Bank.

The compensation structure for the MD & CEO also mirrors the Bank's philosophy of aligning with the principles of sound compensation practices to ensure:

i) Effective and independent governance of compensation.

ii) Effective alignment of compensation with prudent risk taking.

iii) Effective supervisory oversight and engagement by stakeholders.

Design & Structure of Remuneration process

The total compensation is a prudent mix of fixed remuneration and performance-based variable remuneration

The key remuneration elements are:

1) Fixed Pay

2) Discretionary Performance-based Variable Remuneration

The Bank ensures that the fixed pay element is reasonable, taking into account the market rates and trends. The fixed pay is reviewed annually using market intelligence provided by a leading global performance/reward consulting and benchmarking firm for financial services industry to ensure that the Bank remains competitive in

Schedules forming part of the Balance sheet

as at March 31, 2025

marketplace and that the Bank is able to attract and retain best talent. The level of fixed pay shall be sufficient enough in order to discourage inappropriate risk-taking.

Performance-based variable remuneration may comprise cash bonus, stock linked instruments, and is awarded by ensuring:

i) an appropriate balance between fixed and performance-based components;

ii) that the fixed component represents a higher proportion of the total remuneration;

iii) that the performance-based component reflects the risk underlying the achieved result;

iv) that a substantial part of the performance-based component may be deferred;

v) that no hedging of deferred shares takes place;

Presently, the bank utilises only two form of performance based variable remuneration, viz.,cash bonus, ESOP, as referred in note no 18.32 is linked to continuous service with the Bank.

The compensation policy of the Bank is reviewed by the NRC and approved by the Board of Directors. The NRC oversees the implementation of the policy and reviews the fixed pay increases, the organisational performance threshold for bonus to be paid, cash bonus and deferred variable remuneration.

C) Description of the ways in which current and future risks are taken into account in the remuneration process

The MD & CEO, employees in the grades of SVPs and above and employees engaged in the functions of Risk Control and Compliance are included in the policy of risk alignment of compensation.

The alignment of compensation to prudent risk taking is ensured through the following:

i) Structure of remuneration is such that a significant part of performance based variable remuneration is deferred.

ii) Performance hurdles includes financial and non-financial parameters, ensuring compensation is aligned to both.

iii) Fixed Salary is reasonable and sufficient, thereby discouraging inappropriate risk taking.

iv) Annual Bonus Plan is managed with an independent governance framework.

v) Variable remuneration awards are conditional, discretionary and contingent upon a sustainable and risk-adjusted performance. They are therefore capable of forfeiture or reduction at the Bank's discretion.

vi) For employees included in the policy of risk alignment of compensation, NRC has the discretion to apply malus and clawback – ex-post risk adjustment, allowing the Bank to adjust previously awarded remuneration to take account of subsequent performance and potential risk outcomes and thus enabling to recoup variable pay in the event of a negative contribution.

Deferral of Variable Pay

To ensure that risk measures are not focused only on the achievement of short term goals, variable payout is deferred, if it exceeds 50% of the fixed pay.

The Bank's compensation policy aims to ensure that both ex-ante estimates and ex-post outcomes of risk affect payoffs; so that one or the other, can better address the various situations or risks.

D) Description of ways in which the Bank seeks to link performance, during a performance measurement period with levels of remuneration.

The Bank has a performance measurement framework in place to assess the achievements of the organisation as a whole, its business lines and organisational units as well as individual employees. In order to maximise the incentive to deliver adequate performance and to take into account any risks of the business activities, the Bank seeks to closely link remuneration outcomes with performance and risk outcomes. Accordingly, the Bank's performance management and compensation philosophy is designed in a manner to help achieve the Bank's business objectives.

The performance management system in the Bank is aligned to the balanced scorecard approach. The goal setting process helps

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individuals to have clarity on their roles and align their profiles in line with the broad organisation strategy. Both quantitative / financial and qualitative / non-financial performance measures are considered. The qualitative or non-financial measures include customer service, adherence to risk and compliance standards, behaviour and values such as accountability, team work, etc., which builds a culture conducive to sustainable business performance.

The performance appraisal process starts with the employee conducting self-appraisal followed by the assessment of the supervisor via appraisal feedback and discussion.

Individual fixed pay increases and variable remuneration are based on the final performance ratings. In addition, the fixed pay increase is also influenced by an employee's position in the salary range and relevant market salaries. Performance related variable compensation is linked to corporate performance, business performance and individual performance. The performance ratings based bonus distribution matrix is reviewed by the NRC.

Employees engaged in all control functions including Compliance and Risk do not carry business profit targets in their goal sheets and hence are compensated based on their achievement of key result areas as per the balance score card. The aim is to ensure that the remuneration system and outcomes relating to such control functions maintain the independence of the function and Bank's robust risk management framework. Accordingly, for the control functions, the variable pay is conservative to promote prudent risk management behaviour and the 'pay mix' is skewed towards fixed pay.

In the case of performance evaluation of the Managing Director and Chief Executive Officer of the Bank, factors such as financial performance measures, cost management initiatives, other strategic initiatives, prudential risk and compliance management, recognition and awards to the Bank, etc., is taken into account, which may vary from year to year depending on the Bank's strategic priorities. Based on the inputs from NRC, the Board reviews the performance and recommends the rate of bonus to be paid, and the increments for the MD & CEO, for regulatory approval in terms of Section 35B of the Banking Regulation Act, 1949 (B.R. Act, 1949).

E) Bank's policy on deferral and vesting of variable remuneration and bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.

In terms of RBI guidelines, the Compensation Policy specifically addresses the following categories of employees:

Category I : Managing Director &Chief Executive Officer / Whole Time Directors / Material Risk Takers

Category II : Risk Control and Compliance Staff

Category III: Other Categories of Staff (employees receiving share-linked variable pay)

The following principles are applied for grant and deferral of performance-based variable remuneration for the above categories of employees.

Category I

i) Variable pay shall not exceed 3 (three) times the annual fixed pay for MD & CEO and WTDs.

ii) Variable pay shall not exceed 2.5 (two and half) times the annual fixed pay for MRTs.

iii) At minimum, variable pay shall be equal to the annual fixed pay.

iv) If an executive is barred by regulation/statute to receive grant of share-linked instruments, the variable pay shall be capped at 1.5 (one and half) times the annual fixed pay, but will be more than 50% of the annual fixed pay

v) If variable pay is up to 2 (two) times the annual fixed pay, then at least 50% of the variable pay shall be in the form of share-linked instruments (i.e. non-cash).

vi) If variable pay is between 2 (two) to 3 (three) times the annual fixed pay, then at least two—thirds of the variable pay shall be in the form of share-linked instruments (i.e. non-cash).

