



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/DOR/2025-26/265

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Reserve Bank of India (Regional Rural Banks – Financial Statements: Presentation and Disclosures) Directions, 2025

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In exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949, and all other provisions / laws enabling the Reserve Bank of India ('RBI') in this regard, RBI being satisfied that it is necessary and expedient in the public interest and in the interest so to do, hereby, issues the Directions hereinafter specified.

Chapter-I Preliminary

A. Short title and commencement

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

B. Applicability

3. These Directions shall be applicable to all Regional Rural Banks (hereinafter collectively referred to as 'banks' and individually as a 'bank') as defined under Clause (ja) of Section 5 of the Banking Regulation Act, 1949.



Chapter-II Balance Sheet and Profit and Loss Account

A.Format of the Balance Sheet and Profit and Loss Account

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

B.Notes and instructions for compilation

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

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

(1) Instructions for compilation of balance sheet

Item	Sch	Coverage	Notes and instructions for compilation
Capital	1	Nationalised Banks	
		Capital (Fully owned by Central Government)	
		Banks incorporated outside India: Capital	



Item	Sch		Coverage	Notes and instructions for compilation
			Other Banks (Indian) Authorised Capital (__ shares of ₹ ____ each) Issued Capital (__ shares of ₹ ____ each) Subscribed Capital (__ shares of ₹ ____ each) Called up Capital (__ shares of ₹ ____ each) Less: Calls unpaid Add: Forfeited shares Paid up Capital	Authorised, Issued, Subscribed, Called-up capital shall be given separately. Calls in arrears will be deducted from Called-up capital while the paid-up value of forfeited shares shall be added thus arriving at the Paid-up capital. Where necessary, items which can be combined shall be shown under one head, for instance 'Issued and Subscribed Capital'. Notes 1. The changes in the above items, if any, during the year, say, fresh contribution made by Government, fresh issue of capital, capitalisation of reserves, etc., shall be explained in the notes.
Reserves and Surplus	2	(I)	Statutory Reserves	Reserves created out of the profits in compliance with Section 17(1) (read with paragraph 13 of this Master Direction) or any other section of the BR Act, 1949 shall be separately disclosed.
		(II)	Capital Reserves	The expression 'Capital Reserves' shall not include any amount regarded as free for distribution through the Profit and Loss Account. Surplus on revaluation shall be treated as Capital Reserves.



Item	Sch		Coverage	Notes and instructions for compilation
		(III)	Share Premium	Premium on issue of share capital shall be shown separately under this head.
		(IV)	Revenue and Other Reserves	The expression 'Revenue Reserve' shall mean any reserve other than Capital Reserve. This item will include all reserves, other than those separately classified. The expression 'reserve' shall not include any amount retained by way of providing for depreciation, renewals or diminution in value of assets or retained by way of providing for any known liability. Investment Fluctuation Reserve shall be shown under this head.
		(V)	Balance in Profit and Loss Account	Includes balance of profit after appropriations. In case of loss the balance shall be shown as a deduction. <i>Notes:</i> Movements in various categories of reserves shall be shown as indicated in the Schedule.
Deposits	3	A.I)	Demand Deposits	
		(i)	From banks	Includes all bank deposits repayable on demand.
		(ii)	From others	Includes all demand deposits of the non-bank sectors. Credit balances in overdrafts, cash credit accounts, deposits payable at call, overdue



Item	Sch	Coverage	Notes and instructions for compilation
			deposits, inoperative current accounts, matured time deposits, cash certificates and certificates of deposits, etc., shall be included under this category.
	(II)	Savings Bank Deposits	Includes all savings bank deposits (including inoperative savings bank accounts)
	(III)	Term Deposits	
	(i)	From banks	Includes all types of bank deposits repayable after a specified term.
	(ii)	From others	Includes all types of deposits of the non-bank sector repayable after a specified term. Fixed deposits, cumulative and recurring deposits, cash certificates, certificates of deposits, annuity deposits, deposits mobilised under various schemes, ordinary staff deposits, foreign currency non-resident deposits accounts, etc., shall be included under this category.
	B. i)	Deposits of branches in India	The total of these two items should match the total deposits shown in the balance sheet. <i>Notes</i> 1. Interest payable on deposits which is accrued but not due shall not be included but shown under other liabilities.
	ii)	Deposits of branches outside India	



Item	Sch		Coverage	Notes and instructions for compilation
				<p>2. Matured term deposits shall be treated as demand deposits.</p> <p>3. Deposits under special schemes shall be included under term deposits if they are not payable on demand. When such deposits have matured for payment, they shall be shown under demand deposits.</p> <p>4. Deposits from a bank will include deposits from the banking system in India, Co-operative banks, Foreign banks which may or may not have a presence in India.</p> <p>5. A bank shall disclose by way of a footnote to this Schedule, the amount of deposits against which lien is marked out of the total deposits. (For current and previous year)</p>
Borrowings	4	(I)	Borrowings	
		(i)	RBI	Includes repo, other borrowings, or refinance obtained from RBI.
		(ii)	Other banks	Includes repo, other borrowings, or refinance obtained from banks (including Co-operative banks) and balances in Repo Account.
		(iii)	Other institutions and agencies	Includes borrowing / refinance obtained from Export-Import Bank of India, NABARD and other institutions, agencies (including liability against participation certificates-



Item	Sch		Coverage	Notes and instructions for compilation
				without risk sharing, if any) and balances in Repo Account.
		(II)	Borrowings outside India	Includes borrowings from outside India.
			Secured borrowings included in above	This item shall be shown separately. Includes secured borrowings / refinance in India and outside India.
				<p><i>Notes</i></p> <ol style="list-style-type: none">1. The total of I and II should match the total borrowings shown in the balance sheet.2. Inter-office transactions shall not be shown as borrowings.3. Refinance obtained by a bank from RBI and various institutions shall be shown under the head 'Borrowings'. Accordingly, advances shall be shown at the gross amount on the asset side.4. The following shall be included here:<ol style="list-style-type: none">a) Perpetual Debt Instrumentsb) Tier 2 Capital Instruments /c) Subordinated Debt.
Other Liabilities and Provisions	5	(I)	Bills Payable	Includes drafts, telegraphic transfers, traveller's cheques, mail transfers payable, pay slips, bankers cheques and other miscellaneous items.



Item	Sch		Coverage	Notes and instructions for compilation
		(II)	Inter-office adjustments (net)	The inter-office adjustments balance, if in credit, shall be shown under this head. The bank should first segregate the credit entries outstanding for more than 5 years in the inter-branch account and transfer them to a separate Blocked Account which should be shown under 'Other Liabilities and Provisions - Others'. While arriving at the net amount of inter-branch transactions for inclusion here, or Schedule 11, as the case may be, the aggregate amount of Blocked Account should be excluded and only the amount representing the remaining credit entries should be netted against debit entries. Only net position of inter-office accounts, shall be shown here.
		(III)	Interest accrued	Includes interest accrued but not due on deposits and borrowings.
		(IV)	Others (including provisions)	Includes net provision for income tax, other taxes like interest tax (less advance payment, tax deducted at source, etc.), deferred tax (if after netting as per AS 22 is a liability), floating provisions, and contingency funds which are not disclosed as reserves but are actually in the nature of reserves, other liabilities which are not disclosed under any of the major heads such as unclaimed dividend, provisions and funds kept for specific purposes, unexpired discount, outstanding charges like rent, conveyance, etc. Aggregate Net Credit in



