

**INDEPENDENT AUDITOR'S REPORT**

**To the Chief Financial Officer (CFO)**

**RBL Bank Limited- IBU Gift City Branch**

**Report on the Audit of the Special Purpose Financial Statements**

**Opinion**

We have audited the accompanying special purpose Financial Statements of **RBL Bank Limited- IBU Gift City Branch** ("the Branch/IBU"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss including other comprehensive income, cash flow statement, and statement of changes in equity for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "Financial Statements"). The Financial Statements has been prepared by management of RBL Bank Limited- IBU Gift City Branch as per Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") for onward submission to the International Financial Service Centres Authority (IFSCA) to comply with IFSCA Regulations.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements are prepared in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard (Ind AS), of the state of affairs of the Branch as at March 31, 2024 and of the profit and other comprehensive income, cash flows and changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) and any other applicable pronouncements issued by the Institute of Chartered Accountants of India (ICAI), as well as the requirements of the banking regulations of IFSCA, rules, directions, circulars, guidelines, from time to time applicable for IFSC Banking Units (IBUs). Our responsibilities under those Standards are further described in the Auditor's responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Branch in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the independence requirements that are relevant to our audit of the Financial Statement, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.



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## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Branch's management is responsible for overseeing and preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Branch in accordance with the Ind AS and IFSCA Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the IFSCA Regulations for safeguarding the assets of the Branch and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs 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; and for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Branch or to cease operations, or has no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of Financial Statements**

Our objectives are to obtain reasonable assurance about whether the special purpose 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 special purpose Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 on whether the Branch has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls. However, we are not responsible for expressing our opinion on



**RBL BANK LIMITED ( GIFT CITY- IBU)****Special Purpose Balance Sheet as at March 31, 2024**

Currency: USD in '000s

Particulars	Note	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Assets</b>				
Cash in hand and balances with Reserve Bank of India	3	-	-	-
Balances with other central banks	4	-	-	-
Balances with other banks, Financial Institutions and money at call and short notice	5	150,796	60,872	76,889
Derivative financial instruments	6	2,286	2,125	2,272
Investments	7	-	-	-
Advances	8	381,527	318,704	325,672
Property, plant and equipment	9	199	224	182
Right of Use Assets		-	-	-
Goodwill	10	-	-	-
Other intangible assets	11	-	-	-
Current tax assets		-	-	-
Deferred tax assets		-	-	-
Other assets	12	5,195	3,836	1,177
<b>Total assets</b>		<b>540,003</b>	<b>385,761</b>	<b>406,192</b>
<b>Liabilities and Equity</b>				
<b>Liabilities</b>				
Deposits	13	159,203	85,102	24,087
Borrowings	14	337,784	260,492	352,828
Lease liabilities		-	-	-
Derivative financial instruments	6	1,529	2,207	2,232
Other liabilities and provisions	17	6,086	3,736	1,103
Current tax liabilities		-	-	-
Deferred tax liabilities		-	-	-
Debt securities	15	-	-	-
Subordinated liabilities	16	-	-	-
<b>Total Liabilities</b>		<b>504,602</b>	<b>351,537</b>	<b>380,250</b>
<b>Equity</b>				
Capital (H.O. Funds)		20,000	20,000	20,000
Other Equity	18	15,401	14,224	5,942
<b>Total Equity</b>		<b>35,401</b>	<b>34,224</b>	<b>25,942</b>
<b>Total Liabilities and Equity</b>		<b>540,003</b>	<b>385,761</b>	<b>406,192</b>
Contingent liabilities, commitments and guarantees	19	47,165	80,714	95,708
Material Accounting Policies	29			

The accompanying notes are integral part of special purpose financial statements.

As per our report of even date attached  
For C N K & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No. 101961W/W100036

Suresh Agaskar  
Partner  
Membership No. 110321



Place : Mumbai  
Date : August 6, 2024

For and on behalf of RBL Bank Limited-IBU Gift City Branch

Bhavesh Tharashankar  
Chief Financial Officer

Namit Dua  
Head - GIFT City - IBU



# RBL BANK LIMITED ( GIFT CITY- IBU)

Special Purpose Statement of profit and Loss for the year ended March 31, 2024

Currency: USD in '000s

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Interest income	20	33,115	20,112
Interest expense	21	24,911	11,788
<b>Net interest income</b>		<b>8,204</b>	<b>8,324</b>
Fees and commission income		154	245
Fees and commission expense		-	-
<b>Net fee and commission income</b>		<b>154</b>	<b>245</b>
Net gain/(loss) on fair value changes	22	775	863
Other income	23	84	(44)
<b>Total income</b>		<b>9,217</b>	<b>9,388</b>
Impairment losses on financial instruments	24	6,845	2
Employee benefits	25	847	800
Depreciation and impairment of property, plant and equipment	27	25	21
Amortisation and impairment of intangible assets	28	-	-
Other expenses	26	321	282
<b>Total expenses</b>		<b>8,038</b>	<b>1,105</b>
<b>Net profit/(loss) for the year</b>		<b>1,179</b>	<b>8,283</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss		(2)	(1)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Subtotal (A)</b>		<b>(2)</b>	<b>(1)</b>
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Subtotal (B)</b>		<b>-</b>	<b>-</b>
<b>Other Comprehensive Income (A + B)</b>		<b>(2)</b>	<b>(1)</b>
<b>Total Comprehensive Income for the period</b>		<b>1,177</b>	<b>8,282</b>
<b>Material Accounting Policies</b>	29		

As per our report of even date attached  
For C N K & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No. 101961W/W100036

S. S. Agaskar  
Partner  
Membership No. 110321



For and on behalf of RBL Bank Limited-IBU Gift City Branch

Bhimesh Tharashankar  
Chief Financial Officer

Namit Dua  
Head - GIFT City - IBU



Place : Mumbai  
Date: August 6, 2024

# RBL BANK LIMITED ( GIFT CITY- IBU)

Special Purpose Statement of Cash flow for the year ended March 31, 2024

Currency: USD in '000s

Sr.	Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
I	<b>Cash Flow from Operating Activities</b>				
	Net Profit before tax		1,177		8,282
	Adjustments for:-				
	Depreciation and amortisation		25		21
	Impairment losses on financial instruments		6,845		2
	Net (increase)/ decrease in fair value of Derivative contracts		(839)		122
	Cash Flow before Changes in Working Capital		7,208		8,427
	Adjustments for working capital changes:-				
	Increase/(Decrease) in Deposits	74,101		61,015	
	Increase/(Decrease) in Other Liabilities	2,350		2,629	
	(Increase)/Decrease in Advances	(69,668)		6,966	
	(Increase)/Decrease in Deposits placed having original maturity greater than 3 months	(35,000)		-	
	(Increase)/Decrease in Other Assets	(1,359)	(29,576)	(2,659)	67,951
	<b>Cash generated from Operating Activities</b>		<b>(22,368)</b>		<b>76,378</b>
II	<b>Cash Flow from Investing Activities</b>				
	Addition to Property, plant and equipment		-	(59)	
	<b>Cash generated from Investing Activities</b>		<b>-</b>		<b>(59)</b>
III	<b>Cash Flow from Financing Activities</b>				
	Net Proceeds / (repayments) from borrowings	77,292		(92,336)	
	<b>Cash generated from Financing Activities</b>		<b>77,292</b>		<b>(92,336)</b>
IV	<b>Increase/Decrease during the Year (I + II + III)</b>		<b>54,924</b>		<b>(16,017)</b>
V	<b>Opening Cash and Cash Equivalents</b>		<b>60,872</b>		<b>76,889</b>
VI	<b>Closing Cash and Cash Equivalents</b>		<b>115,796</b>		<b>60,872</b>
	<b>Notes to the Cash Flow Statement:</b>				
	Cash and cash equivalents includes the following:				
(i)	Cash in hand and balances with Reserve Bank of India		-		-
(ii)	Balances with other central banks		-		-
(iii)	Balances with Banks in Current Accounts		7,796		30,872
(iv)	Balances in Reverse Repo		-		-
(v)	Balances with Banks in Other Deposits Accounts less than 3 months		37,000		-
(vi)	Money at Call and Short Notice		71,000		30,000
	<b>Cash and cash equivalents at the end of the year</b>		<b>115,796</b>		<b>60,872</b>