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as at March 31, 2025

vii) At least 60% of total variable pay shall be deferred including at least 50% of cash-based variable pay. However, in cases where the cash component of variable pay is under ₹25 lakh, the Bank at its discretion, may not necessarily have deferral requirements.

viii) Deferral of cash based variable pay shall be for 3 years on pro-rata yearly basis (annual vesting).

ix) Deferral of share-linked variable pay shall be for 4 years on pro-rata yearly basis (annual vesting).

x) In case the employee exits the organisation before the vesting of all three parts, the remaining deferred cash based variable pay will not be paid

Category II

i) The mix of Fixed Pay and Variable remuneration will be weighed towards Fixed Pay.

ii) Variable pay shall not exceed the annual fixed pay.

iii) At least 40% of the variable pay shall be in the form of share-linked instruments (i.e. non-cash).

iv) Deferral of share-linked variable pay shall be for 4 years on pro-rata yearly basis (annual vesting).

v) The compensation will be commensurate to their key role in the Bank.

Category III

i) Variable Remuneration will be as per the NRC approved pay-out levels in terms of performance, grade and role matrix.

ii) Variable pay shall not exceed the annual fixed pay.

iii) At least 50% of the variable pay shall be in the form of share-linked instruments (i.e. non-cash).

iv) Deferral of share-linked variable pay shall be for 4 years on pro-rata yearly basis (annual vesting).

For the three categories of employees mentioned hereinabove, the awarded performance based variable pay shall be subject to in-year adjustment, malus or clawback as decided by the NRC, in the event of negative contribution of the Bank and / or relevant line of business and in material cases of detrimental conduct of individual or business.

Negative contribution of the Bank and / or relevant line of business is defined as:

Conduct related:

i) If an employee engages in certain detrimental conduct, including mis-selling practices, manipulation of interest rate benchmarks, illegal activity, breach of a fiduciary duty, etc. that causes material financial or reputational harm to the Bank.

ii) If the award was based on a material misrepresentation by the employee.

iii) If there is reasonable evidence of employee malfeasance and breach of integrity inviting disciplinary actions.

iv) Violation of Anti Hedging and Anti Pledging Policy or Code of Conduct for Prevention of Insider Trading.

Risk related and others:

i) If the awarded performance-based variable pay was granted on a deliberately erroneous foundation or an incorrect decision made due to gross negligence not considered as errors of judgement.

ii) If the employee who is reasonably expected to be aware of the failure, misconduct or weakness in approach that contributed to the failure, improperly or with gross negligence failed to identify, assess, report or escalate in a timely manner.

iii) If the performance, decisions or actions taken leads to the Bank or the relevant business unit suffering a significant material downturn in its financial performance.

Schedules forming part of the Balance sheet

as at March 31, 2025

iv) If the RBI assessed divergence in the Bank's provisioning for Non-Performing Assets (NPAs) or asset classification exceeds the prescribed threshold for public disclosure, the bank shall not pay the unvested portion of the variable compensation for the assessment year under malus clause. Further, in such a situation, there shall not be any increase in variable pay for the assessment year. In case the bank's post assessment Gross NPAs are less than 2.0%, these restrictions will apply only if the criteria for public disclosure are triggered either on account of divergence in provisioning or both provisioning and asset classification.

v) In the event of a material restatement, correction or amendment of the Bank's financial results for the relevant period.

F) Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the bank utilises and the rationale for using these different forms.

The Bank presently utilises only one form of variable remuneration, viz., cash bonus, which is linked to corporate performance, business performance and individual performance ensuring differential pay based on the performance. ESOP, as referred in Note 18.32 is linked to continuous service with the Bank.

Quantitative disclosures :

The quantitative disclosures pertaining to the MD & CEO, WTDs & MRTs, for the year ended March 31,2025 and March 31,2024 are given below:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) i) Number of meetings held by the Remuneration Committee during the year.	9	7
ii) Remuneration paid to its members (sitting fees)	₹19,20,000	₹12,60,000
b) Number of employees having received a variable remuneration award during the year (Active & Inactive).	21	23
c) Number and total amount of sign on awards made during the year.	Nil	Nil
d) Details of guaranteed bonus, if any, paid as joining / sign on bonus.	Nil	Nil
e) Details of severance pay, in addition to accrued benefits, if any.	Nil	Nil
f) Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms.	₹3.06 cr (Cash) Unvested ESOP (Shares) - 42,87,244 CSARs - 2,87,267	₹2.96 cr (Cash) Unvested ESOP (Shares) -54,34,704
g) Total amount of deferred remuneration paid out in the year (paid in cash)	₹0.46 cr (Cash)	₹0.79 cr (Cash)
h) Breakdown of amount of remuneration awards for the year to show fixed and variable, deferred and non deferred.	Fixed - ₹51.08 crore, Variable - ₹5.27 crore, Non-deferred - ₹4.01 crore, Deferred- ₹1.26 crore	Fixed - ₹30.55 crore, Variable - ₹4.29 crore, Non-deferred - ₹3.49 crore, Deferred- ₹0.79 crore
i) Shares granted under ESOP	ESOP - 8,73,621 CSARs - 2,87,267#	39,41,125 CSARs - NIL#
j) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and / or implicit adjustments.	Nil	Nil
k) Total amount of reductions during the year due to ex post explicit adjustments.	Nil	Nil
l) Total amount of reductions during the year due to ex post implicit adjustments.	Nil	Nil
m) *Number of MRTs identified. (Including inactive)	31	25
(n) (i) Number of cases where malus has been exercised.	Nil	Nil
(ii) Number of cases where clawback has been exercised.	Nil	Nil
(iii) Number of cases where both malus and clawback have been exercised.	Nil	Nil

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as at March 31, 2025

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(o) 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.	The mean pay for the Bank as a whole (excluding sub-staff) - ₹0.0457 crore.	The mean pay for the Bank as a whole (excluding sub-staff) - ₹0.0406 crore.
	The deviation of the fixed pay of MD from the mean pay - ₹3.41 crore.	The deviation of the fixed pay of MD from the mean pay - ₹3.31 crore.
	The deviation of the fixed pay of ED & CBO from the mean pay - ₹2.89 crore.	The deviation of the fixed pay of ED from the mean pay - ₹2.37 crore.
	The deviation of the fixed pay of ED & COO from the mean pay - ₹2.37 crore.	The deviation of the fixed pay of ED from the mean pay - ₹2.90 crore.