Item	Sch		Coverage	Notes and instructions for compilation
				<p>the Clearing Differences transferred to a separate Blocked Account shall be shown here. Outstanding credit entries in nostro accounts transferred to Blocked Account shall also be shown here.</p> <p><i>Notes:</i></p> <ol style="list-style-type: none">1. For arriving at the net balance of inter-office adjustments all connected inter-office accounts shall be aggregated and the net balance only will be shown, representing mostly items in transit and unadjusted items.2. The interest accruing on all deposits, whether the payment is due or not, shall be treated as a liability.3. It is proposed to show only deposits under the head 'deposits' and hence all surplus provisions for bad and doubtful debts, contingency funds, etc., which are not netted off against the relative assets, shall be brought under the head 'Others (including provisions)'.4. Provisions towards Standard Assets shall not be netted from gross advances and shown separately as 'Provisions against Standard Assets' under 'Others' in Schedule 5 of the Balance Sheet.5. Where any item under the 'Others (including provisions)' exceeds one per cent of the total assets, particulars of all such items shall be disclosed in the notes to



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



Item	Sch		Coverage	Notes and instructions for compilation
		(II)	Outside India	Includes balances held outside India by the Indian branches of the bank.
		(i)	in Current Accounts	
		(ii)	in Other Deposit Accounts	The amounts held in 'current accounts' and 'deposit accounts' shall be shown separately.
		(iii)	Money at Call and Short Notice	'Money at Call and Short Notice' outside India includes deposits usually classified as per that foreign jurisdiction's laws, regulations, or market practices as money at call and short notice where such money is lent.
Investments	8	(I)	Investments in India in	
		(i)	Government securities	Includes Central and State Government Securities and Government Treasury Bills.
		(ii)	Other Approved Securities	Securities other than Government Securities, which have been specified by the RBI as 'approved securities' under Section 5(a) of the BR Act, 1949 shall be included here.
		(iii)	Shares	Investments in shares of companies and corporations not included in item (ii) shall be included here.
		(iv)	Debentures and Bonds	Investments in debentures (as defined by the Companies Act, 2013) and bonds of companies and corporations not included in item (ii) shall be included here.



Item	Sch		Coverage	Notes and instructions for compilation
		(v)	Subsidiaries and / or Joint Ventures	Investments in subsidiaries and joint ventures (including associates) shall be included here.
		(vi)	Others	Residual investments, if any, like mutual funds, gold, etc.
		(II)	Investments outside India	
		(i)	Government Securities (including local authorities)	All foreign Government Securities including securities issued by local authorities shall be classified under this head.
		(ii)	Subsidiaries and / or Joint ventures abroad	All investments made in the share capital of subsidiaries floated outside India and/or joint ventures abroad shall be classified under this head.
		(iii)	Others investments	All other investments outside India shall be shown under this head.
Advances	9	A.(i)	Bills purchased and discounted	In classification under Section A, all outstanding advances net of provisions made, will be classified under three heads as indicated and shall include both secured and unsecured advances as well as overdue instalments. Receivables acquired under factoring shall be reported under 'Bills purchased and Discounted'.



Item	Sch	Coverage	Notes and instructions for compilation
		<p>(ii) Cash credits, overdrafts and loans repayable on demand</p> <p>(iii) Term loans</p>	<p>All loans repayable on demand and short-term loans with original maturity up to one year shall be classified under 'Cash credits, overdrafts, and loans repayable on demand'. Outstanding balances on credit cards shall be included under this category. Other balances pertaining to credit operations, even if they are dues from other banks / organisations shall be shown as part of advances. However, where such dues are in the nature of fee or other revenue receivable the same may be shown as 'Other Assets'.</p> <p>A 'Term Loan' is a loan which has a specified maturity and is payable in instalments or in bullet form. All Term Loans with maturity in excess of one year shall be classified under this category (i.e., A(iii)) whereas as explained above short term loans with original maturity up to one year shall be categorised as loans repayable on demand.</p>
		B.(i) Secured by tangible assets	<p>All advances or part of advances including advances against book debts which are secured by tangible assets shall be shown here. The item will include secured advances both in and outside India.</p> <p>The bank shall specify that advances secured by tangible assets includes advances against book debts.</p>



Item	Sch		Coverage	Notes and instructions for compilation
		(ii)	Covered by Bank/Government Guarantee	<p>Advances to the extent they are covered by guarantees of Indian / foreign governments, Indian / foreign banks, Deposit Insurance and Credit Guarantee Corporation (DICGC) and Export Credit Guarantee Corporation of India (ECGC) shall be included here. Further, advances to the extent they are covered by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Credit Risk Guarantee Fund Trust for Low Income Housing (CRGFTLIH), and individual schemes under National Credit Guarantee Trustee Company Ltd. (NCGTC) which are backed by explicit Central Government Guarantee*, shall also be included here.</p> <p>*Note: In terms of the Reserve Bank of India (Regional Rural Banks – Prudential Norms on Capital Adequacy) Directions, 2025, as amended from time to time</p>
		(iii)	Unsecured	<p>All advances not classified under (i) and (ii) shall be included here. Rights, licenses, authorisations, etc., charged to a bank as collateral should not be reckoned as tangible security and therefore such advances shall be reckoned as unsecured under this head, with a disclosure of the same in the notes to the account.</p> <p>Total of 'A' should tally with total of 'B'.</p>
		C. (I)		



Item	Sch		Coverage	Notes and instructions for compilation
			<p>(i) Advances in India</p> <p>(ii) Priority Sector</p> <p>(iii) Public Sector</p> <p>(iv) Banks</p> <p>Others</p> <p>(II) Advances outside India</p> <p>(i) Due from banks</p> <p>(ii) Due from others</p> <p>(iii) Bills purchased and discounted</p> <p>(iv) Syndicated loans</p> <p>(v) Others</p>	<p>Advances shall be classified on the sectoral basis as indicated. Advances, which qualify as priority sector lending according to extant RBI instructions are to be classified under the head 'Priority Sector'. Such advances shall be excluded from item (ii) i.e. advances to public sector. Advances to Central / State Governments and other Government undertakings including Government Companies and statutory corporations shall be included in the category 'Public Sector'.</p> <p>All advances to the banking sector including Co-operative Banks shall come under the head 'Banks'. All the remaining advances will be included under the head 'Others' and typically this category will include non-priority sector advances to the private, joint, and co-operative sectors.</p> <p><i>Notes</i></p> <ol style="list-style-type: none">1. Advances shall be reported net of provisions made thereon (other than provisions towards Standard Assets). To the extent that General Provisions and Loss Reserves have not been treated as Tier 2 capital, they shall also be netted off from advances.2. Term loans reported shall not include loans repayable on demand.3. Consortium advances shall be reported net of share of other participating banks /



Item	Sch		Coverage	Notes and instructions for compilation
				<p>institutions.</p> <p>4. All interest-bearing loans and advances granted to bank's own staff shall be included here.</p> <p>5. Advances to other banks / organisations shall be included here.</p> <p>6. Interest accrued but not due should not be reflected here. Instead, it shall be shown under 'Interest accrued' in other assets.</p> <p>7. Rights, licenses, and authorisations, etc., charged to the bank as security / collateral in respect of projects (including infrastructure projects) financed by them, shall not be reckoned as tangible security. Such advances shall be reckoned as unsecured.</p> <p>8. Partial credit enhancement facilities to the extent drawn shall be treated as an advance.</p> <p>9. The aggregate amount of inter-bank participations with risk sharing would be reduced from the aggregate advances outstanding by issuing bank. Participating bank shall show the amount of inter-bank participations under advances. Where the participation is without risk sharing, it shall be reflected by the participating bank as due from Banks under Schedule 9.</p> <p>10. Reverse Repo with banks and other institutions having original tenors more than 14 days shall be shown under this</p>



Item	Sch		Coverage	Notes and instructions for compilation
				<p>Schedule under following head:</p> <p>i.A.(ii) 'Cash credits, overdrafts and loans repayable on demand'</p> <p>ii.B.(i) 'Secured by tangible assets'</p> <p>iii.C.(I).(iii) Banks (iv) 'Others' (as the case may be)</p>
Fixed Assets	10	(I)	Premises	Premises, including land, wholly or partly owned by the bank for the purpose of business including residential premises shall be shown against 'Premises'.
		(i)	At cost as on March 31 of the preceding year	
		(ii)	Additions during the year	In the case of premises and other fixed assets, the previous balance, additions thereto and deductions therefrom during the year as also the total depreciation written off shall be shown.
		(iii)	Deductions during the year	
		(iv)	Depreciation to date	
		(II)	Other Fixed Assets (including furniture and fixtures)	Furniture and fixtures, vehicles, and all other fixed assets shall be shown under this head.
		(i)	At cost as on March 31 of the preceding year	
		(ii)	Additions during the year	
		(iii)	Deductions during the year	
		(iv)	Depreciation to date	