As per our report of even date attached  
For C N K & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No. 101961W/W100036

Suresh Agaskar  
Partner  
Membership No. 110321



For and on behalf of RBL Bank Limited

Buyanesh Tharashankar  
Chief Financial Officer



Place : Mumbai  
Date: August 6, 2024

Namit Dua  
Head - GIFT City - IBU

**RBL BANK LIMITED ( GIFT CITY- IBU)**  
**Statement of changes in equity for the year ended March 31, 2024**

Currency: USD in '000s

**1 Capital (H.O. Funds)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Balance at the beginning of the year	20,000	20,000	20,000
Addition during the year	-	-	-
Reduction during the year	-	-	-
Balance at the close of the year	20,000	20,000	20,000

**2 Other equity**

Particulars	Reserves and Surplus		Items of Other Comprehensive Income (OCI)			Total
	Revenue & Other Reserve	Retained Earnings	Remeasurements of net defined benefit plans	Gain/ (losses) from equity investments through OCI	Gain/ (losses) of other financial assets through OCI	
Balance as at 1 April 2022	1,772	8,600	-	-	-	10,372
Adjustment pursuant to implementation of Ind AS	-	(4,430)	-	-	-	(4,430)
Restated balance as at 1 April 2022	1,772	4,170	-	-	-	5,942
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Profit (loss) for the year	-	8,283	-	-	-	8,283
Other Comprehensive Income for the year before income tax	-	-	-	-	-	-
Less: Income Tax Other Comprehensive	-	-	(1)	-	-	(1)
Balance as at 1 April 2023	1,772	12,453	(1)	-	-	14,224
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Profit (loss) for the year	-	1,179	-	-	-	1,179
Other Comprehensive Income for the year	-	-	(2)	-	-	(2)
<b>Total Comprehensive Income for the year ended 31 March 24</b>	<b>1,772</b>	<b>13,632</b>	<b>(3)</b>	<b>-</b>	<b>-</b>	<b>15,401</b>



RBL BANK LIMITED ( GIFT CITY- IBU)  
Notes to the financial statements

Currency: USD in '000s

1 Summarised classification of assets and liabilities

Particulars	As at March 31, 2024						
	Amortised Cost	At Fair Value				Others	Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal		
	1	2	3	4	(5=2+3+4)	6	(7=1+5+6)
<b>Assets</b>							
Cash in hand and balances with Reserve Bank of India	-	-	-	-	-	-	-
Balances with other central banks	-	-	-	-	-	-	-
Balances with other banks, Financial Institutions and money at call and short notice	150,796	-	-	-	-	-	150,796
Derivative financial instruments*	-	-	2,286	-	2,286	-	2,286
Investments	-	-	-	-	-	-	-
Advances	381,527	-	-	-	-	-	381,527
Property, plant and equipment	-	-	-	-	-	199	199
Right of Use Assets	-	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-	-
Current tax assets	-	-	-	-	-	-	-
Deferred tax assets	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	5,195	5,195
<b>Total assets</b>	<b>532,323</b>	<b>-</b>	<b>2,286</b>	<b>-</b>	<b>2,286</b>	<b>5,394</b>	<b>540,003</b>
<b>Liabilities</b>							
Deposits	159,203	-	-	-	-	-	159,203
Borrowings	337,784	-	-	-	-	-	337,784
Lease liabilities	-	-	-	-	-	-	-
Derivative financial instruments*	-	-	1,529	-	1,529	-	1,529
Other liabilities and provisions	-	-	-	-	-	6,086	6,086
Current tax liabilities	-	-	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-
Subordinated liabilities	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>496,987</b>	<b>-</b>	<b>1,529</b>	<b>-</b>	<b>1,529</b>	<b>6,086</b>	<b>504,602</b>

Particulars	As at March 31, 2023						
	Amortised Cost	At Fair Value				Others	Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal		
	1	2	3	4	(5=2+3+4)	6	(7=1+5+6)
<b>Assets</b>							
Cash in hand and balances with Reserve Bank of India	-	-	-	-	-	-	-
Balances with other central banks	-	-	-	-	-	-	-
Balances with other banks, Financial Institutions and money at call and short notice	60,872	-	-	-	-	-	60,872
Derivative financial instruments*	-	-	2,125	-	2,125	-	2,125
Investments	-	-	-	-	-	-	-
Advances	318,704	-	-	-	-	-	318,704
Property, plant and equipment	-	-	-	-	-	224	224
Right of Use Assets	-	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-	-
Current tax assets	-	-	-	-	-	-	-
Deferred tax assets	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	3,836	3,836
<b>Total assets</b>	<b>379,576</b>	<b>-</b>	<b>2,125</b>	<b>-</b>	<b>2,125</b>	<b>4,060</b>	<b>385,761</b>
<b>Liabilities</b>							
Deposits	85,102	-	-	-	-	-	85,102
Borrowings	260,492	-	-	-	-	-	260,492
Lease liabilities	-	-	-	-	-	-	-
Derivative financial instruments*	-	-	2,207	-	2,207	-	2,207
Other liabilities and provisions	-	-	-	-	-	3,736	3,736
Current tax liabilities	-	-	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-
Subordinated liabilities	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>345,594</b>	<b>-</b>	<b>2,207</b>	<b>-</b>	<b>2,207</b>	<b>3,736</b>	<b>351,537</b>



	As at April 1, 2022						
	Amortised Cost	At Fair Value				Others	Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal		
	1	2	3	4	5	6	
<b>Assets</b>							
Cash in hand and balances with Reserve Bank of India	-	-	-	-	-	-	-
Balances with other central banks	-	-	-	-	-	-	-
Balances with other banks, Financial Institutions and money at call and short notice	76,889	-	-	-	-	-	76,889
Derivative financial instruments*	-	-	2,272	-	2,272	-	2,272
Investments	-	-	-	-	-	-	-
Advances	325,672	-	-	-	-	-	325,672
Property, plant and equipment	-	-	-	-	-	-	-
Right of Use Assets	-	-	-	-	-	182	182
Goodwill	-	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-	-
Current tax assets	-	-	-	-	-	-	-
Deferred tax assets	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
<b>Total assets</b>	<b>402,561</b>	<b>-</b>	<b>2,272</b>	<b>-</b>	<b>2,272</b>	<b>1,177</b>	<b>406,192</b>
<b>Liabilities</b>							
Deposits	24,087	-	-	-	-	-	24,087
Borrowings	352,828	-	-	-	-	-	352,828
Lease liabilities	-	-	-	-	-	-	-
Derivative financial instruments*	-	-	2,232	-	2,232	-	2,232
Other liabilities and provisions	-	-	-	-	-	1,103	1,103
Current tax liabilities	-	-	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-
Subordinated liabilities	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>376,915</b>	<b>-</b>	<b>2,232</b>	<b>-</b>	<b>2,232</b>	<b>1,103</b>	<b>380,250</b>

\* Derivative financial instruments falls under Level 2 fair value hierarchy.





# RBL BANK LIMITED ( GIFT CITY- IBU)

## Notes to the financial statements (continued)

as at March 31, 2024

Currency: USD in '000s

### 2 Explanation of transition to Ind AS

These financial statements have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Bank has followed guidance prescribed in Ind AS 101 - First time adoption Indian accounting Standards, with 1 April 2022 as the transition date from Indian generally accepted accounting principles ('GAAP'), which was the previous GAAP, to Ind AS.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 29 have been applied in preparing the financial statements for the year ended 31 March 2024 and the comparative information. An explanation of how transition from IGAAP to Ind AS has affected the Balance Sheet and Statement of profit and loss, is set out in Note 4.2. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out below

#### 2.1 Optional exemptions availed and mandatory exceptions

The Bank has prepared the opening balance sheet as per Ind AS as of 1 April 2022 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Bank. The Bank has applied the following transition exemptions in Ind AS 1 :

##### (a) Deemed cost for property, plant and equipment and intangible assets

In accordance with Ind AS transitional provisions, the IBU opted to consider previous GAAP carrying value of property, plant and equipment and other intangible assets as deemed cost on transition date.