*As on year ended March 31,2025 and March 31,2024 number of active MRTs are 28 and 25 respectively.

#CSAR denotes Cash Settled Stock Appreciation Rights

18.20 Disclosure relating to Securitisation

The Bank has not originated any securitisation transactions during the year ended March 31, 2025 and March 31, 2024.

18.21 Marketing and distribution

During the year ended March 31,2025 and March 31,2024, the Bank has received NIL (Previous Year ₹33.06 crore) in respect of the marketing and distribution function (excluding bancassurance business) undertaken by them.

18.22 Off-balance Sheet SPVs sponsored

The Bank has not sponsored any special purposes vehicle which is required to be consolidated as per accounting norms.

18.23 Transfer to Depositor education and awareness fund (DEA Fund)

The details of amount transferred to Depositor Education and Awareness Fund during the year ended March 31, 2025 and March 31, 2024:

(₹ in crore)

Sr. No	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
i)	Opening balance of amounts transferred to DEA Fund	0.06	0.02
ii)	Add: Amounts transferred to DEA Fund during the year	0.36	0.04
iii)	Less: Amounts reimbursed by DEA Fund towards claims	-	-
iv)	Closing balance of amounts transferred to DEA Fund	0.42	0.06

18.24 Transfer to Investor education and protection fund (IEPF)

There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Bank during the years ended March 31, 2025 and March 31, 2024.

Schedules forming part of the Balance sheet

as at March 31, 2025

18.25 The key business ratios and other information is set out below :

A)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income as a percentage to working funds[1]	12.03%	11.80%
Non-interest income as a percentage to working funds[1]	1.63%	1.35%
Cost of Deposits	7.06%	6.49%
Net Interest Margin[5]	7.07%	7.35%
Operating profit as a percentage to working funds[1,2]	4.05%	4.15%
Return on assets[1]	1.50%	1.39%
Profit per employee (₹ in crore)[3]	0.035	0.030
Business (deposits less inter-bank deposits plus advances) per employee (₹ in crore)[3,4]	3.35	3.19

1. Working funds represent average of total assets as reported to Reserve Bank of India in Form X under Section 27 of the Banking Regulation Act, 1949, during the year ended March 31,2025 and March 31,2024.
2. Operating profit is profit for the year before considering provisions and contingencies.
3. Productivity ratios are based on average number of employees for the year.
4. Business per employee (Deposits plus Gross Advances (on book), inter-bank deposits shall be excluded.
5. Net interest income/Average earning assets. Net interest income is the difference of interest income and interest expense. Average earning assets are average of balance of interest earning assets.

B) Payment of DICGC Insurance Premium

(₹ in crore)

Sr. No	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
i)	Payment of DICGC Insurance Premium*	164.87	129.89
ii)	Arrears in payment of DICGC premium	-	-

(*) The amount includes GST.

18.26 Green Deposits raised by the bank

There has been no green deposits during the year ended March 31, 2025 and March 31, 2024.

18.27 Disclosure on Liquidity Coverage Ratio

(A) Qualitative disclosure

The Bank has adopted the Basel III framework on liquidity standards as prescribed by RBI and has put in place requisite systems and processes to enable periodical computation and reporting of the Liquidity Coverage Ratio (LCR). The Risk department computes the LCR and reports the same to the Asset Liability Management Committee (ALCO) every month for review.

The Bank follows the criteria laid down by RBI for calculation of High Quality Liquid Assets (HQLA),gross outflows and inflows within the next 30-day period. HQLA predominantly comprises Government securities in excess of minimum SLR requirement viz. Treasury Bills, Central and State Government securities and excess of minimum cash reserve ratio (CRR).

The Board of Directors has the overall responsibility for management of liquidity risk. The Board at overall level decides the strategy, policies and procedures of the bank to manage liquidity risk in accordance with the liquidity risk tolerance/limits. The Board has constituted Risk Management Committee, which reports to the Board, and consist of Managing Director and certain other Board members. The Committee is responsible for evaluating the overall risks faced by the bank including liquidity risk.

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for the year ended March 31, 2025

18.27 Disclosure on Liquidity Coverage Ratio

(B) Quantitative Disclosure as on March 31, 2025

(₹ in crore)

Particulars	Day end Average for quarter ended June 30, 2024		Day end Average for quarter ended September 30, 2024		Day end Average for quarter ended December 31, 2024		Day end Average for quarter ended31 March 2025	
	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)
High Quality Liquid Assets								
1) Total High Quality Liquid Assets (HQLA)		35,714.41		32,690.42		33,817.07		35,196.52
Cash Outflows								
2) Retail Deposits and deposits from small business customers, of which:	72,451.17	6,752.93	74,893.26	6,962.59	77,354.66	7,233.93	79,749.71	7,483.59
a) Stable deposits	9,843.75	492.19	10,534.77	526.74	10,030.69	501.53	9,827.70	491.38
b) Less stable deposits	62,607.43	6,260.74	64,358.49	6,435.85	67,323.96	6,732.40	69,922.02	6,992.20
3) Unsecured wholesale funding, of which:	23,998.32	15,257.86	22,820.89	14,688.41	26,698.62	17,044.16	24,731.64	15,969.50
a) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
b) Non-operational deposits (all counterparties)	23,998.32	15,257.86	22,820.89	14,688.41	26,698.62	17,044.16	24,731.64	15,969.50
c) Unsecured debt	-	-	-	-	-	-	-	-
4) Secured wholesale funding	-	-	-	-	-	-		-
5) Additional requirements, of which:	5,997.03	811.20	7,420.93	2,312.61	6,373.98	1,466.33	6,744.29	1,183.42
a) Outflows related to derivative exposures and other collateral requirements*	196.97	196.97	1,331.10	1,331.10	351.71	351.71	159.95	159.95
b) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
c) Credit and liquidity facilities	5,800.06	614.24	6,089.83	981.51	6,022.28	1,114.62	6,584.34	1,023.47
6) Other contractual funding obligations	3,828.24	3,828.24	4,041.69	4,041.69	2,243.25	2,243.25	2,567.41	2,567.41
7) Other contingent funding obligations	2,063.92	69.47	1,968.41	61.19	2,230.95	73.40	2,156.12	70.93
8) Total Cash outflows		**26,719.70**		**28,066.48**		**28,061.07**		**27,274.85**
Cash Inflows								
9) Secured lending (eg. Reverse repos)	2,418.07	-	961.90	-	594.05	-	349.26	-
10) Inflows from fully performing exposures	7,803.90	4,906.56	8,007.83	4,964.28	7,594.13	4,580.36	8,330.31	5,408.38
11) Other cash inflows	297.03	297.03	1,453.28	1,393.91	443.08	397.92	341.72	251.89
12) Total Cash Inflows	**10,519.00**	**5,203.59**	**10,423.01**	**6,358.20**	**8,631.26**	**4,978.28**	**9,021.29**	**5,660.28**
13) Total HQLA		35,714.41		32,690.42		33,817.07		35,196.52
14) Total Net Cash outflow		21,516.11		21,708.29		23,082.79		21,614.57
15) Liquidity Coverage Ratio(%)		**165.99%**		**150.59%**		**146.50%**		**162.84%**