Item	Sch		Coverage	Notes and instructions for compilation
Other Assets	11	(I)	Inter-office adjustments (net)	The inter-office adjustments balance, if in debit, shall be shown under this head. Only net position of inter-office accounts shall be shown here. For arriving at the net balance of inter-office adjustment accounts, all connected inter-office accounts shall be aggregated and the net balance, if in debit only shall be shown representing mostly items in transit and unadjusted items.
		(II)	Interest accrued	Interest accrued but not due on investments and advances and interest due but not collected on investments will be the main components of this item. As banks normally debit the borrowers' account with interest due on the balance sheet date, usually there may not be any amount of interest due on advances. Only such interest as can be realised in the ordinary course shall be shown under this head.
		(III)	Tax paid in advance / tax deducted at source	The amount of advance tax paid, tax deducted at source (TDS), etc., to the extent that these items are not set-off against relative tax provisions shall be shown against this item.
		(IV)	Stationery and stamps	Only exceptional items of expenditure on stationery like bulk purchase of security paper, loose leaf or other ledgers, etc., which are shown as quasi-asset to be written off over a period of time shall be shown here. The value shall be on a



Item	Sch	Coverage	Notes and instructions for compilation
			<p>realistic basis and cost escalation shall not be taken into account, as these items are for internal use.</p>
	(V)	Non-banking assets acquired in satisfaction of claims	<p>Immovable properties / tangible assets acquired in satisfaction of claims are to be shown under this head.</p>
	(VI)	Others	<p>This will include items like claims which have not been met, for instance, clearing items, debit items representing addition to assets or reduction in liabilities which have not been adjusted for technical reasons, want of particulars, etc. Accrued income other than interest shall also be included here.</p> <p>All non-interest-bearing loans and advances granted to the bank's staff shall be reported here. Cash Margin Deposit with The Clearing Corporation India Limited (CCIL) shall be shown here.</p> <p>Deposits placed with NABARD / SIDBI / NHB, etc., on account of shortfall in priority sector targets shall be included here. Banks shall also disclose the details of such deposits, both for the current year and previous year, as a footnote in Schedule 11 of the Balance Sheet.</p> <p>Where any item under 'Others' exceeds one per cent of the total assets, particulars of all such items shall be disclosed in the notes to accounts.</p>



Item	Sch		Coverage	Notes and instructions for compilation
Contingent Liabilities	12	(I)	Claims against the bank not acknowledged as debts	--
		(II)	Liability for partly paid investments	Liability on partly paid shares, debentures, etc. shall be included in this head.
		(III)	Liability on account of outstanding forward exchange contracts	Outstanding forward exchange contracts shall be included here.
		(IV)	Guarantees given on behalf of constituents	-
		(i)	In India	
		(ii)	Outside India	
		(V)	Acceptances, endorsements and other obligations	This item will include letters of credit and bills accepted by the bank on behalf of its customers.
		(VI)	Other items for which the bank is contingently liable	Arrears of cumulative dividends, bills rediscounted, commitments of underwriting contracts, and estimated amount of contracts remaining to be executed on capital account and not provided for etc., are to be included here. All unclaimed liabilities (where amount due has been transferred to the Depositors Education and Awareness Fund established under the Depositor Education and Awareness Fund Scheme, 2014) shall



Item	Sch		Coverage	Notes and instructions for compilation
				<p>be shown here.</p> <p>The undrawn partial credit enhancement facilities shall be shown here.</p> <p>When Issued ('WI') securities should be recorded in books as an off-balance sheet item till issue of the security. The off-balance sheet net position in the 'WI' market should be marked to market scrip-wise on daily basis at the day's closing price of the 'WI' security. In case the price of the 'WI' security is not available, the value of the underlying security determined as per extant regulations may be used instead. Depreciation, if any, should be provided for and appreciation, if any, should be ignored. On delivery, the underlying security may be classified in any of the three categories, viz., 'Held to Maturity' (HTM), 'Available for Sale' (AFS), or 'Fair Value through Profit and Loss (FVTPL), depending upon the intent of holding, at the contracted price.</p>
Bills for collection	--		--	Bills and other items in the course of collection and not adjusted will be shown against this item in the summary version only. No separate Schedule is proposed.

(2) Instructions for compilation of profit and loss account

Item	Sch		Coverage	Notes and Instructions for compilation
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Item	Sch		Coverage	Notes and Instructions for compilation
Interest earned	13	(I)	Interest / discount on advances / bills	Includes interest and discount on all types of loans and advances like cash credit, demand loans, overdrafts, export loans, term loans, domestic and foreign bills purchased and discounted (including those rediscounted), overdue interest and interest subsidy, if any, relating to such advances / bills.
		(II)	Income on investments	Includes all income derived from the investment portfolio by way of interest / discount and dividend. The amount of premium amortised in respect of HTM Securities shall be shown here as a deduction. The deduction need not be disclosed separately. The book value of the security shall continue to be reduced to the extent of the amount amortised during the relevant accounting period.
		(III)	Interest on balances with RBI and other Inter-bank funds	Includes interest on balances with RBI and other banks, call loans, money market placements, etc.
		(IV)	Others	Includes any other interest / discount income not included in the above heads.
				<i>Notes:</i> The balances in Reverse Repo Interest Income Account shall be classified under Schedule 13 (under item III or IV as appropriate).



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



Item	Sch		Coverage	Notes and Instructions for compilation
				If the net position is a loss, it is to be shown as a deduction.
		(VI)	Income earned by way of dividend etc. from subsidiaries, companies, joint ventures abroad / in India	
		(VII)	Miscellaneous income	Includes recoveries from constituents for godown rents, income from bank's properties, security charges, insurance etc., and any other miscellaneous income. In case any item under this head exceeds one per cent of the total income, particulars shall be given in the notes. The fee received from the sale of Priority Sector Lending Certificates (PSLCs) shall be shown here.
Interest expended	15	(I)	Interest on deposits	Includes interest paid on all types of deposits including deposits from banks and other institutions.
		(II)	Interest on RBI / inter-bank borrowings	Includes discount / interest on all borrowings and refinance from RBI and other banks.
		(III)	Others	Includes discount / interest on all borrowings / refinance from financial institutions. All other payments like interest on participation certificates, penal interest



Item	Sch		Coverage	Notes and Instructions for compilation
				paid, etc., shall also be included here.
				<p><i>Notes:</i></p> <ol style="list-style-type: none">1. The balances in Repo Interest Expenditure Account shall be classified under Schedule 15 (under item II or III as appropriate).2. While acquiring government and other approved securities, banks should not capitalise the broken period interest paid to seller as part of cost of the investment, but instead book it as an expense.
Operating Expenses	16	(I)	Payments to and for provisions employees	Includes staff salaries / wages, allowances, bonus, other staff benefits like provident fund, pension, gratuity, liveries to staff, leave fare concessions, staff welfare, medical allowance to staff, etc.
		(II)	Rent, taxes and lighting	Includes rent paid by the banks on buildings, municipal and other taxes paid (excluding income tax and interest tax), electricity and other similar charges, and levies. House rent allowance and other similar payments to staff shall appear under the head 'Payments to and provisions for employees'.
		(III)	Printing and stationery	Includes books and forms and stationery items used by the bank and other printing charges which are not incurred by way of publicity expenditure.