##### (b) Derecognition of financial assets and financial liabilities

The Bank has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April 2022 (the transition date).

##### (c) Impairment of financial assets

The Bank has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the IBU has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

##### (d) Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS and at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

On assessment of the estimates made under the Previous GAAP financial statements, the IBU has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the IBU for the relevant reporting dates reflecting conditions existing as at that date.

Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- Impairment of financial assets based on the expected credit loss model.

#### 2.2 Reconciliations

The following reconciliations provide the effects of transition to Ind AS from previous GAAP in accordance with Ind AS 101

- 1 Balance sheet as at 1 April 2022 and 31 March 2023
- 2 Profit for the year ended 31 March 2023
- 3 Equity as at 1 April 2022 and 31 March 2023



# RBL BANK LIMITED ( GIFT CITY- IBU)

## Notes to the financial statements (continued)

as at March 31, 2024

Currency: USD in '000s

### 2.2A Reconciliation of balance sheet as previously reported under previous GAAP to Ind AS

Particulars	Opening Balance Sheet as at date of transition April 1, 2022			Balance Sheet as at March 31, 2023		
	Previous GAAP	Adjustment on transition to Ind AS	Ind AS	Previous GAAP	Adjustment on transition to Ind AS	Ind AS
<b>Assets</b>						
Cash in hand and balances with Reserve Bank of India	-	-	-	-	-	-
Balances with other central banks	-	-	-	-	-	-
Balances with other banks, Financial Institutions and money at call and short notice	76,889	-	76,889	60,872	-	60,872
Derivative financial instruments	-	2,272	2,272	-	2,125	2,125
Investments	-	-	-	-	-	-
Advances	331,663	(5,991)	325,672	323,470	(4,766)	318,704
Property, plant and equipment	203	(21)	182	224	-	224
Goodwill	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-
Current tax assets	-	-	-	-	-	-
Deferred tax assets	-	-	-	-	-	-
Other assets	3,660	(2,483)	1,177	5,968	(2,132)	3,836
<b>Total assets</b>	<b>412,415</b>	<b>(6,223)</b>	<b>406,192</b>	<b>390,534</b>	<b>(4,773)</b>	<b>385,761</b>
<b>Liabilities</b>						
Deposits	24,087	-	24,087	85,102	-	85,102
Borrowings	353,053	(225)	352,828	260,885	(393)	260,492
Derivative financial instruments	-	2,232	2,232	-	2,207	2,207
Other liabilities and provisions	4,903	(3,800)	1,103	7,204	(3,468)	3,736
Current tax liabilities	-	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-
Subordinated liabilities	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>382,043</b>	<b>(1,793)</b>	<b>380,250</b>	<b>353,191</b>	<b>(1,654)</b>	<b>351,537</b>
<b>Equity and liabilities</b>						
<b>Equity</b>						
Equity share capital	20,000	-	20,000	20,000	-	20,000
Other equity	10,372	(4,430)	5,942	17,343	(3,119)	14,224
<b>Total equity</b>	<b>30,372</b>	<b>(4,430)</b>	<b>25,942</b>	<b>37,343</b>	<b>(3,119)</b>	<b>34,224</b>
<b>Total equity and liabilities</b>	<b>412,415</b>	<b>(6,223)</b>	<b>406,192</b>	<b>390,534</b>	<b>(4,773)</b>	<b>385,761</b>



RBL BANK LIMITED ( GIFT CITY- IBU)

Notes to the financial statements (continued)

as at March 31, 2024

Currency: USD in '000s

2 Explanation of transition to Ind AS (Continued)

2.2 Reconciliations (Continued)

2.2B Reconciliation of Statement of profit and loss from previously reported previous GAAP to Ind AS

Particulars	Year ended March 31, 2023
Profit as per previous GAAP	6,971
<b>Summary of Ind AS adjustments</b>	
Expected credit loss Impact net of IGAAP provision	(82)
Net EIR Impact on Financial asset and financial liabilities	1,391
ESOP Expense	(20)
Others	22
<b>Total Ind AS adjustments</b>	<b>1,312</b>
<b>Profit under Ind AS</b>	<b>8,283</b>

2.2C Reconciliation of equity from previous GAAP to Ind AS

Particulars	USD (000s)	
	March 31, 2023	April 1, 2022
Net worth as per previous GAAP	37,343	30,372
<b>Summary of Ind AS adjustments</b>		
Expected credit loss Impact net of IGAAP provision	(69)	13
Net EIR Impact on Financial asset and financial liabilities	(3,024)	(4,412)
ESOP Expense	(20)	-
Others	(7)	(30)
<b>Total Ind AS adjustments</b>	<b>(3,119)</b>	<b>(4,430)</b>
<b>Net worth under Ind AS</b>	<b>34,224</b>	<b>25,942</b>



**RBL BANK LIMITED ( GIFT CITY- IBU)**  
Notes to the financial statements (continued)

Currency: USD in '000s

**3 Cash in hand and balances with Reserve Bank of India**

Sr No	Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
I	Cash in hand (including foreign currency notes)	-	-	-
II	Balances with Reserve Bank of India			
	(a) In Current Accounts	-	-	-
	(b) In Reverse Repo	-	-	-
	(c) In Other Accounts	-	-	-
	<b>Subtotal (a, b and c)</b>	-	-	-
	<b>Total (I and II)</b>	-	-	-

**4 Balances with other central banks**

Sr No	Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
I	In Current Accounts	-	-	-
II	In Other Accounts	-	-	-
	<b>Total (I and II)</b>	-	-	-

**5 Balances with other banks, Financial Institutions and money at call and short notice**

Sr No	Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>I</b>	<b>Balance with other banks</b>			
	(a) in Current Accounts	7,796	30,872	51,889
	(b) in Reverse Repo	-	-	-
	(c) in Other deposit accounts	72,000	-	25,000
	<b>Subtotal (a b and c)</b>	<b>79,796</b>	<b>30,872</b>	<b>76,889</b>
<b>II</b>	<b>Balances with Financial Institutions</b>			
	(a) Deposits in lieu of shortfall in priority sector lending targets	-	-	-
	(b) In Reverse Repo	-	-	-
	(c) Other deposits	-	-	-
	<b>Subtotal (a b and c)</b>	-	-	-
<b>III</b>	<b>Money at Call and Short Notice</b>			
	(a) with Banks	71,000	30,000	-
	(b) with other institutions	-	-	-
	<b>Subtotal (a and b)</b>	<b>71,000</b>	<b>30,000</b>	-
	<b>Total (I, II and III)</b>	<b>150,796</b>	<b>60,872</b>	<b>76,889</b>
	Balances in India	10,023	24	26
	Balances outside India	140,773	60,848	76,863
	<b>Total</b>	<b>150,796</b>	<b>60,872</b>	<b>76,889</b>



# RBL BANK LIMITED ( GIFT CITY- IBU)

Notes to the financial statements (continued)

Currency: USD in '000s

## 6 Derivative Financial Instrument

Particulars	As at March 31, 2024		
	Notional amounts	Fair value- Assets	Fair value- Liabilities
<b>Currency derivatives</b>			
Spot and forwards	23,152	122	-
Currency swaps	112,564	1,698	1,457
<b>Total</b>	<b>135,716</b>	<b>1,820</b>	<b>1,457</b>
<b>Interest rate derivatives</b>			
Interest Rate Swaps	32,923	466	72
<b>Total</b>	<b>32,923</b>	<b>466</b>	<b>72</b>
<b>Total derivatives</b>	<b>168,639</b>	<b>2,286</b>	<b>1,529</b>