*Item shown under derivative exposure relates to Fx swaps

Schedules forming part of the Balance sheet

for the year ended March 31, 2025

(C) Quantitative Disclosure as on March 31, 2024

(₹ in crore)

Particulars	Day end Average for quarter ended June 30, 2023		Day end Average for quarter ended September 30, 2023		Day end Average for quarter ended December 31, 2023		Day end Average for quarter ended 31 March 2024	
	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)
High Quality Liquid Assets								
1) Total High Quality Liquid Assets (HQLA)		34,753.15		32,984.02		30,870.65		29,066.00
Cash Outflows								
2) Retail Deposits and deposits from small business customers, of which:	60,704.43	5,901.97	63,646.68	6,193.89	65,736.74	6,388.28	68,635.61	6,508.99
a) Stable deposits	3,369.40	168.47	3,415.59	170.78	3,707.94	185.40	7,091.45	354.57
b) Less stable deposits	57,335.03	5,733.50	60,231.09	6,023.11	62,028.80	6,202.88	61,544.16	6,154.42
3) Unsecured wholesale funding, of which:	19,268.64	13,145.60	19,815.41	13,762.87	20,318.14	13,257.77	22,708.12	15,314.50
a) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
b) Non-operational deposits (all counterparties)	19,268.64	13,145.60	19,815.41	13,762.87	20,318.14	13,257.77	22,708.12	15,314.50
c) Unsecured debt	-	-	-	-	-	-	-	-
4) Secured wholesale funding	-	-	-	-	-	-	-	-
5) Additional requirements, of which:	7,181.04	1,994.12	5,926.79	1,454.46	3,720.19	583.39	4,579.47	475.13
a) Outflows related to derivative exposures and other collateral requirements*	0.08	0.08	1.57	1.57	0.07	0.07	0.02	0.02
b) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
c) Credit and liquidity facilities	7,180.96	1,994.04	5,925.22	1,452.89	3,720.12	583.32	4,579.45	475.11
6) Other contractual funding obligations	3,026.53	3,026.53	4,548.97	4,548.97	4,192.80	4,192.80	4,558.80	4,558.80
7) Other contingent funding obligations	1,902.73	66.82	2,180.39	75.69	2,150.65	75.15	2,168.82	74.91
8) Total Cash outflows		**24,135.04**		**26,035.88**		**24,497.39**		**26,932.33**
Cash Inflows								
9) Secured lending (eg. Reverse repos)	2,250.99	-	555.36	-	1,099.70	-	488.99	-
10) Inflows from fully performing exposures	7,649.31	4,807.81	7,002.53	4,208.97	7,535.39	4,723.19	7,182.33	4,436.12
11) Other cash inflows	317.16	317.16	486.97	486.97	221.72	221.72	124.67	124.67
12) Total Cash Inflows	**10,217.46**	**5,124.97**	**8,044.86**	**4,695.94**	**8,856.81**	**4,944.91**	**7,795.99**	**4,560.79**
13) Total HQLA		34,753.15		32,984.02		30,870.65		29,066.00
14) Total Net Cash outflow		19,010.07		21,339.94		19,552.48		22,371.55
15) Liquidity Coverage Ratio(%)		**182.81%**		**154.56%**		**157.89%**		**129.92%**

*Item shown under derivative exposure relates to Fx swaps

Schedules forming part of the Balance sheet

for the year ended March 31, 2025

18.28 Maturity pattern of certain items of assets and liabilities

(₹ in crore)

Particulars	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
Liabilities												
Borrowings*	50.17	-	427.38	253.69	1,880.45	2,859.97	970.75	1,789.25	2,449.48	457.36	-	**11,138.49**
	-	(2.48)	-	(860.53)	(1,125.97)	(4,104.49)	(4,164.50)	(4,344.74)	(1,206.15)	(464.75)	(97.91)	**(16,371.52)**
Deposits*	1,203.54	3,395.75	1,394.01	3,036.60	3,764.80	3,138.36	15,790.59	38,267.21	59,530.78	9,719.97	11,970.89	**1,51,212.50**
	(3,859.50)	(3,540.73)	(784.68)	(837.19)	(2,479.06)	(3,107.09)	(14,181.30)	(46,678.25)	(57,091.46)	(2,057.57)	(585.16)	**(1,35,201.99)**
Foreign Currency Liabilities#	-	2.82	427.38	213.92	1,880.73	2,394.96	221.88	10.15	125.07	0.48	-	**5,277.38**
	-	-	-	(417.03)	(1,125.97)	(1,351.16)	(3,311.68)	(5.84)	(6.78)	(0.67)	-	**(6,219.13)**
Assets												
Advances	635.52	1,947.77	2,743.07	1,969.29	5,317.27	5,214.49	14,935.74	22,384.85	37,603.36	9,977.89	29,258.08	**1,31,987.32**
	(1,101.18)	(2,253.05)	(2,794.82)	(2,163.47)	(5,221.09)	(5,271.14)	(14,491.13)	(22,305.44)	(33,092.37)	(7,358.79)	(25,084.30)	**(1,21,136.78)**
Investment	-	427.59	-	447.98	749.92	1,164.76	2,450.57	2,627.58	2,617.60	5,843.60	24,382.70	**40,712.28**
	-	(9.97)	-	(180.42)	(3.83)	(3.84)	(1,972.40)	(414.26)	(2,583.22)	(3,760.89)	(20,358.75)	**(29,287.58)**
Foreign Currency Assets#	31.87	-	-	-	-	6.41	-	41.03	-	-	-	**79.31**
	(13.22)	-	-	-	-	-	-	-	(37.53)	-	-	**(50.75)**

*Deposits & Borrowings includes Foreign Currency Liabilities which is shown separately

Classification of non-maturing assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI, which has been relied upon by the auditors.