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



Item	Sch		Coverage	Notes and Instructions for compilation
		(VIII)	Law charges)	All legal expenses and reimbursement of expenses incurred in connection with legal services shall be included here.
		(IX)	Postage, Telegrams, Telephones, etc.	Includes all postal charges like stamps, telephones, etc.
		(X)	Repairs and maintenance	Includes repairs to bank's property, their maintenance charges, etc.
		(XI)	Insurance	Includes insurance charges on bank's property, insurance premia paid to DICGC, etc., to the extent they are not recovered from the concerned parties.
		(XII)	Other expenditure	All expenses other than those not included in any of the other heads like licence fees, donations, subscriptions to papers, periodicals, entertainment expenses, travel expenses, etc., shall be included under this head. In case any particular item under this head exceeds one per cent of the total income, particulars shall be given in the notes. The fees paid for the purchase of the PSLCs shall be shown here.
Provisions and Contingencies				Includes all provisions made for bad and doubtful debts, provisions for taxation, provisions for NPI, transfers to contingencies and other similar items.



भारतीय रिज़र्व बैंक RESERVE BANK OF INDIA

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

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

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

- (i) The objective of this Standard is to prescribe the classification and disclosure of certain items in the statement of profit and loss so that all enterprises prepare and present such a statement on a uniform basis.
- (ii) Accordingly, this Standard requires the classification and disclosure of extraordinary and prior period items, and the disclosure of certain items within profit or loss from ordinary activities. It also specifies the accounting treatment for changes in accounting estimates and the disclosures to be made in the financial statements regarding changes in accounting policies.
- (iii) Paragraph 4.3 of Preface to the Statements on Accounting Standards issued by the ICAI states that Accounting Standards are intended to apply only to items which are material. Since materiality is not objectively defined, it has been decided that all banks should ensure compliance with the provisions of the Accounting Standard in respect of any item of prior period income or prior period expenditure which exceeds one percent of the total income / total expenditure of the bank if the income / expenditure is reckoned on a gross basis or one percent of the net profit before taxes or net losses as the case may be if the income is reckoned net of costs.
- (iv) Since the format of the profit and loss accounts of a bank prescribed in Form B under Third Schedule to the BR Act, 1949, does not specifically provide for disclosure of the impact of prior period items on the current year's profit and loss, such disclosures, wherever warranted, may be made in the 'Notes to Accounts' to the balance sheet of a bank.

(2) Accounting Standard 9 – Revenue Recognition

- (i) Non-recognition of income by the bank in case of non-performing advances and non-performing investments, in compliance with the regulatory



prescriptions of the RBI, shall not attract a qualification by the statutory auditors as this would be in conformity with provisions of the standard, as it recognises postponement of recognition of revenue where collectability of the revenue is significantly uncertain.

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

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

(i) Exchange rate for recording foreign currency transactions

- (a) As per paragraphs 9 and 21 of the Standard, a foreign currency transaction shall be recorded on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. A bank may face difficulty in applying the exchange rate prevailing at the date of the transaction in respect of the items which are not being recorded in Indian Rupees or are currently being recorded using a notional exchange rate.
- (b) A bank, which is in a position to apply the exchange rate prevailing on the date of the transaction for recording the foreign currency transactions as required under AS 11 shall comply with the requirements. A bank, which has an extensive branch network, have a high volume of foreign currency transactions and is not fully equipped on the technology front shall be guided by the following:
 - (i) Paragraph 10 of the Standard allows, for practical reasons, the use of a rate that approximates the actual rate at the date of the transaction. The Standard also states that if exchange rates fluctuate significantly, the use of average rate for a period is unreliable. Since the enterprises are required to record the transactions at the date of the occurrence thereof, the weekly average closing rate of the preceding week can be used for recording the transactions occurring in the relevant week, if the same approximates the actual rate at the date of the transaction. In view of the



practical difficulties which a bank may have in applying the exchange rates at the dates of the transactions and since the Standard allows the use of a rate that approximates the actual rate at the date of the transaction, the bank may use average rates as detailed below:

- (ii) FEDAI publishes a weekly average closing rate at the end of each week and a quarterly average closing rate at the end of each quarter for various currencies.
- (iii) In respect of those foreign currency transactions, which are currently not being recorded in Indian Rupees at the date of the transaction or are being recorded using a notional exchange rate shall now be recorded at the date of the transaction by using the weekly average closing rate of the preceding week, published by FEDAI, if the same approximates the actual rate at the date of the transaction.
- (iv) If the weekly average closing rate of the preceding week does not approximate the actual rate at the date of the transaction, the closing rate at the date of the transaction shall be used. For this purpose, the weekly average closing rate of the preceding week would not be considered approximating the actual rate at the date of the transaction if the difference between (A) the weekly average closing rate of the preceding week, and (B) the exchange rate prevailing at the date of the transaction, is more than three and a half per cent of (B).
- (v) A bank is encouraged to equip itself to record the foreign currency transactions at the exchange rate prevailing on the date of the transaction.

(ii) Closing rate

- (a) Paragraph 7 of the Standard defines 'Closing rate' as the exchange rate at the balance sheet date.
- (b) In order to ensure uniformity among banks, closing rate to be applied for the purposes of AS 11 (revised 2003) for the relevant accounting period shall be the last closing spot rate of exchange announced by FEDAI for that accounting period.

(4) Accounting Standard 17 – Segment Reporting



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

Format

Part A: Business segments

(Amount in ₹ crore)

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

Note (1): No disclosure need be made in the shaded portion

Notes (2):

- a)The business segments will be 'Treasury', 'Corporate / Wholesale Banking', 'Retail Banking' and 'Other banking operations'.
- b)A bank shall adopt its own methods, on a reasonable and consistent basis, for allocation of expenditure among the segments.
- c)'Treasury' shall include the entire investment portfolio.
- d)Retail Banking shall include exposures which fulfil the four criteria of orientation, product, granularity, and low value of individual exposures for retail exposures laid down in the [Reserve Bank of India \(Regional Rural Banks – Prudential Norms on Capital Adequacy\) Directions, 2025](#). Individual housing loans will also form part of Retail Banking segment for the purpose of reporting under AS-17.
- e)Corporate / Wholesale Banking includes all advances to trusts, partnership firms, companies, and statutory bodies, which are not included under 'Retail Banking'.



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

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

(5) Accounting Standard 18 – Related Party Disclosure

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

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

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

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

Notes:



- i) Related parties for a bank are its parent, subsidiary(ies), associates / joint ventures, Key Management Personnel (KMP) and relatives of KMP. KMP are the whole-time directors for an Indian bank. Relatives of KMP would be on the lines indicated in Section 45 S of the RBI Act, 1934
- ii) The name and nature of related party relationship shall be disclosed, irrespective of whether there have been transactions, where control exists within the meaning of the Standard. Control would normally exist in case of parent-subsidiary relationship. The disclosures may be limited to aggregate for each of the above related party categories and would pertain to the year-end position as also the maximum position during the year.
- iii) Secrecy provisions: If in any of the above category of related parties there is only one related party entity, any disclosure would tantamount to infringement of customer confidentiality. In terms of AS 18, the disclosure requirements do not apply in circumstances when providing such disclosures would conflict with the reporting enterprise's duty of confidentiality as specifically required in terms of statute, by regulator or similar competent authority. Further, in case a statute or regulator governing an enterprise prohibits the enterprise from disclosing certain information, which is required to be disclosed, non-disclosure of such information would not be deemed as non-compliance with the Accounting Standards. On account of the judicially recognised common law duty of the bank to maintain the confidentiality of the customer details, it need not make such disclosures. In view of the above, where the disclosures under the Accounting Standards are not aggregated disclosures in respect of any category of related party, i.e., where there is only one entity in any category of related party, a bank need not disclose any details pertaining to that related party other than the relationship with that related party.



(6) Accounting Standard 23 – Accounting for Investments in Associates in CFS

(a) This Accounting Standard sets out principles and procedures for recognising, in the Consolidated Financial Statements (CFS), the effects of the investments in associates on the financial position and operating results of a group.