Particulars	As at March 31, 2023		
	Notional amounts	Fair value- Assets	Fair value- Liabilities
<b>Currency derivatives</b>			
Spot and forwards	33,519	131	363
Currency swaps	72,156	1,860	1,719
<b>Total</b>	<b>105,675</b>	<b>1,991</b>	<b>2,082</b>
<b>Interest rate derivatives</b>			
Interest Rate Swaps	7,565	134	125
<b>Total</b>	<b>7,565</b>	<b>134</b>	<b>125</b>
<b>Total derivatives</b>	<b>113,240</b>	<b>2,125</b>	<b>2,207</b>

Particulars	As at April 1, 2022		
	Notional amounts	Fair value- Assets	Fair value- Liabilities
<b>Currency derivatives</b>			
Spot and forwards	-	-	-
Currency swaps	68,437	2,242	2,219
<b>Total</b>	<b>68,437</b>	<b>2,242</b>	<b>2,219</b>
<b>Interest rate derivatives</b>			
Interest Rate Swaps	13,178	30	13
<b>Total</b>	<b>13,178</b>	<b>30</b>	<b>13</b>
<b>Total derivatives</b>	<b>81,615</b>	<b>2,272</b>	<b>2,232</b>



**RBL BANK LIMITED ( GIFT CITY- IBU)**  
Notes to the financial statements (continued)

Currency: USD in '000s

**7 Investments**

Particulars	As at March 31, 2024						
	Amortised Cost	At Fair Value				Others	Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal		
<b>A. Investments in India (Gross) :</b>	-	-	-	-	-	-	-
<b>Less: Impairment Loss Allowance</b>	-	-	-	-	-	-	-
<b>Net</b>	-	-	-	-	-	-	-
<b>B. Investments outside India (Gross)</b>	-	-	-	-	-	-	-
<b>Less: Impairment Loss Allowance</b>	-	-	-	-	-	-	-
<b>Net</b>	-	-	-	-	-	-	-
<b>Total Investments – Gross (C) = (A) + (B)</b>	-	-	-	-	-	-	-
<b>Less: Impairment Loss</b>	-	-	-	-	-	-	-
<b>Total Net</b>	-	-	-	-	-	-	-

Particulars	As at March 31, 2023						
	Amortised Cost	At Fair Value				Others	Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal		
<b>A. Investments in India (Gross) :</b>	-	-	-	-	-	-	-
<b>Less: Impairment Loss Allowance</b>	-	-	-	-	-	-	-
<b>Net</b>	-	-	-	-	-	-	-
<b>B. Investments outside India (Gross)</b>	-	-	-	-	-	-	-
<b>Less: Impairment Loss Allowance</b>	-	-	-	-	-	-	-
<b>Net</b>	-	-	-	-	-	-	-
<b>Total Investments – Gross (C) = (A) + (B)</b>	-	-	-	-	-	-	-
<b>Less: Impairment Loss</b>	-	-	-	-	-	-	-
<b>Net</b>	-	-	-	-	-	-	-

Particulars	As at April 1, 2022						
	Amortised Cost	At Fair Value				Others	Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal		
<b>A. Investments in India (Gross):</b>	-	-	-	-	-	-	-
<b>Less: Impairment Loss Allowance</b>	-	-	-	-	-	-	-
<b>Total Net</b>	-	-	-	-	-	-	-
<b>B. Investments outside India (Gross)</b>	-	-	-	-	-	-	-
<b>Less: Impairment Loss Allowance</b>	-	-	-	-	-	-	-
<b>Total Net</b>	-	-	-	-	-	-	-
<b>Total Investments – Gross (C) = (A) + (B)</b>	-	-	-	-	-	-	-
<b>Less: Impairment Loss</b>	-	-	-	-	-	-	-
<b>Total Net</b>	-	-	-	-	-	-	-



**RBL BANK LIMITED ( GIFT CITY- IBU)**  
Notes to the financial statements (continued)

Currency: USD in '000s

8 Advances

Particulars	As at March 31, 2024						
	Amortised Cost	At Fair Value				Others	Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal		
<b>Advances</b>							
A (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-
(ii) Cash Credits, Overdrafts, Loans repayable on Demand	-	-	-	-	-	-	-
(iii) Term Loans	389,715	-	-	-	-	-	389,715
Gross	389,715	-	-	-	-	-	389,715
Less : Impairment loss allowance	8,188	-	-	-	-	-	8,188
Net	381,527	-	-	-	-	-	381,527

Particulars	As at March 31, 2023						
	Amortised Cost	At Fair Value				Others	Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal		
<b>Advances</b>							
A (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-
(ii) Cash Credits, Overdrafts, Loans repayable on Demand	-	-	-	-	-	-	-
(iii) Term Loans	320,056	-	-	-	-	-	320,056
Gross	320,056	-	-	-	-	-	320,056
Less : Impairment loss allowance	1,352	-	-	-	-	-	1,352
Net	318,704	-	-	-	-	-	318,704

Particulars	As at April 1, 2022						
	Amortised Cost	At Fair Value				Others	Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal		
<b>Advances</b>							
A (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-
(ii) Cash Credits, Overdrafts, Loans repayable on Demand	-	-	-	-	-	-	-
(iii) Term Loans	327,026	-	-	-	-	-	327,026
Gross	327,026	-	-	-	-	-	327,026
Less : Impairment loss allowance	1,354	-	-	-	-	-	1,354
Net	325,672	-	-	-	-	-	325,672



# RBL BANK LIMITED ( GIFT CITY- IBU)

## Notes to the financial statements (continued)

Currency: USD in '000s

### 9 Property, Plant and Equipment

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>I. Premises</b>			
At cost, beginning of the year	164.00	164.00	164.00
Additions during the year	-	-	-
Deductions during the year	-	-	-
<b>At cost or fair value at the end of the year</b>	<b>164.00</b>	<b>164.00</b>	<b>164.00</b>
Accumulated depreciation and impairment as at the beginning of the year	16.00	13.00	10.00
Depreciation for the year	3.00	3.00	3.00
Disposals	-	-	-
<b>Accumulated depreciation and impairment as at the end of the year</b>	<b>19.00</b>	<b>16.00</b>	<b>13.00</b>
<b>Net carrying amount as at the end of the year</b>	<b>145.00</b>	<b>148.00</b>	<b>151.00</b>
<b>II. Other Fixed Assets (including furniture and fixtures)</b>			
At cost, beginning of the year	137.00	78.00	76.00
Additions during the year	-	59.00	2.00
Deductions during the year	-	-	-
<b>At cost or fair value at the end of the year</b>	<b>137.00</b>	<b>137.00</b>	<b>78.00</b>
Accumulated depreciation and impairment as at the beginning of the year	61.00	47.00	35.00
Depreciation for the year	22.00	14.00	12.00
Disposals	-	-	-
<b>Accumulated depreciation and impairment as at the end of the year</b>	<b>83.00</b>	<b>61.00</b>	<b>47.00</b>
<b>Net carrying amount as at the end of the year</b>	<b>54.00</b>	<b>76.00</b>	<b>31.00</b>
<b>III. Leased Assets</b>			
At cost, beginning of the year	-	-	-
Additions during the year	-	-	-
Deductions during the year	-	-	-
Depreciation to date	-	-	-
Less : Lease Adjustment Account	-	-	-
<b>Net carrying amount as at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IV. Assets under Construction (Including Premises)</b>			
	-	-	-
<b>Total</b>	<b>199.00</b>	<b>224.00</b>	<b>182.00</b>

# The IBU has elected to consider the carrying value of property, plant and equipment as on 1 April 2022 as the deemed cost on the first time adoption of Ind AS as per Ind AS 101 'First-time Adoption of Indian Accounting Standards'. Refer the note below for the gross block value and the accumulated depreciation on 1 April 2022 under the previous GAAP -

Particulars	Premises	Other Fixed Assets	Total
Gross block	164	78	242
Accumulated depreciation	13	47	60
<b>Net carrying value</b>	<b>151</b>	<b>31</b>	<b>182</b>