Previous year figures are shown in"()".

#Excludes off-balance sheet assets and liabilities & includes Foreign currency borrowings & deposits

Schedules forming part of the Balance sheet

as at March 31, 2025

18.29 Disclosure on Derivatives

(i) Derivatives

Derivatives are financial instruments whose characteristics are derived from underlying parameters like interest rates or foreign exchange rates. These include forward contracts, swaps, etc. These transactions may expose the Bank to risks primarily in the nature of market and credit risk. The following sections outline the nature and terms of the derivative transactions undertaken by the Bank.

Interest Rate swaps undertaken by the Bank involve the exchange of interest obligations with a counterparty for a specified period without exchanging the underlying principal i.e., notional amount. The Bank has undertaken derivative transactions in Rupee Interest Rate Swaps (OIS) only on the Astroid platform of CCIL for proprietary trading.

Foreign Exchange forward contracts and Foreign Exchange Swaps are agreements to buy /sell/exchange fixed amounts of currency against another currency at an agreed exchange rate on Spot / forward date. These instruments are carried at fair value.

The Bank has adopted the following mechanism for managing risks arising out of the derivative transactions.

The derivative transactions are governed by the Investment Policy and Market Risk Management Policy of the Bank as well as by the extant RBI guidelines. The risk limits are set up and actual exposures are monitored vis-à-vis the limits allocated. These limits are set up taking into account market volatility, risk appetite, business strategy and management experience. Risk limits are in place for risk parameters viz. Value at Risk (VaR), Maximum tenor, deal size and Price Value of a Basis Point (PVBP). Actual positions are monitored against these limits on a daily basis and breaches if any are reported promptly.

The Treasury has entered into derivative transactions with interbank counterparties. The Bank has an independent back-office and mid-office as per regulatory guidelines. The MTM position of the derivative portfolio is monitored on a daily basis. The risk profile of the outstanding portfolio is reviewed by the Board at regular intervals.

Derivative transactions such as foreign exchange forward contracts, foreign exchange swap and Interest rate swaps outstanding as at the Balance Sheet date and held for trading, are fair valued. The resulting profit or loss on valuation is recognised in the Profit and Loss Account. Derivatives which are not intended for trading such as, Foreign Exchange forward contracts and Forex swaps and which are outstanding at balance sheet date, are fair valued at the FEDAI closing rate. The premium or discount arising at the inception of such Forward contracts and Foreign Exchange swaps are amortised as expense or income over the life of the contract. Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value). Bank has placed margin/collateral to Central Counterparty (CCIL) for various asset classes, wherever applicable.

(a) Forward rate agreement (FRA)/Interest rate swap (OIS):

(₹ in crore)

Sr No	Particulars	Current Year	Previous Year
i	The notional principal of swap agreements (OIS)	160.00	-
ii	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements (*)	-	-
iii	Collateral required by the bank upon entering into swaps	-	-
iv	Concentration of credit risk arising from the swaps	-	-
v	The fair value of the OIS	0.042	-

(*) During the review period, Interest rate swap (OIS) trades are executed with The Clearing Corporation of India Limited (CCIL).

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as at March 31, 2025

The following tables set forth, for the periods indicated, the nature and terms OIS.

(₹ in crore)

Benchmark	Type	At March 31, 2025		At March 31, 2024	
		Notional principal (₹ in crore)	No. of deals	Notional principal (₹ in crore)	No. of deals
MIBOR	Fixed receivable v/s Floating payable	80.00	6	-	-
MIBOR	Fixed Payable v/s Floating receivable	80.00	5	-	-

(b) Exchange traded interest rate derivatives and currency derivatives:

(₹ in crore)

Sr No	Particulars	Current Year	Previous Year
i	Notional principal amount of exchange traded interest rate derivatives undertaken during the year	-	-
ii	Notional principal amount of exchange traded interest rate derivatives outstanding	-	-
iii	Notional principal amount of exchange traded interest rate derivatives outstanding and not highly effective	NA	NA
iv	Mark to market value of exchange traded interest rate derivatives outstanding and not highly effective	NA	NA

(c) The following tables set forth, for the periods indicated, the details of derivative positions:

(₹ in crore)

Sr No	Particulars	Current Year		Previous Year	
		Currency Derivatives	Interest rate Derivatives[2]	Currency Derivatives	Interest rate Derivatives
a)	**Derivatives (Notional Principal Amount)[1]**				
	i) FX Forwards and Swaps - Hedging	5,354.62	NIL	6,289.72	-
	ii) FX Forwards and Swaps - Trading	2,239.45	160.00	-	-
b)	**Marked to Market Positions (Trading Book)[1]**				
	i) Asset (+)	15.29	3.85	-	-
	ii) Liability (-)	14.84	3.81	-	-
c)	**Credit Exposure (*)**	109.20	0.70	146.78	-
d)	**Likely impact of one percentage change in interest rate (100*PV01)[3]**				
	i) on hedging derivatives	0.37	-	0.06	-
	ii) on trading derivatives	-	-	-	-
e)	**Maximum of 100*PV01 observed during the year**				
	i) on hedging	1.16	-	0.06	-
	ii) on trading	-	0.05	0.02	-
f)	**Minimum of 100*PV01 observed during the year**				
	i) on hedging	0.08	-	-	-
	ii) on trading	-	-	-	-

Note :

1 Excluding FX Tom & Spot contracts. FX Forwards and Swaps position are comprising of USD/INR trades. The premium or discount arising on inception of ALM Swaps/ Forward contracts is amortised over the life of the contract as interest Expense / income. The accrued Swap cost amount is ₹42.82 crore as on March 31, 2025 which is not included in above Marked to Market Positions. The amount in contingent liability represents notional outstanding principal amount.

2 During the review period, Interest rate swap (OIS) trades are executed with The Clearing Corporation of India Limited (CCIL).

3 PV01 amounts given are absolute values on a net basis,the Bank has computed the maximum and minimum of PV01 for the year based on the balances as at the end of every month

(*) In respect of derivative contracts, the Bank has computed the exposure under the Current Exposure Method based on the guidelines issued by RBI.