(b) The Standard requires that an investment in an associate shall be accounted for in CFS under the equity method subject to certain exceptions.

(c) The term 'associate' is defined as an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture of the investor.

(d) 'Significant influence' is the power to participate in the financial and / or operating policy decisions of the investee but not control over those policies. Such an influence may be gained by share ownership, statute or agreement.

(e) As regards share ownership, if an investor holds, directly or indirectly through subsidiaries 20 percent or more of the voting power of the investee, it is presumed that the investor has significant influence, unless it can be clearly demonstrated that this is not the case. Conversely, if the investor holds, directly or indirectly through subsidiaries less than 20 percent of the voting power of the investee, it is presumed that the investor does not have significant influence, unless such influence can be clearly demonstrated. A substantial or majority ownership by another investor does not necessarily preclude an investor from having significant influence.

(f) The issue is whether conversion of debt into equity in an enterprise by a bank by virtue of which the bank holds more than 20 percent will result in an investor-associate relationship for the purpose of AS 23. From the above it is clear that though a bank may acquire more than 20 percent of voting power in the borrower entity in satisfaction of its advances it may be able to demonstrate that it does not have the power to exercise significant influence since the rights exercised by it are protective in nature and not participative. In such a circumstance, such investment may not be treated as investment in associate under this Accounting Standard. Hence, the test shall not be merely the



proportion of investment but the intention to acquire the power to exercise significant influence.

(7) Accounting Standard 24 - Discontinuing operations

- (i) This Standard establishes principles for reporting information about discontinuing operations.
- (ii) Merger / closure of branches of a bank by transferring the assets / liabilities to the other branches of the same bank may not be deemed as a discontinuing operation and hence this Accounting Standard will not be applicable to merger / closure of branches of a bank by transferring the assets / liabilities to the other branches of the same bank.
- (iii) Disclosures shall be required under the Standard only when: (a) discontinuing of the operation has resulted in shedding of liability and realisation of the assets by the bank or decision to discontinue an operation which will have the above effect has been finalised by the bank, and (b) the discontinued operation is substantial in its entirety.

(8) Accounting Standard 25 – Interim Financial Reporting

- (i) This Standard prescribes the minimum content of an interim financial report and the principles for recognition and measurement in a complete or condensed financial statements for an interim period.
- (ii) The disclosures required to be made by a listed bank in terms of the listing agreements would not tantamount to interim reporting as envisaged under AS 25 and as such AS 25 is not mandatory for the quarterly reporting prescribed for a listed bank.
- (iii) The recognition and measurement principles laid down under AS 25 shall however, be complied with in respect of such quarterly reports.

(9) Accounting Standard 26 – Intangible asset

- (i) This Standard prescribes the accounting treatment for intangible assets that are not dealt with specifically in another accounting standard.
- (ii) With respect to computer software which has been customised for the bank's use and is expected to be in use for some time, the detailed recognition and amortisation principle in respect of computer software prescribed in the



Standard adequately addresses these issues and may be followed by the bank.

- (iii) It may be noted that intangible assets recognised and carried in the balance sheet of a bank in compliance with AS 26 shall attract provisions of section 15(1) of the BR Act 1949, in terms of which a bank is prohibited from declaring any dividend until any expenditure not represented by tangible assets is carried in the balance sheet.
- (iv) A bank desirous of paying dividend while carrying any intangible assets in its books must seek exemption from Section 15(1) of the BR Act, 1949, from the Central Government.

(10) Accounting Standard 27 - Financial Reporting of Interests in Joint Ventures

- (i) This Standard is applied in accounting for interests in joint ventures and the reporting of joint venture assets, liabilities, income, and expenses in the financial statements of ventures and investors, regardless of the structures or forms under which the joint venture activities take place.
- (ii) This Standard identifies three broad types of joint ventures, namely, jointly controlled operations, jointly controlled assets, and jointly controlled entities.
- (iii) In case of jointly controlled entities, where a bank is required to present CFS, the investment in joint ventures shall be accounted for as per provisions of this Standard. In respect of joint ventures in the form of jointly controlled operations and jointly controlled assets, this Accounting Standard is applicable for both solo financial statements as well as CFS.
- (iv) It is clarified that though paragraph 26 of the Accounting Standard prescribes that for the purpose of solo financial statements, investment in jointly controlled entities is to be accounted as per AS 13, such investment is to be reflected in the solo financial statements of the bank as per guidelines prescribed by RBI since AS 13 does not apply to banks.
- (v) RRBs sponsored by a bank shall be treated as associates and AS 27 shall not apply for investment in RRBs. The investment in RRBs shall however, be accounted in the CFS as per the provisions of AS 23.



(11) Accounting Standard 28 – Impairment of assets

- (i) This standard prescribes the procedures that an enterprise applies to ensure that its assets are carried at no more than their recoverable amount.
- (ii) It is clarified that the standard shall not apply to inventories, investments and other financial assets such as loans and advances and shall generally be applicable to a bank in so far as it relates to fixed assets.
- (iii) The Standard shall generally apply to financial lease assets and non-banking assets acquired in settlement of claims only when the indications of impairment of the entity are evident.



Chapter-III Disclosure in Financial Statements – Notes to Accounts

7. A bank shall disclose information as specified in this chapter in the ‘Notes to Accounts of the financial statements.

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

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

A. General

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

B. Presentation

9. In addition to the schedules to the balance sheet, a summary of ‘significant accounting policies’ and ‘Notes to Accounts’ shall be disclosed as separate Schedules.

C. Disclosure requirements

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



(1) Regulatory capital

(i) Composition of regulatory capital

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Tier 1 capital		
ii)	Tier 2 capital		
iii)	Total capital (Tier 1 + Tier 2) (i + ii)		
iv)	Total Risk Weighted Assets (RWAs)		
v)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)		
vi)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)		
vii)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)		
viii)	Percentage of the shareholding of a) Government of India b) State Government (specify name) c) Sponsor Bank (specify name)		
ix)	Amount of paid-up equity capital raised during the year		
x)	Amount of perpetual debt instruments raised during the year		

(ii) **Draw down from Reserves:** Suitable disclosures mentioning the amount and the rationale for withdrawal shall be made regarding any draw down from reserves.

(2) Asset liability management

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

(Amount in ₹ crore)

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

Note: A bank shall be guided by the Reserve Bank of India (Regional Rural Banks – Asset Liability Management) Directions, 2025, as amended from time to time, for associated guidelines on asset liability.

(3) Investments

As at(current year balance sheet date)



Net

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As at(previous year balance sheet date)

(i) Movement of provisions for depreciation on investments, non-performing investments (NPIs) and investment fluctuation reserve (IFR)

(Amount in ₹ crore)		
Particulars	Current Year	Previous Year
i) Movement of provisions held towards depreciation of investment and NPIs a) Opening balance b) Add: Provisions made during the year c) Less: Write off / write back of excess provisions during the year d) Closing balance ii) Movement of Investment Fluctuation Reserve a) Opening balance b) Add: Amount transferred during the year c) Less: Drawdown d) Closing balance iii) Closing balance in IFR as a percentage of closing balance of investments [Carrying value less net depreciation (ignoring net appreciation) i.e., the net amount reflected in the balance sheet] in AFS and HFT .		

(ii) Sale and transfers to / from HTM category: In case of transfers of securities to / from HTM category, an RRB shall make disclosure in the 'Notes to Accounts' to the Financial Statements.