10 Goodwill

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
At cost, beginning of the year	-	-	-
Additions	-	-	-
Disposals	-	-	-
<b>Total Cost</b>	-	-	-
Accumulated impairment as at the beginning of the year	-	-	-
Disposals	-	-	-
Impairment/ (reversal) of Impairment	-	-	-
<b>Total Amortization and impairment</b>	-	-	-
<b>Net Carrying amount as at the end of the year</b>	-	-	-

11 Other Intangible Assets

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Software (A)</b>			
At cost, beginning of the year	-	-	-
Additions	-	-	-
Disposals	-	-	-
<b>Total Cost</b>	-	-	-
Accumulated amortization and impairment as at the beginning of the year	-	-	-
Amortization	-	-	-
Disposals	-	-	-
Impairment/ (reversal) of Impairment	-	-	-
<b>Total Amortization and impairment</b>	-	-	-
<b>Net Carrying amount as at the end of the year</b>	-	-	-
<b>Other Intangible Assets (B)</b>			
At cost, beginning of the year	-	-	-
Additions	-	-	-
Disposals	-	-	-
<b>Total Cost</b>	-	-	-
Accumulated amortization and impairment as at the beginning of the year	-	-	-
Amortization	-	-	-
Disposals	-	-	-
Impairment/ (reversal) of Impairment	-	-	-
<b>Total Amortization and impairment</b>	-	-	-
<b>Net Carrying amount as at the end of the year</b>	-	-	-
<b>Total</b>	-	-	-



# RBL BANK LIMITED ( GIFT CITY- IBU)

## Notes to the financial statements (continued)

Currency: USD in '000s

### 12 Other Assets

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Interest accrued	3,226	2,073	956
Inter Office Adjustments (Net)	-	-	-
Security and other Deposits	200	200	200
Others	1,769	1,563	21
<b>Total</b>	<b>5,195</b>	<b>3,836</b>	<b>1,177</b>



RBL BANK LIMITED ( GIFT CITY- IBU)  
Notes to the financial statements (continued)

Currency: USD in '000s

1.3 Deposits

Particulars	As at March 31, 2024			As at March 31, 2023			As at April 1, 2022		
	At Amortised Cost (1)	At Fair Value through Profit and Loss (2)	Total (3)=(1)+(2)	At Amortised Cost (4)	At Fair Value through Profit and Loss (5)	Total (6)=(4)+(5)	At Amortised Cost (7)	At Fair Value through Profit and Loss (8)	Total (9)=(7)+(8)
<b>Demand Deposits</b>									
(i) From Banks	-	-	-	-	-	-	-	-	-
(ii) From Others	54,972	-	54,972	8,552	-	8,552	7	-	7
<b>Savings Deposits</b>									
Term Deposit	-	-	-	-	-	-	-	-	-
(i) From Banks	-	-	-	-	-	-	-	-	-
(ii) From Others	104,231	-	104,231	76,550	-	76,550	24,080	-	24,080
(iii) Certificate of Deposits	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>159,203</b>	<b>-</b>	<b>159,203</b>	<b>85,102</b>	<b>-</b>	<b>85,102</b>	<b>24,087</b>	<b>-</b>	<b>24,087</b>
<b>Deposits of branches in India</b>									
Deposits of branches outside India	159,203	-	159,203	85,102	-	85,102	24,087	-	24,087
<b>Total</b>	<b>159,203</b>	<b>-</b>	<b>159,203</b>	<b>85,102</b>	<b>-</b>	<b>85,102</b>	<b>24,087</b>	<b>-</b>	<b>24,087</b>
<b>Deposits - non-interest bearing</b>									
Deposits - interest bearing	54,972	-	54,972	8,552	-	8,552	7	-	7
	104,231	-	104,231	76,550	-	76,550	24,080	-	24,080
<b>Total</b>	<b>159,203</b>	<b>-</b>	<b>159,203</b>	<b>85,102</b>	<b>-</b>	<b>85,102</b>	<b>24,087</b>	<b>-</b>	<b>24,087</b>



**RBL BANK LIMITED ( GIFT CITY- IBU )**

Notes to the financial statements (continued)

Currency: USD in '000s

**14 Borrowings**

Particulars	As at March 31, 2024			As at March 31, 2023			As at April 1, 2022		
	At Amortised Cost (1)	At Fair Value through Profit and Loss (2)	Total (3)=(1)+(2)	At Amortised Cost (4)	At Fair Value through Profit and Loss (5)	Total (6)=(4)+(5)	At Amortised Cost (7)	At Fair Value through Profit and Loss (8)	Total (9)=(7)+(8)
Reserve Bank of India	-	-	-	-	-	-	-	-	-
Other Banks	337,784	-	337,784	260,492	-	260,492	352,828	-	352,828
Others	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>337,784</b>	<b>-</b>	<b>337,784</b>	<b>260,492</b>	<b>-</b>	<b>260,492</b>	<b>352,828</b>	<b>-</b>	<b>352,828</b>
Borrowings in India	-	-	-	-	-	-	-	-	-
Borrowings outside India	337,784	-	337,784	260,492	-	260,492	352,828	-	352,828
<b>Total</b>	<b>337,784</b>	<b>-</b>	<b>337,784</b>	<b>260,492</b>	<b>-</b>	<b>260,492</b>	<b>352,828</b>	<b>-</b>	<b>352,828</b>

**15 Debt Securities**

Particulars	As at March 31, 2024			As at March 31, 2023			As at April 1, 2022		
	At Amortised Cost (1)	At Fair Value through Profit and Loss (2)	Total (3)=(1)+(2)	At Amortised Cost (4)	At Fair Value through Profit and Loss (5)	Total (6)=(4)+(5)	At Amortised Cost (7)	At Fair Value through Profit and Loss (8)	Total (9)=(7)+(8)
Liability component of compound financial instruments	-	-	-	-	-	-	-	-	-
Others (Bonds/ Debenture etc.)	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Debt securities in India	-	-	-	-	-	-	-	-	-
Debt securities outside India	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**16 Subordinated Liabilities**

Particulars	As at March 31, 2024			As at March 31, 2023			As at April 1, 2022		
	At Amortised Cost (1)	At Fair Value through Profit and Loss (2)	Total (3)=(1)+(2)	At Amortised Cost (4)	At Fair Value through Profit and Loss (5)	Total (6)=(4)+(5)	At Amortised Cost (7)	At Fair Value through Profit and Loss (8)	Total (9)=(7)+(8)
Perpetual Debt Instruments other than those that qualify as equity	-	-	-	-	-	-	-	-	-
Preference Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-	-
Others (specifying the nature and type of instrument issued)	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Subordinated Liabilities in India	-	-	-	-	-	-	-	-	-
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# RBL BANK LIMITED ( GIFT CITY- IBU)

## Notes to the financial statements (continued)

Currency: USD in '000s

### 17 Other Liabilities and Provisions

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Interest accrued	3,826	2,636	696
Bills payable	-	-	-
Inter Office Adjustments (Net)	2,173	1,051	360
Others	87	49	47
<b>Total</b>	<b>6,086</b>	<b>3,736</b>	<b>1,103</b>



# RBL BANK LIMITED ( GIFT CITY- IBU)

## Notes to the financial statements (continued)

Currency: USD in '000s

### 18 Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	14,224	10,372
Add/(Less) : Impact of Ind AS adjustments on transition	-	(4,430)
<b>Balance at the beginning of the year</b>	<b>14,224</b>	<b>5,942</b>
Add: Profit for the year	1,179	8,283
Add/(Less): Remeasurement of defined benefit obligation, net of income tax	(2)	(1)
<b>Balance at the end of the year</b>	<b>15,401</b>	<b>14,224</b>