(ii) Credit default swaps

The Bank has not transacted in credit default swaps during the year ended March 31,2025 and March 31, 2024.

Schedules forming part of the Balance sheet

as at March 31, 2025

18.30 Details of Priority sector lending certificates (category wise) sold and purchased:

(₹ in crore)

Sl No.	Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
		Purchase	Sale	Purchase	Sale
i)	PSLC – Agriculture	5,500.00	-	1,500.00	-
ii)	PSLC - Small & Marginal farmers(SFMF)	8,951.50	-	6,975.00	-
iii)	PSLC - Micro Enterprises	-	1,000.00	4,700.00	2,750.00
iv)	PSLC – General	-	-	-	10,000.00

18.31 Details of Inter-Bank Participation Certificate (IBPC) transactions

(₹ in crore)

Sl No.	Particulars	As at March 31, 2025		As at March 31, 2024	
		Sale	Purchase	Sale	Purchase
i)	Outstanding value of aggregate IBPCs entered	-	980.00	-	2,606.63
ii)	Outstanding value of aggregate consideration received/paid	-	980.00	-	2,606.63
iii)	Aggregate gain recorded	-	-	-	-
iv)	IBPCs outstanding	-	-	-	-

18.32 Employee Stock Option Scheme (ESOS)

On July 26, 2017 the board of directors approved the Bandhan Bank Employee Stock Option Plan Series 1 for issue of stock options to eligible employees and directors of the Bank.

The Shareholders of the Bank at the meeting held on November 23, 2017 has approved the Employee Stock Option Plan Series 1 and the grant of Employee Stock Option to the employees of the Bank. The said approval accords the Board of Directors of the Bank or any Committee including the Nomination and Remuneration Committee, which the Board has constituted, to create, offer, and grant at any time to permanent employees of the Bank, including any Director of the Bank, whether whole-time or otherwise but excluding Promoter(s), Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares, employee stock options from time to time in one or more tranches.

This plan was framed in accordance with the SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time and as applicable at the time of the grant. The accounting for the stock options has been in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 to the extent applicable.

Employee Stock Option Plan Series 1 provides for the issuance of options at the recommendation of the Nomination and Remuneration Committee of the Board ('NRC') at the closing price on the working day immediately preceding the date when options are granted. The closing price of the Bank's equity share on an Indian stock exchange with the highest trading volume as of the working day preceding the date of grant set forth by the NRC at the time of grant. The period in which the options may be exercised cannot exceed five years from date of expiry of vesting period. However, if the participant's employment terminates due to retirement (including pursuant to any early/ voluntary retirement scheme), the whole of the unvested options shall vest on the first vesting date relating to the said grant, immediately following the date of superannuation. During the years ended March 31, 2025 and March 31, 2024, few modifications were made to the terms and conditions of ESOPs as approved by the NRC.

Activity in the options outstanding under the various employee stock option plans as at March 31, 2025:

Sr No	Particulars	Number of options	Weighted average exercise price (₹)
i)	Options outstanding, beginning of year	3,99,71,840	317.76
ii)	Granted during the year	1,30,17,308	140.11
iii)	Exercised during the year	1,408	180.00
iv)	Forfeited / Lapsed during the year	46,71,889	334.59
v)	Options outstanding, end of year	4,83,15,851	268.27
vi)	Options exercisable	1,97,82,288	348.55

Schedules forming part of the Balance sheet

as at March 31, 2025

Activity in the options outstanding under the various employee stock option plans as at March 31, 2024:

Sr No	Particulars	Number of options	Weighted average exercise price (₹)
i)	Options outstanding, beginning of year	3,07,85,151	356.00
ii)	Granted during the year	1,49,99,423	250.84
iii)	Exercised during the year*	1,15,030	180.00
iv)	Forfeited / Lapsed during the year**	56,97,704	350.96
v)	Options outstanding, end of year	3,99,71,840	317.76
vi)	Options exercisable	1,47,50,897	380.06

*Includes 249 shares against which application money was received but pending allotment to ₹0.004 crore

**6588 forfeited options have not been considered as the same has been reported in last FY.

The following table summarises the information about stock options outstandings as at March 31, 2025:

Sr No	Plan	Range of exercise price (₹)	Number of shares arising out of options	Weighted average remaining life of options (in years)	Weighted average exercise price (₹)
1	Plan Series 1	135.34 to 539.22	4,83,15,851	5.23	268.27

The following table summarises the information about stock options outstandings as at March 31, 2024:

Sr No	Plan	Range of exercise price (₹)	Number of shares arising out of options	Weighted average remaining life of options (in years)	Weighted average exercise price (₹)
1	Plan Series 1	180.00 to 539.22	3,99,71,840	5.18	317.76

Fair value methodology

The weighted average fair value of stock option granted during the year was ₹60.96. The fair value of options used to compute the proforma net profit and earnings per equity share have been estimated on the dates of each grant using the binomial option-pricing model. The Bank estimates the volatility based on the historical prices of its equity shares. The various assumptions considered in the pricing model for the ESOPs granted during the year ended March 31, 2025 are:

Particulars	As at March 31, 2025
Dividend yield (%)	0-0.93%
Expected volatility (%)	36.51%,37.95%,49.20%,49.11%
Risk-free interest rate (%)	6.53%, 6.56%, 6,58%, 6.61%
Expected remaining life of the options (yrs)	0.25-8.92 yrs

The expected volatility reflects the assumption that is indicative of future trends, which may also not necessarily be the actual outcome.

The Bank measures the cost of ESOP using the Fair valuation method w.e.f April 01, 2021. Had the Bank used the fair value model to determine compensation for options granted before April 01, 2021, its profit after tax and earnings per share as reported would have changed as indicated below:

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Profit after tax as reported*	2,745.30	2,229.56
Add: ESOP cost using the intrinsic value method	-	-
Less: ESOP cost (net of taxes) using the fair value method	2.54	74.04
Proforma profit after tax	2,742.76	2,155.52
Weighted Average Number of equity shares	1,61,09,70,817	1,61,08,89,761
Weighted Average Number of equity shares (including dilutive potential equity share)	1,61,11,40,600	1,61,10,74,329

Schedules forming part of the Balance sheet

as at March 31, 2025

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Earnings Per Share		
Basic		
- As reported	17.04	13.84
- Proforma	17.03	13.38
Diluted		
- As reported	17.04	13.84
- Proforma	17.02	13.38

*Includes additional cost of ₹183.07 crore during year ended March 31, 2025 as employees stock option expenses on account of RBI advisory [refer Note 18.46 (B)]

18.33 Corporate Social Responsibility

a) Gross amount required to be spent by the Bank during the year ended is ₹39.89 crore (Previous year ended March 31, 2024: ₹40.05 crore)

(₹ in crore)

Sl No	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	Total CSR obligation for the financial year[1]	39.89	40.05
(ii)	Amount of expenditure incurred[1]	23.25	40.05
(iii)	Amount in unspent CSR account/ yet to be paid in cash at the end of the year[2]	16.64	0
(iv)	Details of related party transactions (Bandhan Konnagar for Inclusive Growth)[3]	21.92	36.05

1 Includes spends from surplus generated from CSR activities towards Bank Interest in project account (FY25:₹0.13 crore; FY24: ₹0.25 crore).