(iii) Non-SLR investment portfolio

(a) Non-performing non-SLR investments

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

(b) Issuer composition of non-SLR investments

(Amount in ₹ crore)						
Sr. No.	Issuer	Amount	Extent of Private Placement	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities	Extent of 'Unlisted' Securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)



Sr. No.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
		Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
a)	PSUs										
b)	FIs										
c)	Banks										
d)	Private Corporates										
e)	Subsidiaries / Joint Ventures										
f)	Others										
g)	Provision held towards depreciation										
	Total *										

Notes:

1. For a bank, the Total under column 3 shall match with the sum of total of Investments included under the following categories in Schedule 8 to the balance sheet:

a) Investment in India in

- i) Shares
- ii) Debentures and Bonds
- iii) Subsidiaries and / or Joint Ventures
- iv) Others

b) Investment outside India in (where applicable)

- i) Government securities (including local authorities)
- ii) Subsidiaries and / or joint ventures abroad
- iii) Other investments

2. Amounts reported under columns 4, 5, 6 and 7 above may not be mutually exclusive.

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

(Amount in ₹ crore)

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



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

Note:

- (i) 'FV' means Face Value and 'MV' means Market Value.
- (ii) The disclosure shall be as specified in [Reserve Bank of India \(Repurchase Transactions \(Repo\)\) Directions, 2025](#) as amended from time to time. For ease of reference the disclosure template as on the date of issuance of this Master Direction has been reproduced here.



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

As at ... (current year balance sheet date)

(Amount in ₹ crore)

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

As at ... (previous year balance sheet date)

(Amount in ₹ crore)

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

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

(4) Asset quality

(i) Classification of advances and provisions held

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



	Standard	Non-Performing			Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances
Less: Reductions during the year					
Closing Balance					
Floating Provisions					
Opening Balance					
Add: Additional provisions made during the year					
Less: Amount drawn down during the year					
(Rationale for drawdown may be explained by way of a note below the table)					
Closing balance of floating provisions					
Technical write-offs and the recoveries made thereon					
Opening balance of Technical / Prudential written-off accounts					
Add: Technical / Prudential write-offs during the year					
Less: Recoveries made from previously technical / prudential written-off accounts during the year					
Closing balance					
Note –					
1) While making disclosures in audited annual financial statements, a bank should invariably provide the figures for both the current and previous year to facilitate comparison.					
2) Technical or prudential write-off is the amount of non-performing loans which are outstanding in the books of the branches but have been written-off (fully or partially) at Head Office level. Amount of Technical write-off should be certified by statutory auditors.					
3) To the extent that General Provisions and Loss Reserves have not been reckoned for Tier 2 capital, they may be netted off from Gross NPAs to arrive at Net NPAs.					



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

(ii) **Sector-wise advances and Gross NPAs**

(Amounts in ₹ crore)

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



(Amounts in ₹ crore)

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

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

(iii) Details of accounts subjected to restructuring (as defined as per applicable regulations)

		Agriculture and allied activities		Corporates (excluding MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding agriculture and MSME)		Total	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Standard	Number of borrowers										
	Gross Amount (₹ crore)										
	Provision held (₹ crore)										
Sub-standard	Number of borrowers										
	Gross Amount (₹ crore)										
	Provision held (₹ crore)										
Doubtful	Number of borrowers										
	Gross Amount (₹ crore)										
	Provision held (₹ crore)										
Total	Number of borrowers										
	Gross Amount (₹ crore)										
	Provision held (₹ crore)										

A bank shall disclose in its published Annual Balance Sheets the amount and number of accounts in respect of which applications for restructuring are under process, but the restructuring packages have not yet been approved.

(iv) Disclosure of transfer of loan exposure

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

(a) In respect of loans not in default that are transferred or acquired, the disclosures should cover, *inter alia*, aspects such as weighted average maturity, weighted average holding period, retention of beneficial economic interest, coverage of



tangible security coverage, and rating-wise distribution of rated loans. Specifically, a transferor should disclose all instances where it has agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty. The disclosures should also provide break-up of loans transferred / acquired through assignment / novation and loan participation.

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

Details of stressed loans transferred during the year (to be made separately for loans classified as NPA and SMA)			
(all amounts in ₹ crore)	To ARCs	To permitted transferees	To other transferees (please specify)
No: of accounts			
Aggregate principal outstanding of loans transferred			
Weighted average residual tenor of the loans transferred			
Net book value of loans transferred (at the time of transfer)			
Aggregate consideration			
Additional consideration realised in respect of accounts transferred in earlier years			
Details of loans acquired during the year			
(all amounts in ₹ crore)	From SCBs, RRBs, Co-operative Banks, AIFIs, SFBs and NBFCs including Housing Finance Companies (HFCs)	From ARCs	
Aggregate principal outstanding of loans acquired			
Aggregate consideration paid			
Weighted average residual tenor of loans acquired			

(c) The transferor(s) should also make appropriate disclosures with regard to the quantum of excess provisions reversed to the profit and loss account on account of sale of stressed loans. Also, the lender should disclose the distribution of the



SRs held by it across the various categories of Recovery Ratings assigned to such SRs by the credit rating agencies.

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

(v) Non-Fund Based (NFB) Credit Facilities: A bank shall disclose the details of NFB credit facilities in the format given below.

	As at 31st March 20XX	As at 31st March 20XX	Previous Year	Previous Year	
		Secured* Portion	Unsecured Portion	Secured* Portion	Unsecured Portion
I	Outstanding Guarantees (₹ crore)				
	i) In India				
	ii) Outside India				
II	Acceptances, Endorsements and other Obligations (₹ crore)				
III	Other NFB Credit facilities (₹ crore)				

* Secured portion is as defined under [Reserve Bank of India \(Regional Rural Banks – Credit Facilities\) Directions, 2025](#).

Note: As regards NFB credit limits, the bank shall be guided by the [Reserve Bank of India \(Regional Rural Banks – Credit Facilities\) Directions, 2025](#), as amended from time to time. These Directions shall come into force from April 1, 2026, or from any earlier date as decided by a bank as per its internal policy ("effective date"). Extension of any new NFB facility and renewal of an existing NFB facility after the effective date, shall be governed in terms of these Directions. All existing NFB facilities extended/ renewed till the effective date shall be governed by the existing instructions as applicable to the respective bank.

(vi) Fraud accounts: A bank shall disclose details of the number and the amount involved in frauds as well as the provisioning thereon as per template given below.

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



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

(a) A special window under the Prudential Framework was extended to enable the lenders to implement a resolution plan in respect of eligible corporate exposures, and personal loans, while classifying such exposures as Standard.

(b) A bank shall make disclosures in the format prescribed below every half-year, i.e., in the financial statements as on September 30 and March 31, starting from the half-year ending September 30, 2021 till all exposures on which resolution plan was implemented are either fully extinguished or completely slip into NPA, whichever is earlier.

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

(Amounts in ₹ crore)

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

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

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

(5) Exposures

(i) Exposure to real estate sector

(Amount in ₹ crore)

Category	Current Year	Previous Year



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

(ii) Exposure to capital market

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;		
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;		
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;		
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;		



Particulars	Current Year	Previous Year
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;		
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;		
vii) Bridge loans to companies against expected equity flows / issues;		
viii) Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;		
ix) Financing to stockbrokers for margin trading;		
x) All exposures to Venture Capital Funds (both registered and unregistered)		
Total exposure to capital market		

A bank may omit those line items which are not applicable / permitted or have nil exposure both in current and previous year.

(iii) Risk category-wise country exposure

(Amount in ₹ crore)

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

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

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



(iv) **Unsecured advances**

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

(Amounts in ₹ crore)

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

(v) **Factoring exposures:** Factoring exposures shall be separately disclosed.

(vi) **Intra - group exposures:** A bank shall make the following disclosures for the current year with comparatives for the previous year:

- (a) Total amount of intra-group exposures
- (b) Total amount of top 20 intra-group exposures
- (c) Percentage of intra-group exposures to total exposure of the bank on borrowers / customers
- (d) Details of breach of limits on intra-group exposures and regulatory action thereon, if any.

(vii) **Unhedged foreign currency exposure:** A bank shall disclose its policies to manage currency induced credit risk.