**RBL BANK LIMITED ( GIFT CITY- IBU)**  
**Notes to the financial statements (continued)**

Currency: USD in '000s

**19 Contingent Liabilities and Commitment**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Claims against bank not acknowledged as debts	-	-	-
Liability for partly paid investments	-	-	-
Guarantees given on behalf of constituents - in India	-	-	-
Guarantees given on behalf of constituents - outside India	43,628	80,714	95,708
Acceptances, endorsements and Other obligations	3,537	-	-
Others	-	-	-
<b>Total</b>	<b>47,165</b>	<b>80,714</b>	<b>95,708</b>



# RBL BANK LIMITED ( GIFT CITY- IBU)

## Notes to the financial statements (continued)

Currency: USD in '000s

### 20 Interest Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on balances with and dues from banks	2,915	1,027
Interest on advances	29,332	18,770
Interest income from investments	-	-
Other interest income	868	315
<b>Total</b>	<b>33,115</b>	<b>20,112</b>

### 21 Interest Expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on deposits	5,302	1,148
Interest on borrowings	19,609	10,560
Interest on debt securities	-	-
Interest on subordinated liabilities	-	-
Other interest expense	-	80
<b>Total</b>	<b>24,911</b>	<b>11,788</b>

### 22 Net gain/ (loss) on fair value changes

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Net gain/ (loss) on financial instruments at fair value through profit and loss account :-		
a) On trading portfolio		
- Investments	-	-
- Derivatives	775	863
- Others	-	-
b) Others		
- On equity securities	-	-
- On other financial securities	-	-
- On derivative contracts	-	-
<b>Total Net gain/(loss) on fair value changes</b>	<b>775</b>	<b>863</b>

### 23 Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain/(loss) on Derecognition of financial assets at amortised cost	-	-
Net gain/(loss) on ineffective portion of hedges	-	-
Net gain/(loss) on Derecognition of property, plant and equipment	-	-
Dividend	-	-
Foreign exchange gain/ (loss)	29	(45)
Others*	55	1
<b>Total</b>	<b>84</b>	<b>(44)</b>

### 24 Impairment losses on financial instruments

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On advances	6,845	2
On investments	-	-
<b>Total</b>	<b>6,845</b>	<b>2</b>

### 25 Employee benefits

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages including bonus	847	800
Others	-	-
<b>Total</b>	<b>847</b>	<b>800</b>





**26 Other expenses**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rent, taxes and energy costs	4	3
Repairs and maintenance	4	5
Communication Costs	2	1
Printing and stationery	-	-
Advertisement and publicity	-	-
Director's fees, allowances and expenses	-	-
Auditor's fees and expenses	-	-
Legal and Professional charges	-	40
Insurance	-	-
Other expenditure	311	233
<b>Total</b>	<b>321</b>	<b>282</b>

**27 Depreciation**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation- Property	3	3
Depreciation- Equipment & Furniture	22	18
Depreciation- Leased assets	-	-
<b>Total</b>	<b>25</b>	<b>21</b>

**28 Amortisation of intangible assets**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amortisation and impairment of intangible assets- Software	-	-
Amortisation and impairment of intangible assets- Other	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**Note 29- Material accounting Policies and Notes to Special Purpose Financial Statements**

*for the year ended 31 March 2024*

**1. Reporting entity**

The Gift City IBU (IFSC Banking Unit) ("hereinafter referred to as IBU") of RBL Bank Limited (the 'Bank') has commenced its operations in April 2017 as an Offshore Banking Unit at International Financial Services Centre (IFSC), Gujarat International Finance Tec-City (GIFT City), Gandhinagar, India.

The Branch raises foreign currency deposits and bank borrowings. It uses these funds to provide funding, loans, bank guarantees, and trade finance to overseas corporate customers. Moreover, the IFSC branch extends credit facilities to customers through External Commercial Borrowings (ECB) and trade credit. It also offers treasury services for currency and interest rate hedging, enhancing its range of services for international clients.

It is governed by the banking regulations of International Financial Services Centre Authority (IFSCA) as may be applicable at the time of operations and as amended from time to time for smooth functioning of banking operations in IFSC.

**2. Basis of accounting**

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS"). The financial statements are prepared on a going concern basis, as management is satisfied that the IBU has adequate resources to continue as a going concern for the foreseeable future. In making this assessment, management has considered a wide range of information including projections of profitability, regulatory capital requirements and funding needs.

As per the IFSCA regulations and subsequent communication with the IFSCA, the IBU is required to follow Indian accounting standard (Ind AS) including any new amendments thereto, for preparing and maintaining its financial statements on standalone basis and for the purpose of reporting and compliance under the relevant IFSCA regulations, rules, directions, circulars and guidelines applicable for IBUs.

This being special purpose financial statements, it is not accompanied with all explanatory notes as required by a full set of financial statements. Further IBU has considered the report of the working group on "implementation of Ind AS by Banks in India" placed on the website of RBI on October 20, 2015, RBI circular DBR.BP.BC.No 106/21.07.001/2015-16, dated 23 June 2016 for the format of Special purpose financial statements.

Current financial statement is IBU's first Ind AS annual financial in which it adopts Ind AS and is in compliance with Ind AS. IBU has prepared and presented an opening Ind AS Balance Sheet at the date of transition to Ind AS i.e April 1, 2022.

**3. Functional and presentation currency**

These financial statements are presented in United States Dollar (\$/USD), which is the entity's functional currency and presentation currency. All amounts have been rounded to the nearest thousands, except when otherwise indicated.



**Notes to the Financial Statements (Continued)**  
*for the year ended 31 March 2024*

**4. Use of judgements and estimates**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the IBU's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

**A. Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following Notes:

- Note 7(F)(ix): establishing the criteria for determining whether credit risk on a financial asset has increased significantly since initial recognition.
- Notes 7(F)(ii) classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are Solely payment of principal and interest (SPPI) on the principal amount outstanding.

**B. Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes.

Notes 7(F)(ix): impairment of financial instruments: determination of inputs into the ECL measurement model.

Notes 7(F)(viii): measurement of the fair value of financial instruments with significant unobservable inputs.

Note 7(Q) recognition and measurement of contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Note 7(K) useful life of property, plant, equipment and intangibles.

Note 7 (L) impairment of non-financial assets amounts

**5. Changes in significant accounting policies**

The IBU has no transactions that are affected by newly effective requirements.

**6. Basis of measurement**

The financial statements have been prepared on a historical cost basis, except for the following material items, which are measured on the following alternative basis on each reporting date.



**Notes to the Financial Statements (Continued)**  
for the year ended 31 March 2024

Items	Measurement basis
Non-derivative financial instruments at FVTPL	Fair value
Derivative financial instruments	Fair value
Debt and equity securities at FVOCI	Fair value
Recognized financial assets and financial liabilities designated as hedged items in qualifying fair value hedging relationships (which otherwise would have been measured at amortised cost)	Amortised cost adjusted for hedging gain or loss

**7. Significant accounting policies**

**A. Foreign currency transactions**

Transactions in foreign currencies are translated into the respective functional currencies of the IBU at the exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are generally recognized in profit or loss. However, foreign currency differences arising from the translation of equity investments in respect of which an election has been made to present subsequent changes in fair value in OCI are recognized in OCI.

**B. Interest**

**Effective interest rate**

Interest income is recognized in the statement of Profit and Loss using effective interest rate (EIR) on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI) except for those classified as FVTPL.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognized in profit or loss at initial recognition

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is not accrued.

For financial assets originated or purchased credit impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.



**Notes to the Financial Statements (Continued)**  
*for the year ended 31 March 2024*

**C. Fees and commission**

Fee and commission income and expense include fees other than those that are an integral part of EIR. The fees included in the statement of profit and loss include among other things fees charged for servicing a loan, non-utilisation fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement and loan advisory fees.

The IBU recognises the fee and commission income not integral to EIR in accordance with the terms of the relevant customer contracts / agreement and when it is probable that the IBU will collect the consideration for items.

Fee and commission expenses with regards to services are accounted for as the services are received.