2 ₹16.64 crore was budgeted in FY25 for ongoing projects but remained unspent. The amount was transferred to the Unspent CSR Account in April 2025 and would be spent over three years, as per CSR rules.

3 Includes spends from surplus generated from CSR activities towards Bank Interest in project account and spent through Bandhan Konnagar (FY25: ₹0.13 crore; FY24: ₹0.25 crore).

CSR activities during FY25 were in the areas of affordable and accessible healthcare, education, skill development, women empowerment, financial literacy, environmental and ecological projects like afforestation and rainwater harvesting, livelihood projects and social interventions.

b) The following table sets forth, for the periods indicated, the amount spent by the Bank on CSR related activities;

(₹ in crore)

Sr No	Particulars	Year ended March 31, 2025			Year ended March 31, 2024		
		In Cash	Yet to be paid in Cash*	Total	In Cash	Yet to be paid in Cash	Total
i)	Construction/ acquisition of any assets	-	-	-	-	-	-
ii)	On purpose other than (i) above*	23.25	16.64	39.89	40.05	-	40.05

*For the year ended March 31, 2025, out of the amount (yet to be paid in cash), as required under the Companies (Corporate Social Responsibility Policy)Amendment Rules, 2021, ₹16.64 crore budgeted in FY25 for ongoing projects but which remained unspent, was transferred to the Unspent CSR Account in April, 2025 and would be spent over three years, as per CSR rules.

Schedules forming part of the Balance sheet

as at March 31, 2025

The following table sets forth, for the periods indicated, the details of movement in provision pertaining to CSR related activities

(₹ in crore)

Sl No	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	Opening balance of provision	-	-
(ii)	Add: Provision for expenses during the year	16.64	-
(iii)	Less: Payment out of opening balance	-	-
(iv)	Closing balance of provision	16.64	-

18.34 Disclosure under Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014

As part of the normal banking business, the Bank grants loans and advances to its borrowers with permission to lend/invest or provide guarantee/security in other entities identified by such borrowers or on the basis of the basis of security/guarantee provided by the co-borrower. Similarly, the Bank may accept funds from its customers, who may instruct the Bank to lend/invest/provide guarantee or security or the like against such deposit in other entities identified by such customers. These transactions are part of Bank's normal banking business, which is conducted after exercising proper due diligence including adherence to "Know Your Customer" guidelines.

Other than the nature of transactions described above:

- No funds have been advanced or loaned or invested by the Bank to or in any other person(s) or entity(ies) ("Intermediaries") with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Bank (Ultimate Beneficiaries).
- The Bank has not received any fund from any party(s) (Funding Party) with the understanding that the Bank shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

18.35 Disclosure of Items that exceeds one percent under respective categories:

Other expenditure includes IT Operating expenses amounting to ₹277.20 crore (Previous Year: ₹305.13 crore) exceeding 1% of the total income of the Bank.

18.36 Other Assets includes Investment in RIDF (Rural Infrastructure Development Fund) amounting to ₹4,499.88 crore (Previous Year ended March 31, 2024 ₹6,244.61 crore)

18.37 Remuneration by way of sitting fees paid to the Non-Executive Directors for attending meeting of the Board and its committees during the year ended March 31, 2025 amounting to ₹4.25 crore (Previous Year: ₹3.38 crore).

18.38 Accounting Software Used for maintenance of Books of Accounts

As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014 the Bank uses only such accounting software(s) for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made within such accounting software. This feature of recording audit trail has operated throughout the year and was not disabled, tampered with during the year and audit trail has also been preserved in accordance with statutory record retention requirements, except

(a) the audit trail configured at database level logs record only modified values in respect of two accounting software(s). Further, for one of these applications, the changes to capture pre-modified values was implemented from March 25, 2025.

(b) the audit trail to log any direct data changes was enabled at database level in case of one accounting software, from May 25, 2024.

The Bank has preserved the audit trail as per the statutory requirements for record retention except in the case of two sunset software discontinued during the previous financial year and one accounting software wherein audit trail was enabled at database level from February 18, 2024.

18.39 Provision for credit card and debit card reward points

Reward points on cards are accounted for based on value per point after taking into account the probability of redemption of such reward points. The Bank made provision of ₹5.85 crore in FY 24-25 (Previous Year: Nil) in respect of reward points on debit & credit cards.

Schedules forming part of the Balance sheet

as at March 31, 2025

18.40 Accounts restructured under Micro, Small and Medium Enterprises (MSME) sector

The following table sets forth, for the periods indicated, the details of accounts restructured under MSME sector as per RBI circular no. FIDD.MSME & NFS.BC.No. 21/06.02.31/2015-16 dated March 17, 2016 subsequent changes thereafter.