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

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

Particulars	Loan outstanding		Average ticket size (₹ crore)	Average LTV ratio	Gross NPA (%)
	₹ crore	As % of Total Loans			
1. Opening balance of the FY [(a) + (b)]					
(a) Consumption loans					
of which bullet repayment loans					
(b) Income generating loans					
2. New loans sanctioned and disbursed during the FY [(c) + (d)]					NA
(c) Consumption loans					NA



Particulars	Loan outstanding	Average	Average	Gross NPA
of which bullet repayment loans				NA
(d) Income generating loans				NA
3. Renewals sanctioned and disbursed during the FY				NA
4. Top-up loans sanctioned and disbursed during the FY				NA
5. Loans repaid during the FY [(e) + (f)]			NA	NA
(e) Consumption loans			NA	NA
of which bullet repayment loans			NA	NA
(f) Income generating loans			NA	NA
6. Non-Performing Loans recovered during the FY [(g) + (h)]			NA	NA
(g) Consumption loans			NA	NA
of which bullet repayment loans			NA	NA
(h) Income generating loans			NA	NA
7. Loans written off during the FY [(i) + (j)]			NA	NA
(i) Consumption loans			NA	NA
of which bullet repayment loans			NA	NA
(j) Income generating loans			NA	NA
8. Closing balance at the end of FY [(k) + (l)]				
(k) Consumption loans				
of which bullet repayment loans				
(l) Income generating loans				

Note:

- (i) The bank shall be guided by the [Reserve Bank of India \(Regional Rural Banks – Credit Facilities\) Directions, 2025](#), as amended from time to time
- (ii) Information may be disclosed separately for loans against gold collateral and loans against silver collateral
- (iii) Average LTV ratio is Calculated as ratio of sum of LTVs of loans at the time of sanction to total number of such loans.

(b) Details of gold and silver collateral and auctions

Sr. No.	Particulars	
(a)	Unclaimed gold or silver collateral at the end of the financial year (in grams)	
(b)	Number of loan accounts in which auctions were conducted	
(c)	Total outstanding in loan accounts mentioned in (b)	
(d)	Gold or silver collateral acquired during the FY due to default of loans (in grams)	



Sr. No.	Particulars	
(e)	Gold or silver collateral auctioned during the FY (in grams)	
(f)	Recovery made through auctions during the FY (in ₹ crore)	
(g)	Recovery percentage:	
(h)	as % of value of gold or silver collateral	
(i)	as % of outstanding loan	

Notes:

- (i) Weight and value of collateral to be calculated in accordance with the [Reserve Bank of India \(Regional Rural Banks – Credit Facilities\) Directions, 2025](#) (as amended from time to time).
- (ii) Unclaimed gold or silver collateral as defined under the [Reserve Bank of India \(Regional Rural Banks – Credit Facilities\) Directions, 2025](#) (as amended from time to time).

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

(i) Concentration of deposits

Particulars	(Amount in ₹ crore)	
	Current Year	Previous Year
Total deposits of the twenty largest depositors		
Percentage of deposits of twenty largest depositors to total deposits of the bank		

(ii) Concentration of advances*

Particulars	(Amount in ₹ crore)	
	Current Year	Previous Year
Total advances to the twenty largest borrowers		
Percentage of advances to twenty largest borrowers to total advances of the bank		

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

(iii) Concentration of exposures**

Particulars	(Amount in ₹ crore)	
	Current Year	Previous Year
Total exposure to the twenty largest borrowers / customers		
Percentage of exposures to the twenty largest borrowers / customers to the total exposure of the bank on borrowers / customers		

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



(iv) **Concentration of NPAs**

(Amount in ₹ crore)

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

(7) Derivatives

Note: A bank that has not entered into any derivative transactions, both in the current and previous year may omit these disclosures and instead disclose that it has not entered into any transactions in derivatives in the current and previous years.

(i) **Forward rate agreement / Interest rate swap**

(Amount in ₹ crore)

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

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

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

(Amount in ₹ crore)

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



Sr. No.	Particulars	Current Year	Previous Year
iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument-wise)		
iv)	Mark to market value of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument-wise)		

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

(a) **Qualitative disclosures**

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

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

(b) **Quantitative disclosures**

(Amount in ₹ crore)

Sr. No	Particular	Current Year		Previous Year	
		Currency Derivatives	Interest rate derivatives	Currency Derivatives	Interest rate derivatives
a)	Derivatives (Notional Principal Amount)				
	i) For hedging				
	ii) For trading				
b)	Marked to Market Positions [1]				
	i) Asset (+)				
	ii) Liability (-)				
d)	Likely impact of one percentage change in interest rate (100*PV01)				



Sr. No	Particular	Current Year		Previous Year	
		Currency Derivatives	Interest rate derivatives	Currency Derivatives	Interest rate derivatives
	i) on hedging derivatives				
	ii) on trading derivatives				
e)	Maximum and Minimum of 100*PV01 observed during the year				
	i) on hedging				
	ii) on trading				

[1] The net position shall be shown either under asset or liability, as the case may be, for each type of derivatives.

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

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Opening balance of amounts transferred to DEA Fund		
ii)	Add: Amounts transferred to DEA Fund during the year		
iii)	Less: Amounts reimbursed by DEA Fund towards claims		
iv)	Closing balance of amounts transferred to DEA Fund		

A bank shall specify here that the closing balance of the amount transferred to DEA Fund, as disclosed above, are also included under 'Schedule 12 - Contingent Liabilities - Other items for which the bank is contingently liable' or 'Contingent Liabilities - Others,' as the case may be.

(9) Disclosure of complaints

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

Sr. No		Particulars	Current Year	Previous Year
	Complaints received by the bank from its customers			
1.		Number of complaints pending at beginning of the year		
2.		Number of complaints received during the year		
3.		Number of complaints disposed during the year		
	3.1	Of which, number of complaints rejected by the bank		
4.		Number of complaints pending at the end of the year		
	Maintainable complaints received by the bank from Office of Ombudsman			
5.		Number of maintainable complaints received by the bank from Office of Ombudsman		



Sr. No		Particulars	Current Year	Previous Year
	5.1.	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman		
	5.2	Of 5, number of complaints resolved through conciliation / mediation / advisories issued by Office of Ombudsman		
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank		
6.		Number of Awards unimplemented within the stipulated time (other than those appealed)		

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme.

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

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

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

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



documentary credits		adherence to prescribed working hours by the branch, etc	
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(10) Disclosure of penalties imposed by the RBI of India

(i)Penalties imposed by the RBI under the provisions of the (a) BR Act, 1949, (b) Payment and Settlement Systems Act, 2007 and (iii) Government Securities Act, 2006 (for bouncing of SGL) shall be disclosed in the 'Notes to Accounts' to the balance sheet in the concerned bank's next Annual Report.

(ii)A bank shall make appropriate disclosures on the nature of the breach, number of instances of default and the quantum of penalty imposed.

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

(11) Other Disclosures

(i) Business ratios

Particular	Current Year	Previous Year
i)Interest Income as a percentage to Working Funds ¹		
ii)Non-interest income as a percentage to Working Funds ¹		
iii)Cost of Deposits		
iv)Net Interest Margin ²		
v)Operating Profit as a percentage to Working Funds ¹		
vi) Return on Assets ³		
vii) Business (deposits plus advances) per employee ⁴ (in ₹ crore)		
viii) Profit per employee (in ₹ crore)		

¹Working funds to be reckoned as average of total assets (excluding accumulated losses, if any) as reported to RBI in Form X for Regional Rural Banks during the 12 months of the financial year.

²Net Interest Margin = Net Interest Income / Average Interest Earning Assets Where Net Interest Income= Interest Income – Interest Expense.

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

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



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

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

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

(v) **Provisions and contingencies**

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

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

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

(vii) **Disclosure on amortisation of additional pension liability on account of implementation of Pension Scheme in RRBs with effect from November 1, 1993**

An RRB which is required to implement the RRB (Employee) Pension Scheme with effect from November 1, 1993 may take the following course of action in the matter:

(a) The liability on account of applicability of pension scheme shall be fully recognised as per the applicable accounting standards.