**D. Dividend income**

Dividend income is recognised when the right to receive income is established and it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

**E. Leases**

At inception of a contract, the IBU assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Acting as a lessee**

The IBU recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to branches or office premises.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the IBU's incremental borrowing rate. Generally, the IBU uses its incremental borrowing rate as the discount rate.

The IBU determines its incremental borrowing rate by analysing its borrowings from various external sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any lease incentives



**Notes to the Financial Statements (Continued)**  
*for the year ended 31 March 2024*

receivable

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the IBU is reasonably certain to exercise,

lease payments in an optional renewal period if the IBU is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the IBU is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the IBU's estimate of the amount expected to be payable under a residual value guarantee, if the IBU changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

**Short-term leases and leases of low-value assets**

The IBU has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including leases of IT equipment. The IBU recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**F. Financial assets**

**i. Recognition and initial measurement**

Financial assets are recognised in the IBU's balance sheet when the IBU becomes a party to the contractual provisions of the instrument.

Financial assets are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets are added/reduced to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs and revenues of financial Assets carried at fair value through the profit or loss account are recognized immediately in the Statement of Profit or Loss.

See 7(F) (viii) for a description of the policy if the fair value of a financial instrument at initial recognition differs from the transaction price.



**Notes to the Financial Statements (Continued)**  
*for the year ended 31 March 2024*

**ii. Classification**

The IBU assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the IBU's business model for managing the asset and on initial recognition classifies them into either-

On initial recognition, depending on the IBU's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

- 1) Amortised cost;
- 2) Fair value through other comprehensive income (FVTOCI); or
- 3) Fair value through profit and loss (FVTPL).

**1) Financial assets at amortised cost**

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

**2) Financial assets at fair value through other comprehensive income (FVTOCI)**

A Financial asset is measured at FVOCI only if it meets both of the following conditions:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

On initial recognition of an equity investment that is not held for trading, the IBU may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

**3) Financial assets at fair value through profit or loss (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

Investments in equity instruments are classified as FVTPL, unless the related instruments are not held for trading and the IBU irrevocably elects on initial recognition of financial asset on



**Notes to the Financial Statements (Continued)**  
*for the year ended 31 March 2024*

an asset-by-asset basis to present subsequent changes in fair value in other comprehensive income.

**Business model assessment**

The IBU makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice.
- how the performance of the portfolio is evaluated and reported to the IBU's management.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed.
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the IBU's stated objective for managing the financial assets is achieved and how cash flows are realised.

The IBU reassess its business models each reporting period to determine whether the business models have changed since the preceding period.

If the business model under which the IBU holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results the reclassification.

The IBU considers sale of financial assets measured at amortised cost portfolio as consistent with a business model whose objective is to hold financial assets in order to collect contractual cash flows if these sales are

- due to an increase in the assets' credit risk or
- due to other reasons such as sales made to manage credit concentration risk (without an increase in the assets' credit risk) and are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent).

The IBU's business comprises primarily loans to customers that are held for collecting contractual cash flows.

**Assessment of whether contractual cash flows are solely payments of principal and interest:**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money





**Notes to the Financial Statements (Continued)**  
for the year ended 31 March 2024

and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the IBU considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the IBU considers

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the IBU's claim to cash flows from specified assets (e.g. non- recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

Equity instruments have contractual cash flows that do not meet the SPPI criterion. Accordingly, all such financial assets are measured at FVTPL unless the FVOCI option is selected

**iii) Reclassifications**

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the IBU changes its business model for managing financial assets.

**iv) Subsequent measurement and gains and losses**

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit or loss. The transaction costs and fees are also recorded related to these instruments in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Any gain or loss on derecognition is recognised in the statement of profit or loss.
Financial assets (other than Equity Investments) at FVTOCI	Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value



**Notes to the Financial Statements (Continued)**  
for the year ended 31 March 2024

	movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the statement of Profit and Loss.
Equity investments at FVTOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

**v) Derecognition**

The IBU derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the IBU neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of:

- (i) the consideration received (including any new asset obtained less any new liability assumed) and
  - (ii) any cumulative gain or loss that had been recognised in OCI
- is recognised in profit or loss.

Any cumulative gain or loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities.

Any interest in transferred financial assets that qualify for derecognition that is created or retained by the IBU is recognised as a separate asset or liability.

**vi) Modifications of financial assets**

**Financial assets**

If the terms of a financial asset are modified, then the IBU evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the



**Notes to the Financial Statements (Continued)**  
*for the year ended 31 March 2024*

original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value plus any eligible transaction costs.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximize recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the IBU plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI asset, then the IBU first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification.

Any costs or fees incurred, and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

**vii) Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the IBU currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under Ind AS, or for gains and losses arising from a IBU of similar transactions such as in the IBU's trading activity.

**viii) Fair value measurement**

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the IBU has access at that date. The fair value of a liability reflects its non-performance risk.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs- quoted prices (unadjusted) in active markets for identical assets or liabilities



**Notes to the Financial Statements (Continued)**  
*for the year ended 31 March 2024*

that the IBU can access at reporting date  
Level 2 inputs- Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and  
Level 3 inputs- Inputs are unobservable inputs for the valuation of assets or liabilities

When one is available, the IBU measures the fair value of an instrument using the quoted price in an active market for that instrument.

If there is no quoted price in an active market, then the IBU uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the IBU determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the difference, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

**ix) Impairment**

The IBU recognises loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

- financial assets that are Loans and Advances;
- financial guarantee contracts issued; and
- loan commitments issued

The IBU measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date and
- other financial instruments on which credit risk has not increased significantly since their initial recognition .

12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which 12-month ECL are recognised are referred to as 'Stage 1 financial instruments'. Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired.

Lifetime ECL are the ECL that result from all possible default events over the expected life of



**Notes to the Financial Statements (Continued)**  
*for the year ended 31 March 2024*

the financial instrument or the maximum contractual period of exposure. Financial instruments for which lifetime ECL are recognised but that are not credit-impaired are referred to as 'Stage 2 financial instruments.'

Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as 'Stage 3 financial instruments'.

For stage 3 financial instruments, ECL is measured at amount as per ECL model or as per management estimate whichever is higher.

**Default**

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and lifetime ECL is computed.

The IBU considers the following as constituting an event of default:

The borrower is past due more than 90 days or any material credit concern such as account restructured by the Bank, obligation put on non-accrued basis, account classified NPA by the Bank as per existing RBI guidelines other than 90 DPD etc.

**Criteria of Classification of Financial Assets**

Financial Assets classified as Low Credit Risk (either 0 Days Past Due or 1 to 30 Days Past Due) are classified as Stage 1 Financial Assets.

Financial Assets classified as Significant Increase in Credit Risk (31 to 90 Days Past Due), or are Adversely labelled(AL) or Watch List (WL) are classified as Stage 2 Financial Assets.

Financial Assets which have defaulted, are classified as Stage 3 Financial Assets.

**ECL Measurement**

The Bank has chosen three components-based model for measurement of expected credit losses. The three primary components i.e. Probability of default (PD), Loss given default (LGD) and Exposure at default (EAD) are derived based on empirical evidence, macro-economic factors and management judgment.

ECL is the Product of the three Primary Components described above.

An Expected Credit loss on a portfolio of financial instruments is sum of Expected Losses on each financial instrument.

Probability of Default (PD): PD is the risk that the borrower will be unable or unwilling to repay its debt in full or on time. It is calculated by taking Bank's Internal Data of Obligors defaulting for each Bank's Rating grade for historical period with annual Data Points. Subsequently, PD (12 month PD & Lifetime PD) is derived by Macro-Economic Overlay (GDP growth rate).



**Notes to the Financial Statements (Continued)**

for the year ended 31 March 2024

- i. 12 Months PD for Stage 1 (For Financial Assets not currently credit impaired and have not experienced Significant Increase in Credit Risk as on Reporting Date)
- ii. Lifetime PD for Stage 2 of the Financial Asset (For Financial Assets under Significant Increase in Credit Risk)
- iii. 100% PD for Financial Assets which are Credit Impaired as on Reporting Date.