As at March 31, 2025		As at March 31, 2024	
Number of accounts restructured	Amount Outstanding (₹ in crore)	Number of accounts restructured	Amount Outstanding (₹ in crore)
NIL	NIL	NIL	NIL

18.41 Resolution of Stressed Assets

During the year ended March 31, 2025 and March 31, 2024, the Bank has not implemented any resolution plan under the prudential framework for stressed assets issued as per RBI/2018-19/ 203 DBR.No.BP.BC.45/21.04.048/2018-19 dated June 07, 2019 on Prudential Framework for Resolution of Stressed Assets

18.42 Details of Accounts subjected to Restructuring

Particulars		Agriculture and allied activities		Corporates (excluding MSME)		Retail (excluding agriculture and MSME)		Total	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Standard	Number of Borrowers	-	-	-	-	1	11	1	11
	Gross Amount (in crore)	-	-	-	-	0.000	0.040	0.000	0.040
	Provision Held (in crore)	-	-	-	-	0.000	0.002	0.000	0.002
Substandard	Number of Borrowers	-	-	-	-	4	-	4	-
	Gross Amount (in crore)	-	-	-	-	0.008	-	0.008	-
	Provision Held (in crore)	-	-	-	-	0.006	-	0.006	-
Doubtful	Number of Borrowers	-	-	-	-	-	-	-	-
	Gross Amount (in crore)	-	-	-	-	-	-	-	-
	Provision Held (in crore)	-	-	-	-	-	-	-	-
Total	Number of Borrowers	-	-	-	-	5	11	5	11
	Gross Amount (in crore)	-	-	-	-	0.008	0.040	0.008	0.040
	Provision Held (in crore)	-	-	-	-	0.006	0.002	0.006	0.002

18.43 Details of payments to Auditors

(₹ in crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Statutory Audit Fees	1.65	1.50
Others	1.95	1.34

18.44 Implementation of IFRS converged Indian Accounting Standards (Ind AS)

The RBI issued a circular in February, 2016 requiring banks to implement Indian Accounting Standards ('Ind AS') and prepare Ind AS financial statements with effect from April 01, 2018. In line with the RBI guidelines on Ind AS implementation, the Bank has formed a Steering Committee comprising members from the concerned functional areas. As advised by the RBI, the Bank has also submitted Proforma Ind AS financial statements every half year to the RBI.

Further, RBI vide its communication dated August 08, 2021, had advised the bank to submit Proforma Ind AS financial statements.

Further on January 16, 2023 RBI released a discussion paper on the Expected Loss (EL) based approach for loan loss provisioning by banks to formulate a principle based guidelines supplemented by regulatory backstops wherever necessary.

However, the RBI in its press release issued on March 22, 2019 has deferred the applicability of Ind AS till further notice for Scheduled Commercial Banks.

Schedules forming part of the Balance sheet

as at March 31, 2025

The Bank has made a diagnostic study to identify the gaps, process and system changes required to implement Ind AS and is in the process of implementing necessary changes in its IT system and other processes. The Bank is regularly holding workshops and training for its staff.

18.45 The Bank has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2024 and any circular / direction issued by RBI is implemented prospectively when it becomes applicable. Basis the RBI circulars/ directions, changes has been made during the year which are disclosed in Note 18.46 below.

18.46 A) Policies on classification and valuation of investments:

With effect from April 01, 2024 the Bank adopted the revised framework of classification and valuation of investments issued by RBI vide Master Direction No. RBI/DOR/2023-24/104 DOR.MRG.36/21.04.141/2023-24 on Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023. The disclosure of transition impact in terms of Para 43 of the RBI Circular is disclosed in Note 18.5(A)(ii) of Notes to Accounts & Accounting Policy (refer 4.2)

B) Accounting for Employees Stock Option Expense:

Pursuant to RBI Guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function Staff, the Bank was recognising the cost of new stock options granted on or after April 01, 2021 to the Whole Time Directors, Chief Executive Officers, Material Risk Takers and Control Function Staff at fair value on the date of grant using the Black-scholes model. During the year, pursuant to RBI advisory, the Bank has changed its accounting policy in respect of share based payment to all employees from intrinsic value method to fair value method for stock options granted after March 31, 2021 and consequently the bank has recognised fair value of options estimated using Black-Scholes model, as compensation expense over the vesting period as discosed in Accounting Policy (refer 4.10)

18.47 With respect to the claim under Credit Guarantee Fund for Micro Units (CGFMU), the Bank has received from NCGTC on January 21, 2025 the claim payout of ₹289.59 crore. Accordingly, 'Other Income' for the year ended March 31, 2025 includes an amount aggregating to ₹537.61 crore (claim receivable of ₹289.59 crore and reversal of ₹248.02 crore pertaining to recoveries related to first tranche of accounts held under 'Other Liabilities'). In relation to the ECLGS scheme, the Bank has received a claim of ₹123.25 crore from NCGTC during the year ended March 31, 2025. This is in addition to the claim received of ₹161.13 crore in earlier years. The balance claim would be received in line with the Scheme Guidelines. The said amount has reduced the provisions debited to Profit & Loss Account under "Provisions & Contingencies" and also been considered for computing Net NPA's as per the consistent accounting policy followed by the Bank.

18.48 Previous year figures have been regrouped/ reclassified, wherever necessary, to conform to current year classification.

As per our report of even date

For and on behalf of Board of Directors
For Bandhan Bank Limited

For Singhi & Co	**For V. Sankar Aiyar & Co.**	**Partha Pratim Sengupta**	**Anup Kumar Sinha**	**Vijay Nautamlal Bhatt**
Chartered Accountants	Chartered Accountants	Managing Director & CEO	Non-Executive (Independent) Chairman	ACB Chairman & Independent Director
Firm Registration Number : 302049E	Firm Registration Number : 109208W	Kolkata DIN: 08273324	Kolkata DIN: 08249893	Kolkata DIN: 00751001
Ravi Kapoor	**Karthik Srinivasan**	**Ratan Kumar Kesh**	**Rajinder Kumar Babbar**	**Rajeev Mantri**
Partner	Partner	Executive Director & COO	Executive Director & CBO	Chief Financial Officer
Membership Number : 040404	Membership Number : 514998	Kolkata	Kolkata	Kolkata
Place : Kolkata	Place : Kolkata	DIN: 10082714	DIN: 10540386	
Date : April 30, 2025	Date : April 30, 2025			

Indranil Banerjee
Company Secretary
Kolkata

Corporate Information

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Tel. No.: 91 (33) 6609 0909
Email ID: investors@bandhanbank.com
Website: www.bandhanbank.com

Corporate Identity Number (CIN)

L67190WB2014PLC204622

Listed with Scrip Name

BSE Scrip Code: **541153**
NSE Symbol: **BANDHANBNK**

Registrars & Transfer Agents

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Selenium Building, Tower-B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India - 500 032
Toll Free No.: 1800 309 4001
Email ID: einward.ris@kfintech.com
Website: www.kfintech.com

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New Delhi - 110 001

M/s. Singhi & Co., Chartered Accountants
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Kolkata - 700 026

Secretarial Auditor

CS Hansraj Jaria, Practicing Company Secretary
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Auditor for Certificate on Corporate Governance

CS Anjan Kumar Roy, Practicing Company Secretary
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