- (b) The expenditure, on account of revision in the pension, may, if not fully charged to the Profit and Loss Account during the financial year ended 2024-25, be amortised over a period not exceeding five years beginning with the financial year ending March 31, 2025, subject to a minimum of 20 per cent of the total pension liability involved being expensed every year.
- (c) Appropriate disclosure of the accounting policy followed in this regard shall be made in the 'Notes to Accounts' to the financial statements. The bank shall also disclose the amount of unamortised expenditure and the consequential net profit if the unamortised expenditure had been fully recognised in the Profit & Loss Account.
- (d) Pension related unamortised expenditure would not be reduced from Tier 1 Capital of the RRBs.



Chapter-IV Other Instructions

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

11. A bank shall adhere to following guidelines for unreconciled inter-branch account entries.
 - (1) The bank shall segregate the credit entries outstanding for more than five years in the inter-branch account and transfer them to a separate 'Blocked Account' which shall be shown under 'Other Liabilities and Provisions – Others'.
 - (2) Any adjustment from the Blocked Account should be permitted only with the authorisation of two officials, one of whom should be from the Controlling / Head Office if the amount exceeds ₹ One lakh.
 - (3) The balance in Blocked Account shall be reckoned as a liability for the purpose of the maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR).
 - (4) The bank shall maintain category-wise (head-wise) accounts for various types of transactions put through inter-branch accounts, so that the netting can be done category-wise. As on the balance sheet date, the bank shall segregate the debit and credit entries remaining unreconciled for more than six months and arrive at the net position category-wise, while also considering the balance in the Blocked Account.
 - (5) The net debit under all the categories of inter-branch accounts shall be aggregated and a provision equivalent to 100 per cent of the aggregate net debit shall be made.

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

B. Reconciliation of Nostro account and treatment of outstanding entries

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



- (1) The bank shall take steps to have a strong control over reconciliation and put in place a system of real-time reconciliation, which provides for immediate escalation of differences, if any.
- (2) There shall be close monitoring of pending items in Nostro accounts by top management at short intervals.
- (3) All unreconciled credit entries in Nostro accounts which are outstanding for more than three years shall be transferred to a Blocked Account and shown as outstanding liabilities.
- (4) The balance in the Blocked Account shall be reckoned for the purpose of CRR / SLR.
- (5) A bank shall make 100 per cent provision in respect of all unreconciled debit entries in the Nostro accounts, which are outstanding for more than two years.

C.Transfer to / appropriation from Reserve funds

13. In terms of Section 17(1) of the BR Act, 1949 a bank is required to transfer, out of the balance of profit as disclosed in the profit and loss account, a sum equivalent to not less than 20 per cent of such profit to Reserve Fund.
14. Unless specifically allowed by extant regulations, the bank shall take prior approval from the RBI before any appropriation is made from the Statutory Reserve or any other reserve.
15. Banks are further advised that,
 - (1) all expenses including provisions and write-offs recognized in a period, whether mandatory or prudential, shall be reflected in the profit and loss account for the period as an 'above the line' item (i.e., before arriving at the net profit / loss for the year);
 - (2) draw down from reserves, with the prior approval of RBI, shall be effected only 'below the line' (i.e. after arriving at the net profit / loss for the year); and
 - (3) suitable disclosures shall be made of such draw down in the 'Notes to Accounts' to the Balance Sheet.



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

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

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

D.Provisioning for fraud

16. In respect of provisioning for frauds, a bank that has reported the fraud within the prescribed time shall have the option to make the provision for the same over a period, not exceeding four quarters, commencing from the quarter in which the fraud has been detected.
17. Where the bank chooses to provide for the fraud over two to four quarters and this results in the full provisioning being made in more than one financial year, subject to compliance with applicable laws, it may debit reserves other than the Statutory Reserve by the amount remaining un-provided at the end of the financial year by credit to provisions.

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

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

E.Unreconciled balances

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



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

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

G. Window dressing

21. A bank shall ensure that balance sheet and profit and loss account reflects true and fair picture of its financial position.
22. Instances of window dressing of financials, short provisioning, misclassification of NPAs, under-reporting / incorrect computation of exposure / risk weight, incorrect capitalisation of expenses, capitalisation of interest on NPAs, deliberate inflation of asset and liabilities at the end of the financial year and subsequent reversal immediately in next financial year, etc., shall be viewed seriously and appropriate penal action in terms of the provisions of the BR Act, 1949 shall be considered.



Chapter-V Repeal and Other Provisions

A. Repeal and saving

23. With the issue of these Directions, the existing Directions, instructions, and guidelines relating to Financial Statements- Presentation and Disclosures as applicable to Regional Rural Banks stands repealed, as communicated [circular DOR.RRC.REC.302/33-01-010/2025-26 dated November 28, 2025](#). The Directions, instructions, and guidelines repealed prior to the issuance of these Directions shall continue to remain repealed.
24. Notwithstanding such repeal, any action taken or purported to have been taken, or initiated under the repealed Directions, instructions, or guidelines shall continue to be governed by the provisions thereof. All approvals or acknowledgments granted under these repealed lists shall be deemed as governed by these Directions. Further, the repeal of these directions, instructions, or guidelines shall not in any way prejudicially affect:
 - a. any right, obligation or liability acquired, accrued, or incurred thereunder;
 - b. any penalty, forfeiture, or punishment incurred in respect of any contravention committed thereunder;
 - c. any investigation, legal proceeding, or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture, or punishment as aforesaid; and any such investigation, legal proceedings or remedy may be instituted, continued, or enforced and any such penalty, forfeiture or punishment may be imposed as if those directions, instructions, or guidelines had not been repealed.

B. Application of other laws not barred

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



C. Interpretations

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

(Sunil T S Nair)

Chief General Manager

Annex I**Format of the Balance Sheet and Profit and Loss Account**

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

Form A**Form of Balance Sheet**

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

Balance as on March 31 _____ (Year)

	Schedule	As on March 31, _____ (Current year)	As on March 31, _____ (Previous year)
Capital and Liabilities			(000's omitted)
Capital	1		
Reserves and Surplus	2		
Deposits	3		
Borrowings	4		
Other liabilities and provisions	5		
Total			
Assets			
Cash and balances with RBI	6		
Balance with banks and money at call and short notice	7		
Investments	8		
Advances	9		
Fixed Assets	10		
Other Assets	11		
Total			
Contingent liabilities	12		
Bills for collection			

Schedule 1 – Capital

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

Schedule 2 - Reserves and Surplus

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

Schedule 3 – Deposits

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

Schedule 4 – Borrowings

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

Schedule 5 - Other Liabilities and Provisions

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

Schedule 6 - Cash and Balances with RBI

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

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

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

Schedule 8 – Investments

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

Schedule 9 – Advances

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

Schedule 10 - Fixed Assets

As on March 31, (Current year)	As on March 31, (Previous year)
-----------------------------------	------------------------------------

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

Schedule 11 - Other Assets

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

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

Schedule 12 - Contingent Liabilities

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

Form B

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

	Schedule	Year ended on March 31, ____ (Current year)	Year ended on March 31, ____ (Previous year)	(000's omitted)
I. Income				
Interest earned		13		
Other income		14		
Total				
II. Expenditure				
Interest expended		15		
Operating expenses		16		
Provisions and contingencies				
Total				
III. Profit / Loss				
Net profit / loss(-) for the year				
Profit / loss(-) brought forward			_____	_____
Total			_____	_____
IV. Appropriations				
Transfer to statutory reserves				
Transfer to other reserves				
Transfer to Government / proposed dividend				
Balance carried over to balance sheet				

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

Schedule 13 - Interest Earned

Schedule 14 - Other Income

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

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

Schedule 15 - Interest Expended

	Year ended on March 31, ____ (Current year)	Year ended on March 31, ____ (Previous year)
I. Interest on deposits		
II. Interest on RBI / Inter-bank borrowings		
III. Others	_____	_____
Total	_____	_____

Schedule 16 - Operating Expenses

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