Loss given Default (LGD): It is the Bank's economic loss upon the default of a debtor or borrower or counterparty. It is expressed as percentage or share of Bank's exposure.

It is calculated by taking Bank's Internal Data of Defaulted Wholesale Obligors and the Recoveries obtained for each such Borrower for a historical period. These Borrowers are classified as Secured NPA and Unsecured NPA.

Recovery Rate is obtained for both these categories and LGD is obtained as 1- Recovery Rate. Secured LGD and Unsecured LGD is obtained this way. LGD is same across all Stages of Financial Assets.

Exposure at Default (EAD): It is the Gross exposure or potential gross exposure under a facility at the time of default by a debtor or borrower or counterparty.

For off-balance sheet items and revolving credit facilities a credit conversion factor ("CCF") needs to be estimated to take into account additional drawings prior to default.

- i. Fund Based Outstanding
- ii. Non Fund Based Outstanding (Financial Guarantees) (measured as NFB Credit Equivalent with RBI Prescribed CCF values)
- iii. Unutilised Exposure taken for Financial Assets which are not Credit Impaired (Stage 1 and Stage 2 Financial Assets) at applicable CCF.

**G. Financial Liabilities**

**i) Recognition and initial measurement**

Financial liabilities are recognized in the IBU's balance sheet when the IBU becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the issue of financial liabilities (other than financial liabilities measured at fair value through profit or loss) are added/deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues of financial liabilities carried at fair value through the profit or loss account are recognized immediately in the Statement of Profit or Loss.

Financial liabilities, including derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method



**Notes to the Financial Statements (Continued)**

for the year ended 31 March 2024

Deposits and debt securities in issue are the IBU's sources of debt funding. These are initially measured at fair value minus incremental direct transaction costs. Subsequently, they are measured at their amortised cost using the effective interest method, except where the IBU designates liabilities at FVTPL.

**ii) Classification**

The IBU classifies its financial liability as "Financial liability measured at amortised cost" except for those classified as financial liabilities measured at fair value through profit and loss (FVTPL).

**iii) De-recognition of financial liabilities**

The IBU derecognises financial liabilities when, and only when, the IBU's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**H. Cash and cash equivalents**

Cash and cash equivalents include fixed deposits, and coins on hand, unrestricted balances held with central banks and highly liquid financial assets with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the IBU in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

**I. Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i) changes during the period in operating receivables and payables transactions of a non-cash nature;
- ii) non-cash items such as depreciation, impairment, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
- iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.



**Notes to the Financial Statements (Continued)**  
*for the year ended 31 March 2024*

**J. Derivatives held for risk management purposes:**

Derivatives held for risk management purposes include all derivative assets and liabilities that are not classified as trading assets or liabilities. All derivatives are measured at fair value in the statement of financial position. Entity holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures or to take position by trading in the same.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

Entity designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its floating rate borrowings arising from changes in interest rates and exchange rates.

At inception of designated hedging relationships, the entity documents the risk management objective and strategy for undertaking the hedge. The entity also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

**Cash flow hedges**

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

**Fair Value Hedge:**

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability, or an identified portion of such an asset, liability, that is attributable to a particular risk and could affect profit or loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a





**Notes to the Financial Statements (Continued)**  
for the year ended 31 March 2024

hedging derivative is recognized in the statement of profit and loss. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognized in the statement of profit and loss.

**K. Property and equipment**

**i. Recognition and measurement**

Property, Plant & Equipment are accounted for at cost less accumulated depreciation, amortization and accumulated impairment losses. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the asset. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future economic benefit / functioning capability from / of such assets.

Depreciation is provided as per straight-line method from the date ready for use over the estimated useful life of the asset. Depreciation on assets sold during the year is charged to the Profit and Loss account up to the date of sale. Assets costing less than (USD equivalent of ₹5,000) are fully depreciated in the year of purchase. If the management's estimate of the useful life of a Property, Plant & Equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter, then the depreciation is provided at a higher rate based on management's estimate of the useful life/remaining useful life. The management believes that depreciation rates currently used, fairly reflect its estimate of the useful lives and residual values of Property, Plant & Equipment. Whenever there is a revision of the estimated useful life of an asset, the unamortised depreciable amount is charged over the revised remaining useful life of the said asset.

The estimated useful lives of property and equipment for the current and comparative periods are as follows:

Category	Estimated useful life
Premises	50 years
Desktop computers, printers, laptops	3 years
VSATs, telecom equipment, cabling, other computer hardware and related equipment, LAN/mainframe servers and printers, scanners	5 years
Purchased and developed software	5 years
Vehicles	5 years
Office equipment, locker cabinets, strong room	6.67 years
Furniture, fittings and work of art	10 years

Improvements and installations of capital nature on the leasehold property are depreciated over the primary lease term.

Gain or losses arising from the retirement or disposal of Property, Plant & Equipment are determined as the difference between the net disposal proceeds and the carrying amount of assets and recognised as income or expense in the statement of Profit and Loss.



**Notes to the Financial Statements (Continued)**  
*for the year ended 31 March 2024*

At each Balance Sheet date, the IBU assesses impairment on assets. If any such indication exists, the IBU estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

**L. Impairment of non-financial assets**

At each reporting date, the IBU reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

**M. Financial guarantees and loan commitments**

A financial guarantee contract requires the IBU to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the IBU are initially measured at their fair values and, if not designated as at FVTPL and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with Ind AS 109; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the IBU's revenue recognition policies.

The IBU has not designated any financial guarantee contracts as FVTPL.

**N. Employee benefits**

**i) Provident Fund**

The IBU's contribution towards provident fund, being a defined contribution scheme, is accounted for on an accrual basis and recognized in the statement of Profit and Loss. The IBU makes contributions to the Fund administered by trustees.

**ii) Gratuity**

Liability for Gratuity, being defined benefit retirement schemes, are determined based on an actuarial valuation as at the Balance Sheet date as per the Projected Unit Credit method as computed by an independent actuary. Actuarial gains/losses arising during the year are recognized in the Other comprehensive income.

**iii) National Pension Scheme**

The IBU contributes 10% of the total basic salary of certain employees to National Pension Scheme (NPS), a defined contribution plan, which is managed and administered by pension fund management companies. The IBU also gives an option to its employees allowing them



**Notes to the Financial Statements (Continued)**

for the year ended 31 March 2024

to receive the amount in lieu of such contributions along with their monthly salary during their employment. The amounts so contributed/paid by the IBU to the NPS or to employee during the year are recognized in the profit and loss account.

**iv) Employee Stock Option Plans**

The fair value of stock options is estimated on the date of grant using Black-Scholes model and is recognised as employee expense over the vesting period.

**O. Borrowing Cost**

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings,/ to the extent they are regarded as an adjustment to interest costs.

**P. Segment reporting**

An operating segment is a component of the IBU that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses relating to transactions with any of the IBU other components, whose operating results are regularly reviewed by the Bank's senior management to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Bank's senior management include items that are directly attributable to a segment as well as those that can be allocated on a reasonable basis.

**Q. Provisions, contingent liabilities and contingent assets:**

Provisions are recognised only when:

- i) An entity has a present obligation (legal or constructive) as a result of a past event; and
- ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- iii) a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- a. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- b. a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.



**Notes to the Financial Statements (Continued)**


for the year ended 31 March 2024

**R. Commitment**

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- (a) estimated amount of contracts remaining to be executed on capital account and not provided for;
- (b) uncalled liability on shares and other investments partly paid and
- (d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

For **C N K & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. 101961W/W100036

  
Suresh Agaskar  
Partner  
Membership No. 110321



For and on behalf of **RBL Bank Limited**  
IBU Gift City Branch

  
Buvanesh Tharashankar  
Chief Financial Officer



Place: Mumbai  
Date: August 06, 2024

  
Namit Dua  
Head-GIFT City-IBU